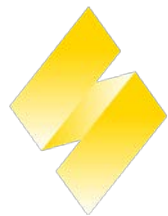


[www.serinusenergy.com](http://www.serinusenergy.com)

# Serinus Energy plc

## Financial results for the six months ended 30 June 2023

14 August 2023



**SERINUS**  
ENERGY PLC



# H1 2023 Results – Six Months Ended 30 June 2023

## Operational Highlights

### H1 2023 Operational Highlights

- Production for the period averaged 677 boe/d, comprising:
  - Romania – 144 boe/d
  - Tunisia - 533 boe/d
- In Tunisia, production has remained stable in the first six months of 2023. The Company carried out a lifting in May of 50,344 bbls and is expecting to perform its next lifting early in October 2023
- The Sabria N-2 workover in Tunisia commenced on 02 May and all well bore restrictions were successfully removed on 05 June 2023
- The well is currently flowing to surface and is dewatering in line with behaviour the Company has observed in other wells on the Sabria field. Subject to the progress during the dewatering phase the company is considering acidizing the N-2 well to enhance the flow performance of the well
- The Company commenced the Sabria W-1 workover in the period. The workover was suspended when obstructions in the well made progress more expensive than returning to the well at a later date and side-tracking to the target. The Company is currently working to design the optimal parameters of the W-1 side-track

# H1 2023 Results – Six Months Ended 30 June 2023

## Operational Highlights

### H1 2023 Operational Highlights – continued

- The Company and partner ETAP (the Tunisian state oil company) have engaged a local geological and geophysical consultant to assist Serinus' technical team to identify locations for two new wells in the Sabria field
- In Romania, the Company completed the block wide geological review during the first six months of 2023 which has combined the extensive technical information into a block wide exploration model. This will refocus future exploration on attractive, identified play systems including the potential appraisal of existing discoveries and extrapolating productive trends onto the Satu Mare block
- In the Moftinu field in Romania, a reservoir review has identified a number of additional gas zones in the current wells to be brought into production via short interventions using a light workover rig
- The Company announced on 15 February 2023 that the ICC had awarded a decision in favour of Serinus, confirming that as a result of OEBS default under the Joint Operating Agreement ("JOA") between OEBS and Serinus, OEBS' 40% participating interest in the Satu Mare Concession in Romania will be transferred to Serinus

# H1 2023 Results – Six Months Ended 30 June 2023

## Financial Highlights

### H1 2023 Highlights

- Revenue for the six months ended 30 June 2023 was \$8.9 million (30 June 2022: \$29.3 million)
- Gross profit for the six months ended 30 June 2023 was \$0.8 million (30 June 2022: \$8.0 million)
- EBITDA for the six months ended 30 June 2023 was \$0.5 million (30 June 2022: \$8.7 million)
- Net loss for the six months ended 30 June 2023 was \$3.0 million (30 June 2022: net income \$1.8 million)
- Capital expenditures of \$5.0 million for the six months ended 30 June 2023 (30 June 2022: \$4.2 million), comprising:
  - Tunisia – \$4.5 million
  - Romania – \$0.5 million

# H1 2023 Results – Six Months Ended 30 June 2023

## Financial Highlights

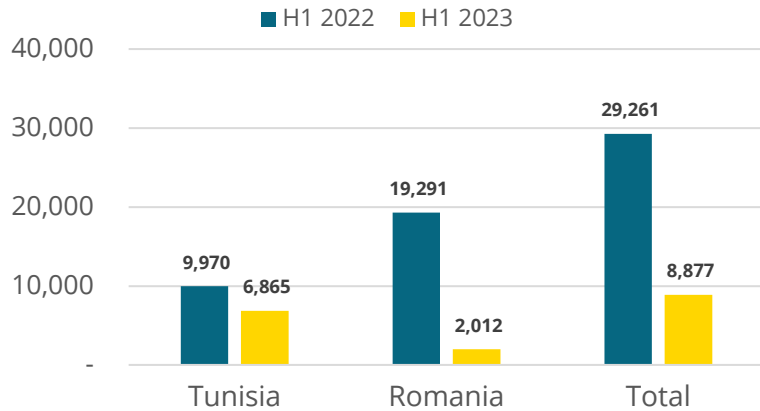
### H1 2023 Highlights – continued

- The Company realised a net price of \$74.93/boe for the six months ended 30 June 2023 comprising:
  - Realised oil price – \$74.75/bbl
  - Realised natural gas price - \$12.56/Mcf
- The Group's operating netback decreased, in line with the commodity prices, for the six months ended 30 June 2023 and was \$31.18/boe (30 June 2022 - \$113.38/boe), comprising:
  - Romania operating netback - \$12.53/boe (30 June 2022 - \$171.01/boe)
  - Tunisia operating netback - \$36.47/boe (30 June 2022 - \$63.49/boe)
- Cash balance as at 30 June 2023 was \$2.5 million (31 December 2023 - \$4.9 million)

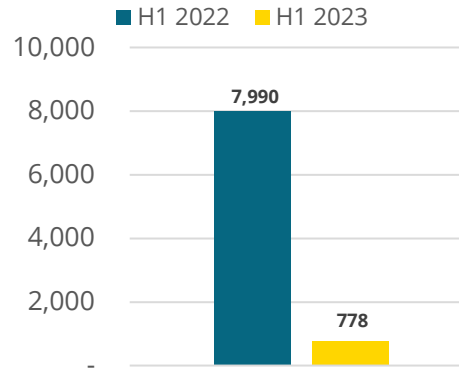
# Revenue and Costs of Sales

## Weaker Commodity Prices

### Revenue (\$'000)



### Gross Profit (\$'000)



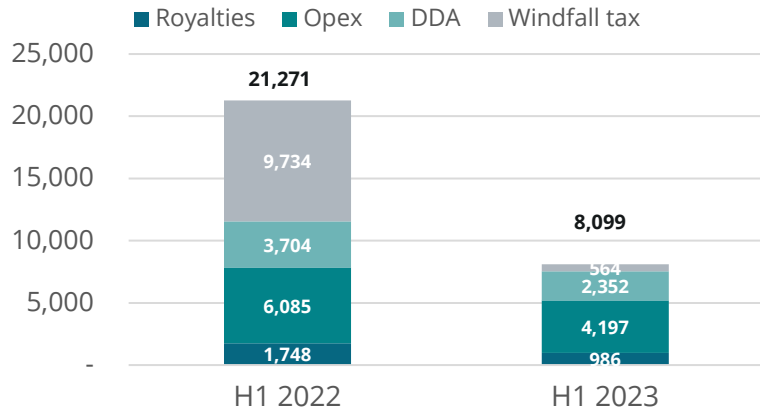
#### Revenue:

- Revenue of \$8.9mm (H1 2022: \$29.3mm) reflecting lower commodity prices and lower production in Romania

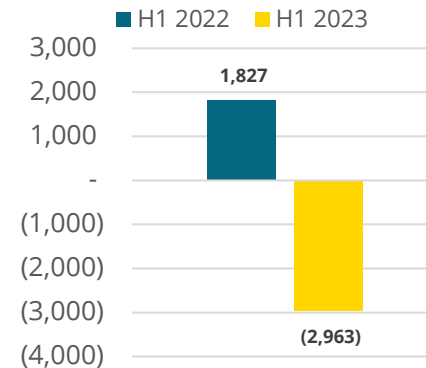
#### Cost of sales:

- Decreased to \$8.1mm (H1 2022: \$21.3mm), due to significantly lower direct taxes & royalties and optimization of OPEX which reduced by 31% against 1H22 despite current highly inflationary environment

### Cost of Sales (\$'000)



### Net income (\$'000)



#### Gross profit:

- Gross profit of \$0.8mm (H1 2022: \$8.0mm)

#### Net income for the period:

- Net loss of \$3.0 million (H1 2022: net income \$1.8mm)

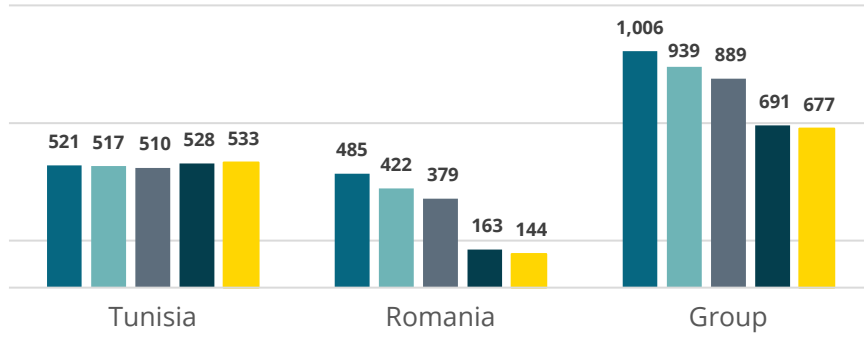
1. Windfall tax for Romania gas production only

# Production and Realised Prices

## Stable Production in Tunisia and Lower Commodity Prices

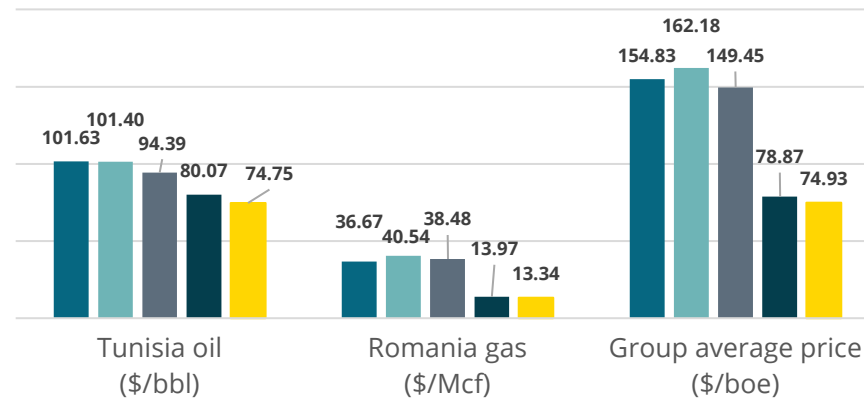
### Average Production Volume (boe/d)

■ 6M 2022 ■ 9M 2022 ■ 12M 2022 ■ 3M 2023 ■ 6M 2023



### Average Realised Price

■ 6M 2022 ■ 9M 2022 ■ 12M 2022 ■ 3M 2023 ■ 6M 2023



### Average production volume:

- Group production of 677 boe/d
  - Romania: 144 boe/d
  - Tunisia: 533 boe/d
- In Romania, production continues to decrease due to natural declines and the loss of one well. Two wells are awaiting recompletion to access “behind pipe” volumes and decline rates will continue to be managed by compression at the well sites
- Tunisia: slightly improved production with production rates maintained through workover programme

### Average realised price:

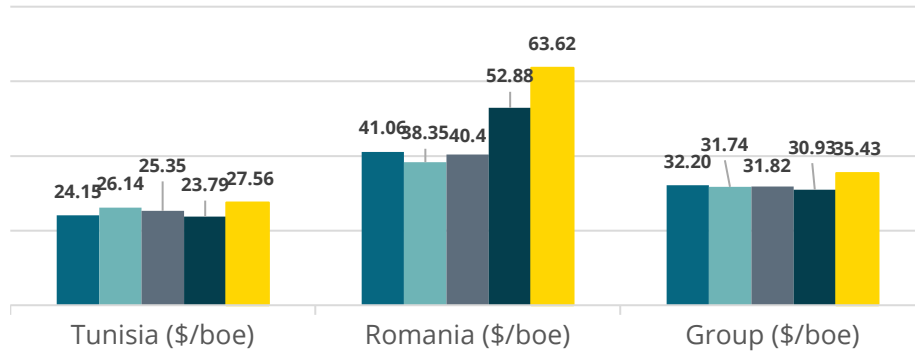
- Group average realised price of \$74.93/boe, reflecting lower Brent oil price and significantly lower gas prices in Romania
  - Romania: average gas price of \$13.34/Mcf
  - Tunisia: average crude oil price \$74.75/bbl

# Production Expense and Netbacks

## Stable Production in Tunisia and Lower Commodity Prices

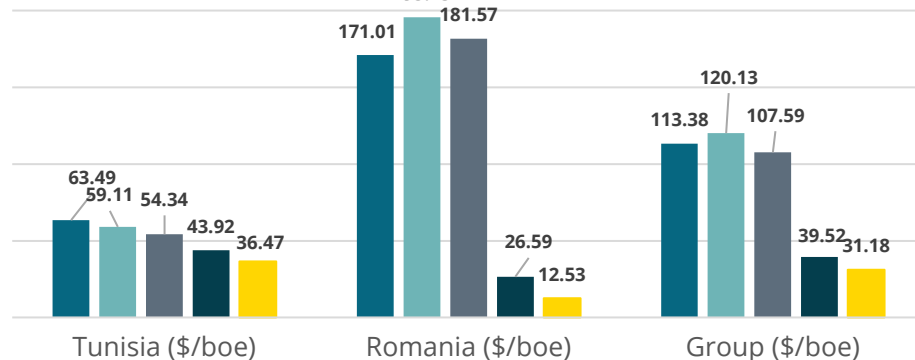
### Production Expense (\$/boe)

■ 6M 2022 ■ 9M 2022 ■ 12M 2022 ■ 3M 2023 ■ 6M 2023



### Operating Netback (\$/boe)

■ 6M 2022 ■ 9M 2022 ■ 12M 2022 ■ 3M 2023 ■ 6M 2023



### Production expense:

- Total production expense \$4.2mm (H1 2022: \$6.1mm)
  - Tunisia \$1.1mm
  - Romania \$0.8mm
- Group: production expense \$35.43/boe
  - Tunisia: \$23.79/boe
  - Romania: \$52.88/boe

### Operating netback:

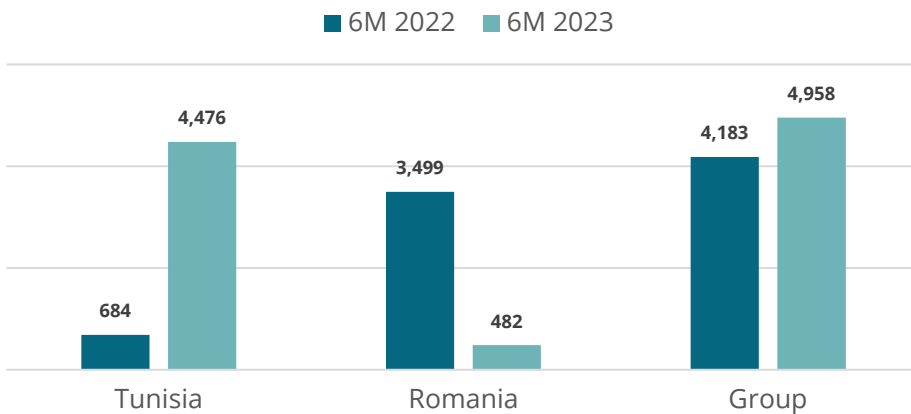
- Group operating netback of \$31.18/boe – reflects impact of significantly lower gas prices and volumes in Romania versus the comparative period, with an average realised price of \$74.93/boe
  - Tunisia: \$36.47/boe
  - Romania: \$12.53/boe



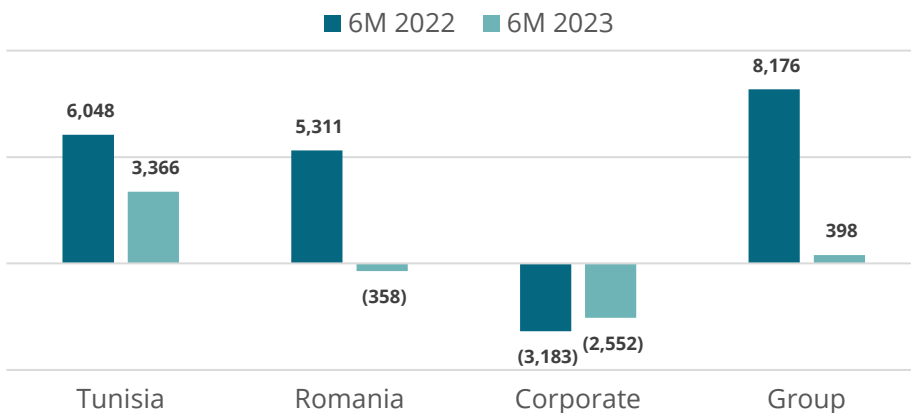
# CAPEX and Funds from Operations

## Execution of Tunisian work programme

### Capital Expenditure (\$'000)



### Funds from Operations (\$'000)



#### Capital expenditure:

- Group: capital expenditure \$5.0mm
- Tunisia: \$3.4mm, incurred on Sabria W-1 artificial lift programme and Sabria N-2 workover, and \$1.1 million of capitalized inventory purchases
- Romania: \$0.5mm

#### Funds from operations:

- Group: Funds generated from Operations \$0.4mm
  - Tunisia: \$3.4mm
  - Romania: \$(0.4)mm
  - Corporate: \$(2.6)m

#### EBITDA:

- EBITDA: \$0.5mm (H1 2022: \$8.7mm)

# Environmental and Safety

## A continued focus on the environment in 2023

- Successfully conducted operations throughout the global pandemic with no Lost-Time Incidents
- Modern and efficient gas plant at Moftinu minimises fugitive emission and electrical consumption
- Installation of solar panels at Moftinu to further reduce electrical consumption from national grid
- Strict environmental monitoring at the Company's Tunisian facilities exceeds local requirements
- Annual Environmental inspections by local regulators
- Fugitive gas emissions have been audited by third party independent consultants for over 11 years

### Tunisia

No Lost-Time Incidents

2,801 days

### Romania

No Lost-Time Incidents

1,565 days<sup>1</sup>

1. Since initiation of production at the Moftinu facility on 26 April 2019



# Summary

## Production and Growth

**Continuing cash generation enables the company to continue to invest in projects to deliver future growth**

- Continued stable cashflow generation coupled with strong cost control
- Large asset base provides opportunity for organic development and exploration
- Existing production funds core business and near-term exploration and development
- Capital plans in 2023 offer excellent opportunities for growth
  - In Tunisia, the Sabria N-2 well has been recompleted. The fractures are de-watering and acid stimulation is being considered. Side track design undertaken for completion of Sabria W-1 well pump installation, long lead items being determined
  - In Romania, Serinus has completed a block-wide geological and geophysical study to verify and enhance our understanding of the exploration portfolio beyond the Moftinu area. Based on the results of this study, the Company will devise a 2D seismic program, targeting the best exploration prospects
- Longer term exploration opportunities provide “blue-sky upside”
- Management focused on efficient capital allocation for growth and cost control



# Forward Outlook

## Ongoing Plans for 2023



### 2023 Ongoing Plans

- Serinus has a large and diverse asset base including over 3,000km<sup>2</sup> in the Satu Mare Concession in Romania and a large oilfield with 445 MMboe Oil and Gas Originally In Place in Tunisia
- In Romania, the Company completed the block wide geological review during the first six months of 2023 which has combined the extensive technical information into a block wide exploration model.
- This review will form the basis of future exploration activities on attractive, identified play systems including the potential appraisal of existing discoveries and extrapolating productive trends onto the Satu Mare block
- The review has refined and increased the available prospects in the concession area
- The Company continues to review and analyse the study results and will devise a 2D seismic program, targeting the best exploration prospects and seeking to further de-risk the prospects before deciding where to drill the next exploration wells
- In Tunisia, the Sabria N-2 workover in Tunisia commenced on 02 May and was successfully completed on 05 June 2023. The well is currently flowing to surface and is dewatering in line with behaviour the Company has observed in other wells on the Sabria field. Subject to the progress during the dewatering phase the company is considering acidizing the N-2 well to enhance the flow performance of the well
- The Company is currently working to design the optimal parameters of the W-1 side-track





## CONTACT INFO

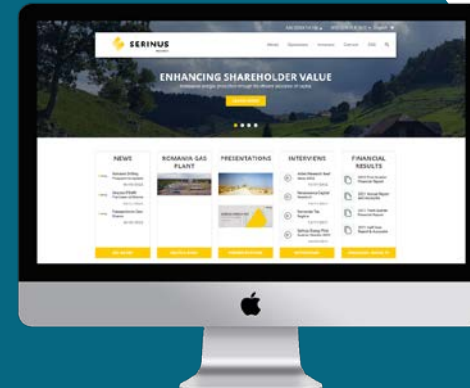
**Mr. Jeffrey Auld**  
President & CEO

 Serinus Energy plc, London  
 +44 204 541 7860

**Mr. Calvin Brackman**  
Vice President, External Relations & Strategy

 Serinus Energy plc, Calgary  
 +1 403 264 8877

 [info@serinusenergy.com](mailto:info@serinusenergy.com)



[www.serinusenergy.com](http://www.serinusenergy.com)

 @SerinusEnergy

 [serinus-energy-plc](https://www.linkedin.com/company/serinus-energy-plc)