

Interim Results

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Bowleven plc

27 March 2024



This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

27 March 2024

Bowleven plc

('Bowleven' or 'the Group' or 'the Company')

Interim Results

Bowleven, the Africa focused oil and gas, Exploration and Production Company with key interests in Cameroon, today announces its unaudited interim results for the six months ended 31 December 2023.

HIGHLIGHTS

Operational

Etinde

- In January 2024, Perenco wrote to New Age formally withdrawing its interest in acquiring New Age's stake and operatorship in the Etinde licence and cancelled their sale and purchase agreement. New Age wrote to the Government of Cameroon to withdraw their request to approve the transfer of ownership. Perenco gave no specific reasons for its withdrawal.
- Etinde operations are currently in a "care and maintenance" mode with limited ongoing activity other than New Age's maintenance of the Cameroon project office. The JV partners are now jointly re-energising efforts and have held an initial meeting to discuss the next steps. The JV partners have agreed an outline for a way forward and New Age has been tasked to prepare to hold a meeting with SNH as soon as possible to present a development proposal and discuss the potential for the Etinde development project going forward.

Corporate

- The loss for the 6-month period was \$1.1 million compared to \$1.0 million for the same period in the prior year. The slightly increased loss is primarily due to a combination of lower recharges from Etinde, as project development activities have been reduced, and further expenditure reduction measures imposed by Bowleven's Board, offset by a \$0.2 million inventory impairment charge at Etinde. The Group cash balance at 31 December 2023 was \$0.57 million with no financial investments. The Group has no debt or material financial commitments. As at 29 February 2024, the Group's cash and cash equivalents balance was \$0.37 million.
- Bowleven's expenditure run rate has been temporarily reduced to between \$125,000 and \$200,000 per month (with actual monthly expenditure depending on Etinde cash call amounts) to extend Bowleven's current cash resources.

- On 14 March 2024 the Company announced a proposed open offer to all qualifying existing shareholders at an offer price of 0.1 pence per new share with a view to raising a c£1.38 million (net of issue costs). Crown Ocean Capital, the company's largest shareholder has agreed to subscribe for all shares not otherwise taken up in the open offer. The completion of the open offer is conditional on, *inter alia*, the passing of all resolutions to be put to a general meeting of shareholders to be held on 2 April 2024. Further details can be found in the circular and announcement published by the Company on 14 March 2024.

Eli Chahin, Chief Executive Officer of Bowleven plc, said:

"We are disappointed that the proposed New Age/Perenco transaction did not receive formal approval from SNH and the Government of Cameroon. However, we are satisfied that the JV partnership all agree that Etinde has significant value and excellent prospects so long as we can reach agreement with SNH and the Government of Cameroon on the lowest risk, economically optimum development option as soon as possible. As we continue to keep extremely close control over our finances, the completion of our proposed open offer will give us the necessary capital to continue operating and work towards FID at Etinde."

ENQUIRIES

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A copy of this announcement is available on the Bowleven website www.bowleven.com

Notes to Editors:

Bowleven plc is an African focused oil and gas group, based in London and traded on AIM. It is dedicated to realising material shareholder value from its Etinde asset in Cameroon, whilst maintaining capital discipline and employing a rigorously selective approach to other value-enhancing opportunities. Bowleven holds a strategic equity interest in the offshore, shallow water Etinde permit (operated by New Age) in Cameroon.

Notes to Announcement:

The information in this release reflects the views and opinions of Bowleven and has not been reviewed in advance by its joint venture partners. Terms not otherwise defined have the meanings given to them in the definitions section at the foot of this announcement.

This announcement is not intended to, and does not constitute, an offer to sell or the solicitation of an offer to subscribe for or buy, or an invitation to subscribe for or to purchase any securities, or an offer to acquire via tender offer or otherwise any securities, or the solicitation of any vote, in any jurisdiction.

The release, publication or distribution of this announcement in jurisdictions other than the United Kingdom may be restricted by law and therefore any persons into whose possession this announcement comes should inform themselves about and observe any applicable restrictions or requirements. No action has been taken by the Company that would permit possession or distribution of this announcement in any jurisdiction where action for that purpose is required. Any failure to comply with such restrictions or requirements may constitute a violation of the securities laws of any such jurisdiction.

This announcement includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "forecasts", "plans", "prepares", "targets", "anticipates", "projects", "expects", "intends", "may", "will", "seeks", or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking

statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the Company's and the Directors' intentions, beliefs or current expectations concerning, amongst other things, the Company's prospects, growth and strategy. No statement in this announcement is intended to be a profit forecast and no statement in this document should be interpreted to mean the Company's performance in future would necessarily match or exceed the historical published performance of the Company. By their nature, forward-looking statements involve risks and uncertainties because they relate to future events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company's actual performance, achievements and financial condition may differ materially from those expressed or implied by the forward-looking statements in this document. In addition, even if the Company's results of operations, performance, achievements and financial condition are consistent with the forward-looking statements in this document, those results or developments may not be indicative of results or developments in subsequent periods. Any forward-looking statements that the Company makes in this announcement speak only as of the date of such statement, and none of the Company or the Directors undertake any obligation to update such statements unless required to do so by applicable law. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

CEO's REVIEW

The 6 month period ending 31 December 2023, has been another frustrating period with little in the way of positive developments to report on regarding our stake in the Etinde development project. The situation was exacerbated by the failure of the proposed agreement for the conditional sale of the Operator's stake to Perenco, signed in June 2022, not receiving either SNH or Governmental (Ministry of Mines) approval and subsequently being terminated by Perenco.

Our understanding is that both SNH and the Government remain enthusiastic about the potential for the Etinde development and would like development to proceed as rapidly as possible. Although we have not been informed of the reasons for the Government's decision not to approve the transfer of New Age's investment and Operatorship to Perenco, we have been assured that the reason(s) did not relate to the Etinde project itself.

During this 18+ month period, the Etinde development project, and indeed both New Age and Bowleven's project activities, have been placed in hiatus with little other than "care and maintenance" based operations.

The JV partners are now jointly reenergising its efforts and intend to meet with SNH as soon as possible. Prior to that meeting, we have agreed to update our 2022 development proposals, including updating outline economic models, with a view to making a joint presentation to SNH regarding our development preference for an Equatorial Guinea based concept, in order to seek SNH's agreement to moving forward to FID as soon as practicable.

Although it is too soon to make any firm commitments, the partners all agree that an Equatorial Guinea focused development option remains the most economically and technically viable development concept although there is some debate over what form this may take in practice. In our view, the recent bi-lateral treaty between the Governments of Cameroon and Equatorial Guinea, signed by both Presidents in 2023, to move forward by joint co-operation on cross border oil and gas development is a very positive development. The agreement to move forward with the joint development of the Yo-Yo/Yolanda discoveries is a very significant development and sets a precedent and framework for the Etinde project.

Bowleven has a need to raise additional funds in the first half of calendar year 2024 in order to fund its overheads and its share of Etinde expenditure as the project progresses towards FID, although the timing of FID and the level of future expenditure required of Bowleven is an area of considerable uncertainty, as discussed later in this interim report.

The Board has spent considerable time and effort considering its options regarding a future debt and/or equity raise to help the Company fund its corporate overheads and the likely expenditure required of Bowleven going forward. Alongside this, the Directors have reduced UK staff costs and sought to minimise all other expenditure by the Bowleven Group.

Proposed equity raise

As set out in the Company's announcement dated 14 March 2024 and the circular sent to shareholders on that date, an Open Offer to all qualifying shareholders has been proposed to raise c£1.38 million (net of issue costs).

Under the terms of the Open Offer, all qualifying shareholders have an opportunity to subscribe for new ordinary shares at the issue price of 0.1 pence by subscribing for their respective Open Offer entitlements which have been calculated on a pro rata basis to their holding of existing ordinary shares in the Company. The Company's largest shareholder, Crown Ocean Capital, has agreed to subscribe for all shares not otherwise taken up under the Open Offer. As part of its underwriting of the Open Offer, subject to the passing of all of the resolutions at a general meeting of shareholders to be held on 2 April 2024 and subject to the take-up of the Open Offer, Crown Ocean's percentage interest in the Company's voting share capital following the Open Offer may increase above 50 per cent and could reach a maximum of 87.44 per cent.

In order for the Company to lawfully allot the Open Offer shares, the Company is proposing a subdivision of each existing ordinary share of 10 pence in the capital of the Company (an "Existing Ordinary Share") into one new ordinary share of 0.1 pence (a "New Ordinary Share") and one deferred share of 9.9 pence (a "Deferred Share"). It is also proposed that the New Articles of Association be adopted so as to include the rights and restrictions relating to the Deferred Shares. The Deferred Shares will not be listed or admitted to trading on AIM or any other stock exchange and will not be transferable without the prior written consent of the Company.

The funds will be used to allow Bowleven Group to meet its anticipated financial obligations until mid-2025 subject to the level of activity and expenditure relating to the Etinde licence. This expenditure cannot be forecasted accurately at the current time, as it is contingent on the agreement of the JV partners and the approval of SNH and the Government of Cameroon to a development plan and the timing of an increase in project activities to reach future FID. Further consideration in relation to the Etinde project activity and future expenditure and funding requirements are set out below.

Further details of the Open Offer, the share subdivision, the new articles of association and the general meeting can be found in the circular and announcement published by the Company on 14 March 2024, which is available on the Company's website.

OPERATIONS REVIEW

Etinde Exploitation, Offshore Cameroon (25% equity interest)

During the 6 month period to 31 December 2023, New Age has continued to maintain a low level of operational activity consistent with the "care and maintenance" approach adopted while waiting for the SNH and the Government of Cameroon to approve the proposed Perenco transaction and the resolution of certain conditions precedent related to Perenco's offer to acquire New Age's interest in Etinde.

In January 2024, Perenco wrote to New Age, terminating their transaction and New Age has written to SNH and the Government to withdraw their request for approval of this transaction. After over 18 months of hiatus, we consider this result to be a disappointing conclusion for Bowleven and our shareholders, given the extended delay and the need to expend significant sums to fund our activities during this, now wasted, period of time.

However, we now have operational clarity and in many ways, the development environment in Cameroon has changed for the better. The JV partners have held an initial meeting and agreed that we all consider an EG focused development plan to remain the most economically viable way forward. We have agreed that the next steps are likely to be:

- To finalise the 2023 expenditure to obtain sign-off by SNH;
- To update outline economic modelling for what we consider to be the two potential economically viable development schemes based around utilisation of the Bioko Island facilities in Equatorial Guinea, for discussion with SNH;
- Hold an urgent meeting with SNH to agree an outline way forward; and
- Subject to that discussion, develop a draft 2024 work plan and budget for approval by SNH.

During 2023, the Presidents of Cameroon and Equatorial Guinea signed a bilateral treaty, setting on the basis of a joint cooperation agreement relating to cross border (oil and) gas development and monetisation. This agreement represents a change of approach and outlook between both Governments and provides a framework under which a cross border Etinde development could proceed. Whilst this agreement alone will not in itself unlock the stalled Etinde development project, it makes the way forward significantly easier than previously.

Final Investment Decision for Etinde

The JV partners will recommend to the regulator, SNH, that we move forward based on an EG development option, as previously proposed. If outline "pre-agreement" is reached, the JV partnership is likely to undertake further concept select and FEED activity based around specifying the infrastructure needed in both Cameroon and Equatorial Guinea to utilise the Bioko Island facilities to process and sell Etinde hydrocarbon production, for

use in Cameroon and for export purposes.

Alongside this, it will be necessary to open commercial discussions with Marathon Oil, as operator of the various Bioko Island facilities, with a view to reaching an MOU setting out the commercial and outline technical requirements, before entering a joint FEED process and reaching full commercial and technical agreement.

We are not currently able to make any firm forecast as to when the JV partners will be able to reach a final investment decision for Etinde, although we continue to see the development of Etinde to be financially compelling, especially in the current global environment, with the increasing reduction of Russian sourced oil and gas on global markets.

One of our JV partners, Lukoil PJSC, has been impacted by the imposition of Russian sanctions, following the invasion of Ukraine. However, their day-to-day participation in the Etinde PSC as a non-operating minority partner has not been affected to date.

Volumetric Update

P50 (2C) net contingent resources to Bowleven on the current 25% licence interest are 61 mmboe following the external Resource reassessment undertaken in late 2019. The next resource update is likely to be undertaken as part of the field development plan process to formerly re-categorise Etinde IM field Contingent Resources to Reserves in accordance with any field development plan produced at that point. In practice, Contingent resources are subject to the remaining geological uncertainty, order of production of individual reservoirs, overall economic project life and the processing technology and methodology used amongst other factors.

Going concern

The Directors' singular focus is to accelerate the path to FID and sanction a project that maximises the potential economics of Etinde's significant hydrocarbon resources. As at 28th February 2024, the Company had (unaudited) liquid resources (comprising cash and a financial investment) of approximately \$0.37 million (28 February 2023: \$2.3 million).

The Group needs additional funding to support the reduced cost base we have implemented during 2023 going forward and to fund current and future joint venture spend to align with the preferred development plan, together with a cash buffer to meet cost contingencies. As outlined above, the Company has proposed the Open Offer to secure additional funding. Subject to completion, the Open Offer, underwritten by Crown Ocean Capital, will provide around £1.38 million (net of issue costs) in April 2024, to finance the Group's ongoing corporate activities and to assist to finance its share of the future expenditure as the Etinde project progresses towards FID for the remainder of the current year and through to mid-2025 assuming that Bowleven's 25 per cent share contribution to Etinde project expenditure costs remains consistent with the previous 12 months. However, there is uncertainty over the length of the Company's cash runway as the JV partners are unable to forecast how rapidly progress will be made over the next few months; quicker progress, which would increase Bowleven's contribution towards Etinde project costs, could mean that the Company's cash resources are expended more quickly.

Currently, monthly expenditure at Etinde remains low as New Age continues to operate the business on a largely suspended "care and maintenance" operations basis but we do expect a small increase in expenditure in April/May 2024 as we prepare for, and attend, the proposed meeting with SNH.

The Company expects that Etinde project expenditure levels could increase in future to facilitate a realignment of the Joint Venture Partners' development priorities in order to reach FID. The timing of, and requirement for, a further capital raise will depend, amongst other things, on the timing of the increase in project expenditure levels which in turn will be influenced in part by what, if any, additional Front End Engineering Development work needed to progress to FID is required. This is dependent on SNH approving the 2024 work plan and budget and at this point, Bowleven will know its estimated project expenditure contributions going forward and therefore how long the net proceeds of the Open Offer will provide funding for the Company. Bowleven expects to have further clarity on these costs as and when the next development steps to progress to FID, and the related resourcing requirements for those steps have been sufficiently advanced amongst stakeholders over the coming months.

At the current time, we cannot quantify either the amount of any additional funding required or the likely timing, as this is subject to significant uncertainty due to the need for both JV partner and Government discussion and approval. However, it remains likely that the cost of a further round of FEED activity may be substantial enough to warrant a further cash injection to fund the period to FID. This may give rise to a continuation of the ongoing material uncertainty around the Group's ability to operate as a going concern.

Absent the completion of the Open Offer, the Board expects that Bowleven's expenditure will exceed its current liquid funds during the second quarter of 2024.

As discussed in note 2 to the interim financial statements and the Outlook section below, the Directors have considered a number of different cash flow forecasts. On the basis of this modelling and Bowleven's current and forecast cash expenditure for FY 2024, the Directors have concluded that Bowleven should have sufficient funds to meet our immediate requirements for between 12 and 18 months subject to the Open Offer completing.

FINANCE REVIEW

The Group reports a loss of \$1.1 million (H1 2022: loss of \$1.0 million) for the six months ended 31 December 2023.

The Group's current period G&A expense charge was \$1.1 million (H1 2022: \$1.1 million) which was somewhat lower than the equivalent period in the prior year, reflecting the impact of further cost saving measures, offset by a \$0.2 million inventory impairment made in the period. This includes \$0.2 million of Etinde G&A costs (H1 2022: \$0.3 million) charged by the Operator.

Finance income comprises interest and dividend income of \$0.002 million (H1 2022: \$0.1 million), foreign exchange loss of \$0.006 million (H1 2022: loss \$0 million) and a mark to market gain of \$0.004 million (H1 2022: loss of \$0.06 million) arising from the revaluation of the Group's financial investment.

No capital expenditure was incurred during the 6 month period (H1 2022: \$0.2 million). In the prior period, all of the capital expenditure incurred related to Bowleven's share of the Etinde pre-development phase project expenditure recharged by the Operator.

At 31 December 2023, Bowleven had \$0.57 million of cash and cash equivalents and no debt (H1 2022: \$0.2 million and no debt). Bowleven owned no financial investments (H1 2022: \$2.2 million). The prior investment in preference shares was liquidated in an orderly manner during 2023 and converted to cash to fund the Group's on-going operations.

Bowleven expects to receive c£1.38 million of cash (net of issue costs) in April 2024 contingent on shareholder approval of the Open Offer to Bowleven shareholders announced on 14 March 2024.

Under the terms of the Etinde farm-out transaction in March 2015, the Group is entitled to a \$25 million payment from the JV partners, which is contingent on achieving Etinde FID. This is held as a contingent asset pending further clarity around Etinde FID project sanction.

OUTLOOK

There are two significant short term events that will significantly influence the future of Bowleven and its participation in the Etinde development. These are as follows:

1. The completion of the Open Offer of c£1.38 million; and
2. An agreement in principle within and between the JV partners, SNH and the Government of Cameroon regarding the proposed Equatorial Guinea based Etinde development plan

The Open Offer will raise an additional £1.38 million (net of issue costs), which we forecast should provide Bowleven Group with sufficient funding through to mid-2025 based on current expenditure levels within the Group and our expectation of that likely to be incurred at Etinde JV. At the current time, New Age based on the outline agreement of the JV partners, is preparing for an initial meeting with SNH to be held as soon as possible.

In preparation for this meeting, the Operator is refreshing the Equatorial Guinea development plans and preparing a draft work plan and budget for FY 2024 based on the assumption that SNH and JV partners reach an agreement to proceed on this basis. We expect expenditure to increase slightly from the current "care and maintenance" basis over the next few months in preparation for the meeting.

The next steps after that are likely to be extensive commercial and technical discussions with Marathon Oil, the operator of the Bioko Island facilities with the view to reaching an MOU covering commercial and technical requirements alongside an additional element of FEED activity. This will focus on the Bioko Island aspects of the development project, probably in conjunction with Marathon Oil and refreshing previous FEED output relating to the Etinde field infrastructure that would be required. Once completed, the JV partners should move to FID preparation and the FID decision itself. This is likely to be in late 2025 at the earliest.

There remains a considerable number of regulatory and commercial uncertainties regarding aspects of the Etinde development together with reaching multi-stakeholder approval of the JV partners' preferred development option. It is very likely that Bowleven will need to seek additional financing in the future to allow the Group's cash expenditure to bridge the likely time gap to attaining FID and the receipt of the \$25 million FID payment. Additional funding requirements will depend on the circumstances at the time and the time taken and level of additional work required to attain FID. Further details are provided in note 2 to these interim accounts.

PRINCIPAL RISKS AND UNCERTAINTIES

The ultimate development of the Etinde wet gas and light oil discoveries is likely to be technically and commercially dependent on the extent to which the JV will be able to fully utilise the volume of gas potentially produced by the onshore processing of the production of gas and liquids. This is the most significant controlling factor, which governs the project's NPV. The substantial associated risks include:

- Governmental approval of the development plan,
- Oil price volatility,
- Joint venture partner alignment,
- The timing between SNH and the Government of Cameroon approving the field development plan, commercial and technical discussions in relation to the field development plan, the JV partners giving FID approval and the exhaustion of our current working capital funds,
- Raising finance for Bowleven to continue its operations and to finance its share of project expenditure to FID,
- Raising sufficient debt and equity finance by both Bowleven and our JV partners, following FID, to finance the initial cost of the development,
- Receipt of the FID success payment from both of the JV partners, Lukoil and New Age, when it falls due,
- Domestic market demand for natural gas and the ability to monetise this demand,
- Access to project capital, and
- Commercial terms and government permission to export gas.

RESPONSIBILITY STATEMENT

The Directors confirm that to the best of their knowledge, the interim management report includes a fair review of the important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year.



Eli Chahin
Chief Executive Officer
26 March 2024

Jack Arnoff
Chairman
26 March 2024

GROUP INCOME STATEMENTS

	6 months ending 31 December 2023 (unaudited) \$000	6 months ending 31 December 2022 (unaudited) \$000	Year ending 30 June 2023 (audited) \$000
Revenue	-	-	-
Administrative expenses	(1,146)	(1,055)	(2,156)
Impairment	-	-	-
Operating loss before financing	(1,146)	(1,055)	(2,156)
Finance and other income	4	45	136
Loss from operations before taxation	(1,142)	(1,010)	(2,020)
Taxation	-	-	-
Loss for the period/year from continuing operations	(1,142)	(1,010)	(2,020)
Basic and diluted loss per share (\$/share) from continuing operations	(0.00)	(0.00)	(0.01)

GROUP STATEMENTS OF COMPREHENSIVE INCOME

6 months 6 months

	ended 31 December 2023 (unaudited) \$000	ended 31 December 2022 (unaudited) \$000	Year ended 30 June 2023 (audited) \$000
Total comprehensive loss for the period/year	(1,142)	(1,010)	(2,020)

GROUP BALANCE SHEETS

	31 December 2023 (unaudited) \$000	31 December 2022 (unaudited) \$000	30 June 2023 (audited) \$000
Non-current assets			
Intangible exploration assets	155,543	155,540	155,543
Property, plant and equipment	-	7	3
	155,543	155,547	155,546
Current assets			
Financial investments	-	2,193	644
Inventory	936	1,180	1,180
Trade and other receivables	1,688	1,665	1,739
Cash and cash equivalents	567	247	906
	3,191	5,285	4,469
Total assets	158,734	160,832	160,015
Current liabilities			
Trade and other payables	(556)	(502)	(695)
Total current liabilities	(556)	(502)	(695)
Net assets	158,178	160,330	159,320
Equity			
Called-up share capital	56,517	56,517	56,517
Share premium	1,599	1,599	1,599
Foreign exchange reserve	(69,857)	(69,857)	(69,857)
Other reserves	2,767	2,767	2,767
Retained earnings	167,152	169,304	168,294
Total equity	158,178	160,330	159,320

GROUP CASH FLOW STATEMENT

	6 months ended 31 December 2023 (unaudited) \$000	6 months ended 31 December 2022 (unaudited) \$000	Year ended 30 June 2023 (audited) \$000
Cash Flows from Operating Activities			
Loss before tax	(1,142)	(1,010)	(2,020)
<i>Adjustments to reconcile Company loss before tax to net cash used in operating activities:</i>			
Depreciation of property, plant and equipment	3	5	10
Inventory impairment charge	244	-	-
Finance costs/(income)	4	(45)	(136)
Adjusted loss before tax prior to changes in working capital	(891)	(1,050)	(2,146)
Decrease/(increase) in trade and other receivables	53	307	80
Decrease/(increase) in trade and other payables	(164)	(177)	34
Net (Cash used) in operating activities	(1,002)	(920)	(2,032)
Cash flows used in investing activities			
Purchase of intangible exploration assets	-	(216)	(102)
Sale of financial investments	640	-	1,584

Interest received	23	-	9
Dividends received from financial investments	-	110	174
Net Cash (used in) investing activities	663	(106)	1,665
Cash flows used in/from financing activities	-	-	-
Net cash flows from financing activities	-	-	-
Net decrease in cash and cash equivalents	(339)	(1,026)	(367)
Cash and cash equivalents at the beginning of the period/year	906	1,273	1,273
Net decrease in cash and cash equivalents	(339)	(1,026)	(367)
Cash and cash equivalents at the period/year end	567	247	906

GROUP STATEMENT OF CHANGES IN EQUITY

	Called-up share capital \$000	Share Premium \$000	Foreign exchange reserve \$000	Other reserves \$000	Retained earnings \$000	Total equity \$000
At 1 July 2022	56,517	1,599	(69,857)	2,687	170,314	161,340
Loss for the period	-	-	-	-	(1,010)	(1,101)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(1,010)	(1,010)
Share based payments	-	-	-	-	-	-
At 31 December 2022	56,517	1,599	(69,857)	2,767	169,304	160,330
Loss for the period	-	-	-	-	(1,010)	(1,010)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(1,010)	(1,010)
At 30 June 2023	56,517	1,599	(69,857)	2,767	168,294	159,320
Loss for the period	-	-	-	-	(1,142)	(1,142)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(1,142)	(1,142)
At 31 December 2023	56,517	1,599	(69,857)	2,767	167,152	158,178

NOTES TO THE INTERIM STATEMENTS

For the 6 months ended 31 December 2023

1. Accounting Policies

Basis of Preparation

This Interim Report has been prepared on a basis consistent with the accounting policies applied to all the periods presented in these consolidated financial statements.

The disclosed figures are not statutory accounts in terms of section 435 of the Companies Act 2006. Statutory accounts for the year ended 30 June 2023 have been filed with the Registrar of Companies. The auditor's report on the annual report and accounts for the year ended 30 June 2023, which was un-modified, included a Key Audit Matter disclosure identifying events or conditions that create a material uncertainty which may cast significant doubt on the Group's and Company's ability to continue as a going concern, noting that the Group and Company may require additional funding during the 12 months after approval of the financial statements in order to continue as a going concern, depending on the timing of the final investment decision for the Etinde project.

2. Going Concern

The current global market conditions remain highly uncertain, with continuing high inflation, ongoing interest rate and taxation rises to fund current and past Government expenditure, the ongoing war in Ukraine, and increasing geopolitical tensions. Long term demand and pricing for hydrocarbons remains the most significant factor that will permit the monetisation of Etinde resources, as well as governmental approval for Etinde's development.

The major sources of significant economic and financial uncertainty for Bowleven Group, at the current time, relate to:

- 1) the timing of FID and the receipt of the \$25 million FID payment from LUKOIL and New Age;
- 2) the level of spending required under the 2024 Etinde work plan and budget ('WPB'), which is currently being drafted but has yet to be approved; and
- 3) The rate of progress on agreeing a firm commitment to an EG based development during 2024 and the subsequent technical and commercial agreements required to FID.

The Directors have considered a number of different operational scenarios for 2024 onwards in order for us to prepare short and medium-term cash flow forecasts and projections for the Etinde development project and hence the Bowleven Group alongside the receipt of c£1.38 million (net of issue costs) in April 2024, subject to the Open Offer being approved by shareholders at the general meeting on 2 April 2024.

The various scenarios modelled principally vary around the amount of time between the present and the expected commencement of concept design and FEED activity later in 2024 or 2025, following pre-approval by SNH. In addition, we have also modelled the impact of further improvements in working capital and/or further Bowleven cost reduction measures. By their nature, our expenditure projections for 2024 and later are highly uncertain at this point in time. We believe that we have prudently adopted a conservative approach to costs and potentially a more rapid implementation timetable than the JV partners may be able to achieve in practice.

In the scenarios modelled, the Directors' cash flow forecasts and projections indicate a material risk that Bowleven will fully utilise its current and future cash resources by the middle of 2025. This gives rise to a material uncertainty regarding the going concern status of the Group across calendar year 2024 and into 2025. The Directors have therefore concluded that it is highly likely that the Group will need to raise additional finance at some point in 2025 in order to continue to fund the Group as the Etinde project progresses towards FID.

The Company's base case model assumes project expenditure contributions from April 2024, driven by cash calls from the Operator in relation to the Etinde Permit, will remain in a range approximately around recent low levels which have been on a largely suspended 'care and maintenance' basis. The Company expects that Etinde project expenditure levels will increase in future to facilitate a realignment of the Joint Venture Partners' development priorities in order to reach FID. The timing of, and requirement for, a further capital raise will depend, amongst other things, on the timing of the increase in project expenditure levels which in turn will be influenced in part by what, if any, additional Front End Engineering Development work is required to progress to FID. Only once agreement has been reached on a development plan for the Etinde Permit, and after the approval of a future work plan and budget for Etinde, will Bowleven know its estimated project expenditure contributions going forward and therefore how long the net proceeds of the Open Offer will provide funding for the Company.

The amount of additional finance required will depend on the status of the Etinde development, the expenditure required of Bowleven to fund its share of the Etinde development and the likely time period to FID, as well as any anticipated risk to this being further delayed beyond our expectation. At FID, Bowleven Group is due to receive \$25 million from our JO partners under the terms of the 2015 farm-in agreement. The Directors do not anticipate any timing issue relating to receipt of these funds when they fall due, but note that any failure to receive these funds promptly may also cause further funding issues for the Bowleven Group.

The Directors consider the risk of the Government of Cameroon removing the Etinde PSC contract from the Etinde JO partners is low at the current time, for the following reasons:

- The issue of the January 2021 licence expiry date has not been raised as a formal concern by SNH, and SNH has approved all annual WPB up to and including the year ending 31 December 2022; and
- The JO will request the Government eliminate this uncertainty as part of the FID regulatory approval process.

After taking the preceding funding risks into account, the Directors believe that the Group should be able to secure additional funding in due course to bridge any gap to attaining FID and the receipt of the \$25 million FID payment, which the company now expects to be in 2025 at the earliest. Any additional funding requirements will depend on the circumstances at the time and the time taken to attain FID.

The Directors are conscious that the Company's financial position and the issues discussed above create a material uncertainty that may cast significant doubt over the Group's ability to continue as a going concern and therefore, that the Group may be unable to realise its assets and discharge its liabilities in the normal course of

business. The interim financial statements have been prepared on a going concern basis as the Directors are of the opinion that the Group has sufficient funds to meet ongoing working capital and committed capital expenditure requirements at the current date.

The financial statements do not include any adjustments that might result if the Group were unable to continue as a going concern.

3. Subsequent events

There have been no significant post balance sheet events other than the announcement of the Open Offer to subscribe to new ordinary shares on 14 March 2024.

4. Other Notes

- a) The basic earnings per ordinary share is calculated on a loss of \$1,142,000 (H1 2022: loss \$1,010,000) on a weighted average of 327,465,652 (H1 2022: 327,465,652) ordinary shares.
- b) In respect of the 6 months to 31 December 2023 the diluted earnings per share is calculated on a loss of \$1,142,000 on 327,465,652 ordinary shares. The loss attributable to ordinary shareholders and the number of ordinary shares for the purpose of calculating the diluted earnings per share are identical to those used for the basic earnings per share.
- c) No dividend has been declared.

5. Electronic Shareholder Communication

As per the prior year Interim Results, and recognising increased automation in shareholder communications, the Group no longer produces hard copy Interim Reports. The Annual Report is distributed electronically unless shareholders specifically elect to receive a hard copy which can be obtained from the Company on request.

6. Interim Report

This announcement represents the Interim Report and half yearly results of Bowleven plc. The announcement will be available to download from the Company's website www.bowleven.com.

GLOSSARY

AGM	annual general meeting
AIM	the market of that name operated by the London Stock Exchange
Articles of Association	the internal rules by which a company is governed
BBL or bbl	barrel of oil
bcf or bscf	billion standard cubic feet of gas
Board of Directors	the Directors of the Company
boe	barrels of oil equivalent
Bomono Permit/Licence	the production sharing contract between the Republic of Cameroon and EurOil, dated 12 December 2007, in respect of the area of approximately 2,328 km ² comprising former blocks OLHP-1 and OLHP-2 onshore Cameroon; or, as the context may require, the contract area to which that production sharing contract relates
Bowleven or Bowleven plc	Bowleven plc (LSE: BLVN) and/or its subsidiaries as appropriate
CFA	Central African Francs
Companies Act 2006 ('the Act')	the United Kingdom Companies Act 2006 (as amended)
Contingent resources	those quantities of hydrocarbons that are estimated to be potentially recoverable from known accumulations, but which are not currently considered to be commercially recoverable
EA	Exploitation Authorisation
EBT	employee benefit trust
EEA or EEEA	Etinde Exclusive Exploitation Agreement
EG	Equatorial Guinea
E & P	exploration and production
Etinde Permit	the Etinde Exclusive Exploitation Authorisation agreement or area. The Etinde EA, granted on 29 July 2014, covers an area of approximately 461km ² (formerly block MLHP-7) and is valid for an initial period of 20 years with an initial six-year period ending January 2021, by which time development must commence. SNH

	have informed the JV of their intention to exercise their right to back into this licence, but have not signed the Participation Agreement and funded their share of cash calls in accordance with the requirements set out in the PSC
EurOil	EurOil Limited, an indirectly wholly owned subsidiary of Bowleven plc, incorporated in Cameroon
FEED	Front End Engineering Design
FID	final investment decision
G&A	general and administration
GIIP	gas initially in place
Host Government	Government of Cameroon
Group	the Company and its direct and indirect subsidiaries
HSSE	health, safety, security and environment
IAS	International Accounting Standards
IE, IM	Specific locations or areas where Miocene aged Intra-Isongo reservoirs
IFRS	horizons have been identified as actual or potential oil and gas condensate fields International Financial Reporting Standards
Intra Isongo	nomenclature used to describe a sequence of sedimentary rocks in the Etinde licence area
JO, JV or JV partners	an unincorporated joint operation. Joint Venture partners are the financial investors who jointly own and operate the unincorporated joint operations
km	kilometres
km²	square kilometres
LNG	liquefied natural gas
LPG	liquefied petroleum gas
LUKOIL	LUKOIL Overseas West Project Limited, a subsidiary undertaking of OAO LUKOIL
mmbbls	million barrels
mmboc	million barrels of oil equivalent
MMBtu	Metric Million British Thermal Unit
mmscf	million standard cubic feet of gas
mscf	thousand standard cubic feet of gas
New Age	New Age (African Global Energy) Limited, a privately held oil and gas company
New Age Group	New Age and its subsidiaries
NOMAD	nominated advisor
Open Offer	The underwritten Open Offer of 1,562,500,000 New Ordinary Shares of 0.1 pence each, at a price of 0.1 pence per New Ordinary Share, as notified by the Company on 14 March 2024
Operator	New Age Group
ordinary shares	ordinary shares of 10 pence each in the capital of the Company
P10 (3C)	10% probability that volumes will be equal to or greater than stated volumes
P50 (2C)	50% probability that volumes will be equal to or greater than stated volumes
P90 (1C)	90% probability that volumes will be equal to or greater than stated volumes
PSC	production sharing contract
Q1, Q2 etc.	first quarter, second quarter etc.
scf	standard cubic feet.
shareholders	means holders of ordinary shares and 'shareholder' means any one of them
SNH	Société Nationale des Hydrocarbures, the national oil and gas company of Cameroon
tcf	trillion cubic feet
US	United States of America
\$, US Dollars, USD	United States of America Dollars
£, GB Pounds, GBP	Great Britain Pounds Sterling

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