

30th September 2020

Cyprus Stock Exchange

Nicosia

ANNOUNCEMENT

RE: Approval of Interim Financial Results

Following the meeting of the board of directors of C.O. Cyprus Opportunity Energy Public Company Ltd (the "Company") (the "Board") which was held today, September 30th 2020, the Company would like to inform the investing public that the Board has examined and approved the unaudited half year financial statements for the period January 1st 2020 to June 30th 2020 (the "Interim FS 2020").

The Interim FS 2020 are hereby attached.

Kind Regards

Andreas Leonidou

Chairman of C.O.Cyprus Opportunity Energy Public Company Ltd

**C.O. CYPRUS OPPORTUNITY ENERGY
PUBLIC COMPANY LIMITED**

UNAUDITED INTERIM CONDENSED
CONSOLIDATED FINANCIAL STATEMENTS
For the six months period ended 30 June 2020

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2020

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C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

Explanatory Statement in accordance with the Regulatory Administrative Act 326/2009 of the Cyprus Stock Exchange

For the six months period ended 30 June 2020

Background information

C.O. Cyprus Opportunity Energy Public Company Limited (the "Company") was incorporated in Cyprus on 10 February 2012 (registration no. HE301167) as a limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. On 17 July 2012, the Company was listed on the Emerging Companies Market of the Cyprus Stock Exchange.

These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the "Group").

According to the Company's Admission Document, the primary intention of the Group is to participate in oil and/or gas exploration and upstream activities in the exclusive economic zone ("EEZ") of Cyprus. The Group's upstream activities refer to the searching for and the recovery and production of oil and natural gas. Such activities involve the searching for potential underground or underwater oil and gas fields, drilling of exploratory wells, and subsequently drilling and operating the wells that recover and bring the raw oil and natural gas to the surface.

During the second half of 2017, the Group through its wholly owned subsidiary Cyprus Opportunity Energy Inc., has commenced development activities in oil fields in North Dakota, USA. On 5 April 2020, the Company entered into a sale and purchase agreement, according to which the Company agreed to sell its entire holding in Cyprus Opportunity Energy Inc to a non-related party in consideration of US\$1,000.

For further details on the background information, please refer to the notes of these interim condensed consolidated financial statements.

Summary of financial results

The net profit for the period attributable to the shareholders of the Group amounted to US\$8,155 (2019: net loss of US\$79,694).

Financial position

On 30 June 2020 the total assets of the Group were US\$16,375 (31 December 2019: US\$421,832), including cash and the net liabilities of the Group were US\$ 158,964 (31 December 2019: US\$167,119).

Share capital

For any changes in the share capital during the six months ended 30 June 2020, please refer to Note 16 of the financial statements.

By order of the Board of Directors,



Andreas Leonidou
Chairman

30 September 2020

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months period ended 30 June 2020

	Note	30/06/2020 US\$	30/06/2019 US\$
Revenue			
Cost of sales	7	-	27,406
Gross loss	8	-	(55,864)
		-	(28,458)
Other operating income			618
Profit on sale of subsidiary	12	16,243	-
Administration expenses	9	(8,351)	(51,292)
Operating profit / (loss)		7,892	(79,132)
Net finance income/(expense)		263	(562)
Loss before tax		8,155	(79,694)
Tax	10	-	-
Net profit / (loss) for the period		8,155	(79,694)
Other comprehensive income		-	-
Total comprehensive income / (loss) for the period		8,155	(79,694)
Profit / (loss) per share attributable to equity holders of the parent (dollar)	11	0.000064	(0,00063)

The notes on pages 6 to 11 form an integral part of these interim condensed consolidated financial statements.

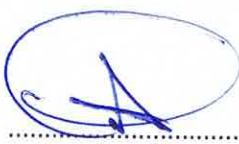
C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

INTERIM CONDESED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2020

	Note	30/06/2020 US\$	31/12/2019 US\$
ASSETS			
Current assets			
Trade and other receivables	13	16,375	22,255
Cash and cash equivalents	14	<u>-</u>	<u>412</u>
		16,375	22,667
Total assets		<u>16,375</u>	<u>22,667</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	15	1,503,826	1,503,826
Share premium		1,142,535	1,142,535
Accumulated losses		<u>(2,805,325)</u>	<u>(2,813,480)</u>
Total equity		<u>(158,964)</u>	<u>(167,119)</u>
Non-current liabilities			
Provisions for other liabilities and charges		<u>-</u>	<u>15,283</u>
		<u>-</u>	<u>15,283</u>
Current liabilities			
Trade and other payables	16	175,339	174,475
Borrowings		<u>-</u>	<u>28</u>
		175,339	174,503
Total liabilities		<u>175,339</u>	<u>189,786</u>
Total equity and liabilities		<u>16,375</u>	<u>22,667</u>

On 30 September 2020 the Board of Directors of C.O. Cyprus Opportunity Energy Public Company Limited authorised these consolidated financial statements for issue.



 Andreas Leonidou
 Director



 Antonakis Antoniou
 Director

The notes on pages 6 to 11 form an integral part of these interim condensed consolidated financial statements.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months period ended 30 June 2020

	Share capital US\$	Share premium US\$	Accumulated losses US\$	Total US\$
Balance at 1 January 2019	1,503,826	1,142,535	(2,345,273)	301,088
Comprehensive income				
Net loss for the period	-	-	(79,694)	(79,694)
Balance at 30 June 2019	<u>1,503,826</u>	<u>1,142,535</u>	<u>(2,424,967)</u>	<u>221,394</u>
Balance at 1 January 2020	1,503,826	1,142,535	(2,813,480)	(167,119)
Comprehensive income				
Net profit for the period	-	-	8,155	8,155
Balance at 30 June 2020	<u>1,503,826</u>	<u>1,142,535</u>	<u>(2,805,325)</u>	<u>(158,964)</u>

The notes on pages 6 to 11 form an integral part of these interim condensed consolidated financial statements.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months period ended 30 June 2020

	Note	30/06/2020 US\$	30/06/2019 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit / (loss) before tax			
Adjustments for:		8,155	(79,694)
Depreciation of oil and gas properties		-	9,594
Profit on sale of subsidiary		(16,243)	-
Exchange profit		(263)	(664)
Unwinding of decommissioning charge		-	420
Impairment charge		-	19,284
		(8,351)	(51,060)
Changes in working capital:			
Decrease in trade and other receivables		7,939	7,625
Increase in trade and other payables		-	9,985
		(412)	(33,450)
VAT refund		-	41,700
Cash (used in) / generated from operations		(412)	8,250
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for acquisition of property, plant and equipment		-	(61)
Net cash used in investing activities		-	(61)
Net (decrease) / increase in cash and cash equivalents		(412)	8,189
Cash and cash equivalents at beginning of the year		412	17,986
Cash and cash equivalents at end of the period	14	-	26,175

The notes on pages 6 to 11 form an integral part of these interim condensed consolidated financial statements.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2020

1. General information

Country of incorporation and listing of shares

C.O. Cyprus Opportunity Energy Public Company Ltd (the "Company") was established under the Cyprus Companies Law, Cap. 113, on 10 February 2012. On 17 July 2012 the Company was listed on the Emerging Companies Market of the Cyprus Stock Exchange. Its registered office is at 13 Karaiskakis Street, Limassol, 3032, Cyprus.

Principal activities and nature of operations

According to the Company's Admission Document, the primary intention of the Group is to participate in oil and/or gas exploration and upstream activities in the exclusive economic zone of Cyprus. The Group's upstream activities refer to the searching for and the recovery and production of oil and natural gas. Such activities involve the searching for potential underground or underwater oil and gas fields, drilling of exploratory wells, and subsequently drilling and operating the wells that recover and bring the raw oil and natural gas to the surface.

Recent developments

Recourse regarding Block 8

On 11 May 2012, the Company together with Petrica Energy AS (collectively the "Consortium"), submitted applications for two offshore hydrocarbons exploration licenses (Blocks 2 and 8) through the tender for the Second Licensing Round for offshore exploration initiated by the Government of Cyprus.

In 2013, the Company was informed by the Ministry of Commerce, Industry and Tourism of the Republic of Cyprus (the "Ministry") that the applications for Blocks 2 and 8 were rejected.

On 20 June 2017 the Supreme Court of Cyprus issued its unanimous judgement by which it dismissed the Consortium's Recourse and Block 8 was awarded to another company. The Company and its shareholders are considering their options and possible action in relation to this judgement.

Hatrurim License

On November 18, 2019 the Company and her partners in Hatrurim License returned the License to the Petroleum Commissioner at the Ministry of National Infrastructures, Energy and Water of Israel (the "Commissioner").

On January 6, 2020 the Commissioner returned all guarantees related to Hatrurim License.

North Dakota, USA

On 27 July 2017 the Company together with Israel Opportunity Energy Recourses Limited Partnership and Radian Partnership, LP (collectively the "Buyers"), entered into a farmout agreement with independent third parties (the "Sellers"), for the acquisition of rights in ten sections (approximately 640 acre each and total area of approximately 6,400 acre) in oil fields in North Dakota, USA (the "Properties" and "Farmout Agreement").

These rights were held directly by the Company's wholly-owned subsidiary Cyprus Opportunity Energy Inc..

On 5 April 2020, the Company entered into a sale and purchase agreement, according to which the Company agreed to sell its entire holding in Cyprus Opportunity Energy Inc to a non-related party in consideration of US\$1,000.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2020

2. Unaudited financial statements

The Interim Condensed Consolidated Financial Statements for the six months period ended 30 June 2020 have not been audited by the Company's external auditors.

3. Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2020, which are presented in United States Dollar (US\$) have been prepared in accordance with IAS 34 'Interim Financial Reporting'.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2019.

The accounting policies used in the preparation of interim condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2019. A number of new or amended standards became applicable for the current reporting period, but did not have any impact on the group's accounting policies.

4. Basis of consolidation

The Company has subsidiary undertakings for which section 142(1)(b) of the Cyprus Companies Law Cap. 113 requires consolidated financial statements to be prepared and laid before the Company at the Annual General Meeting. The consolidated financial statements incorporate the financial statements of the Company and entities (including special purpose entities) controlled by the Company (its subsidiaries) presented in Note 12 of these Financial Statements.

5. Financial risk management

Financial risk factors

The Group financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended 31 December 2019.

6. Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2019.

7. Revenue

	30/06/2020	30/6/2019
	US\$	US\$
Revenue from oil sales	-	22,037
Revenue from gas sales	-	2,716
Revenue from natural gas liquid sales	-	2,653
	<u>-</u>	<u>27,406</u>

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2020

8. Cost of sales

	30/06/2020	30/6/2019
	US\$	US\$
Services received	-	25,265
Depreciation	-	9,594
Licenses and taxes	-	1,301
Other cost of sales	-	19,704
	<u>-</u>	<u>55,864</u>

9. Administration expenses

	30/06/2020	30/6/2019
	US\$	US\$
Directors' fees (Note 17.1)	-	12,730
Annual levy	394	1,917
Subscriptions and contributions	-	800
Other expenses	420	582
Accounting fees	-	2,878
Legal and professional services	7,537	11,883
Consulting fees	-	20,502
	<u>8,351</u>	<u>51,292</u>

10. Tax

The Company and its wholly owned subsidiary C.O. Cyprus Opportunity Petroleum Limited are subject to corporation tax on taxable profits in Cyprus at the rate of 12.5%.

11. Profit / (loss) per share attributable to equity holders of the parent

	30/06/2020	30/6/2019
Profit / (loss) attributable to shareholders (US\$)	<u>8,155</u>	<u>(79,694)</u>
Weighted average number of ordinary shares in issue during the period	<u>126,780,762</u>	<u>126,780,762</u>
Profit / (loss) per share attributable to equity holders of the parent (dollar)	<u>0.000064</u>	<u>(0.00063)</u>

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2020

12. Investments in subsidiaries

The details of the subsidiaries are as follows:

<u>Name</u>	<u>Country of incorporation</u>	<u>Principal activities</u>	30/6/2020 Holding %	31/12/2019 Holding %
C.O. Cyprus Opportunity Petroleum Limited	Cyprus	Holding of investments	100	100
Cyprus Opportunity Energy Inc	USA	Holding of rights in oil fields on North Dakota	-	100

On 5 April 2020, the Company entered into a sale and purchase agreement, according to which the Company agreed to sell its entire holding in Cyprus Opportunity Energy Inc to a non-related party in consideration of US\$1,000. The Company recognised a profit on the sale of its subsidiary in the amount of US\$16,243.

13. Trade and other receivables

	30/06/2020 US\$	31/12/2020 US\$
Trade receivables	-	7,618
Receivables from related parties (Note 17.3)	1,068	1,068
Refundable VAT	15,307	13,569
	16,375	22,255

The fair values of trade and other receivables due within one year approximate their carrying amounts as presented above.

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2020

14. Cash and cash equivalents

Cash balances are analysed as follows

	30/06/2020 US\$	31/12/2019 US\$
Cash at bank and in hand	-	412
	<u>-</u>	<u>412</u>

Cash at bank represents current accounts denominated in Euro, United States Dollar and New Israeli Shekel.

15. Share capital

	30/06/2020 Number of listed ordinary shares	30/06/2020 EUR	31/12/2019 Number of listed ordinary shares	31/12/2019 EUR
Authorised				
Ordinary shares of €0.01 each	<u>211,950,000</u>	<u>2,119,500</u>	<u>211,950,000</u>	<u>2,119,500</u>
Issued and fully paid		US\$		US\$
Balance at 1 January	<u>126,780,762</u>	<u>1,503,826</u>	<u>126,780,762</u>	<u>1,503,826</u>
Balance at 30 June / 31 December	<u>126,780,762</u>	<u>1,503,826</u>	<u>126,780,762</u>	<u>1,503,826</u>

16. Trade and other payables

	30/06/2020 US\$	31/12/2019 US\$
Trade payables	-	3,155
Payables to related parties (Notes 17.4)	100,317	147,498
Accruals	2,049	19,787
Other creditors	<u>72,973</u>	<u>4,035</u>
	<u>175,339</u>	<u>174,475</u>

The fair values of trade and other payables due within one year approximate their carrying amounts as presented above.

17. Related party balances and transactions

The Company does not have a single controlling party.

The following transactions were carried out with related parties:

17.1 Directors' remuneration

The remuneration of Directors and other members of key management was as follows:

	30/06/2020 US\$	30/6/2019 US\$
Directors' fees	-	12,730
	<u>-</u>	<u>12,730</u>

C.O. CYPRUS OPPORTUNITY ENERGY PUBLIC COMPANY LIMITED

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months period ended 30 June 2020

17.2 Purchase of services

	<u>Nature of transactions</u>	30/06/2020	30/6/2019
		US\$	US\$
Shareholders	Consulting fees	-	20,502
		<u>-</u>	<u>20,502</u>

17.3 Receivables from related parties

<u>Name</u>	30/06/2020	31/12/2019
	US\$	US\$
Shareholders	1,068	1,068
	<u>1,068</u>	<u>1,068</u>

17.4 Payables to related parties

<u>Name</u>	30/06/2020	31/12/2019
	US\$	US\$
Shareholders	100,317	147,498
	<u>100,317</u>	<u>147,498</u>

The payables to related parties are non-interest bearing, unsecured and repayable on demand.

18. Contingent liabilities

The Group had no contingent liabilities as at 30 June 2020.

19. Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the consolidated financial statements.