Half Year Report
RNS Number : 1170G
Coro Energy PLC
30 September 2024

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the UK version of the EU Market Abuse Regulation 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended and supplemented from time to time. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

30 September 2024

Coro Energy Plc

("Coro" or the "Company" and together with its subsidiaries the "Group")

Half Year Report

Coro Energy PLC, the South East Asian energy company with a natural gas and clean energy portfolio, announces its unaudited interim results for the six month period ended 30 June 2024.

Highlights

Operational

- The Company signed a binding 14-year power purchase agreement ("PPA") with Mobile World Group ("MWG") to deliver power at the first ten C&I rooftop solar sites as a pilot phase with a capacity of 430kw.

- Signature of a second binding PPA with MWG for the next 30 sites with a capacity of circa 1MW.

- Second Wind Energy Service Contract (WESC) secured in the Philippines.

- Conrad Asia Energy Limited, the holder of a 76.5% operated interest in the Duyung Production Sharing Contract, in which the Group has a 15% interest, signed binding key terms for the sale and purchase of the domestic portion of the Mako gas field with PT Perusahaan Gas Negara Tbk.

- The Company received a letter from two lenders holding 68% of the Company's Luxembourg listed Eurobonds which were due to expire on 12 April 2024 granting a conditional standstill on the repayment of the Company's current debt obligations whilst the ongoing constructive discussions with the Company in respect of the Eurobonds continue.

Post Balance Sheet Events

- Conrad Asia Energy Limited, the holder of a 76.5% operated interest in the Duyung Production Sharing Contract, in which the Group has a 15% interest, signed a binding Gas Sales Agreement for the sale and purchase of the export portion of natural gas from the Mako gas field with Sembcorp Gas Pte Ltd, a wholly-owned subsidiary of Sembcorp Industries Ltd, a leading energy and urban solutions provider, headquartered in Singapore.

- Third binding PPA with MWG entered into and initiated construction at the next 50 sites with MWG with an aggregate capacity of c.1.9MW which brings the total contracted capacity to 3.3MW across 90 sites.

- Six month US$500,000 secured convertible loan note with River Merchant Capital and Fenikso Limited secured.

- Harry Beamish appointed as an independent non-executive director of the Company.

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STATEMENT FROM THE CHAIRPERSON

The Company continues to make progress across its South East Asian portfolio.

Important milestones have been met at Duyung and work continues to find a Farm in partner. Our renewables portfolio across both the Philippines and Vietnam continues to grow with the recent funding secured locally to help speed up the roll out of the MWG rooftop solar project. The target remains to build greater critical mass in both Vietnam and Philippines through a larger pipeline of opportunities across renewables.

Post the period under review, the Company raised US$500,000 via a secured convertible loan with River Merchant Capital, an existing lender to the Company under the Company's Luxembourg 8% listed Eurobond and Fenikso Limited. The proceeds of this loan will be utilised to fund the Group's renewables business and for general working capital purposes. The Group's forecasts that this loan together with existing bank balances provides sufficient funding to fund the Company's working capital requirements through to the end of January 2025. The Company continues to work towards a broader debt restructuring and recapitlisation of the business.

Notwithstanding the above, management have prepared a consolidated cash flow forecast for the period to 31 December 2025 which shows that the Group will require additional financing to meet its obligations and intended renewables work programme in Asia beyond this date. We enjoy the ongoing support of our lenders whilst we continue to grow the renewables business activities but will continue to explore options which include issuing equity and disposals. Shareholders attention is drawn to the Going Concern language in the Annual Report published on the 9th of September.

Oil & Gas

Italy

The Company disposed of its Italian natural gas assets to Zodiac Energy plc by way of the sale of the entire issued share capital of Coro Europe Limited, which was completed in November 2023. In June 2024 the Company signed an agreement to accelerate the next nine months of payment in exchange for a 22 per cent discount on payments of circa US$46 per month.

Indonesia

The Mako gas field is one of the largest gas discoveries (437 Bcf gross, full field) 2C (contingent recoverable resources) in the West Natuna Basin and, the Directors believe, the largest confirmed undeveloped resource in the area.

The Operator of the Duyung PSC is WNEL, a 100%-owned subsidiary of Conrad Asia Energy Ltd ("Conrad"), and has continued to technically mature the development of the Mako gas field alongside negotiations of a GSA, both in preparation for FID.

In March 2024, Conrad provided an update on the Mako Gas Field reserves and resources as of 31 December 2023 prepared by Gaffney, Cline & Associates (Consultants) Pte Lt which updated its assessment of resources for current expectations of Final Investment Decision and production commencement delay. Conrad proposes a two-phase development plan based on six initial development wells tied back to a leased production platform at the Mako gas field, with sales gas transported via the West Natuna Transport System ("WNTS") pipeline to Singapore for sale to the Singapore market, and potentially to the Indonesian domestic market via a yet-to-be constructed spur from the WNTS. Two further development wells are planned 3 years after first gas. The development plan proposes a plateau production of 120 MMscfd for 3.5 (Low case), 6.5 (Best case), or 11.5 (High case) years.

The revised estimates of gross (full field - 100%) recoverable dry gas as of 31 December 2023 per the Update Report are:

Gross Contingent Resource Estimates	Update Report (31st Dec 2023)	Change from GCA Report (1st Jul 2022)
1C (Low Case) Bcf gas	227	-8.8%
2C (Best Case) Bcf gas	392	-10.3%
3C (High Case) Bcf gas	591	-24.1%

Consequently, the net attributable to Coro 2C resources are reduced from 42.1 to 36.6 Bcf gas.

In June 2024, Conrad signed a binding Gas Sales Agreement with PT Perusahaan Gas Negara Tbk, the gas subsidiary of PT Pertamina (Persero), the national oil company of Indonesia. This agreement which includes a seven month long stop date, is subject to the construction of the pipeline connecting the West Natuna Transportation System with the domestic gas market in Batam, and it forms part of the Domestic Market Obligation, as set out in Mako's revised Plan of Development. The total contracted gas volume under this agreement is up to 122.77 trillion British Thermal Units ("TBtu") with estimated plateau production rates of 35 billion British Thermal Units / day ("BBtud")

Renewables

Vietnam

A 3 MW rooftop solar pilot project was completed in 2022 and has continued to deliver revenue throughout 2023 and into 2024. The next material project is with the Mobile World Group ("MWG"), where the Company currently has 10 existing producing sites (cc.0.4MW) and a further 30 sites (c.1MW) currently under construction. All sites are contracted with a Purchasing Power Agreement ("PPA") with a 14 year term which is extendable in certain circumstances and includes a variable price with a floor of circa US$11.2 cents / kilowatt hour.

Coro continues to evaluate further solar projects in Vietnam.

Philippines

During 2022, the Marcos administration was entrusted with the presidency of the Philippines for a six-year term. With new ministerial appointments in key departments, such as that of Energy, the administration has strengthened the need for greater renewables generation in country, reducing dependency on fuel imports and addressing climate change matters that the country is vulnerable to. The Government of the Philippines continues to champion renewable energy and looks to enact legislation changes to make investment easier than ever before. The 2022 changes had impacts on 2023, with key changes surrounding 100% foreign ownership of power generating companies coming into effect, however, these decisions made at top level Government have taken and continue to take time to filter through all Government Departments, providing challenges on timings to project permitting tasks.

Our projects in the Philippines are driven by an experienced in-country team comprising of a board of three Filipino national Directors. The board is supported by a further team of three, fulfilling a range of roles across technical, financial and administration.

With the 100 MW wind project desktop studies completed, during 2021, it was planned during 2022 to deploy a Lidar wind data collector to gain real evidence of the wind resource in our chosen location and prior to deploying a 130-metre Met Mast for bankable wind data collection. From the Lidar deployment in 2022, suitable confidence was achieved from data collected to invest in the Met Mast. In mid-2023 a procurement exercise was completed and a contract awarded to a local provider in the Philippines, who began construction of the Met Mast in September which became operational in early January 2024. The Met Mast will provide bankable data to the project and has the potential to support neighbouring projects due to its designed siting and location. Coro believes this will add tremendous value to the project(s), as well as providing key information to determine engineering decisions that need to be made throughout 2024.

The Met Mast and Lidar working harmoniously will deliver robust data, needed for debt providers and provide risk mitigation for wind turbine design and performance.

In May 2024 the Company received approval by Philippines Department of Energy on its application for a Wind Energy Service Contract ("WESC") in respect of a second area of interest for the onshore Oslob Wind Power Project. This WESC is Coro's second contract and neighbours the Company's first project site and would be in respect of an additional installed capacity of circa 100MW. The above mentioned 130 metre meteorological mast installed by the Company January 2024 will also serve this second project in gathering data and determining the wind resource available.

Coro continues to evaluate further wind and solar projects in the Philippines.

Post Reporting Period

Indonesia

As announced on the 2 September 2024 by the Company, Conrad Asia Energy Limited, the holder of a 76.5% operated interest in the Duyung Production Sharing Contract, in which the Group has a 15% interest signed binding Gas Sales Agreement for the sale and purchase of the export portion of natural gas from the Mako gas field with Sembcorp Gas Pte Ltd, a wholly-owned subsidiary of Sembcorp Industries Ltd, a leading energy and urban solutions provider, headquartered in Singapore.

Vietnam

The Group has recently initiated construction at the next 50 sites with MWG with an aggregate capacity of c.1.9MW which brings the total contracted capacity to 3.3MW across 90 sites.

To facilitate the MWG construction, the Company has entered into an EPC contract and agreed upon payment arrangements with the EPC provider which will in effect provide deferred payment terms for 85% of the EPC costs. These arrangements defer payment for two months and the deferred payments are subject to a 12% annual coupon and a 2% fee. The Company currently can draw up to a total of US$1.5M (excluding VAT).

Corporate

As announced on 15 August 2024 the Company signed a six month US$500,000 secured convertible loan note with River Merchant Capital, an existing lender to the Company under the Company's 8% listed Eurobond, which is under standstill as announced on 12 April 2024, and Fenikso Limited.

Harry Beamish was appointed as an independent non-executive director of the Company.

Tom Richardson
Chairman

FINANCIAL REVIEW

Results from continuing operations

The Group made a loss after tax from continuing operations of $1.4m (H1 2023: $2.5m). The overall reduction in loss after tax compared to the first half of 2023 was primarily due to the decrease in general and administrative expenses of $0.5m and net finance expense of $0.6m, which comprised mainly of an increase in unrealised foreign exchanges gains related to the translation of the Eurobond debt.

General and administrative expenses of $1.1m (H1 2023: $1.6m) saw a reduction of $0.5m from the comparative period. As shown in more detail in note 4, there were decreases in employee benefits ($51k), business development ($125k) and corporate and compliance ($56k) expenses. There were no share-based payments for the period (H1 2023: $212k).

Going concern

The interim financial statements have been prepared under the going concern assumption, which presumes that the Group will be able to meet its obligations as they fall due for the foreseeable future.

The Group ended the period with cash of $0.5m and current receivables of $0.5m related to the residual sales proceeds from the sale of the Italian operations. The Group's Eurobond obligation matured on 12 April 2024 with the outstanding balances, including the rolled up coupon, or US$31.4 million. The Group has been in active discussions with bondholders in relation to the restructuring of the bonds and received a letter from two lenders holding 68% of the Eurobonds on 12 April 2024 (the "Standstill"). The Standstill, which the Company is advised is binding on the parties, provides a conditional standstill on the repayment of the Group's current debt obligations on expiry whilst the ongoing constructive discussions with the Group in respect of the Eurobonds continue and whilst certain inflexion points in the business materialise, including the outcome of the Duyung Operator's farm out process. The Group is working on a broader debt restructuring, which it intends to formally propose to all Eurobond holders and shareholders in due course. The Standstill conditions include a requirement for lender consent on material capex spend during the period of the standstill together with requirements for the provision of certain information and the appointment of a financial advisor nominated by the noteholders to provide advice to the Board and the lenders. During the course of the Standstill, the Group will work with the lenders and the financial advisor reviewing the existing arrangements and working towards a permanent debt restructuring solution for the business. The Group cautions that, notwithstanding the ongoing constructive discussions to-date and the agreement of this Standstill, noteholders could withdraw the Standstill at any time which would result in the Company triggering a default.

Post the period under review, the Company raised US$500,000 via a secured convertible loan with River Merchant Capital, an existing lender to the Company under the Company's Luxembourg 8% listed Eurobond and Fenikso Limited. The proceeds of this loan will be utilised to fund the Group's renewables business and for general working capital purposes. Under the Group's forecast, this loan together with existing bank balances provides sufficient funding to fund the Company's working capital requirements through to the end of January 2025.

During 2023 the Group secured a non-binding lending commitment from HD Bank in Vietnam whereby the bank has provided the Group with an in principle commitment letter initially focussed on providing debt finance for 50% of the capital spend commitment for the ten locations in the pilot stage of the previously announced 50MW MOU with Mobile World Investment Corporation to install rooftop solar systems across their portfolio.

Management have prepared a consolidated cash flow forecast for the period to 31 December 2025 which shows that the Group will require additional equity financing to meet its obligations and intended work renewables work programme in Asia during this period. The Group is actively pursuing a significant fundraise and the directors have a reasonable expectation that sufficient funds can be raised on equity markets to provide this liquidity, although the ability to raise sufficient capital is not guaranteed.

Based on the above, the Directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the Group and Company financial statements for the period ended 30 June 2024. Should the Group and Company be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities which might arise and to classify fixed assets as current. The auditors make reference to a material uncertainty in relation to going concern within their audit report.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Six Months Ended 30 June 2024

	Notes	**30 June 2024 $'000**	30 June 2023 $'000
Revenue		**136**	116
Depreciation and amortisation expense		**(40)**	(41)
Gross profit		**96**	75
General and administrative expenses	4	**(1,156)**	(1,633)
Depreciation expense		**(2)**	(6)
Share of loss of associates		**-**	(48)
Loss from operating activities		**(1,062)**	(1,612)
Finance income		**884**	1,273
Finance expense		**(1,186)**	(2,203)
Net finance expense	4	**(302)**	(930)
Loss before income tax		**(1,364)**	(2,542)
Income tax benefit / (expense)		-	-
Loss for the period from continuing operations		**(1,364)**	(2,542)
Discontinued operations			
Gain for the period from discontinued operations		**-**	232
Total loss for the period		**(1,364)**	(2,310)
Other comprehensive income/loss			
Items that may be reclassified to profit and loss			
Exchange differences on translation of foreign operations		**77**	(1,496)
Total comprehensive loss for the period		**(1,287)**	(3,806)
Loss attributable to:			
Owners of the company		**(1,371)**	(2,296)
Non-controlling interests		**7**	(14)
Total comprehensive loss attributable to:			
Owners of the company		**(1,294)**	(3,792)
Non-controlling interests		**7**	(14)
Basic loss per share from continuing operations ($)	5	**(0.001)**	(0.001)
Diluted loss per share from continuing operations ($)	5	**(0.001)**	(0.001)
Basic profit per share from discontinued operations ($)	5	**-**	0.0001
Diluted profit per share from discontinued operations ($)	5	**-**	0.0001

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 June 2024

	Notes	**30 June 2024**	31 December 2023
		$'000	$'000
Non-current assets			
Property, plant and equipment	6	**1,619**	1,680
Intangible assets	7	**20,465**	20,190
Investment in associates		**-**	-
Other financial assets		**541**	472
Total non-current assets		**22,625**	22,342
Current assets			
Cash and cash equivalents		**510**	1,095
Trade and other receivables		**556**	1,399
Inventory		**34**	35
Total current assets		**1,100**	2,529
Assets of disposal group held for sale		**-**	-
Total assets		**23,725**	24,871
Liabilities and equity			
Current liabilities			
Trade and other payables	11	**789**	660
Borrowings	8	**31,351**	31,327
Total current liabilities		**32,140**	31,987
Non-current liabilities			
Borrowings	8	**-**	-
Total non-current liabilities		**-**	-
Liabilities of disposal group held for sale		**-**	-
Total liabilities		**32,140**	31,987
Equity			
Share capital	9	**3,826**	3,826
Share premium	9	**51,762**	51,762
Merger reserve		**-**	-
Other reserves	10	**3,668**	3,603
Non-controlling interests		**(85)**	(92)
Accumulated losses		**(67,586)**	(66,215)
Total equity		**(8,415)**	(7,116)
Total equity and liabilities		**23,725**	24,871

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the Six Months Ended 30 June 2023

	Share capital $'000	**Share premium $'000**	**Merger Reserve $'000**	**Other Reserves $'000**	**Accumulated Losses $'000**	**Non-controlling interest $'000**	**Total $'000**
Balance at 1 January 2023	3,184	50,862	9,708	7,267	(78,268)	(66)	(7,313)
Total comprehensive loss for the period:							
Loss for the period	-	-	-	-	(2,296)	(14)	(2,310)
Other comprehensive income	-	-	-	(1,496)	-	-	(1,496)
Total comprehensive loss for the period	-	-	-	(1,496)	(2,296)	(14)	(3,806)
Transactions with owners recorded directly in equity:							
Issue of share capital	642	900	-	-	-	-	1,542
Share based payments for services rendered	-	-	-	212	-	-	212
Balance at 30 June 2023	3,826	51,762	9,708	5,983	(80,564)	(80)	(9,365)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the Six Months Ended 30 June 2024

	Share capital $'000	**Share premium $'000**	**Merger Reserve $'000**	**Other Reserves $'000**	**Accumulated Losses $'000**	**Non-controlling interest $'000**	**Total $'000**
Balance at 1 January 2024	**3,826**	**51,762**	**-**	**3,603**	**(66,215)**	**(92)**	**(7,116)**
Total comprehensive loss for the period:							
Loss for the period	**-**	**-**	**-**	**-**	**(1,371)**	**7**	**(1,364)**
Other comprehensive loss	**-**	**-**	**-**	**77**	**-**	**-**	**77**
Total comprehensive loss for the period	**-**	**-**	**-**	**77**	**(1,371)**	**7**	**(1,287)**
Transactions with owners recorded directly in equity:							
Issue of share capital	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Share based payments for services rendered	**-**	**-**	**-**	**(12)**	**-**	**-**	**(12)**
Balance at 30 June 2024	**3,826**	**51,762**	**-**	**3,668**	**(67,586)**	**(85)**	**(8,415)**

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the Six Months Ended 30 June 2024

	30 June 2024 $'000	30 June 2023 $'000
Cash flows from operating activities		
Receipts from customers	**-**	2,168
Payments to suppliers and employees	**(345)**	(3,761)
Interest paid	**-**	-
Net cash used in operating activities	**(345)**	(1,593)
Cash flow from investing activities		
Payments for property, plant & equipment	**(7)**	(5)
Payments for intangible assets	**(91)**	(507)
Payments/refunds related to development intangible assets	**(135)**	4
Advance on receipt from sale of Italian operations	**-**	1,639
Net cash provided by / (used in) investing activities	**(233)**	1,131
Cash flows from financing activities		
Net cash provided by / (used in) financing activities	**-**	-
Net decrease in cash and cash equivalents	**(578)**	(462)
Cash and cash equivalents brought forward	**1,095**	1,616
Effects of exchange rate changes on cash and cash equivalents	**(7)**	(30)
Cash and cash equivalents carried forward	**510**	1,124

Cash and cash equivalents carried forward at 30 June 2023 includes $473k relating to discontinued operations and $651k and relating to continuing operations.

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Six Months Ended 30 June 2024

Note 1: Basis of preparation of the interim financial statements

The condensed consolidated interim financial statements of Coro Energy plc (the "Group") for the six month period ended 30 June 2024 have been prepared in accordance with Accounting Standard IAS 34 *Interim Financial Reporting*.

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2023, which was prepared under International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006, and any public announcements made by Coro Energy plc during the interim reporting period.

These condensed consolidated interim financial statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. The Group's statutory financial statements for the year ended 31 December 2022 prepared under IFRS have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under Section 498(2) of the Companies Act 2006. These condensed consolidated interim financial statements have not been audited.

The condensed consolidated interim financial statements of the Group are presented in United States Dollars ("USD" or "$"), rounded to the nearest $1,000.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below.

Basis of preparation - going concern

The interim financial statements have been prepared under the going concern assumption, which presumes that the Group will be able to meet its obligations as they fall due for the foreseeable future.

The Group ended the period with cash of $0.5m and current receivables of $0.5m related to the residual sales proceeds from the sale of the Italian operations. The Group's Eurobond obligation matured on 12 April 2024 with the outstanding balances, including the rolled up coupon, or US$31.4 million. The Group has been in active discussions with bondholders in relation to the restructuring of the bonds and received a letter from two lenders holding 68% of the Eurobonds on 12 April 2024 (the "Standstill"). The Standstill, which the Company is advised is binding on the parties, provides a conditional standstill on the repayment of the Group's current debt obligations on expiry whilst the ongoing constructive discussions with the Group in respect of the Eurobonds continue and whilst certain inflexion points in the business materialise, including the outcome of the Duyung Operator's farm out process. The Group is working on a broader debt restructuring, which it intends to formally propose to all Eurobond holders and shareholders in due course. The Standstill conditions include a requirement for lender consent on material capex spend during the period of the standstill together with requirements for the provision of certain information and the appointment of a financial advisor nominated by the noteholders to provide advice to the Board and the lenders. During the course of the Standstill, the Group will work with the lenders and the financial advisor reviewing the existing arrangements and working towards a permanent debt restructuring solution for the business. The Group cautions that, notwithstanding the ongoing constructive discussions to-date and the agreement of this Standstill, noteholders could withdraw the Standstill at any time which would result in the Company triggering a default.

Post the period under review, the Company raised US$500,000 via a secured convertible loan with River Merchant Capital, an existing lender to the Company under the Company's Luxembourg 8% listed Eurobond and Fenikso Limited. The proceeds of this loan will be utilised to fund the Group's renewables business and for general working capital purposes. Under the Group's forecast, this loan together with existing bank balances provides sufficient funding to fund the Company's working capital requirements through to the end of January 2025.

During 2023 the Group secured a non-binding lending commitment from HD Bank in Vietnam whereby the bank has provided the Group with an in principle commitment letter initially focussed on providing debt finance for 50% of the capital spend commitment for the ten locations in the pilot stage of the previously announced 50MW MOU with Mobile World Investment Corporation to install rooftop solar systems across their portfolio.

Management have prepared a consolidated cash flow forecast for the period to 31 December 2025 which shows that the Group will require additional equity financing to meet its obligations and intended work renewables work programme in Asia during this period. The Group is actively pursuing a significant fundraise and the directors have a reasonable expectation that sufficient funds can be raised on equity markets to provide this liquidity, although the ability to raise sufficient capital is not guaranteed.

Based on the above, the Directors consider it appropriate to continue to adopt the going concern basis of accounting in preparing the Group and Company financial statements for the period ended 30 June 2024. Should the Group and Company be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities which might arise and to classify fixed assets as current. The auditors make reference to a material uncertainty in relation to going concern within their audit report.

a) New and amended standards adopted by the Group

New and amended standards which became applicable on 1 January 2023 do not have a material impact on the Group, and the Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards/amendments.

b) New accounting policies adopted by the Group

There were no new accounting policies adopted by the Group during the period, nor any amendments to existing accounting policies.

Note 2: Significant changes

There have been no significant changes affecting the financial position and performance of the Group during the six months to 30 June 2024. The results of the Group for the comparative period to 30 June 2023.

For further discussion of the Group's performance and financial position refer to the Chairman and CEO's Statement.

The Group's results are not materially impacted by seasonality.

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Six Months Ended 30 June 2024

Note 3: Segment information

The Group's reportable segments as described below are based on the Group's geographic business units. This includes the Group's upstream gas operations in Italy, upstream gas operations and renewable energy operations in South East Asia, along with the corporate head office in the United Kingdom. This reflects the way information is presented to the Group's Chief Operating Decision Maker, which is the Executive Chair.

	Italy		Asia		UK		Total	
	30 June 2024 $'000	30 June 2023 $'000	**30 June 2024 $'000**	30 June 2023 $'000	**30 June 2024 $'000**	30 June 2023 $'000	**30 June 2024 $'000**	30 June 2023 $'000
Depreciation and amortisation	**-**	-	**(39)**	(41)	**(1)**	(6)	**(40)**	(47)
Finance expense	**-**	-	**-**	-	**(929)**	(1,718)	**(929)**	(1,718)
Share of loss of associates	**-**	-	**-**	-	**-**	(48)	**-**	(48)
Segment loss before tax from continuing operations	**-**	-	**(294)**	(286)	**(1,070)**	(2,256)	**(1,364)**	(2,542)
Segment profit before tax from discontinued operations (2022 restated)	**-**	232	**-**	-	**-**	-	**-**	232

	Italy		Asia		UK		Total	
	30 June 2024 $'000	31 Dec 2023 $'000	**30 June 2024 $'000**	31 Dec 2023 $'000	**30 June 2024 $'000**	31 Dec 2023 $'000	**30 June 2024 $'000**	31 Dec 2023 $'000
Segment assets	**-**	-	**21,601**	21,587	**2, 124**	3,283	**23.725**	24,870
Segment liabilities	**-**	-	**(379)**	(152)	**(31,658)**	(31,835)	**(32,037)**	(31,987)

Note 4: Profit and loss information

a) General and administrative expenses

General and administrative expenses in the income statement includes the following significant items of expenditure:

	30 June 2024 $'000	30 June 2023 $'000
Employee benefits expense	**463**	514
Business development	**293**	418
Corporate and compliance costs	**166**	222
Investor and public relations	**53**	42
Other G&A	**104**	158
G&A - non-operated joint operations	**89**	67
Share based payments (note 9)	**(12)**	212
	1,156	1,633

b) Finance income / expense

	30 June 2024 $'000	30 June 2023 $'000
Finance income		
Foreign exchange gains	**884**	1,273
Finance expense		
Interest on borrowings	**929**	1,718
Other finance charges	**3**	3
Unrealised loss on foreign exchange	**-**	-
Foreign exchange losses	**254**	482
Net finance income / (expense)	**(302)**	(930)

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the Six Months Ended 30 June 2024

Note 5: Loss per share

	30 June 2024	30 June 2023
Basic loss per share from continuing operations ($)	**(0.001)**	(0.001)
Diluted loss per share from continuing operations ($)	**(0.001)**	(0.001)
Basic profit per share from discontinued operations ($)	**-**	0.0001
Diluted profit per share from discontinued operations ($)	**-**	0.0001

The calculation of basic loss per share from continuing operations was based on the loss attributable to shareholders of $1.4m (2023: $2.5m) and a weighted average number of ordinary shares outstanding during the half year of 2,866,858,784 (2023: 2,348,242,699).

Diluted loss per share from continuing operations for the current and comparative periods is equivalent to basic loss per share since the effect of all dilutive potential ordinary shares is anti-dilutive.

Basic profit per share from discontinued operations was based on the profit attributable to shareholders from discontinued operations was $nil (2023: $0.2m).

Diluted profit per share from discontinued operations for the current and comparative periods include the potential dilutive effect of all share options and warrants that were "in the money" as at the reporting date. The potential dilutive shares includes options issued to Directors and management.

Note 6: Property, plant and equipment

	30 June 2024 $'000	31 December 2023 $'000
Office furniture and equipment	**5**	8
Solar assets	**1,614**	1,672
	1,619	1,680

Reconciliation of the carrying amounts for each material class of intangible assets for the six months ended 30 June 2024 are set out below:

Solar assets:

	30 June 2023 $'000
Carrying amount at beginning of period	1,672
Additions	5
Depreciation and amortisation	(38)
Retranslation differences	(25)
Carrying amount at end of period	1,614

Solar assets comprise of the Group's 3-megawatt pilot rooftop solar project in Vietnam.

Note 7: Intangible assets

	30 June 2024 $'000	31 December 2023 $'000
Exploration and evaluation assets	**18,866**	18,731
Intangible development assets	**726**	579
Goodwill	**873**	880
	20,465	20,190

Reconciliation of the carrying amounts for each material class of intangible assets for the six months ended 30 June 2024 are set out below:

Exploration and evaluation assets:

	30 June 2023 $'000
Carrying amount at beginning of period	18,731
Additions	135
Carrying amount at end of period	18,866

Exploration and evaluation assets relate to the Group's interest in the Duyung PSC. No indicators of impairment of these assets were noted.

Intangible development assets comprise expenditure directly attributable to the design and development of identifiable and unique renewables projects controlled by the Group in the Philippines. No indicators of impairment of these assets were noted.

Goodwill was initially recognised following the acquisition of the renewables projects in the Philippines. During 2023, the Group acquired an additional entitlement to dividends from its partners in these projects for a consideration of $145k, which was paid by issuing new ordinary shares in the Company (note 9). The Group's dividend entitlement increased from 80% to 88%. No impairment of goodwill was noted following testing performed at 31 December 2023.

Note 8: Borrowings

	30 June 2024 $'000	31 December 2023 $'000
Current		
Eurobond	31,351	31,327
	31,351	31,327
Non-current		
Eurobond	**-**	-
	-	-

Borrowings relates to €22.5m Eurobonds with attached warrants which were issued in 2019 to institutional investors. The bonds were issued in two equal tranches A and B, ranking pari passu, with Tranche A paying an annual 5% cash coupon and Tranche B accruing interest at 5% payable on redemption. The bonds were scheduled to mature on 12 April 2022 at 100% of par value plus any accrued and unpaid coupon. However, in April 2022 the Group completed a restructuring of the Eurobonds which extended the maturity date by two years to 12 April 2024, removed all cash interest payment obligations prior to the maturity date, and increased the coupon interest rate from 5% to 10%. In the event of a sale of the Group's interest in the Duyung PSC, the net cash proceeds of such disposal(s) will be utilised to first repay the capital and rolled up interest on the Eurobonds and thereafter to distribute 20% of remaining net proceed(s) to holders of the Eurobonds. The remaining net proceeds of any sales will be retained and/or distributed to shareholders by the Company.

The restructured bonds were initially recognised at fair value and subsequently are recorded at amortised cost, with an average effective interest rate of 12.10%. The contingent payment upon the sale of the Company's interest in the Duyung PSC has not been considered in the estimate of the effective interest rate as it meets the definition of a contingent liability.

Loan interest for quarters ended 12 October 2022, 12 January 2023 and 12 April 2023 were settled by newly issued ordinary shares of the Company (note 9).

Note 9: Share capital and share premium

	30 June 2024 Number 000's	**Nominal value $'000**	**Share Premium $'000**	**30 June 2024 Total $'000**
As at 1 January 2024	2,866,859	3,826	51,762	55,588
Shares issued during the period:				
Shares issued	-	-	-	-
Closing balance at 30 June 2024	**2,866,859**	**3,826**	**51,762**	**55,588**

	31 December 2023 Number 000's	Nominal value $'000	Share Premium $'000	31 December 2023 Total $'000
As at 1 January 2023	2,339,977	3,184	50,862	54,046
Shares issued during the period:				
Proceeds from share issuance for Eurobond interest	486,882	594	804	1,398
Consideration for increase in Philippines dividend entitlement (note 7)	40,000	48	96	144
Closing balance - 31 December 2023	2,866,859	3,826	51,762	55,588

Note 10: Reserves

a) Other reserves

Share based payments reserve

No new options were issued in the period under review. In 2023 the Group issued 70,000,000 options as a standalone award during the period to directors and management. The options vest on the third anniversary of the grant date and are subject to the achievement of certain performance criteria, being a final investment decision being taken by the partners to the Duyung PSC or the successful sale of the Company's interest in the Duyung PSC. Should the performance criteria not be met as it is no longer relevant, the Remuneration Committee may permit the options to vest if it is deemed appropriate to do so. Vested options will be exercisable at 0.255 British pence per ordinary share.

The options have been valued on the grant date using a Black Scholes model, resulting in a valuation of £0.0013 per award. The total value of the awards will be expensed over the vesting period in line with the requirements of IFRS 2.

Functional currency translation reserve

The translation reserve comprises all foreign currency differences arising from translation of the financial position and performance of the parent company and certain subsidiaries which have a functional currency different to the Group's presentation currency of USD. The total loss on foreign exchange recorded in other reserves for the period was $0.1m (H1 2023: $1.5m gain).

Note 11: Trade and other payables

	30 June 2024 $'000	31 December 2023 $'000
Current		
Trade payables	**255**	123
Other Payables	**36**	40
Accrued expenses	**16**	243
Joint venture payables	**482**	254
	789	660

Note 12: Interests in other entities

Duyung PSC

The Group's wholly owned subsidiary, Coro Energy Duyung (Singapore) Pte Ltd, is the owner of a 15% interest
in the Duyung Production Sharing Contract ("PSC").

The Duyung PSC partners have entered into a Joint Operating Agreement ("JOA"), which governs the arrangement. Through the JOA, the Group has a direct right to the assets of the venture, and direct obligation for its liabilities. Accordingly, Coro accounts for its share of assets, liabilities and expenses of the venture in accordance with the IFRSs applicable to the particular assets, liabilities and expenses.

The operator of the venture is West Natuna Exploration Ltd ("WNEL"). WNEL is a company incorporated in the British Virgin Islands and its principal place of business is Indonesia.

Coro Renewables VN1 Joint Stock Company
In October 2021, a binding shareholder agreement was signed with VPE and the Group acquired an 85% interest in the newly incorporated Vietnamese company, Coro Renewables VN1 Joint Stock Company, which owns 100% of Coro Renewables VN2 Company Limited, which in turn owns 100% of Coro Renewables Vietnam Company Limited.

Note 13: Contingencies and commitments

Commitments

Coro's share of the 2024 Duyung Work Programme and Budget is estimated at US$0.5m, which will be allocated between items of capital expenditure and joint venture G&A. The Group had no committed work programmes in it Philippine or Vietnam operations at the reporting date.

Contingencies

The Company undertook to the Noteholders that in the event of a sale of the Company's interest in the Duyung PSC to utilise the net cash proceeds of such disposal(s) to first repay the capital and rolled up interest on the Notes and thereafter to distribute 20% of remaining net proceed(s) to Noteholders. The remaining net proceeds of any sales would be retained and/or distributed to shareholders by the Company. Due to its nature, it is not possible to quantify the financial impact of this contingent liability.

Contingent assets

The Group has the right to contingent payments of up to an aggregate of Euro 1.5m through a 10% net profit interest in the disposed Italian Portfolio over the three years from the date of completion.

Note 14: Subsequent events

On 3 July 2024, the Company announced the appointment of Harry Beamish as Independent Non-Executive Director of the Company with immediate effect.

On 15 August 2024, the Company announced that it has signed a six month $500k secured convertible loan with River Merchant Capital, and existing lender to the

Company under the Company's Luxembourg 8.0% listed Eurobond and Fenikso Limited.

On 10 September 2024, the temporary suspension on trading on AIM was lifted.