Serinus Energy plc

Third Quarter Report and Accounts 2023

(US dollars)

THIRD QUARTER 2023 HIGHLIGHTS

FINANCIAL

- Revenue for the nine months ended 30 September 2023 was $13.3 million (30 September 2022 - $41.8 million)
- Funds from operations for the nine months ended 30 September 2023 were $1.2 million (30 September 2022 - $11.1 million)
- EBITDA for the nine months ended 30 September 2023 was $1.2 million (30 September 2022 – $12.6 million)
- Gross profit for the nine months ended 30 September 2023 was $1.8 million (30 September 2022 - $11.8 million)
- The Company realised a net price of $76.84/boe for the nine months ended 30 September 2023 comprising:
    - Realised oil price – $78.68/bbl
    - Realised natural gas price - $12.03/Mcf
- The Group's operating netback decreased, in line with commodity prices, for the nine months ended 30 September 2023 and was $34.15/boe (30 September 2022 - $120.13/boe), comprising:
    - Romania operating netback - $4.22/boe (30 September 2022 - $195.73/boe)
    - Tunisia operating netback - $40.68/boe (30 September 2022 - $59.11/boe)
- Capital expenditures of $5.3 million for the nine months ended 30 September 2023 (30 September 2022 – $8.6 million), comprising:
    - Romania – $0.5 million
    - Tunisia – $4.8 million
- Cash balance as at 30 September 2023 was $1.5 million (31 December 2023 - $4.9 million). As at 15 November 2023, the Group had cash balances of $3.5 million

OPERATIONAL

- Production for nine months ended 30 September 2023 averaged 641 boe/d, comprising:
    - Tunisia - 524 boe/d
    - Romania – 117 boe/d
- Production in Chouech Es Saida continues to be stable and benefits from artificial lift programme
- Static and dynamic reservoir models of the Sabria field are being constructed. The study will help inform optimum reservoir management including potential well workovers and new well locations
- Installation of artificial lift in the Sabria W-1 well will require a sidetrack. The sidetrack design has been completed and the tender process for the long lead items has commenced
- The Sabria N-2 well is dewatering at a slow rate and the Company is in discussions with its partner regarding stimulation techniques to enhance the dewatering of this well
- The Company performed a lifting of 56,600 bbls of Tunisian crude oil at a price of $85.59/bbl in October
- In October 2023, the Company was granted a further exploration period on the Satu Mare Concession in Romania by Romanian National Agency for Mineral Resources ("NAMR"). The exploration period extension is in two phases. The first phase, until 27 October 2025, includes the acquisition of 100 kilometres of 2D seismic. The second optional phase of two years requires the drilling of one well with no depth obligation

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

The Group's Romanian operating subsidiary holds the licence to the Satu Mare concession area, covering approximately 3,000 km^2 in the north-west of Romania. The Moftinu Gas Development project began production in 2019. The development project includes the Moftinu gas plant, and currently has four gas production wells - Moftinu-1003, Moftinu-1004, Moftinu-1007 and Moftinu-1008. During the nine months ended 30 September 2023, the Company's Romanian operations produced a total of 192 MMcf of gas, equating to an average daily production of 117 boe/day.

The Canar-1 water injection well is currently injecting all produced water volumes from the Moftinu field. The use of Canar-1 as a water injection well is delivering significant cost savings in operating expenses due to the elimination of the high costs of trucking produced water volumes for disposal off-site.

The Company has completed all its commitments under the third exploration phase of the Satu Mare Concession Agreement, and in October 2021, received an additional two-year evaluation phase on the Satu Mare Concession until 27 October 2023. In October 2023, the Company was granted further exploration phase extension of the Satu Mare Concession by NAMR. The extension is in two phases. The first phase of the extension 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 licence extension is optional and is two years in duration starting on 28 October 2026 with a work commitment of drilling one well within the concession area with no total drilling depth requirement stipulated. The greater Moftinu gas field area has been declared a commercial field and is exempt from this routine licence extension procedure.

The Company announced on 15 February 2023 that the International Chamber of Commerce ("ICC") had awarded a decision in favour of Serinus, confirming that as a result of Oilfield Exploration Business Solutions S.A. ("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. Furthermore, the Company has received in October 2023, from the Romanian Courts, the recognition of the ICC award.

The Company is currently planning for the workover interventions in M-1003 and M-1007, scheduled for the first half of 2024. These interventions are intended to access additional gas volumes in the Moftinu field.

TUNISIA

The Company currently holds two concession areas within Tunisia – Sabria and Chouech Es Saida. These concession areas both contain discovered oil and gas reserves and are currently producing. The largest asset is the Sabria field, which is a large, conventional oilfield. The Company's independent reservoir engineers have estimated Sabria to have approximately 445 million barrels of oil equivalent originally in place. Of this oil in place only 1.6% has been produced to date due to a low rate of development on the field. Serinus has spent extensive time studying the best means of further developing this field and considers this to be an excellent asset for remedial work to increase production and, on completion of ongoing reservoir studies, to conduct further development operations.

The workover to install a pump into the Sabria W-1 well encountered unexpected conditions as a result of old drilling mud and tubulars left in the well from operations in 1998. The Company and its partner, Enterprise Tunisienne D'Activite Petroliere ("ETAP"), suspended the workover and have determined that a sidetrack is required to complete the operation. The sidetrack design has been completed and the tender process for the long lead items has commenced.

The Company and ETAP also conducted workover operations on the Sabria N-2 well. Workover operations were completed on time and within budget. The objectives of the workover were to remove wellbore restrictions, install new production tubing, and remediate reservoir damage around the wellbore. Wellbore restrictions were removed and new production tubing was installed. The well will need further stimulation to clean up the formation damage and discussions are continuing with the partner on this issue. The well was drilled in 1980 but was damaged during completion and, although in proximity to producing wells, in particular the prolific WIN-12bis well, was not able to flow oil to surface. The Company's engineering analysis estimates that a successful workover and recompletion will initially increase gross production from the Sabria field by approximately 420 boe/d.

FINANCIAL REVIEW

LIQUIDITY, DEBT AND CAPITAL RESOURCES

During the nine months ended 30 September 2023, the Company invested a total of $5.3 million (2022 – $8.6 million) on capital expenditures before working capital adjustments. In Romania, the Group invested $0.5 million (2022 – $6.9 million) on Canar-1 water injection pump, solar powered radio telecommunication system to the Moftinu gas plant, and further extension of the Satu Mare Concession. In Tunisia, the Company invested $4.8 million (2022 – $1.6 million) of which $3.5 million was invested in workovers on wells and $1.3 million in capital inventory additions.

The Company's funds from operations for the nine months ended 30 September 2023 were $1.2 million (2022 – $11.1 million). Including changes in non-cash working capital, the cash flow generated from operating activities in 2023 was $1.7 million (2022 – $8.7 million). The Company continues to be in a strong position to expand and continue growing production within our existing resource base. The Company remains debt-free and has adequate resources available to deploy capital into both operating business units to deliver growth and shareholder returns.

($000) **Working Capital**	**30 September 2023**	**31 December 2022**
Current assets	**14,200**	16,654
Current liabilities	**(18,468)**	(16,571)
Working Capital surplus (deficit)	**(4,268)**	83

Working capital deficit as at 30 September 2023 is $4.3 million (31 December 2022 – $0.1 million surplus).

Current assets as at 30 September 2023 were $14.2 million (31 December 2022 – $16.7 million), a decrease of $2.5 million. Current assets consist of:

- Cash and cash equivalents of $1.5 million (31 December 2022 - $4.9 million)
- Restricted cash of $1.1 million (31 December 2022 - $1.1 million)
- Trade and other receivables of $10.9 million (31 December 2022 - $10.0 million)
- Product inventory of $0.7 million (31 December 2022 – $0.7 million)

Current liabilities as at 30 September 2023 were $18.5 million (31 December 2022 – $16.6 million), an increase of $1.9 million. Current liabilities consist of:

- Accounts payable of $13.0 million (31 December 2022 - $9.3 million)
- Decommissioning provision of $5.4 million (31 December 2022 - $5.1 million)
    - Canada - $0.8 million (31 December 2022 - $0.8 million) which is offset by restricted cash in the amount of $1.1 million (31 December 2022 - $1.1 million) in current assets
    - Romania - $0.5 million (31 December 2022 - $0.5 million)
    - Tunisia - $4.1 million (31 December 2022 - $3.8 million)
- Income taxes payable of $nil (31 December 2022 - $1.9 million)
- Current portion of lease obligations of $0.2 million (31 December 2022 - $0.3 million)

NON-CURRENT ASSETS

Property, plant and equipment ("PP&E") increased to $63.0 million (31 December 2022 - $62.3 million), primarily due to capital expenditures in PP&E of $5.3 million offset by depletion in the period of $3.2 million as well as a change in decommissioning estimates of $1.4 million which decreased due to the higher discount rates applied to the calculation during the period. Exploration and evaluation assets ("E&E") increased to $10.7 million (31 December 2022 - $10.5 million), due to change in decommissioning estimates. Right-of-use assets decreased to $0.4 million (31 December 2022 - $0.7 million) due to depreciation in the period.

FINANCIAL REVIEW – NINE MONTHS ENDED 30 SEPTEMBER 2023

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:

	Nine months ended 30 September	
($000)	**2023**	**2022**
Cash flow from operations	**1,697**	8,713
Changes in non-cash working capital	**(518)**	2,342
Funds from operations	**1,179**	11,055
Funds from operations per share	**0.01**	0.10

Romania used funds in operations of $0.7 million (2022 – generated $8.4 million) and Tunisia generated $5.8 million (2022 – $7.1 million). Funds used at the Corporate level were $3.9 million (2022 - $4.4 million) resulting in net funds from operations of $1.2 million (2022 – $11.1 million).

PRODUCTION

Nine months ended 30 September 2023	**Tunisia**	**Romania**	**Group**	**%**
Crude oil (bbl/d)	454	-	454	71%
Natural gas (Mcf/d)	415	703	1,118	29%
Condensate (bbl/d)	-	-	-	-
Total (boe/d)	524	117	641	100%

Nine months ended 30 September 2022				
Crude oil (bbl/d)	451	-	451	48%
Natural gas (Mcf/d)	395	2,518	2,913	52%
Condensate (bbl/d)	-	2	2	0%
Total (boe/d)	517	422	938	100%

During the nine months ended 30 September 2023 production volumes decreased by 297 boe/d to 641 boe/d against the comparative period (2022 – 938 boe/d).

Romania's production volumes decreased by 305 boe/d to 117 boe/d against the comparative period (2022 – 422 boe/d). Production continues to reflect the natural decline profile of shallow gas fields.

Tunisia's production volumes increased by 7 boe/d to 524 boe/d against the comparative period (2022 – 517 boe/d). Production remains stable during the nine months of 2023 as a result of the oil fields' maintenance programme. Ongoing workover programmes continue in the Chouech Es Saida field, with the aim to optimize production.

OIL AND GAS REVENUE

($000)

Nine months ended 30 September 2023	**Tunisia**	**Romania**	**Group**	**%**
Oil revenue	9,732	-	9,732	73%
Natural gas revenue	1,203	2,331	3,534	27%
Condensate revenue	-	-	-	-
Total revenue	10,935	2,331	13,266	100%

Nine months ended 30 September 2022	**Tunisia**	**Romania**	**Group**	**%**
Oil revenue	12,569	-	12,569	30%
Natural gas revenue	1,280	27,888	29,168	69%
Condensate revenue	-	57	57	1%
Total revenue	13,849	27,945	41,794	100%

REALISED PRICE

Nine months ended 30 September 2023	Tunisia	Romania	Group
Oil ($/bbl)	78.68	-	78.68
Natural gas ($/Mcf)	10.61	12.92	12.03
Condensate ($/bbl)	-	-	-
Average realised price ($/boe)	76.69	77.52	76.84
Nine months ended 30 September 2022			
Oil ($/bbl)	101.04	-	101.04
Natural gas ($/Mcf)	11.88	40.54	36.66
Condensate ($/bbl)	-	81.33	81.33
Average realised price ($/boe)	97.29	242.25	162.18

During the nine months ended 30 September 2023 revenue decreased by $28.5 million to $13.3 million (2022 – $41.8 million) as the Group saw the average realised price decrease to $76.84/boe (2022 - $162.18/boe) and production decline in Romania.

The Group's average realised oil price decreased to $78.68/bbl (2022 – $101.04/bbl), and average realised natural gas prices decreased to $12.03/Mcf (30 September 2022 - $36.66/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

	Nine months ended 30 September	
($000)	**2023**	**2022**
Tunisia	**1,366**	1,714
Romania	**111**	943
Total	**1,477**	2,657
Total ($/boe)	**8.55**	10.31
Tunisia oil royalty (% of oil revenue)	**12.5%**	12.4%
Romania gas royalty (% of gas revenue)	**4.7%**	3.5%
Total (% of revenue)	**11.1%**	6.4%

For the nine months ended 30 September 2023 royalties decreased to $1.5 million (30 September 2022 - $2.7 million) while the Group's average royalty rate increased to 11.1% (30 September 2022 – 6.4%).

In Romania, during nine months of 2023, the Company incurred a 3.5% royalty rate for gas (30 September 2022 – 3.5%). The royalty is calculated using a reference price that is set by the Romanian authorities and not the realised price to the Company. The reference gas prices during nine months of 2023 remained higher than the realised prices by 40%. 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 nine months of 2023, 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

($000)	Nine months ended 30 September 2023	2022
Tunisia	**3,768**	3,720
Romania	**2,094**	4,424
Canada	**31**	40
Group	**5,893**	8,184
Tunisia production expense ($/boe)	**26.43**	26.14
Romania production expense ($/boe)	**69.64**	38.35
Total production expense ($/boe)	**34.14**	31.74

During the nine months ended 30 September 2023 production expenses decreased by $2.3 million to $5.9 million (30 September 2022 - $8.2 million). Per unit production expenses increased to $34.14/boe (30 September 2022 - $31.74/boe).

Tunisia's production expenses increased by $0.1 million to $3.8 million (2022 - $3.7 million), with per unit production expenses increasing to $26.43/boe (30 September 2022 - $26.14/boe) which is consistent with the slight increase in production during the period.

Romania's overall operating costs decreased by $2.3 million to $2.1 million (2022 – $4.4 million), however per unit production expenses increased to $69.64/boe (30 September 2022 - $38.35/boe) due to naturally declining production and the impact of inflation 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)

Nine months ended 30 September 2023	Tunisia	Romania	Group
Sales volume (boe/d)	522	110	632
Realised price	76.69	77.52	76.84
Royalties	(9.58)	(3.66)	(8.55)
Production expense	(26.43)	(69.64)	(34.14)
Operating netback	40.68	4.22	34.15

Nine months ended 30 September 2022	Tunisia	Romania	Group
Sales volume (boe/d)	521	422	944
Realised price	97.29	242.25	162.18
Royalties	(12.04)	(8.17)	(10.31)
Production expense	(26.14)	(38.35)	(31.74)
Operating netback	59.11	195.73	120.13

For the nine months ended 30 September 2023 the Group's operating netback was $34.15/boe (30 September 2022 – $120.13/boe). The decrease is due to lower realised prices and higher per unit production expenses.

The Company also generated a gross profit of $1.8 million (30 September 2022 – $11.8 million), largely due to a significant decrease 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, depletion and depreciation, and amortisation expense. EBITDA is not a standard measure under IFRS and therefore may not be comparable to similar measures reported by other entities. During the nine months ended 30 September 2023, the Group's EBITDA decreased by $11.4 million to $1.2 million (30 September 2022 - $12.6 million).

($000)	Nine months ended 30 September 2023	2022
Net income (loss)	**(4,559)**	3,367
Finance costs, including accretion	**1,277**	1,313
Depletion and amortization	**3,432**	4,924
Decommissioning provision recovery	**(36)**	(62)
Tax expense	**1,112**	3,079
EBITDA	**1,226**	12,621

WINDFALL TAX

($000)	Nine months ended 30 September 2023	2022
Windfall tax	**661**	14,233
Windfall tax ($/Mcf - Romania gas)	**3.44**	20.68
Windfall tax ($/boe - Romania gas)	**21.97**	124.05

For the nine months ended 30 September 2023 windfall taxes were $0.7 million (30 September 2022 - $14.2 million). This decrease is directly related to a combination of lower production and lower realised gas prices in Romania.

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.

DEPLETION AND DEPRECIATION

($000)	Nine months ended 30 September 2023	2022
Tunisia	**2,617**	2,067
Romania	**742**	2,763
Corporate	**73**	94
Total	**3,432**	4,924
Tunisia ($/boe)	**18.35**	14.52
Romania ($/boe)	**24.67**	23.95
Total ($/boe)	**19.88**	19.11

For the nine months ended 30 September 2023 depletion and depreciation expense was $3.4 million (30 September 2022 - $4.9 million). The decrease is primarily due to lower production during the period. Per boe, depletion and depreciation expense increased to $19.88/boe (30 September 2022 - $19.11/boe), primarily due to lower reserves in the current period.

GENERAL AND ADMINISTRATIVE ("G&A") EXPENSE

($000)	Nine months ended 30 September 2023	2022
G&A expense	**4,006**	4,050
G&A expense ($/boe)	**23.20**	15.72

For the nine months ended 30 September 2023 G&A expenses comprised $4.0 million and remained on the level consistent with the prior year period (30 September 2022 - $4.1 million) regardless of the current high inflationary environment.

SHARE-BASED PAYMENT

($000)	Nine months ended 30 September 2023	2022
Share-based payment	3	59
Share-based payment ($/boe)	0.02	0.23

During the nine months ended 30 September 2023 share-based compensation decreased to $nil (30 September 2022 – $0.06 million) due to lower stock options granted in the preceding 12 months.

NET FINANCE EXPENSE

	Nine months ended 30 September	
($000)	**2023**	**2022**
Interest on leases	34	28
Accretion on decommissioning provision	1,272	753
Foreign exchange and other	(29)	532
	1,277	1,313

During the nine months ended 30 September 2023 net finance expenses stayed constant at $1.3 million (30 September 2022 – $1.3 million).

TAXATION

During the nine months ended 30 September 2023 income tax expense was $1.1 million (30 September 2022 - $3.1 million). The decrease in the tax expense is directly related to lower 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, LTIP awards, and shares owned up to the date of this report.

	Share Options	LTIP Awards	Shares
Executive Directors:			
Jeffrey Auld	-	3,153,603	1,338,875
Non-Executive Directors:			
Jim Causgrove	-	-	290,000
Lukasz Redziniak	-	-	302,000
Jon Kempster [1]	-	-	60,261
	-	3,153,603	1,991,136

As of the date of issuing this report, management is aware of the following shareholders holding more than 5% of the ordinary shares of the Group, as reported by the shareholders to the Group: CRUX Asset Management (8.42%), Michael Hennigan (7.94%), Xtellus Capital Partners Inc (7.44%), Quercus TFI SA (7.18%), Marlborough Fund Managers (5.48%), and Spreadex LTD (4.10%).

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.

FOREIGN CURRENCY TRANSLATION

Foreign currency translation occurs from the revaluation from fluctuations in the foreign exchange rates in entities with a different functional currency than the reporting currency (USD). The revaluation of the condensed consolidated interim statement of financial position to the period-end rates resulted in a loss of $0.1 million (30 September 2022 – loss of $3.4 million) through Other comprehensive loss.

[1] Shares 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.

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 September 2023.

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 September 2023 and include a description of the major risks and uncertainties.

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

	Note	Nine months ended 30 September 2023	2022
Revenue		**13,266**	41,794
Cost of sales			
Royalties		**(1,477)**	(2,657)
Windfall tax		**(661)**	(14,223)
Production expenses		**(5,893)**	(8,184)
Depletion and depreciation		**(3,432)**	(4,924)
Total cost of sales		**(11,463)**	(29,988)
Gross profit		**1,803**	11,806
General and Administrative expenses		**(4,006)**	(4,050)
Share-based payment expense		**(3)**	(59)
Total administrative expenses		**(4,009)**	(4,109)
Decommissioning provision recovery		**36**	62
Operating income (loss)		**(2,170)**	7,759
Finance expense		**(1,277)**	(1,313)
Net income before tax		**(3,447)**	6,446
Tax expense		**(1,112)**	(3,079)
Income (loss) after taxation attributable to equity owners of the parent		**(4,559)**	3,367
Other comprehensive loss			
Other comprehensive loss to be classified to profit and loss in subsequent periods:			
Foreign currency translation adjustment		**(70)**	(3,441)
Total comprehensive loss for the period attributable to equity owners of the parent		**(4,629)**	(74)
Earnings (loss) per share:			
Basic	4	**(0.04)**	0.03
Diluted	4	**(0.04)**	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 September 2023	31 December 2022
Non-current assets		
Property, plant and equipment	**63,049**	62,311
Exploration and evaluation assets	**10,722**	10,529
Right-of-use assets	**369**	688
Total non-current assets	**74,140**	73,528
Current assets		
Restricted cash	**1,128**	1,088
Trade and other receivables	**10,865**	10,007
Product inventory	**748**	705
Cash and cash equivalents	**1,459**	4,854
Total current assets	**14,200**	16,654
Total assets	**88,340**	90,182
Equity		
Share capital	**401,426**	401,426
Share-based payment reserve	**25,560**	25,557
Treasury shares	**(458)**	(455)
Accumulated deficit	**(390,915)**	(386,356)
Cumulative translation reserve	**(3,442)**	(3,372)
Total equity	**32,171**	36,800
Liabilities		
Non-current liabilities		
Decommissioning provision	**23,887**	24,046
Deferred tax liability	**12,048**	10,942
Lease liabilities	**408**	465
Other provisions	**1,358**	1,358
Total non-current liabilities	**37,701**	36,811
Current liabilities		
Current portion of decommissioning provision	**5,365**	5,085
Current portion of lease liabilities	**151**	280
Accounts payable and accrued liabilities	**12,952**	11,206
Total current liabilities	**18,468**	16,571
Total liabilities	**56,169**	53,382
Total liabilities and equity	**88,340**	90,182

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 2021	401,426	25,487	(121)	(387,986)	(1,374)	37,432
Loss for the period	-	-	-	3,367	-	3,367
Other comprehensive loss for the period	-	-	-	-	(3,441)	(3,441)
Total comprehensive loss for the period	-	-	-	3,367	(3,441)	(74)
Transactions with equity owners						
Share-based payment expense	-	59	-	-	-	59
Shares purchased to be held in Treasury	-	-	(202)	-	-	(202)
Balance at 30 September 2022	401,426	25,546	(323)	(384,619)	(4,815)	37,215
Balance at 31 December 2022	401,426	25,557	(455)	(386,356)	(3,372)	36,800
Comprehensive loss for the period	-	-	-	(4,559)	-	(4,559)
Other comprehensive loss for the period	-	-	-	-	(70)	(70)
Total comprehensive loss for the period	-	-	-	(4,559)	(70)	(4,629)
Transactions with equity owners						
Share-based payment expense	-	3	-	-	-	3
Shares purchased to be held in Treasury	-	-	(3)	-	-	(3)
Balance at 30 September 2023	401,426	25,560	(458)	(390,915)	(3,442)	32,171

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)

		Nine months ended 30 September	
	Note	**2023**	**2022**
Operating activities			
Income (loss) for the period		**(4,559)**	3,367
Items not involving cash:			
Depletion and depreciation		**3,432**	4,924
Share-based payment expense		**3**	59
Tax expense		**1,112**	3,079
Accretion expense on decommissioning provision		**1,272**	753
Foreign exchange loss (gain)		**(20)**	68
Other income		**(25)**	(3)
Decommissioning provision recovery		**(36)**	(62)
Income taxes paid		**-**	(1,130)
Funds from operations		**1,179**	11,055
Changes in non-cash working capital	5	**518**	(2,342)
Cashflows from operating activities		**1,697**	8,713
Financing activities			
Lease payments		**(12)**	(355)
Shares purchased to be held in treasury		**(194)**	(202)
Cashflows used in financing activities		**(206)**	(557)
Investing activities			
Capital expenditures	5	**(4,925)**	(7,476)
Cashflows used in investing activities		**(4,925)**	(7,476)
Impact of foreign currency translation on cash		**39**	(324)
Change in cash and cash equivalents		**(3,395)**	356
Cash and cash equivalents, beginning of period		**4,854**	8,429
Cash and cash equivalents, end of period		**1,459**	8,785

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 2022. There has been no change in these areas during the nine months ended 30 September 2023.

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 2022. 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.

While the financial figures included within these condensed consolidated interim financial statements have been computed in accordance with IFRS's applicable to interim periods, this report and financial statements do not contain sufficient information to constitute an interim financial report as set out in IAS34 *Interim Financial Reporting*.

4. EARNINGS PER SHARE

	Nine months ended 30 September	
($000's, except per share amounts)	**2023**	**2022**
Income (loss) for the period	**(4,559)**	3,367
Weighted average shares outstanding:		
Basic	**113,097**	114,714
Diluted	**113,097**	114,714
Income per share - Basic and diluted	**(0.04)**	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.

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

5. SUPPLEMENTAL CASH FLOW DISCLOSURE

	Nine months ended 30 September	
	2023	**2022**
Cash provided by (used in):		
Trade and other receivables	**(845)**	(3,085)
Product inventory	**(43)**	(19)
Accounts payable and accrued liabilities	**1,403**	764
Restricted cash	**3**	(2)
Changes in non-cash working capital from operating activities	**518**	(2,342)

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

	Nine months ended 30 September	
	2023	**2022**
PP&E additions	**5,313**	4,402
E&E additions	**-**	4,221
Total capital additions	**5,313**	8,623
Changes in non-cash working capital from investing activities	**(388)**	(1,147)
Total capital expenditures	**4,925**	7,476

6. PRIOR YEAR COMPARATIVES

The prior year comparatives have been reclassified to align with the current year disclosure. These reclassifications are immaterial.

7. SUBSEQUENT EVENT

On 31 October 2023, the Company announced that it was granted exploration phase extension of the Satu Mare Concession in Romania by Romanian National Agency for Mineral Resources (“NAMR”). The extension is in two phases with the first phase being mandatory till 27 October 2025, and the second phase being optional for further two years in duration.

In Romania, the Company continues to pursue its process of challenging the non- applicability of the Solidarity Tax for the year ended 31 December 2022. In the first quarter of 2023, the Company has received a legal opinion detailing the legal arguments of the non-applicability of the Solidarity Tax, has submitted a Petition to the Romanian Government and has engaged in formal discussions with the Romanian Fiscal Authorities, in order to obtain a derogation of this Tax.