

Company Registration No. 12020297 (England and Wales)



SEASCOPE ENERGY ASIA PLC
(FORMERLY LONGBOAT ENERGY PLC)
INTERIM REPORT AND FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2024

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

COMPANY INFORMATION

Directors

James Menzies (appointed 27 June 2024)
Nicholas Ingrassia
Graham Stewart
Geraldine Murphy (appointed 27 June 2024)
Helge Hammer (resigned 30 April 2024)
Jonathan Cooper (resigned 27 June 2024)
Brent Cheshire (resigned 27 June 2024)
Katherine Roe (resigned 27 June 2024)
Jorunn Saetre (resigned 27 June 2024)

Secretary Julian Riddick

Company number 12020297

Registered office 5th Floor One New Change
London
EC4M 9AF

Independent Auditor BDO LLP
55 Baker Street
London
W1U 7EU

Nominated Adviser & Joint Broker Stifel Nicolaus Europe Limited
150 Cheapside
London
EC2V 6ET

Joint Broker Cavendish Capital Markets Limited
One Bartholomew Close
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Solicitors K&L Gates LLP
5th Floor One New Change
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Sutherland House
Russell Way
Crawley
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SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

STRATEGIC REPORT

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

STRATEGY AND OUTLOOK

Following a detailed review of its areas of geographic operation during the period, the board and management of the Company decided on 17 June 2024 to exit Norway and focus on building a full-cycle E&P business in Southeast Asia. We see significantly more potential in Southeast Asia for a small company than Norway and believe the Company's existing positioning and access to opportunities provide excellent value-creation potential.

Recent structural changes to the Norwegian upstream industry have favoured an increasingly small group of very large companies with long-term investment horizons and access to low cost of capital. This left the Company at a significant competitive disadvantage and, despite enormous efforts and attempts to secure opportunities with shareholder value upside, the Company has been unable to establish a meaningful growth platform in Norway.

In contrast, the Company entry into Malaysia last year coincided with a proliferation of opportunities across Southeast Asia and a positive and supportive attitude of the host governments towards small-and-medium sized companies which are now viewed as crucial to maximizing value from their maturing basins. Furthermore, this positive industry sentiment is set against a macro backdrop of growing economies with increasing energy demands, benign operating environments, a structurally lower cost base and an opportunity to help reduce carbon emissions through the development of indigenous gas resources to displace coal fired power generation.

The Company has competitive advantages in the region, including an experienced team with excellent long-term relationships and networks established across Southeast Asia. In addition, its growing portfolio already includes sought-after acreage and operatorship of a licence in one of the most exciting basins in the region, as well as visibility on accessing many additional opportunities to diversify and grow materially its asset position.

In order to reflect this change in strategic focus, the Company has now been renamed and rebranded as Seascape Energy Asia plc ("Seascape").

OPERATIONS AND ACTIVITY

Norway

As announced on 17 June 2024, the Company agreed the sale of its 50.1% interest in Longboat JAPEX Norge AS ("LJN") to Japan Petroleum Exploration Co. Ltd ("JAPEX") for £1.9 million (\$2.5 million in cash). In addition, JAPEX assumed all current and future financial obligations associated with LJN, which included £13 million (\$17 million) of debt, £6.5 million (\$8.5 million) of which being formerly attributable to the Company.

This decision followed the continuing scarcity of acquisition opportunities suitable for the Company, the disappointing performance of the Statfjord Satellites (comprised of a 4.80% unitised interest in the Statfjord Øst Unit and a 4.32% unitised interest in the Sygna Unit) and slow progress on monetising the Kveikje discovery (LJN, 10%), all of which contributed to a near-term projected working capital shortfall in LJN which could have resulted in the Company forfeiting some or all of its shares in LJN.

However, the principal catalyst that led to the exit from Norway was the working capital pressures caused by the poor performance of the Statfjord satellites. While the Statfjord satellites infill drilling project had been executed successfully technically, there were delays, in both the development programme and production ramp up, and these in addition to the cost overruns had a significant negative impact on LJN's projected working capital.

While this departure from Norway was not anticipated when the joint venture was set up last year, LJN, renamed JAPEX Norge, will continue under JAPEX's ownership as a full-cycle business with an exceptional team, providing an excellent platform for a large company with access to significant low-cost capital to build long-term success on the Norwegian Continental Shelf.

Southeast Asia

The Company entered Malaysia in the Malaysian Bid Round 2022 by winning operatorship of a Production Sharing Agreement for Block 2A (the Company 36.75% (subsequently increased to 52.5% following the Topaz acquisition, completed in December 2023)). This deep-water exploration block, offshore Sarawak, covers an area of more than

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12,000 km² and contains material exploration opportunities with an associated low initial cost obligation with up to three years until a drill decision.

Block 2A contains the giant Kertang prospect and the Company commissioned ERCE to undertake a competent persons report (“CPR”) to confirm the potential size and risk associated with Kertang, believed to be one of the largest undrilled structures in Malaysia. The CPR, which was completed in June 2024, confirmed the giant scale of the Kertang prospect assigning total gross, unrisks mean prospective resources of 9.1 TCF plus 146 mmbbls of Natural Gas Liquids (“NGLs”) across the four target horizons.

Following recent increased interest levels in exploration for world-scale fields, multiple large companies have approached the Company regarding Block 2A. Having consulted with PETRONAS, the Company has commenced a farm-out process to identify a suitable partner.

In addition, an Area of Mutual Interest (“AMI”) in Shallow Water Sarawak was signed at the end of 2023, between the Company and another international E&P company active in Malaysia, to pursue discovered resource opportunities (“DROs”) being offered by PETRONAS. In June 2024, the Company announced that it had provisionally been granted an award, subject to the successful negotiation of certain key contractual terms, for acreage in shallow water offshore Sarawak containing several material, undeveloped gas fields capable of near-term development. These resources are an important addition to the Company’s growing Asian portfolio and it is expected that an announcement giving details of this award will be made shortly.

Cost Base

The strategic pivot to Southeast Asia has given the Company the opportunity to streamline and reduce its cost base. These actions include reducing the management team and board of directors to ensure both remain fit-for-purpose without compromising management’s ability to properly govern the day-to-day operation of the business.

The operational cost reduction measures taken will not be visible until the second half of 2024 but will result in annual savings of ~\$2 million from the start of 2025. These savings, together with the cash proceeds from the LJN sale, are forecast to provide sufficient capital through to the end of Q1 2025.

With its smaller organisation after exiting Norway, the Company will continue to ensure its cost base remains streamlined to maximise the capital directed towards value-accretive growth opportunities.

Financial Results

At 30 June 2024 the Group had net cash reserves totalling £1.3 million (1H 2023: £2.1 million) excluding £1.9 million in cash that was received post-period end following the completion of the sale of its 50.1% interest in LJN to JAPEX.

Exploration and evaluation assets of £676k (1H 2023: £nil) represented capitalised expenditures incurred on Block 2A in Malaysia and were deemed fully recoverable at the balance sheet date.

Net assets with respect to LJN totalled £1.9 million (1H 2023: £11.1 million) following the impairment of the carrying value on disposal as noted below. Included within net assets were £308k (June 2023: £nil) of amounts due to the Group from LJN.

On 14 June 2024, the Company sold its 50.1% interest in its Norwegian subsidiary LJN to JAPEX. The transaction completed on 12 July 2024, however, as the key condition precedent was met on 26 June 2024 (Government consent), all of the losses with respect to the joint venture sale have been recognised in discontinued operations during the period, including writing the investment carrying value down to its deemed fair value, the carrying value of £8.7 million exceeded the recoverable amount of £1.9 million, leading to an impairment charge of £6.8 million (2023: £nil).

During the period, the Group recognised other income of £719k (2023: £nil) with respect to management service charges to LJN, and time writing to the 2A Operatorship.

Administrative costs for the period totalled £3.5 million (2023: £2.0 million) with the increase primarily related to the cost of a new venture opportunity which failed to transact of £900k (2023: £nil) and increased wages and salaries during the period of £1.4 million (2023: £700k) with respect to the new Malaysia team in 2024 along with certain head office restructuring costs.

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FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

The total loss for the period was £12.5 million (2023: £6.2 million) and comprised £2.7 million (2023: £2.0 million) from continuing operations and £9.8 million (2023: £4.1 million) from discontinued operations.

The total loss on discontinued operations of £9.8 million (2023: £4.1 million), comprised the Group share of loss from the equity accounted joint venture of £3.0 million (2023: £4.1 million) and the impairment charge on the LJM investment of £6.8 million (2023: £nil). The Group's share of the loss that related to the impairment of the Statfjord Satellites licences was £2.0 million and is included within the loss from the equity accounted joint venture of £3.0 million.

The total comprehensive loss for the period included currency translation differences that were taken directly to reserves of £0.8 million (2023: £1.7 million) and totalled £13.4 million (2023: £7.9 million).

Going concern

The directors have completed the going concern assessment, including considering cash flow forecasts up to the end of 2026, sensitivities, and stress tests to assess whether the Company and its subsidiaries ("Group") are a going concern. Having undertaken careful enquiry, the directors are of the view that the Group will need to access additional funds during 2025 in order to fund on-going operations and pursue growth opportunities. This is in line with the Company's current activities of exploring, maturing its discoveries and seeking acquisitions. In the absence of such funding, the Group is forecasted to have limited or no liquidity by the end Q1 2025. It is anticipated that these funds will be sourced through asset disposals / farm downs, issuing new equity or a combination of these actions. To the extent that growth opportunities will support debt, this will be considered where appropriate for example to support production acquisitions.

The financial statements for the period to 30 June 2024 have been prepared assuming the Group will continue as a going concern. In support of this, the directors believe the liquid nature of asset market combined with historical shareholder support, adequate funds can be accessed if and when required. However, the ability to continue as a going concern is not guaranteed at the date of signing these financial statements. As a consequence, this funding requirement represents a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

On behalf of the board



.....
Nicholas Andrew Ingrassia
Director

30 September 2024

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

STRATEGIC REPORT

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

DIRECTORS RESPONSIBILITY STATEMENT

The directors are responsible for preparing the interim report in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under the AIM Rules for Companies of the London Stock Exchange they are required to prepare the financial statements in accordance with UK adopted international accounting standards.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period. The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with UK adopted international accounting standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The directors are responsible for ensuring the annual and interim reports and financial statements are made available on a website. Financial statements are published on the company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

		6 months		Restated
		6 months ended 30 June 2024	6 months ended 30 June 2023	Year to 31 December 2023
	Notes	unaudited £	unaudited £	audited £
Other income		718,620	-	641,275
Administrative expenses		(3,536,964)	(1,966,497)	(4,292,670)
Operating loss	5	(2,818,344)	(1,966,497)	(3,651,395)
Finance costs		(6,075)	-	(51)
Investment income	6	62,782	51,492	155,397
Net foreign exchange gain/(loss)		5,489	(134,845)	(364,366)
Loss before taxation from continuing operations		(2,756,148)	(2,049,850)	(3,860,415)
Taxation		-	-	-
Loss for the period from continuing operations		(2,756,148)	(2,049,850)	(3,860,415)
Loss for the period from discontinued operations	8	(9,778,587)	(4,132,511)	(326,619)
Loss for the period		(12,534,735)	(6,182,361)	(4,187,034)
Items that may be reclassified to profit or loss				
Currency translation differences from discontinued operations		(836,527)	(1,716,511)	(262,006)
Currency translation expense on subsidiaries		11,753	-	11,567
Total items that may be reclassified to profit or loss		(824,774)	(1,716,511)	(250,439)
Total comprehensive loss		(13,359,509)	(7,898,872)	(4,437,473)
Loss per share	9			
Basic and diluted – continuing		(4.83)	(3.62)	(6.81)
Basic and diluted – discontinued		(17.12)	(7.29)	(0.58)

Loss per share is expressed in pence per share.

*Restatement of the prior period is explained in detail in note 20.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2024

	Notes	30 June 2024 unaudited £	30 June 2023 unaudited £	31 Dec 2023 audited £
Non-current assets				
Investment in joint ventures	10			12,461,890
Exploration and evaluation assets	11	675,559	-	572,512
Property, plant and equipment	11	10,201	12,718	10,361
		<u>685,760</u>	<u>12,718</u>	<u>13,044,763</u>
Current assets				
Cash and cash equivalents		1,269,953	2,100,622	3,684,541
Inventories		-	-	-
Trade and other receivables	12	1,391,656	224,961	1,343,351
		<u>2,661,609</u>	<u>2,325,583</u>	<u>5,027,892</u>
Assets in disposal group held for sale	18	1,935,913	61,645,759	-
		<u>5,283,282</u>	<u>63,984,060</u>	<u>18,072,655</u>
Current liabilities				
Trade and other payables	13	1,373,870	282,562	894,237
		<u>1,373,870</u>	<u>282,562</u>	<u>894,237</u>
Liabilities in disposal group held for sale	18	-	50,515,795	-
		<u>1,287,739</u>	<u>2,043,021</u>	<u>4,133,655</u>
Non-current liabilities				
Contingent consideration		245,763	-	239,688
		<u>245,763</u>	<u>-</u>	<u>239,688</u>
Total liabilities		<u>1,619,633</u>	<u>50,798,357</u>	<u>1,133,925</u>
Net assets		<u>3,663,649</u>	<u>13,185,703</u>	<u>16,938,730</u>

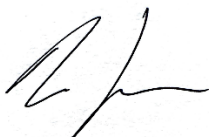
SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2024

Equity				
Called up share capital	15	5,710,812	5,666,665	5,710,812
Share premium account		35,605,370	35,570,411	35,605,370
Own shares		-	450,000	-
Currency translation reserve		(513,971)	(1,155,269)	310,803
Retained earnings		(38,697,476)	(28,158,068)	(26,162,741)
Other reserves		450,000	-	450,000
Share option reserve		1,108,914	811,964	1,024,486
Total equity		<u>3,663,649</u>	<u>13,185,703</u>	<u>16,938,730</u>
Total equity and liabilities		<u>5,283,282</u>	<u>63,984,060</u>	<u>18,072,655</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 September 2024 and are signed on its behalf by:



.....
Nicholas Andrew Ingrassia
Director

Company Registration No. 12020297

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

	Share capital £	Share premium account £	Currency translation reserve £	Share based payment reserve £	Other reserves £	Retained earnings £	Total £
Balance at 1 January 2023	5,666,665	35,570,411	561,242	660,449	450,000	(21,975,707)	20,933,060
Period ended 30 June 2023							
Loss for the period	-	-	-	-	-	(6,182,361)	(6,182,361)
Other comprehensive loss for the period	-	-	(1,716,511)	-	-	-	(1,716,511)
Credit to equity for equity settled share-based payments	-	-	-	151,515	-	-	151,515
Balance at 30 June 2023	5,666,665	35,570,411	(1,155,269)	811,964	450,000	(28,158,068)	13,185,703
Period ended 31 December 2023							
Profit for the period	-	-	-	-	-	1,995,327	1,995,327
Other comprehensive income for the period	-	-	1,466,072	-	-	-	1,466,072
Issue of share capital	44,147	34,959	-	-	-	-	79,106
Credit to equity for equity settled share-based payments	-	-	-	212,522	-	-	212,522
Balance at 31 December 2023	5,710,812	35,605,370	310,803	1,024,486	450,000	(26,162,741)	16,938,730
Period ended 30 June 2024							
Loss for the period	-	-	-	-	-	(12,534,735)	(12,534,735)
Other comprehensive income for the period	-	-	(824,774)	-	-	-	(824,774)
Credit to equity for equity settled share-based payments	-	-	-	84,428	-	-	84,428
Balance at 30 June 2024	5,710,812	35,605,370	(513,971)	1,108,914	450,000	(38,697,476)	3,663,649

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CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

	Notes	30 June 2024 unaudited £	30 June 2023 unaudited £	31 December 2023 audited £
Cash flows from operating activities				
Cash absorbed by continuing operations	17	(2,338,022)	(1,990,241)	(3,953,732)
Cash absorbed by operating activities from discontinued operations	19	-	(1,300,256)	(2,663,342)
Net cash (outflow) from operating activities		(2,338,022)	(3,290,497)	(6,617,074)
Investing activities				
Cash removed from Group on disposal		-	-	(1,693,429)
Repayment of loan from Longboat JAPEX to Longboat Energy plc		-	-	3,710,329
Purchase of exploration and evaluation assets		(51,524)	-	(148,906)
Purchase of property, plant and equipment		(4,362)	(3,500)	(12,007)
Interest received		62,782	51,492	155,397
Investing activities from discontinued operations		-	(4,577,757)	(5,655,406)
Net cash used in investing activities		6,896	(4,529,765)	(3,644,022)
Financing activities				
Interest paid		(6,075)	-	(51)
Financing activities from discontinued operations		-	166,313	2,027,204
Net cash generated from financing activities		(6,075)	166,313	2,027,153
Net (decrease)/increase in cash and cash equivalents		(2,337,201)	(7,653,949)	(8,233,943)
Cash and cash equivalents at beginning of period		3,684,541	12,059,561	12,059,562
Effect of foreign exchange rates		(77,387)	(88,051)	(141,078)
Cash and cash equivalents at end of period		1,269,953	4,317,561	3,684,541
Cash held in continuing operations		1,269,953	2,100,622	3,684,541
Cash classified as held for sale		-	2,216,939	-
Relating to:				
Bank balances and short term deposits		1,269,953	2,100,622	3,684,541

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

1 Material Accounting Information

Company information

Seascope Energy Asia plc (formerly Longboat Energy plc) is a public company limited by shares incorporated in England and Wales. The registered office is 5th Floor One New Change, London, EC4M 9AF. The Company's principal activities and nature of its operations are disclosed in the directors' report.

1.1 Accounting convention

The financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The same accounting policies, presentation and methods of computation are followed in the interim consolidated financial information as were applied in the Group's latest annual audited financial statements except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2024 and will be adopted in the 2024 annual financial statements.

This interim financial information does not constitute statutory accounts within the meaning of section 434 and of the Companies Act 2006. The information for the year ended 31 December 2023 included in this report was derived from the statutory accounts for that year, which were prepared in accordance with UK adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, a copy of which has been delivered to the Registrar of Companies. The report of the auditors on those accounts was unqualified and did not contain statements under s498(2) or (3) Companies Act 2006, but it did contain a material uncertainty in relation to going concern. The ISRE 2410 review conclusion on the consolidated interim financial statements as of and for the six-month period ended 30 June 2023 included a material uncertainty in respect of the going concern paragraph.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention.

The Group interim financial statements consolidate the financial statements of the parent company, its subsidiaries and the held for sale subsidiary undertaking drawn up to 30 June 2024.

1.2 Going concern

The directors have completed the going concern assessment, including considering cash flow forecasts up to the end of 2026, sensitivities, and stress tests to assess whether the Company and its subsidiaries ("Group") is a going concern. Having undertaken careful enquiry, the directors are of the view the Group will need to access additional funds during 2025 in order to fund on-going operations and pursue growth opportunities. This is in line with the Company's current activities of exploring, maturing its discoveries and seeking acquisitions. In the absence of such funding, the Group is forecasted to have limited or no liquidity by the end Q1 2025. It is anticipated that these funds will be sourced through asset disposals / farm downs, issuing new equity or a combination of these actions. To the extent that growth opportunities will support debt, this will be considered where appropriate for example to support production acquisitions.

The financial statements for the period to 30 June 2024 have been prepared assuming the Group will continue as a going concern. In support of this, the directors believe the liquid nature of asset market combined with historical shareholder support, adequate funds can be accessed if and when required. However, the ability to continue as a going concern is not guaranteed at the date of signing these financial statements. As a consequence, this funding requirement represents a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

1.3 Discontinued operations and assets held for sale

In accordance with IFRS 5 “Non-current assets held for sale and discontinued operations” the net results relating to the assets held for sale are presented within discontinued operations in the income statement, for which the comparatives have been restated. The assets and liabilities of these operations are presented separately on the balance sheet. Please refer to note 17 for further details.

2 Adoption of new and revised standards and changes in accounting policies

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time in 2024, but do not have an impact on the interim financial statements of the Group.

3 Critical accounting estimates and judgements

In the application of the Group’s accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Exploration and evaluation assets

Judgement is required to determine whether impairment indicators exist in respect of the Group’s exploration assets recognised in the statement of financial position. The Group has to take into consideration whether the assets have suffered any impairment, taking into consideration the results of the drilling to date, and the likelihood of reserves being found. The Group relies upon information from third parties to take these decisions and can be subject to change if future information becomes available.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

4 Employees

The average monthly number of persons (including directors) employed by the Group during the period was:

	Six month period ended 30 June 2024 Number	Six month period ended 30 June 2023 Number	Year ended 31 Dec 2023 Number
Executive Directors	2	3	3
Non-Executive Directors	4	4	5
Staff	5	2	14
Total	11	9	22

Their aggregate remuneration comprised:

	Six month period ended 30 June 2024 £	Six month period ended 30 June 2023 £	Year ended 31 Dec 2023 £
Wages and salaries (including directors' remuneration)	1,174,085	526,820	1,465,734
Social security costs	97,748	66,250	161,374
Pension costs	51,928	28,750	58,250
Share based payment charge	84,427	85,582	199,017
	1,408,188	707,402	1,884,375

A direct comparison between the directors' remuneration cannot be made between the six month period ending 30 June 2024 and the equivalent period in 2023. Remuneration costs and recharges for certain directors in the prior and current period were classified differently due to accounting changes related to LJV which are captured in the Full Year 2023 accounts. As reported in the Cost Base section, the full realisation of the businesses reduced cost structure will be visible in the full year accounts to the period 31 December 2024.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

5 Operating Loss

	Six month Period ended 30 June 2024 £	Six month period ended 30 June 2023 £	Year ended 31 Dec 2023 £
Operating loss for the period is stated after charging/(crediting):			
Exchange losses/(gains)	(5,489)	134,845	365,013
Fees payable to the company's auditor for the audit of the company's financial statements	43,630	47,750	95,200
Fees payable to the company's auditors for the audit of the subsidiary financial statements	-	-	22,000
Depreciation of property plant and equipment	4,522	5,047	10,479
Share based payments	84,428	85,582	199,017
Executive director's remuneration	414,279	260,000	790,191
Non-executive director remuneration	326,278	116,820	334,102
Wages and salaries	433,528	150,000	378,470
Pensions and payroll taxes	149,676	95,000	265,550
New Ventures and Business Development	73,897	18,263	350,975
Professional fees	883,408	159,838	446,207
Fixed rate charges from LJN	327,636	-	302,974
Contractor day rates	95,796	18,833	233,885
Legal fees	11,354	9,758	232,920
Accountancy fees	350,899	64,687	157,835

Other income relates to management service charges between the Company and LJN and SEA time writing to the operatorship of 2A.

6 Investment Income

	Six month period ended 30 June 2024 £	Six month period ended 30 June 2023 £	Year ended to 31 Dec 2023 £
Interest income			
Bank deposits	62,782	51,492	155,397

Total interest income for financial assets that are not held at fair value through profit or loss is £nil (2023: £nil).

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

7 Auditor's remuneration

	Six month period ended 30 June 2024 £	Six month period ended 30 June 2023 £	Year ended 31 Dec 2023 £
Fees payable to the company's auditor and associates:			
For audit services			
Audit of the financial statements of the company and consolidated financial statements	37,500	47,750	95,200
Audit of the financial statements of the company's subsidiaries*	-	15,237	22,000
	<u>37,500</u>	<u>62,987</u>	<u>117,200</u>

*This fee is in relation to the audit of LJJ, which was held for sale as at 30 June 2024.

For non-audit services

Interim review	8,000	26,250	-
Working capital work for non-completed transaction	188,790	-	-
	<u>196,790</u>	<u>26,250</u>	<u>-</u>

During the period the auditor provided non-audit services of £196,790 (2023: £26,250) for their role in reviewing the interim accounts and reporting accounting services in connection with an abortive acquisition.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

8 Loss for period from discontinued operations

On 17 June 2024 the Company announced the agreement to sell its 50.1% holding in its joint venture, Longboat JAPEX Norge AS ("LJN"), to its partner, JAPEX, for a sum of \$2.5 million. The sale completed on 15 July 2024. The investment is considered as held for sale at the period end and the loss from investment for the period has been disclosed as loss from discontinued operations.

On 28 April 2023 an Investment Agreement was entered into whereby JAPEX agreed to make a significant investment in the Company's Norwegian subsidiary to form a joint venture which was renamed LJN. As this investment resulted in sharing control of the subsidiary, LJN was considered as held for sale and the results of the entity for the comparative periods 30 June 2023 and 31 December 2023 were disclosed under discontinued operations. For clarity, this detailed comparative information has been disclosed in the table below. See Note 17 for more details.

	30 June 2024	30 June 2023	31 Dec 2023
	£	£	£
Expenses excluding exploration write offs	-	(3,061,498)	(4,332,660)
Exploration write-off	-	(10,496,796)	(10,427,155)
Loss before tax	-	(13,558,294)	(14,759,815)
Current tax on discontinued operations	-	1,775,778	2,259,938
Deferred tax on discontinued operations	-	7,650,005	6,831,888
Loss after tax on discontinued operations*	-	(4,132,511)	(5,347,989)
Gain on disposal**	-	-	10,464,548
Share of loss from equity accounted joint venture***	(3,009,250)	-	(2,803,202)
Impairment of equity accounted joint venture	(6,769,337)	-	(2,639,976)
Total loss from discontinued operations	(9,778,587)	(4,132,511)	(326,619)
Loss per share impact from discontinued: operations			
Basic and diluted impact			
Basic	(17.12)	(7.29)	0.58
Diluted	(17.12)	(7.29)	0.58

*This information relates to LJN results as a fully owned subsidiary of the Company

** At the date of disposal the fair value of the joint venture was calculated based on the fair value of the consideration received. Details of this can be found in the 2023 year end published group accounts.

*** This information relates to LJN results as a joint venture with JAPEX. In 1H 2024 this loss included £2m related to the write down of the Statfjord satellites licences.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

9 Loss per share	30 June 2024 £	30 June 2023 £	Restated 31 Dec 2023 £
Weighted average number of ordinary shares for basic loss per share	57,108,136	56,666,666	56,670,294
Losses:			
Continued operations			
Loss for the period from continued operations	(2,756,148)	(2,049,850)	(3,860,415)
Discontinued operations			
Loss for the period from discontinued operations	(9,778,587)	(4,132,511)	(326,619)
Basic and diluted loss per share (pence per share)			
Basic and Diluted from continuing operations	(4.83)	(3.62)	(6.81)
Basic and Diluted from discontinued operations	(17.12)	(7.29)	(0.58)

10 Investment in joint ventures	30 June 2024 £	30 June 2023 £	31 Dec 2023 £
Investment in joint venture	-	-	12,461,890

On 14 July 2023 the Company's formerly wholly owned Norwegian subsidiary issued new shares, representing 49.9% of its total enlarged issued share capital, to JAPEX. This share issue resulted in the Company losing its controlling interest in its subsidiary and created a new joint venture investment with JAPEX, where the Company and JAPEX hold equal voting rights over the renamed LJJ.

This legal entity is held in the Group accounts as an Investment in joint venture and is accounted for using the Equity method of accounting. See Note 10 for details of fair value calculations.

Company Name	Address	Incorporated	Class of shares	Holding	Voting rights
Longboat JAPEX Norge AS	Strandkaian 36, 4005 Stavanger, Norway	5 Dec 2019	Ordinary	50.1%	50%

On 17 June 2024 the Company announced the agreement to sell its 50.1% holding in LJJ to JAPEX for a sum of \$2.5 million. The sale completed on 15 July 2024. The investment is considered as held for sale at the period end and the loss from investment for the period has been disclosed as loss from discontinued operations.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

11 Non-current assets

	Exploration and evaluation assets	Right of Use Asset	Fixtures and Fittings	Computers	Total
	£	£	£	£	£
Cost					
At 1 January 2023	34,661,436	583,560	45,931	54,421	35,345,348
Additions	2,013,790	30,359	-	6,576	2,050,725
Exploration asset acquisition	377,366	-	-	-	377,366
Disposals	(23,097,028)	(558,480)	(40,294)	(20,693)	(23,716,495)
Foreign currency adjustments	(2,955,897)	(55,439)	(4,230)	(2,172)	(3,017,738)
Exploration write off	(10,427,155)	-	-	-	(10,427,155)
At 31 December 2023	572,512	-	1,407	38,132	612,051
Additions	100,586	-	-	4,363	282,554
Foreign currency adjustments	2,461	-	-	-	2,461
At 30 June 2024	675,559	-	1,407	42,495	897,066
Accumulated depreciation and impairment					
At 1 January 2023	-	136,164	7,596	26,649	170,409
Charge for the year	-	35,671	2,561	7,918	46,150
Disposal	-	(183,692)	(10,782)	(11,161)	(205,635)
Foreign currency adjustments	-	11,858	1,564	4,834	18,256
At 31 December 2023	-	-	938	28,240	29,178
Charge for the six month period	-	-	235	4,288	4,523
At 30 June 2024	-	-	1,173	32,528	33,701
Carrying amount					
At 30 June 2024	675,559	-	234	9,967	863,365
At 30 June 2023	-	-	703	12,015	12,718
At 31 December 2023	572,512	-	469	9,892	582,873

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

12 Trade and other receivables

	30 June 2024	30 June 2023	31 Dec 2023
	£	£	£
Current			
Receivables from joint venture	752,697	-	848,602
Other receivables	444,039	-	79,409
VAT recoverable	136,211	115,182	189,833
Prepayments	58,709	109,779	225,507
	<u>1,391,656</u>	<u>224,961</u>	<u>1,343,351</u>

13 Trade and other payables

	30 June 2024	30 June 2023	31 Dec 2023
	£	£	£
Accruals	652,705	165,848	149,808
Payables to joint venture	443,833	-	351,913
Social security and other taxation	65,204	95,750	114,386
Other payables	109,370	16,142	20,227
Trade payables	102,758	4,822	257,903
	<u>1,373,870</u>	<u>282,562</u>	<u>894,237</u>

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

14 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon during the current and prior reporting period.

All the deferred tax balance relates to LJV, which was held for sale as at 30 June 2024. On 15 July 2024 the disposal of LJV was completed and its balance sheet was deconsolidated from the Group. Balances below shown for comparative purposes only and relate to when the balance sheet formed part of the Group.

	ACAs £	Total £
Deferred tax balance at 1 January 2023	25,736,898	25,736,898
Deferred tax movements		
Foreign exchange	(2,859,585)	(2,859,585)
Differences in tax basis for depreciation in Norway	(7,663,789)	(7,663,789)
Change in other temporary differences	(13,784)	(13,784)
Deferred tax liability moved to held for sale	(15,199,740)	(15,199,740)
Deferred tax liability at 30 June 2023	<u>-</u>	<u>-</u>
Deferred tax movements		
Differences in tax basis for depreciation in Norway	(722,127)	(722,127)
Foreign exchange	1,967,201	1,967,201
Disposal	(16,458,598)	(16,458,598)
Deferred tax liability at 31 December 2023	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

Deferred tax assets and liabilities are offset in the financial statements only where the company has a legally enforceable right to do so. In Norway, deferred tax assets and liabilities occur mainly because of prepayment of Exploration spend. Exploration spend is fully tax refundable when incurred.

15 Share Capital

	£
Balance at 1 January 2023	5,666,665
Balance at 30 June 2023	5,666,665
Issue of share capital for acquisition of Topaz Energy Number One Ltd	44,147
Balance at 31 December 2023	5,710,812
Balance at 30 June 2024	5,710,812

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

16 Related party transactions

	Income (£)	Expense (£)	Closing (£)	Closing payable
Longboat JAPEX Norge AS	(414,468)	506,790	752,697	(443,833)

The related party balances arise as a result of the agreements that were entered into at the time of the establishment of the LJV joint venture and relate to intercompany recharges between the Company and LJV.

Remuneration of key management personnel

Members of the Board of Directors are deemed to be key management personnel. Key management personnel compensation for the financial period is the same as the director remuneration which is disclosed in the operating loss note.

Other information

Directors' and PDMR interests in the shares of the Company as at 30 June 2024, including family interests and those who resigned during the period, were as follows:

	Ordinary shares
Helge Hammer (resigned 30 April 2024)	1,077,023
Jonathan Cooper (resigned 27 June 2024)	341,516
Graham Stewart	350,000
Jorunn Saetre (resigned 27 June 2024)	51,667
Nick Ingrassia	218,366
James Menzies (appointed 27 June 2024)	1,347,513
Peirre Eliet (PDMR) (appointed 27 June 2024)	220,735
Julian Riddick (PDMR)	280,302
Hilde Sathe (PDMR) (up until 15 July 2024)	30,939

Under IAS 24 section 4, all intragroup transactions which have been eliminated on consolidation are exempt from being disclosed as the Group has prepared consolidated financial statements.

The Group does not have one controlling party.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

17 Cash used by continuing operations

	30 June 2024	30 June 2023	Restated 31 Dec 2023
	£	£	£
Loss for the six month period after tax – continuing	(2,756,148)	(2,049,850)	(3,860,415)
Add back:			
Depreciation	4,522	5,047	10,479
Interest payable	6,075	-	51
Interest receivable	(62,782)	(51,492)	(155,397)
Share based payments expense	84,427	85,582	199,017
Movements in working capital:			
Decrease in trade and other receivables	(48,305)	15,558	(884,733)
Increase in trade and other payables	434,189	4,914	737,266
Cash flow from continuing operating activities	(2,338,022)	(1,990,241)	(3,953,732)

18 Assets and liabilities classified as held for sale

	30 June 2024(£)	30 June 2023(£)	31 Dec 2023
Intangible assets	-	21,199,985	-
Tangible assets	-	426,647	-
Tax recoverable	-	37,264,850	-
Other current assets held for sale	-	2,754,277	-
Investment in joint venture	1,935,913	-	-
Total assets classified as held for sale	1,935,913	61,645,759	-
Exploration finance facility – short term	-	-	-
Other current liabilities held for sale	-	1,835,332	-
Exploration finance facility – long term term*	-	1,157,131	-
Deferred tax	-	15,199,740	-
Other long-term liabilities held for sale	-	291,278	-
Total liabilities classified as held for sale	-	50,515,795	-

*Disclosed net of £0.5 million prepaid loan fees, being amortised over the life of the facility.

As announced on 17 June 2024, the Company agreed the sale of its 50.1% interest in Longboat JAPEX to JAPEX for £1.9 million (\$2.5 million in cash).

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

19 Cash flow for discontinued operations

	30 June 2024 £	30 June 2023 £	Restated 31 Dec 2023 £
Loss for the year	(9,778,587)	(4,132,512)	(326,619)
Add back:			
Taxation credit	-	(9,425,783)	(9,411,827)
Write offs	-	10,496,796	10,427,155
Depreciation	-	4,731	5,007
Interest payable	-	1,088,344	1,191,918
Interest receivable	-	(54,157)	(41,589)
Share based payments expense	-	65,833	74,309
Time writing adjustment	-	(398,270)	(425,002)
Historic bank fees	-	115,256	124,690
Lease depreciation – IFRS 16	-	35,253	35,671
Lease interest - IFRS 16	-	(54,098)	(59,290)
EFF commitment fee	-	163,287	175,521
Gain on deconsolidation	-	-	(10,464,548)
Loss from investment	3,009,250	-	2,803,202
Write down	6,769,337	-	2,639,976
Movement in working capital			
Inventories	-	98,472	-
Trade and other payables	-	853,969	461,417
Trade and other receivables	-	(157,377)	126,667
Cash flow from operating activities	-	(1,300,257)	(2,663,342)

20 Prior year restatement

Year ended 31 December 2023

	As previously presented £	Restated £	Variance £
Share of loss from equity accounted joint venture	(2,803,202)	-	2,803,202
Impairment of equity accounted joint venture	(2,639,976)	-	2,639,976
Profit/(loss) for the period from discontinued operations, net of tax	5,116,559	(326,619)	(5,443,178)
Earnings/(loss) per share – basic	9.03	(0.58)	9.61
Earnings/(loss) per share – diluted	8.51	(0.58)	9.09

The restatement in the 2023 year end statement of comprehensive income represents the movement of all balances related to Longboat JAPEX into the discontinued operations line, in light of the investment in Longboat JAPEX being held for sale at 30 June 2024.

SEASCAPE ENERGY ASIA PLC (FORMERLY LONGBOAT ENERGY PLC)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

21 Events after the reporting date

On 15 July 2024, the Company completed the sale of its interest 50.1% interest in LJM to JAPEX for cash consideration of £1.9 million (\$2.5 million).

On 17 September 2024, the Company changed its name from Longboat Energy plc to Seascope Energy Asia plc.

22 Other information

A copy of this interim report and financial statements is available on the Company's website www.seascope-energy.com.