Serinus Energy plc

Half Year Report and Accounts 2024
(US dollars)

HALF YEAR 2024 HIGHLIGHTS

FINANCIAL

- Revenue for the six months ended 30 June 2024 was $8.8 million (30 June 2023 - $8.9 million)
- Funds from operations for the six months ended 30 June 2024 were $1.3 million (30 June 2023 - $0.4 million)
- EBITDA for the six months ended 30 June 2024 was $1.6 million (30 June 2023 – $0.5 million)
- Gross profit for the six months ended 30 June 2024 was $1.7 million (30 June 2023 - $0.8 million)
- The Company realised a net price of $80.13/boe for the six months ended 30 June 2024 comprising:
    - Realised oil price – $84.07/bbl
    - Realised natural gas price - $11.06/Mcf
- The Group's operating netback increased for the six months ended 30 June 2024 and was $32.43/boe (30 June 2023 - $31.18/boe), in line with lower production volumes in Romania and significantly lower realised gas prices offset by stable production in Tunisia and higher crude oil price, comprising:
    - Romania operating netback - ($54.32)/boe (30 June 2023 - $12.53/boe)
    - Tunisia operating netback - $39.71/boe (30 June 2023 - $36.47/boe)
- Capital expenditures of $0.2 million (30 June 2023 – $5.0 million), comprising:
    - Romania – $nil million
    - Tunisia – $0.2 million
- Working capital deficit was $4.2 million (31 December 2023 – deficit of $5.6 million)

OPERATIONAL

- Production in Chouech Es Saida continues to perform well, benefiting from the artificial lift programme
- Long lead items for the Sabria W-1 sidetrack have been ordered and are on schedule. Discussions are on-going with Compagnie Tunisienne de Forage (CTF), the state rig company, regarding availability of rigs to perform this sidetrack
- The Group completed lifting 62,930 bbl of Tunisian crude oil in the second half of March 2024 at an average price of $82.76/bbl with the cash proceeds of $3.2 million received in April 2024 (net of $2.0 million in monthly prepayments previously received)
- The Group has scheduled the next lifting and expects to perform this lifting in August 2024
- The Moftinu Gas Field continues to produce at naturally declining rates
- Production for the period averaged 607 boe/d, comprising:
    - Romania – 48 boe/d
    - Tunisia - 559 boe/d
- The Group continued its excellent safety record with no Lost Time Incidents in the first half of 2024

OPERATIONAL UPDATE AND OUTLOOK

Serinus Energy plc and its subsidiaries ("Serinus", the "Company" or the "Group") is an oil and gas exploration, appraisal and development company. The Group is the operator of all its assets and has operations in two business units: Romania and Tunisia.

ROMANIA

In Romania the Group currently holds the 2,950 km^2 Satu Mare Concession. The Satu Mare Concession area includes the Moftinu Gas Project which was brought on production in April 2019 and has produced approximately 9.5 Bcf and $93.9 million of revenue to the end of June 2024. The Moftinu gas field is nearing the end of its natural life. The field has identified existing gas in uncompleted zones that can be completed and produced with higher gas prices and reduced windfall tax.

In addition to the Moftinu Gas Development Project the Satu Mare Concession holds several highly prospective exploration plays. Serinus' block wide geological review has highlighted the potential of multiple plays that have encountered oil and gas on the block. Focus is on proven hydrocarbon systems, known productive trends that need further data, and studies of over 40 legacy wells on the concession area that have encountered oil and gas. The concession is extensively covered by legacy 2D seismic, augmented by the Group's own 3D and 2D acquisition programs that have further refined the identified prospects. Putting this extensive evidence-based analysis together in a block wide review has allowed the Group to identify a pathway towards future exploration growth.

In October 2023, the Group was granted an exploration phase extension to the Satu Mare Concession in Romania. The Moftinu gas field has been declared a Commercial Area, all other areas of the Concession remain Exploration Area. The exploration period extension is in two phases. The first phase of the extension is mandatory and is two years in duration starting on 28 October 2023. The work commitment for the first phase is the reprocessing of 100 kilometres of legacy 2D seismic as well as a 2D seismic acquisition program of 100 kilometres including processing the acquired seismic data. The second phase of the extension is optional and is two years in duration starting on 28 October 2025 with a work commitment of drilling one well within the concession area with no total drilling depth requirement stipulated.

In 2018 and 2019, ANAF, the Romanian tax authority, refused to refund VAT amounts totalling RON 8.3 million (US$1.8 million) after a routine VAT return submissions in those years. ANAF claimed this VAT couldn't be refunded to Serinus because it related to the 40% share of a defaulted partner, OEBS. This decision disregarded the fact that Serinus paid 100% of all costs, including VAT, and that under the Joint Operating Agreement, Serinus handled all payments and distributions for the joint venture. All other VAT rebate claims both prior and post this claim have been fully paid to Serinus. In 2022 the conclusion of the ICC Arbitration affirmed that the defaulted partner had no rights subsequent to its default; this includes any claim to VAT paid on its behalf by Serinus.

In December 2023, Serinus won a court case, which ordered ANAF to refund the audited VAT amount. The court recognized the defaulted partner as determined by the 2022 ICC Arbitration award and affirmed Serinus' right to reclaim the full VAT amount. ANAF appealed this decision in April 2024 without giving a reason, and it's unclear when the appeal will be heard. Serinus is confident the VAT refund will be received, although the timing is uncertain. As of 30 June 2024, a total of US$2.5 million is due, being US$1.8 in audited VAT refund and US$0.7 million in interest and penalties.

TUNISIA

The Group's Tunisian operations are comprised of two concession areas.

The largest asset in the Tunisian portfolio is the Sabria field, which is a large oilfield with an independently estimated original in-place volume of 445 million barrels-of-oil-equivalent of which 1.6% has been produced to date. Serinus considers this historically under-developed field to be an excellent asset for development work to significantly increase production in the near-term. The Group has embarked on an artificial lift programme whereby the first pumps in the Sabria field will be installed. Independent third-party studies suggest that the use of pumps in this field can have a material impact on production volumes.

The Chouech Es Saida concession in southern Tunisia holds a producing oilfield that produces from four wells, three of which are produced using artificial lift. Chouech Es Saida is a mature oilfield that benefits from active production management. Underlying this oilfield are significant gas prospects. These prospects lie in a structure that currently produces gas in an adjacent block. Exploration of these lower gas zones became commercially possible with the construction of gas transportation infrastructure in the region. Upon exploration success these prospects can be developed in the medium term, with the ability to access the near-by under-utilised gas transmission capacity.

FINANCIAL REVIEW

LIQUIDITY, DEBT AND CAPITAL RESOURCES

During the six months ended 30 June 2024, the Company invested a total of $0.2 million (30 June 2023 – $5.0 million) on capital expenditures before working capital adjustments. In Romania, the Group invested $nil million (30 June 2023 – $0.5 million). In Tunisia, the Company invested $0.2 million (30 June 2023 – $4.5 million).

The Company's funds from operations for the six months ended 30 June 2024 were $1.3 million (30 June 2023 – $0.4 million). Including changes in non-cash working capital, the cash flow used from operating activities in 2023 was $0.2 million (30 June 2023 – $1.0 million). The Company continues to be in a strong position to expand and continue growing production within our existing resource base. The Company is debt-free and has adequate resources available to deploy capital into both operating segments to deliver growth and shareholder returns.

($000) **Working Capital**	**30 June 2024**	**31 December 2023**
Current assets	**10,951**	11,341
Current liabilities	**(15,164)**	(16,926)
Working Capital (deficit)	**(4,213)**	(5,585)

Working capital deficit at 30 June 2024 was $4.2 million (31 December 2023 – $5.6 million deficit).

Current assets as at 30 June 2024 were $11.0 million (31 December 2023 – $11.3 million), a decrease of $0.3 million. Current assets consist of:

- Cash and cash equivalents of $1.0 million (31 December 2023 - $1.3 million)
- Restricted cash of $1.1 million (31 December 2023 - $1.2 million)
- Trade and other receivables of $8.0 million (31 December 2023 - $8.1 million)
- Product inventory of $0.8 million (31 December 2023 – $0.7 million)

Current liabilities as at 30 June 2024 were $15.2 million (31 December 2023 – $16.9 million), a decrease of $1.8 million. Current liabilities consist of:

- Accounts payable of $8.7 million (31 December 2023 - $9.3 million)
- Decommissioning provision of $6.3 million (31 December 2023 - $6.7 million)
  - Canada - $0.8 million (31 December 2023 - $0.8 million) which is offset by restricted cash in the amount of $1.1 million (31 December 2023 - $1.2 million) in current assets
  - Romania - $nil (31 December 2023 - $0.6 million)
  - Tunisia - $5.5 million (31 December 2023 - $5.3 million)
- Income taxes payable of $Nil (31 December 2023 - $0.8 million)
- Current portion of lease obligations of $0.1 million (31 December 2023 - $0.1 million)

NON-CURRENT ASSETS

Property, plant and equipment ("PP&E") decreased to $54.3 million (31 December 2023 - $56.0 million), primarily due to capital expenditures in PP&E of $0.2 million offset by depletion in the period of $1.8 million as well as a change in decommissioning estimates of $0.1 million which decreased due to the higher discount rates applied to the calculation during the period. Exploration and evaluation assets ("E&E") decreased to $10.6 million (31 December 2023 - $10.7 million), due to change in decommissioning estimates. Right-of-use assets increased to $0.8 million (31 December 2023 - $0.5 million) due to a new lease in Tunisia for our office and operating vehicles.

FUNDS FROM OPERATIONS

The Group uses funds from operations as a key performance indicator to measure the ability of the Group to generate cash from operations to fund future exploration and development activities. The following table is a reconciliation of funds from operations to cash flow from operating activities:

	Six months ended 30 June	
($000)	**2024**	**2023**
Cash flow from operations	**188**	967
Changes in non-cash working capital	**1,146**	(569)
Funds from operations	**1,334**	398
Funds from operations per share	**0.01**	0.00

Romania used funds in operations of $0.7 million (30 June 2023 – used funds $0.4 million) and Tunisia generated $3.6 million (30 June 2023 – $3.4 million). Funds used at the Corporate level were $1.6 million (30 June 2023 - $2.6 million) resulting in net funds from operations of $1.3 million (30 June 2023 – $0.4 million).

PRODUCTION

Six months ended 30 June 2024	**Tunisia**	**Romania**	**Group**	**%**
Crude oil (bbl/d)	471	-	471	78%
Natural gas (Mcf/d)	529	290	819	22%
Condensate (bbl/d)	-	-	-	0%
Total (boe/d)	559	48	607	100%

Six months ended 30 June 2023				
Crude oil (bbl/d)	471	-	471	70%
Natural gas (Mcf/d)	373	862	1,235	30%
Condensate (bbl/d)	-	-	-	0%
Total (boe/d)	533	144	677	100%

During the six months ended 30 June 2024 production volumes decreased 70 boe/d to 607 boe/d against the comparative period (30 June 2023 – 677 boe/d).

Romania's production volumes decreased by 96 boe/d to 48 boe/d against the comparative period (30 June 2023 – 144 boe/d). Production continues to reflect the natural decline profile of shallow gas fields.

Tunisia's production volumes increased by 26 boe/d to 559 boe/d against the comparative period (30 June 2023 – 533 boe/d). Production increased during the first half of 2024 as a result of the Company's programme of pump installation and management.

OIL AND GAS REVENUE

($000) **Six months ended 30 June 2024**	**Tunisia**	**Romania**	**Group**	**%**
Oil revenue	7,185	-	7,185	82%
Natural gas revenue	1,148	478	1,626	18%
Condensate revenue	-	-	-	0%
Total revenue	8,333	478	8,811	100%

Six months ended 30 June 2023	Tunisia	Romania	Group	%
Oil revenue	6,162	-	6,162	77%
Natural gas revenue	703	2,012	2,715	23%
Condensate revenue	-	-	-	0%
Total revenue	6,865	2,012	8,877	100%

REALISED PRICE

Six months ended 30 June 2024	Tunisia	Romania	Group
Oil ($/bbl)	84.07	-	84.07
Natural gas ($/Mcf)	11.93	9.43	11.06
Condensate ($/bbl)	-	-	-
Average realised price ($/boe)	82.10	56.56	80.13
Six months ended 30 June 2023			
Oil ($/bbl)	74.75	-	74.75
Natural gas ($/Mcf)	10.76	13.34	12.56
Condensate ($/bbl)	-	-	-
Average realised price ($/boe)	73.56	80.01	74.93

During the six months ended 30 June 2024 revenue decreased by $0.1 million to $8.8 million (30 June 2023 – $8.9 million) as the Group saw production decline in Romania offset by the average realised price increase of $5.2/boe to $80.13/boe (30 June 2023 - $74.93/boe) and increased production in Tunisia.

The Group's average realised oil price increased by $9.32/bbl to $84.07/bbl (30 June 2023 – $74.75/bbl), and average realised natural gas prices decreased by $1.50/Mcf to $11.06/Mcf (30 June 2023 - $12.56/Mcf).

Under the terms of the Sabria Concession Agreement the Group is required to sell 20% of its annual crude oil production from the Sabria concession into the local market, which is sold at an approximate 10% discount to the price obtained on its other crude sales. The remaining crude oil production was sold to the international market.

ROYALTIES

	Six months ended 30 June	
($000)	**2024**	**2023**
Tunisia	**1,064**	889
Romania	**21**	97
Total	**1,085**	986
Total ($/boe)	**9.87**	8.46
Tunisia oil royalty (% of oil revenue)	**12.9%**	13.5%
Romania gas royalty (% of gas revenue)	**4.4%**	4.8%
Total (% of revenue)	**12.3%**	11.1%

For the six months ended 30 June 2024 royalties increased to $1.1 million (30 June 2023 – $1.0 million) and the Group's royalty rate increased to 12.3% (30 June 2023 – 11.1%).

In Romania, the royalty is calculated using a reference price that is set by the Romanian authorities and not the realised price to the Group. The reference gas prices in the first quarter were higher than the realised prices. Romanian royalty rates vary based on the level of production during the quarter. Natural gas royalty rates range from 3.5% to 13.0% and condensate royalty rates range from 3.5% to 13.5%.

In Tunisia, royalties vary based on individual concession agreements. Sabria royalty rates vary depending on a calculation of cumulative revenues, net of taxes, as compared to cumulative investment in the concession, known as the "R factor". As the R factor increases, so does the royalty percentage to a maximum rate of 15%. During the first six-month period of 2024, the royalty rate remained unchanged in Sabria at 10% for oil and 8% for gas. Chouech Es Saida royalty rates are flat at 15% for both oil and gas.

PRODUCTION EXPENSES

($000)	Six months ended 30 June 2024	2023
Tunisia	**3,238**	2,572
Romania	**916**	1,600
Canada	**5**	25
Group	**4,159**	4,197
Tunisia production expense ($/boe)	**31.91**	27.56
Romania production expense ($/boe)	**108.37**	63.62
Total production expense ($/boe)	**37.83**	35.43

During the six months ended 30 June 2024 production expenses stayed the same at $4.2 million (30 June 2023 - $4.2 million), with an increase of $2.40/boe to $37.98 (30 June 2023 - $ 35.43/boe).

Tunisia's production expenses increased by $0.7 million, to $3.2 million (30 June 2023 - $2.5 million), being an increase of $4.35/boe to $31.91/boe (30 June 2023 - $27.56/boe).

Romania's overall operating costs decreased by $0.6 million to $1.0 million (30 June 2023 – $1.6 million), being an increase of $44.75/boe to $108.37/boe (30 June 2023 - $63.62/boe). The decrease in production costs is a result of lower production in Romania.

Canada production expenses relate to the Sturgeon Lake assets, which are not producing and are incurring minimal operating costs to maintain the property.

OPERATING NETBACK

Serinus uses operating netback as a key performance indicator to assist management in understanding Serinus' profitability relative to current market conditions and as an analytical tool to benchmark changes in operational performance against prior periods. Operating netback consists of petroleum and natural gas revenues less direct costs consisting of royalties and production expenses. Netback is not a standard measure under IFRS and therefore may not be comparable to similar measures reported by other entities.

($/boe) **Six months ended 30 June 2024**	**Tunisia**	**Romania**	**Group**
Sales volume (boe/d)	558	46	604
Realised price	82.10	56.56	80.13
Royalties	(10.48)	(2.51)	(9.87)
Production expense	(31.91)	(108.37)	(37.83)
Operating netback	39.71	(54.32)	32.43

Six months ended 30 June 2023	**Tunisia**	**Romania**	**Group**
Sales volume (boe/d)	516	139	655
Realised price	73.56	80.01	74.93
Royalties	(9.53)	(3.86)	(8.32)
Production expense	(27.56)	(63.62)	(35.43)
Operating netback	36.47	12.53	31.18

For the six months ended 30 June 2024 the Group's operating netback was $32.43 boe, an increase of $1.25/boe against the comparative period (30 June 2023 – $31.18/boe). The increase is due to higher realised prices in Tunisia, partially offset by higher production expenses.

The Company also generated a gross profit of $1.7 million (30 June 2023 – $0.8 million), partly due to an increase in the Company's netbacks.

EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION ("EBITDA")

Serinus uses EBITDA as a key performance indicator to assist management in understanding Serinus' cash profitability. EBITDA is computed as net profit/loss and adding back interest, taxation, depreciation, depletion and amortisation expense, as well as accretion on asset retirement obligations and non-operating income and expenses. EBITDA is not a standard measure under IFRS and therefore may not be comparable to similar measures reported by other entities. For the six months ended 30 June 2024, the Group's EBITDA increased by $1.1 million to $1.6 million (30 June 2023 - $ 0.5 million).

	Six months ended 30 June	
($000s)	**2024**	**2023**
Net income (loss)	**(1,294)**	(2,963)
Finance costs, including accretion	**465**	847
Depletion and amortization	**1,750**	2,352
Decommissioning provision recovery	**(14)**	(23)
Gain on disposal of assets	**(37)**	-
Tax expense	**733**	289
EBITDA	**1,603**	502

WINDFALL TAX

	Six months ended 30 June	
($000)	**2024**	**2023**
Windfall tax	**132**	564
Windfall tax ($/Mcf - Romania gas)	**2.50**	3.61
Windfall tax ($/boe - Romania gas)	**15.60**	22.41

For the six months ended 30 June 2024 windfall taxes were $0.1 million (30 June 2023 - $0.6 million).

In Romania, the Group is subject to a windfall tax on its natural gas production which is applied to supplemental income once natural gas prices exceed 47.53 RON/Mwh. This supplemental income is taxed at a rate of 60% between 47.53 RON/Mwh and 85.00 RON/Mwh and at a rate of 80% above 85.00 RON/Mwh. Expenses deductible in the calculation of the windfall tax include royalties and capital expenditures limited to 30% of the supplemental income below the 85.00 RON/Mwh threshold.

During the last two months of the first quarter, sales were under a regulated price with no windfall tax incurred during that time. Unregulated pricing and windfall taxes will apply in the second quarter onwards.

DEPLETION AND DEPRECIATION

	Six months ended 30 June	
($000)	**2024**	**2023**
Tunisia	**1,614**	1,688
Romania	**73**	623
Corporate	**63**	41
Total	**1,750**	2,352
Tunisia ($/boe)	**15.90**	18.08
Romania ($/boe)	**8.65**	24.78
Total ($/boe)	**15.92**	19.86

For the six months ended 30 June 2024 depletion and depreciation expense was $1.8 million (30 June 2023 - $2.4 million), primarily due to a lower production during the period. Per boe, depletion and depreciation expense decreased by $3.94/boe to $15.92/boe (30 June 2023 - $19.86/boe), primarily due to lower reserves in the current period.

GENERAL AND ADMINISTRATIVE ("G&A") EXPENSE

	Six months ended 30 June	
($000)	**2024**	**2023**
G&A expense	**1,832**	2,670
G&A expense ($/boe)	**16.66**	22.54

For the six months ended 30 June 2024 G&A expenses were $1.8 million (30 June 2023 - $ 2.7 million). Per boe, G&A expense is lower at $16.66/boe (30 June 2023 - $22.54/boe) mainly due to decreased professional services fees.

SHARE-BASED PAYMENT

	Six months ended 30 June	
($000)	**2024**	**2023**
Share-based payment	**-**	3
Share-based payment ($/boe)	**-**	0.02

No share-based payment expense was recognised in the first half of 2024 (30 June 2023 – $3,000) since no options were granted during the period and all previously granted option had fully vested.

NET FINANCE EXPENSE

	Six months ended 30 June	
($000)	**2024**	**2023**
Interest on leases	**62**	-
Accretion on decommissioning provision	**849**	785
Foreign exchange and other	**(446)**	17
	465	802

During the six months ended 30 June 2024 net finance expenses decreased by $0.3 million to $0.5 million (30 June 2023 – $0.8 million).

TAXATION

During the six months ended 30 June 2024 income tax expense was $0.7 million (30 June 2023 - $0.3 million). The increase in the tax expense is directly related to higher taxable income in Tunisia during the period.

SHARE DATA

As at the date of issuing this report, the following are the Directors stock options outstanding, Long Term Incentive Program ("LTIP") awards, and shares owned up to the date of this report.

	Share Options	LTIP Awards	Shares
Executive Directors:			
Jeffrey Auld	2,230,000	499,084	3,993,394
Non-Executive Directors:			
Lukasz Redziniak	-	-	302,000
Jim Causgrove	-	-	290,000
Jon Kempster [1]	-	-	60,261
	2,230,000	499,084	4,645,655

As of the date of issuing this report, management is aware of the following shareholders holding more than 3% of the ordinary shares of the Group, as reported by the shareholders to the Group:

Xtellus Capital Partners Inc	13.03%
Crux Asset Management	8.22%
Michael Hennigan	7.76%
Quercus TFI SA	7.02%
Marlborough Fund Managers	4.05%
Spreadex LTD	4.01%
Jeffrey Auld	3.48%

The Directors are responsible for the maintenance and integrity of the corporate and financial information on the Group's website. Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

[1] Jon Kempster resigned as a director on 2 July 2024, shares are held by Catherine Kempster (the spouse of Jon Kempster)

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development and performance are set out in the Operational Update and Outlook. The financial position of the Group is described in these condensed consolidated interim financial statements and in the Financial Review.

The Directors have given careful consideration to the appropriateness of the going concern assumption, including cashflow forecasts through the going concern period and beyond, planned capital expenditure and the principal risks and uncertainties faced by the Group. This assessment also considered various downside scenarios including oil and gas commodity prices and production rates. Following this review, the Directors are satisfied that the Group has sufficient resources to operate and meet its commitments as they come due in the normal course of business for at least 12 months from the date of these condensed consolidated interim financial statements. Accordingly, the Directors continue to adopt the going concern basis for the preparation of these condensed consolidated interim financial statements.

DECLARATIONS OF THE BOARD OF DIRECTORS CONCERNING ACCOUNTING POLICIES

The Board of Directors of the Company confirms that, to the best of their knowledge, the condensed consolidated interim financial statements together with comparative figures have been prepared in accordance with applicable accounting standards and give a true and fair view of the state of affairs and the financial result of the Group for the period ended 30 June 2024.

The Financial Review in this report gives a true and fair view of the situation on the reporting date and of the developments during the period ended 30 June 2024 and include a description of the major risks and uncertainties.

Serinus Energy plc
Consolidated Statement of Comprehensive Loss
(US$ 000s, except per share amounts)

	Six months ended 30 June	
	2024	**2023**
Revenue	**8,811**	8,877
Cost of sales		
Royalties	**(1,085)**	(986)
Windfall tax	**(132)**	(564)
Production expenses	**(4,159)**	(4,197)
Depletion and depreciation	**(1,750)**	(2,352)
Total cost of sales	**(7,126)**	(8,099)
Gross profit	**1,685**	778
Administrative expenses	**(1,832)**	(2,670)
Share-based payment expense	**-**	(3)
Total administrative expenses	**(1,832)**	(2,673)
Decommissioning provision recovery	**14**	23
Gain on disposal of assets	**37**	-
Operating loss	**(96)**	(1,872)
Finance expense	**(465)**	(802)
Net loss before tax	**(561)**	(2,674)
Tax expense	**(733)**	(289)
Loss after taxation attributable to equity owners of the parent	**(1,294)**	(2,963)
Other comprehensive loss		
Other comprehensive loss to be classified to profit and loss in subsequent periods:		
Foreign currency translation adjustment	**-**	(239)
Total comprehensive loss for the year attributable to equity owners of the parent	**(1,294)**	(3,202)
Earnings (loss) per share:		
Basic	**(0.01)**	(0.03)
Diluted	**(0.01)**	(0.03)

The accompanying notes on pages 15 to 16 form part of the condensed consolidated interim financial statements

Serinus Energy plc
Condensed Consolidated Interim Statement of Financial Position
(US$ 000s, except per share amounts)

As at	30 June 2024	31 December 2023
Non-current assets		
Property, plant and equipment	**54,284**	56,032
Exploration and evaluation assets	**10,602**	10,703
Right-of-use assets	**798**	498
Total non-current assets	**65,684**	67,233
Current assets		
Restricted cash	**1,163**	1,171
Trade and other receivables	**8,014**	8,137
Product inventory	**773**	698
Cash and cash equivalents	**1,001**	1,335
Total current assets	**10,951**	11,341
Total assets	**76,635**	78,574
Equity		
Share capital	**401,426**	401,426
Share-based payment reserve	**25,102**	25,560
Treasury shares	**-**	(458)
Accumulated deficit	**(400,672)**	(399,378)
Cumulative translation reserve	**(3,372)**	(3,372)
Total equity	**22,484**	23,778
Liabilities		
Non-current liabilities		
Decommissioning provision	**24,507**	24,004
Deferred tax liability	**12,463**	12,125
Lease liabilities	**700**	424
Other provisions	**1,317**	1,317
Total non-current liabilities	**38,987**	37,870
Current liabilities		
Current portion of decommissioning provision	**6,300**	6,720
Current portion of lease liabilities	**144**	137
Accounts payable and accrued liabilities	**8,720**	10,069
Total current liabilities	**15,164**	16,926
Total liabilities	**54,151**	54,796
Total liabilities and equity	**76,635**	78,574

The accompanying notes on pages 15 to 16 form part of the condensed consolidated interim financial statements

Serinus Energy plc
Condensed Consolidated Interim Statement of Changes in Shareholder's Equity
(US$ 000s, except per share amounts)

	Share capital	Share-based payment reserve	Treasury Shares	Accumulated deficit	Accumulated other comprehensive loss	Total
Balance at 31 December 2022	401,426	25,557	(455)	(386,356)	(3,372)	36,800
Comprehensive income for the period	-	-	-	(2,963)	-	(2,963)
Other comprehensive loss for the period	-	-	-	-	(239)	(239)
Total comprehensive (income) loss for the period	-	-	-	(2,963)	(239)	(3,202)
Transactions with equity owners						
Share-based payment expense	-	3	-	-	-	3
Shares purchased to be held in Treasury	-	-	(12)	-	-	(12)
Balance at 30 June 2023	**401,426**	**25,560**	**(467)**	**(389,319)**	**(3,611)**	**33,589**
Balance at 31 December 2023	401,426	25,560	(458)	(399,378)	(3,372)	23,778
Comprehensive loss for the period	-	-	-	(1,294)	-	(1,294)
Other comprehensive loss for the period	-	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(1,294)	-	(1,294)
Transactions with equity owners	-	-	-	-	-	-
Treasury shares issued to employees	-	(458)	458	-	-	-
Balance at 30 June 2024	**401,426**	**25,102**	**-**	**(400,672)**	**(3,372)**	**22,484**

The accompanying notes on pages 15 to 16 form part of the condensed consolidated interim financial statements

Serinus Energy plc
Condensed Consolidated Interim Statement of Cash Flows
(US$ 000s, except per share amounts)

	Six months ended 30 June	
	2024	**2023**
Operating activities		
Loss for the period	**(1,294)**	(2,963)
Items not involving cash:		
Depletion and depreciation	**1,750**	2,352
Share-based payment expense	**-**	3
Tax expense	**733**	289
Accretion expense on decommissioning provision	**849**	785
Foreign exchange gain	**(131)**	(20)
Decommissioning provision recovery	**(14)**	(23)
Gain on disposal of asset	**(37)**	-
Other income	**30**	(25)
Income taxes paid	**(552)**	-
Funds from operations	**1,334**	398
Changes in non-cash working capital	**(1,146)**	569
Cashflows from operating activities	**188**	967
Financing activities		
Lease payments	**(183)**	(133)
Shares purchased to be held in treasury	**-**	(12)
Cashflows used in financing activities	**(183)**	(145)
Investing activities		
Capital expenditures	**(296)**	(3,054)
Cashflows used in investing activities	**(296)**	(3,054)
Impact of foreign currency translation on cash	**(43)**	(142)
Change in cash and cash equivalents	**(334)**	(2,374)
Cash and cash equivalents, beginning of period	**1,335**	4,854
Cash and cash equivalents, end of period	**1,001**	2,480

The accompanying notes on pages 15 to 16 form part of the condensed consolidated interim financial statements

1. GENERAL INFORMATION

Serinus Energy plc and its subsidiaries are principally engaged in the exploration and development of oil and gas properties in Tunisia and Romania. Serinus is incorporated under the Companies (Jersey) Law 1991. The Group's head office and registered office is located at 2nd Floor, The Le Gallais Building, 54 Bath Street, St. Helier, Jersey, JE1 1FW.

Serinus is a publicly listed company whose ordinary shares are traded under the symbol "SENX" on AIM and "SEN" on the WSE.

2. BASIS OF PRESENTATION

The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and their interpretations issued by the International Accounting Standards Board ("IASB") as adopted by the United Kingdom applied in accordance with the provisions of the Companies (Jersey) Law 1991.

These condensed consolidated interim financial statements are expressed in U.S. dollars unless otherwise indicated. All references to US$ are to U.S. dollars. All financial information is rounded to the nearest thousands, except per share amounts and when otherwise indicated.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the condensed consolidated interim financial statements are described in Note 5 to the consolidated financial statements for the year ended 31 December 2023. There has been no change in these areas during the six months ended 30 June 2024.

GOING CONCERN

The Group's business activities, together with the factors likely to affect its future development and performance are set out in the Operational Update and Outlook. The financial position of the Group is described in these condensed consolidated interim financial statements and in the Financial Review.

The Directors have given careful consideration to the appropriateness of the going concern assumption, including cashflow forecasts through the going concern period and beyond, planned capital expenditure and the principal risks and uncertainties faced by the Group. This assessment also considered various downside scenarios including oil and gas commodity prices and production rates. Following this review, the Directors are satisfied that the Group has sufficient resources to operate and meet its commitments as they come due in the normal course of business for at least 12 months from the date of these condensed consolidated interim financial statements. Accordingly, the Directors continue to adopt the going concern basis for the preparation of these condensed consolidated interim financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared following the same basis of measurement, accounting policies and methods of computation as described in the notes to the consolidated financial statements for the year ended 31 December 2023. There has been no change to the accounting policies or the estimates and judgements which management are required to make in the period. The business is not subject to seasonal variations. Information in relation to the operating segments and material primary statement movements can be found within the management discussion at the front of this report.

4. EARNINGS (LOSS) PER SHARE

	Period ended 30 June	
($000's, except per share amounts)	**2024**	**2023**
Loss for the period	**(1,294)**	(2,963)
Weighted average shares outstanding		
Basic and diluted	**114,709**	114,686
Loss per share		
Basic and diluted	**(0.01)**	(0.03)

In determining diluted net loss per share, the Group assumes that the proceeds received from the exercise of "in-the-money" stock options are used to repurchase ordinary shares at the average market price. Diluted loss per share for the current and comparative periods is equivalent to basic loss per share since the effect of all dilutive potential Ordinary Shares is anti-dilutive.

(US$ 000s, except per share amounts, unless otherwise noted)

5. SUPPLEMENTAL CASH FLOW DISCLOSURE

	Period ended 30 June	
	2024	**2023**
Cash provided by (used in):		
Trade and other receivables	**140**	(54)
Product inventory	**(230)**	314
Accounts payable and accrued liabilities	**(997)**	306
Restricted cash	**(59)**	3
Changes in non-cash working capital from operating activities	**(1,146)**	569

The following table reconciles capital expenditures to the cash flow statement:

	Period ended 30 June	
	2024	**2023**
PP&E additions	**192**	4,963
E&E additions	**-**	-
Total capital additions	**192**	4,963
Changes in non-cash working capital from investing activities	**104**	(1,909)
Total capital expenditures	**296**	3,054