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Serinus Energy PLC
11 May 2023

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Press Release

Interim Results for the three months ended 31 March 2023

Jersey, Channel Islands, 11 May 2023 - Serinus Energy plc ("**Serinus**" or the "**Company**") (AIM:SENX, WSE:SEN), is pleased to announce its interim results for the three months ended 31 March 2023.

Financial

- Revenue for the three months ended 31 March 2023 was $4.9 million (31 March 2022 - $13.4 million)
- Gross profit for the three months ended 31 March 2023 was $0.9 million (31 March 2022 - $2.9 million)
- EBITDA for the three months ended 31 March 2023 was $0.4 million (31 March 2022 - $3.1 million)
- Net loss for the three months ended 31 March 2023 was $1.3 million (31 March 2022 - net income $1.0 million)
- The Company realised a net price of $78.87/boe for the three months ended 31 March 2023 (31 March 2022 - $184.57/boe), comprising:
    - Realised oil price - $80.07/bbl
    - Realised natural gas price - $12.72/Mcf ($76.33/boe)
- The Group's operating netback decreased, in line with commodity prices, for the three months ended 31 March 2023 and was $39.52/boe (31 March 2022 - $148.88/boe), comprising:
    - Romania operating netback - $26.59/boe (31 March 2022 - $182.79/boe)
    - Tunisia operating netback - $43.92/boe (31 March 2022 - $41.88/boe)
- Capital expenditures of $2.4 million for the three months ended 31 March 2023 (31 March 2022 - $1.5 million), comprising:
    - Romania - $0.6 million
    - Tunisia - $1.8 million
- Cash balance as at 31 March 2023 was $2.7 million (31 December 2022 - $4.9 million)

Operational

- In Tunisia, production has remained stable in the first three months of 2023. The Company is expecting to perform a lifting in the latter half of May 2023 of 50,344 bbls of Tunisian crude oil
- The CTF-004 rig has completed rig-up and commenced workover operations on the Sabria N-2 well in Tunisia. The workover and recompletion is expected to take approximately 30-40 days, as announced on 2 May 2023
- The workover of the Sabria W-1 well was suspended despite good initial progress resulting in the successful removal of two of three tubing strings to a depth of 3,433 metres. However unexpected conditions were subsequently encountered in the wellbore as a result of old debris and drilling mud left in the well from operations in 1998 which prevented the further removal of the 1.5-inch tubing below 2,889 metres
- The Company has undertaken work to design a side track to complete the Sabria W-1 pump installation. Long lead items and rig availability are being determined
- The Company has 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 review during the first quarter 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
- The International Chamber of Commerce ("ICC") awarded a decision in favour of Serinus, confirming that the 40% participating interest of its former partner on the Satu Mare Concession, Oilfield Exploration Business Solutions S.A.'s ("OEBS"), will be transferred to Serinus

- Production for the period averaged 691 boe/d, comprising:
    - Romania - 163 boe/d
    - Tunisia - 528 boe/d

About Serinus

Serinus is an international upstream oil and gas exploration and production company that owns and operates projects in Tunisia and Romania.

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Forward Looking Statement Disclaimer

This release may contain forward-looking statements made as of the date of this announcement with respect to future activities that either are not or may not be historical facts. Although the Company believes that its expectations reflected in the forward-looking statements are reasonable as of the date hereof, any potential results suggested by such statements involve risk and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements. Various factors that could impair or prevent the Company from completing the expected activities on its projects include that the Company's projects experience technical and mechanical problems, there are changes in product prices, failure to obtain regulatory approvals, the state of the national or international monetary, oil and gas, financial , political and economic markets in the jurisdictions where the Company operates and other risks not anticipated by the Company or disclosed in the Company's published material. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties, and actual results may vary materially from those expressed in the forward-looking statement. The Company undertakes no obligation to revise or update any forward-looking statements in this announcement to reflect events or circumstances after the date of this announcement, unless required by law.

Translation: This news release has been translated into Polish from the English original.

Serinus Energy plc

First Quarter Report and Accounts 2023

(US dollars)

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 three months ended 31 March 2023, the Company's Romanian operations produced a total of 88 MMcf of gas, equating to an average daily production of 163 boe/day.

The Canar-1 well has been converted into a water injection well and is currently injecting our produced water volumes from the Moftinu wells into Canar-1. 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 completed the block wide geological review during the first quarter 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.

The Company has completed all of 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. The Company is in routine conversations with the National Agency for Mineral Resources ("NAMR") regarding the further extension of this concession and will apply for a further period during 2023. 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 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.

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 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 Company had applied to extend the Ech Chouech licence prior to its expiry in June 2022 and the Company intends to continue its application once the licence application process is formalised.

The workover to install a pump into the Sabria W-1 well commenced in December 2022 and initially progressed as expected, with two of three tubing strings being successfully removed to a depth of 3,433 metres. However unexpected conditions were subsequently encountered in the wellbore as a result of old drilling mud and tubulars left in the well from operations in 1998. This impeded progress with the removal of the final 1.5-inch coiled tubing below a depth of 2,889 metres. More than 85% of the 1.5-inch tubing was recovered, however an excess layer of old debris and drilling mud prevented the removal of further 1.5-inch tubing. As a result, the Company and its partner, ETAP, determined to suspend the workover pending investigations of alternative means of completing the programme.

Throughout the workover programme, Sabria production remained constant and uninterrupted.

In the meantime, the Company and its partner have elected to proceed with operations on the Sabria N-2 well to perform a workover to recomplete the well. The CTF-004 rig has completed rig-up and commenced operations on the N-2 well. The workover program is designed to recomplete the well and remove any wellbore restrictions and is expected to take approximately 30-40 days. This 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. Upon recompletion of the N-2 well, the rig will be released.

FINANCIAL REVIEW

LIQUIDITY, DEBT AND CAPITAL RESOURCES

During the three months ended 31 March 2023, the Company invested a total of $2.4 million (2022 - $1.5 million) on capital expenditures before working capital adjustments, out of which Romania incurred $0.6 million (2022 - $1.3 million) and Tunisia invested $1.8 million (2022 - $0.2 million) primarily on Sabria W-1 operations.

The Company's funds used in operations for the three months ended 31 March 2023 were $0.8 million (2022 -funds from operations of $2.9 million). Including changes in non-cash working capital, the cash flow from operating activities in 2023 was $0.01 million (2022 - cash flow used in operating activities of $0.6 million). The Company is debt-free and has adequate resources available to deploy capital into both operating segments.

(US$ 000s) **Working Capital**	**31 March 2023**	**31 December 2022**
Current assets	**16,036**	16,654
Current liabilities	**16,893**	16,571
Working Capital	**(857)**	83

The working capital deficit at 31 March 2023 was $0.9 million (31 December 2022 - $0.1 million). The decrease in working capital is primarily a result of continued investment into operating activities.

Current assets as at 31 March 2023 were $16.0 million (31 December 2022 - $16.7 million), a decrease of $0.7 million. Current assets consist of:

- Cash and cash equivalents of $2.7 million (31 December 2022 - $4.9 million)
- Restricted cash of $1.1 million (31 December 2022 - $1.1 million)
- Trade and other receivables of $11.4 million (31 December 2022 - $10.0 million)
- Product inventory of $0.8 million (31 December 2022 - $0.7 million)

Current liabilities as at 31 March 2023 were $16.9 million (31 December 2022 - $16.6 million), an increase of $0.3 million. Current liabilities consist of:

- Accounts payable of $12.0 million (31 December 2022 - $9.3 million)
- Decommissioning provision of $4.6 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 - $nil (31 December 2022 - $0.5 million)
  - Tunisia - $3.8 million (31 December 2022 - $3.8 million)
- Income taxes payable of $nil (31 December 2022 - $1.9 million)
- Current portion of lease obligations of $0.3 million (31 December 2022 - $0.3 million)

NON-CURRENT ASSETS

Property, plant and equipment ("PP&E") increased to $63.2 million (31 December 2022 - $62.3 million), as a result of capital expenditures in PP&E of $2.4 million partially offset by depletion in the period of $1.3 million as well as a change in decommissioning estimates of $0.2 million. There were no additions or adjustments to exploration and evaluation assets ("E&E") in the period (31 December 2022 - $10.5 million). Right-of-use assets ("ROU") decreased to $0.5 million (31 December 2022 - $0.7 million) due to depreciation of assets.

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:

(US$ 000s)	Period ended 31 March 2023	2022
Cash flows from (used in) operations	14	(587)
Changes in non-cash working capital	(813)	3,534
Funds (used in) from operations	(799)	2,947
Funds from operations per share	(0.00)	0.00

Romania generated funds from operations of $0.1 million (2022 - $4.0 million) and Tunisia generated $0.5 million (2022 - $0.4 million). Funds used at the Corporate level were $1.4 million (2022 - $1.5 million) resulting in net funds used in operations of $0.8 million (2022 funds from operations - $2.9 million).

PRODUCTION

Period ended 31 March 2023	Tunisia	Romania	Group	%
Crude oil (bbl/d)	468	-	468	68%
Natural gas (Mcf/d)	361	979	1,340	32%
Condensate (bbl/d)	-	-	-	0%
Total production (boe/d)	528	163	691	100%

Period ended 31 March 2022	Tunisia	Romania	Group	%
Crude oil (bbl/d)	441	-	441	39%
Natural gas (Mcf/d)	381	3,630	4,011	60%
Condensate (bbl/d)	-	5	5	1%
Total production (boe/d)	505	610	1,115	100%

For the three months ended 31 March 2023 production volumes were 691 boe/d, a decrease of 424 boe/d against the comparative period (31 March 2022 - 1,115 boe/d).

Romania's production volumes were 163 boe/d in the period (31 March 2022 - 610 boe/d). Production continues to decrease due to natural declines as well as water breakthrough in some producing formations within some of the producing wells.

Tunisia's production volumes increased to 528 boe/d against comparative period (31 March 2022 - 505 boe/d).

OIL AND GAS REVENUE

(US$ 000s)

Period ended 31 March 2023	Tunisia	Romania	Group	%
Oil revenue	3,360	-	3,360	69%
Natural gas revenue	305	1,210	1,515	31%
Condensate revenue	-	-	-	0%
Total revenue	3,665	1,210	4,875	100%

Period ended 31 March 2022	Tunisia	Romania	Group	%
Oil revenue	1,045	-	1,045	7%
Natural gas revenue	429	11,846	12,275	92%
Condensate revenue	-	43	43	1%
Total revenue	1,474	11,889	13,363	100%

REALISED PRICE

Period ended 31 March 2023	Tunisia	Romania	Group
Oil ($/bbl)	80.07	-	80.07
Natural gas ($/Mcf)	9.39	13.97	12.72
Condensate ($/bbl)	-	-	-
Average realised price ($/boe)	77.36	83.83	78.87

Period ended 31 March 2022	Tunisia	Romania	Group
Oil ($/bbl)	90.13	-	90.13
Natural gas ($/Mcf)	12.47	36.19	33.94
Condensate ($/bbl)	-	82.21	82.21
Average realised price ($/boe)	85.06	215.86	184.57

For the three months ended 31 March 2023 revenue was $4.9 million, a decrease of $8.5 million against the comparative period (31 March 2022 - $13.4 million) as the Group saw the average realised price decrease by $105.70/boe to $78.87/boe (31 March 2022 - $184.57/boe).

The Group's average realised oil price decreased by $10.06/bbl to $80.07/bbl (31 March 2022 - $90.13/bbl), and average realised natural gas prices decreased by $21.22/Mcf to $12.72/Mcf (31 March 2022 - $33.94/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

	Period ended 31 March	
(US$ 000s)	**2023**	**2022**
Tunisia	457	149
Romania	63	377
Total	520	526
Total ($/boe)	8.42	7.26
Tunisia oil royalty (% of oil revenue)	12.9%	10.1%
Romania gas royalty (% of gas revenue)	5.8%	3.2%
Total (% of revenue)	10.7%	3.9%

For the three months ended 31 March 2023 royalties remained consistent at $0.5 million and the Group's royalty rate increased to 10.7% (2022 - 3.9%).

In Romania, in the first quarter of 2023, the Company incurred a 3.5% royalty rate for gas (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 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 quarter 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

	Period ended 31 March	
(US$ 000s)	**2023**	**2022**
Tunisia	**1,127**	599
Romania	**764**	1,445
Canada	**21**	14
Group	**1,912**	2,058
Tunisia production expense ($/boe)	**23.79**	34.58
Romania production expense ($/boe)	**52.88**	26.23
Total production expense ($/boe)	**30.93**	28.43

For the three months ended 31 March 2023 production expenses were $1.9 million, a decrease of $0.1 million against the comparative period (31 March 2022 - $2.0 million). Per unit production expenses increased by $2.50/boe to $30.93/boe (31 March 2022 - $28.43/boe).

Tunisia's production expenses were $1.1 million, an increase of $0.5 million compared to the comparative period (31 March 2022 - $0.6 million), however this equated to a decrease of $10.79/boe to $23.79/boe (2022 - $34.58/boe). The increase in production expenses against the comparative period reflects that production expenses in the first quarter of 2022 were recorded in inventory as incurred, and subsequently recognized in the statement of comprehensive income at the time of each lifting. Following signing of a new oil marketing agreement with OMV in April 2022, revenues and associated production expenses have since been recognized on a monthly basis.

Romania's production expense decreased by $0.6 million to $0.8 million against the comparative period (31 March 2022 - $1.4 million), due to reduced water handling costs, however there was an increase of $26.65/boe to $52.88/boe (2022 - $26.23/boe) due to lower production volumes.

Canadian 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)

Period ended 31 March 2023	Tunisia	Romania	Group
Sales volume (boe/d)	526	160	687
Realised price	77.36	83.83	78.87
Royalties	(9.65)	(4.36)	(8.42)
Production expense	(23.79)	(52.88)	(30.93)
Operating netback	43.92	26.59	39.52

Period ended 31 March 2022	Tunisia	Romania	Group
Sales volume (boe/d)	192	612	804
Realised price	85.06	215.86	184.57
Royalties	(8.60)	(6.84)	(7.26)
Production expense	(34.58)	(26.23)	(28.43)
Operating netback	41.88	182.79	148.88

For the three months ended 31 March 2023 the Group's operating netback was $39.52/boe, a decrease of $109.36/boe against the comparative period (31 March 2022 - $148.88/boe). The decrease is due to lower realised prices and production volumes in Romania.

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 & 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. For the three months ended 31 March 2023, the Group's EBITDA was $0.4 million (31 March 2022 - $3.1 million). The decrease is mainly due to lower netbacks in the current period.

	Period ended 31 March	
(US$ 000s)	**2023**	**2022**
Net income (loss)	**(1,269)**	1,045
Interest expense	**-**	13
Depletion and amortization	**1,289**	1,795
Decommissioning provision recovery	**(17)**	-
Tax expense	**372**	210
EBITDA	**375**	3,063

WINDFALL TAX

	Period ended 31 March	
(US$ 000s)	**2023**	**2022**
Windfall tax	**286**	6,035
Windfall tax ($/Mcf - Romania gas)	**3.24**	18.44
Windfall tax ($/boe - Romania gas)	**19.79**	110.63

For the three months ended 31 March 2023 windfall taxes were $0.3 million (31 March 2022 - $6.0 million).

During the last two months of the 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.

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

	Period ended 31 March	
(US$ 000s)	**2023**	**2022**
Tunisia	**864**	322
Romania	**394**	1,435
Corporate	**31**	38
Total	**1,289**	1,795
Tunisia ($/boe)	**18.25**	18.58
Romania ($/boe)	**27.27**	26.06
Total ($/boe)	[illegible]	[illegible]

Total ($/boe)	**20.85**	24.79

For the three months ended 31 March 2023 depletion and depreciation expense were $1.3 million (31 March 2022 - $1.8 million), primarily due to lower production during the period. Per boe, depletion and depreciation expense decreased by $3.94/boe to $20.85/boe (2022 - $24.79/boe), primarily due to lower reserves in the current period.

GENERAL AND ADMINISTRATIVE ("G&A") EXPENSE

	Period ended 31 March	
(US$ 000s)	**2023**	**2022**
G&A expense	**1,360**	1,388
G&A expense ($/boe)	**22.01**	19.16

For the three months ended 31 March 2023 G&A expenses were $1.3 million (31 March 2022 - $1.4 million). Per boe, G&A expense is slightly higher at $22.01/boe (31 March 2022 - $19.16/boe) due to lower sales volumes in the period.

SHARE-BASED PAYMENT

	Period ended 31 March	
(US$ 000s)	**2023**	**2022**
Share-based payment	1	26
Share-based payment ($/boe)	0.02	0.36

For the three months ended 31 March 2023 share-based compensation decreased to $1,200 (31 March 2022 - $26,000).

NET FINANCE EXPENSE

	Period ended 31 March	
(US$ 000s)	**2023**	**2022**
Interest on leases	-	8
Accretion on decommissioning provision	387	190
Foreign exchange and other	34	107
	421	305

For the three months ended 31 March 2023 net finance expenses increased by $0.1 million to $0.4 million against the comparative period (31 March 2022 - $0.3 million). This increase is mainly due to higher accretion on decommissioning provision as a result of higher discount rates.

TAXATION

For the three months ended 31 March 2023 tax expense was nil (31 March 2022 - $0.2 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, 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	2,580,000	1,656,355	488,875
Andrew Fairclough	175,000	903,631	108,053
Non-Executive Directors:			
Lukasz Redziniak	-	-	72,000
Jim Causgrove	-	-	40,000
Jon Kempster [1]	-	-	60,261
	2,755,000	2,559,986	769,189

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: Richard Sneller 11.60%, CRUX Asset Management 8.42%, and Quercus TFI SA 7.26%.

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 $0.2 million (2022 - loss of $0.4 million) through Other comprehensive income (loss).

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 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 31 March 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 31 March 2023, and include a description of the major risks and uncertainties.

Serinus Energy plc

Condensed Consolidated Interim Statement of Comprehensive Loss

(US$ 000s, except per share amounts)

		Three months ended 31 March	
	Note	**2023**	**2022**
Revenue		**4,875**	13,363
Cost of sales			
Royalties		**(520)**	(526)
Windfall tax		**(286)**	(6,035)
Production expenses		**(1,912)**	(2,058)
Depletion and depreciation		**(1,289)**	(1,795)
Total cost of sales		**(4,007)**	(10,414)
Gross profit		**868**	2,949
Administrative expenses		**(1,360)**	(1,388)
Share-based payment expense		**(1)**	(26)
Total administrative expenses		**(1,361)**	(1,414)
Decommissioning provision recovery		**17**	25
Operating income (loss)		**(476)**	1,560
Finance expense		**(421)**	(305)
Net income (loss) before tax		**(897)**	1,255
Taxation expense		**(372)**	(210)
Income (loss) after taxation attributable to equity owners of the parent		**(1,269)**	1,045
Other comprehensive (loss) income			
Other comprehensive (loss) income to be classified to profit and loss in subsequent periods:			
Foreign currency translation adjustment		**(211)**	(423)
Total comprehensive income (loss) for the period attributable			

to equity owners of the parent		**(1,480)**	622
Income (loss) per share:			
Basic	4	**(0.01)**	0.01
Diluted	4	**(0.01)**	0.01

The accompanying notes 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	31 March 2023	31 December 2022
Non-current assets		
Property, plant and equipment	**63,154**	62,311
Exploration and evaluation assets	**10,572**	10,529
Right-of-use assets	**497**	688
Total non-current assets	**74,223**	73,528
Current assets		
Restricted cash	**1,105**	1,088
Trade and other receivables	**11,413**	10,007
Product inventory	**798**	705
Cash and cash equivalents	**2,720**	4,854
Total current assets	**16,036**	16,654
Total assets	**90,259**	90,182
Equity		
Share capital	**401,426**	401,426
Share-based payment reserve	**25,558**	25,557
Treasury shares	**(467)**	(455)
Accumulated deficit	**(387,625)**	(386,356)
Cumulative translation reserve	**(3,583)**	(3,372)
Total Equity	**35,309**	36,800
Liabilities		
Non-current liabilities		
Decommissioning provision	**24,935**	24,046
Deferred tax liability	**11,314**	10,942
Lease liabilities	**450**	465
Other provisions	**1,358**	1,358
Total non-current liabilities	**38,057**	36,811
Current liabilities		
Current portion of decommissioning provision	**4,610**	5,085
Current portion of lease liabilities	**258**	280
Accounts payable and accrued liabilities	**12,025**	11,206
Total current liabilities	**16,893**	16,571
Total liabilities	**54,950**	53,382
Total liabilities and equity	**90,259**	90,182

The accompanying notes form part of the condensed consolidated interim financial statements.

These condensed consolidated interim financial statements were approved by the Board of Directors and authorised for issue on 10 May 2023.

Serinus Energy plc

Condensed Consolidated Interim Statement of Changes in 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
[illegible]				[illegible]		[illegible]

Comprehensive income for the period	-	-	-	1,045	-	1,045
Other comprehensive loss for the period	-	-	-	-	(423)	(423)
Total comprehensive loss for the period	-	-	-	1,045	(423)	622
Transactions with equity owners						
Share-based payment expense	-	26	-	-	-	26
Shares purchased to be held in Treasury			(202)	-	-	(202)
Balance at 31 March 2022	**401,426**	**25,513**	**(323)**	**(386,941)**	**(1,797)**	**37,878**
Balance at 31 December 2022	401,426	25,557	(455)	(386,356)	(3,372)	36,800
Comprehensive loss for the period	-	-	-	(1,269)	-	(1,269)
Other comprehensive loss for the period	-	-	-	-	(211)	(211)
Total comprehensive loss for the period	-	-		(1,269)	(211)	(1,480)
Transactions with equity owners						
Share-based payment expense	-	1	-	-	-	1
Shares purchased to be held in Treasury	-	-	(12)	-	-	(12)
Balance at 31 March 2023	**401,426**	**25,558**	**(467)**	**(387,625)**	**(3,583)**	**35,309**

The accompanying notes 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)

		Three months ended 31 March	
		2023	**2022**
Operating activities			
Income (loss) for the period		**(1,269)**	1,045
Items not involving cash:			
Depletion and depreciation		**1,289**	1,795
Accretion expense on decommissioning provision		**387**	190
Share-based payment expense		**1**	26
Decommissioning provision (recovery) expense		**(17)**	(25)
Unrealised foreign exchange gain		**-**	(10)
Other income		**(19)**	-
Taxation		**372**	210
Income taxes paid		**(1,543)**	(284)
Funds (used in) from operations		**(799)**	2,947
Changes in non-cash working capital	5	**813**	(3,534)
Cashflows from (used in) operating activities		**14**	(587)
Financing activities			
Lease payments		**(49)**	(69)
Shares purchased to be held in treasury		**(12)**	(202)
Cashflows used in financing activities		**(61)**	(271)
Investing activities			
Capital expenditures	5	**(2,084)**	(1,269)
Cashflows used in investing activities		**(2,084)**	(1,269)
Change in cash and cash equivalents		**(2,131)**	(2,127)
Cash and cash equivalents, beginning of period		**4,854**	8,429
Impact of foreign currency translation on cash		**(3)**	(147)
Cash and cash equivalents, end of period		**2,720**	6,155

The accompanying notes form part of the condensed consolidated interim financial statements.

Serinus Energy plc
Notes to the Condensed Consolidated Interim Financial Statements
(US$ 000s, except per share amounts)

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. The directors have elected to prepare accounts under IFRS as adopted by the United Kingdom for all purposes except for the financial statements for the purposes of the Warsaw Stock Exchange filing which are prepared under European Union ("EU") endorsed IFRS. No material differences have been noted between EU IFRS and UK IFRS for the period ended 31 March 2023.

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 three months ended 31 March 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 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.

4. EARNINGS (LOSS) PER SHARE

	Period ended 31 March	
(US$ 000s, except per share amounts)	**2023**	**2022**
Income (loss) for the period	**(1,269)**	1,045

Weighted average shares outstanding:		
Basic and diluted shares (000s)	**114,686**	114,752
Income (loss) per share:		
Basic and dilutive	**(0.01)**	0.01

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.

5. SUPPLEMENTAL CASH FLOW DISCLOSURE

	Period ended 31 March	
	2023	**2022**
Cash provided by (used in):		
Trade and other receivables	**(1,402)**	(1,428)
Product inventory	**127**	(841)
Accounts payable and accrued liabilities	**2,082**	(1,265)
Restricted cash	**7**	-
Changes in non-cash working capital from operating activities	**813**	(3,534)

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

	Period ended 31 March	
	2023	**2022**
PP&E additions	**2,373**	884
E&E additions	**-**	628
ROU additions	**-**	220
Total capital additions	**2,373**	1,732
Changes in non-cash working capital from investing activities	**(289)**	(463)
Total capital expenditure	**2,084**	1,269

[1] Shares held by Catherine Kempster (the spouse of Jon Kempster)

END

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