



23 September 2024

Borders & Southern Petroleum plc
("Borders & Southern" or the "Company")
Unaudited Results for the six-month period ended 30 June 2024

Borders & Southern Petroleum plc (AIM: BOR) announces its unaudited half year financial statements for the six months to 30 June 2024. The accounts contained within this report represent the consolidation of Borders & Southern Petroleum plc and its subsidiary, Borders & Southern Falkland Islands Limited.

Highlights

- Operating loss for the period was 578,000 (30 June 2023: 558,000)
- Cash balance on 30 June 2024 was 0.756 million (31 December 2023: 1.9 million)
- Appointment of Harry Baker as CEO
- Appointment of Dr Sean Guest as Non-Executive Director

For further information, please visit www.bordersandsouthern.com or contact

Borders & Southern Petroleum plc

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Notes to Editors:

Borders & Southern Petroleum plc (AIM: BOR) is an oil & gas exploration company listed on the AIM Market of the London Stock Exchange. The Company operates and has a 100% interest in three Production Licences in the South Falkland Basin covering an area of nearly 10,000 square kilometres. The Company has acquired 2,517 square kilometres of 3D seismic and drilled two exploration wells, making a significant gas condensate discovery with its first well.

Chief Executive's Statement

Borders & Southern has a world-class undeveloped gas transition asset, and the main focus of the Company is to progress the Darwin project by bringing in a partner to finance the appraisal of the Darwin East discovery or to drill other exploration wells with the view to bringing Darwin into production.

Since I joined the Company in March 2024, we have taken a number of important commercial decisions and made a number of key changes to move the business forward with the prime focus being to monetise rapidly the significant potential value of the Darwin gas condensate discovery. In pursuit of that, we have:

- Further refined our phased early production offering to appeal to potential international partners that requires relatively low capex and offers accelerated payback.
- Changed our energy financial advisor to a much larger company with international relationships that has relaunched the search process to identify a suitable partner and will provide updates on this process as events allow.
- Been more active in updating and keeping all stakeholders informed, both with one-on-one investor meetings and with regularly updated investor presentations on the Company's redesigned website.
- Continued to focus on lowering our cost base and have moved offices for a material reduction in overheads.

We have noticed that the energy industry is rebalancing in light of the longer transition timeframes to deliver renewable energies than previously envisaged with oil companies refocusing their investment activities back into upstream exploration and production. This has led to much more interest in material projects like Darwin that can be brought into production much faster than the lead time and costs involved in new exploration in frontier locations. The Company, therefore, remains confident that because of greater renewed upstream industry investment and exploration activity, Darwin will be a beneficiary of this trend. Darwin is a world-class asset awaiting appraisal and we now expect to be able to move forward to the next phase of its development.

The Company has made an application to The Falkland Islands Government to extend the Company's three Production Licences with effect from the calendar year end of 2024, as has been done a number of times in previous years, and those discussions are at an advanced stage. Once finalised, an update will be provided.

Finally, as previously announced, Sean Guest was appointed a Non-Executive Director earlier this year. Sean is an internationally experienced upstream executive who brings extensive industry knowledge, technical skills and contacts to the board.

Harry Baker
CEO

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2024

		6 months ended 30 June 2024 (unaudited) 000	6 months ended 30 June 2023 (unaudited) 000	12 months ended 31 Dec 2023 (audited) 000
	Notes			
Administrative expenses		(581)	(603)	(1,141)
LOSS FROM OPERATIONS		(581)	(603)	(1,141)
Finance income	3	6	45	81
Finance costs	3	(3)	-	-
LOSS BEFORE TAX		(578)	(558)	(1,060)
Tax expense		-	-	-
LOSS FOR THE PERIOD AND TOTAL COMPREHENSIVE LOSS FOR THE PERIOD ATTRIBUTABLE TO EQUITY OWNERS OF THE PARENT		(578)	(558)	(1,060)
Loss per share - basic and diluted	2	(0.08) cents	(0.08) cents	(0.14) cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2024

	At 30 June 2024 (unaudited) 000	At 30 June 2023 (unaudited) 000	At 31 December 2023 (audited) 000
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	7	8
Intangible assets	293,874	293,378	293,741
Total non-current assets	293,385	293,385	293,749
CURRENT ASSETS			
Other receivables	103	494	164
Cash and cash equivalents	756	2,410	1,928
TOTAL CURRENT ASSETS	859	2,904	2,092
TOTAL ASSETS	294,740	296,289	295,841
LIABILITIES			
CURRENT LIABILITIES			

Trade and other payables	366	(105)	(156)
TOTAL LIABILITIES	366	(105)	(156)
TOTAL NET ASSETS	295,106	296,184	295,685
EQUITY			
Share capital	11,155	11,160	11,155
Share premium	310,541	310,537	310,541
Other reserve	1,778	1,778	1,778
Retained deficit	(28,351)	(27,271)	(27,773)
Foreign currency reserve	(17)	(20)	(16)
TOTAL EQUITY	295,106	296,184	295,685

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Share capital	Share premium	Other reserve	Retained Deficit	Foreign currency reserve	Total
	000	000	000	000	000	000
Unaudited						
Balance at 1 January 2024	11,155	310,541	1,778	(27,774)	(16)	295,684
Total comprehensive loss for the period	-	-	-	(578)	-	(578)
Issue of shares	-	-	-	-	-	-
Balance at 30 June 2024	11,155	310,541	1,778	(28,352)	(16)	295,106

Unaudited						
Balance at 1 January 2023	10,718	310,195	1,778	(26,713)	(16)	295,962
Total comprehensive loss for the period	-	-	-	(558)	(4)	(562)
Share Placement	442	332	10	-	-	784
Balance at 30 June 2023	11,160	310,527	1,778	(27,271)	(20)	296,184

Audited						
Balance at 1 January 2023	10,718	310,195	1,778	(26,713)	(16)	295,962
Total comprehensive loss for the year	-	-	-	(1,060)	-	(1,060)
Share Issue	437	346	-	-	-	783
Balance at 31 December 2023	11,155	310,541	1,778	(27,774)	(16)	295,685

CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	6 months ended 30 June 2024 (unaudited)	6 months ended 30 June 2023 (unaudited)	12 months ended 31 December 2023 (audited)
Cash flow from operating activities			

Loss before tax	(578)	(558)	(1,060)
Adjustments for:			
Depreciation	1	-	-
Finance costs/income	(3)	-	(81)
Cash flows used in operating activities	(580)	(558)	(1,141)
Decrease/ (increase) in trade and other receivables	61	82	412
(Decrease)/ increase in trade and other payables	(523)	(460)	(408)
Net cash outflow from operating activities	(1042)	(936)	(1,137)
Cash flows used in investing activities			
Purchase of tangibles fixed assets	(0)	(7)	(8)
Purchase of intangible fixed assets	(133)	(134)	(497)
Net cash used in investing activities	(133)	(141)	(505)
Cash flows from financing activities			
Lease payments	-	-	-
Share issue	-	784	783
Net cash generated from financing activities	-	784	783
Net (decrease)/ increase in cash and cash equivalents	(1,175)	(293)	(859)
Cash, cash equivalents and restricted use cash at the beginning of the period	1,928	2,707	2,707
Exchange gains on cash and cash equivalents	3	(4)	81
Cash, cash equivalents and restricted use cash at the end of the period	756	2,410	1,928

NOTES TO THE UNAUDITED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended 30 June 2024

1. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements have been prepared using the recognition and measurement principles of International Accounting Standards, International Reporting Standards and Interpretations as applied in accordance with the provisions of the Companies Act 2006. The Group has not elected to comply with IAS 34 "Interim Financial Reporting" as permitted. The principal accounting policies used in preparing the interim financial statements are unchanged from those disclosed in the Group's Annual Report for the year ended 31 December 2023 and are expected to be consistent with those policies that will be in effect at the year end.

The condensed financial statements for the six months ended 30 June 2024 and 30 June 2023 are unreviewed and unaudited. The comparative financial information does not constitute statutory financial statements as defined by Section 435 of the Companies Act 2006. The comparative financial information for the year ended 31 December 2023 is not the company's full statutory accounts for that period. A copy of those statutory financial statements has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified and did include references to any matters to which the auditors drew attention by way of emphasis relating to going concern without qualifying their report and did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

For the six-month reporting period up until 30 June 2024, Borders & Southern had a loss from operations of 578,000 (a loss for the same period in 2023 was 558,000). Administrative expenses were 581,000 (2023: 603,000). The cash balance at the 30 June 2024 was 0.76 million compared with a balance of 2.41 million at 30 June 2023. The Company has no debt.

2. LOSS PER SHARE

The calculation of the basic loss per share is based on the loss attributable to ordinary shareholders divided by the weighted average number of shares in issue during the period. Diluted loss per share is not stated as the result would be ant-dilutive given the loss in the period.

	Loss after tax for the period 000	Weighted average number of shares	Loss per share (cents)
Basic and diluted			
Six months ended 30 June 2024 (unaudited)	(578)	730,814,138	(0.08)
Six months ended 30 June 2023 (unaudited)	(558)	730,814,138	(0.08)
Twelve months ended 31 December 2023 (audited)	(1,060)	730,814,138	(0.14)

3. FINANCE INCOME AND COSTS

	6 months ended 30 June 2024 000	6 months ended 30 June 2023 000	12 months ended 31 December 2023 000
Finance Income			
Bank interest receivable	6	9	71
Foreign exchange gain	-	36	10
Finance costs			
Foreign exchange loss	(3)	-	-
Interest on leased assets	-	-	-
	45	45	81

4. GOING CONCERN

The Company regularly assesses its liquidity and available funds to ensure that it has sufficient funds available to cover costs for at least the following 12 months. This remained the case at 30 June 2024.

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