Gulfsands

ANNUAL REPORT AND ACCOUNTS 2024

CONTENTS

Gulfsands Petroleum plc is an independent, public energy company, incorporated in the United Kingdom, focused on material growth in the Middle East and North Africa region.

Gulfsands' ambition is to create a multi-billion-dollar asset portfolio, through the acquisition of operated and non-operated interests in the MENA region.

www.gulfsands.com

Strategic Report
Highlights

Gulfsands' Core Asset Is Block 26 in North-East Syria

Currently in Force Majeure and so involvement in Syrian operations remains suspended.

The fall of the Assad Regime in December 2024 and installation of a new Government in Damascus means that Gulfsands can cautiously begin planning for a return to operations as soon as circumstances allow.

Those circumstances include:

- Clarity on the international sanction situation, including necessary liftings or waivers;
- Improvement of the security situation, especially in the North-East of Syria; and
- Commercial agreement and legal ratification of the lifting of Force Majeure under the Block 26 PSC.

Gulfsands' preparation for re-entry continues at pace, to return to operations as soon as these circumstances are met.

Unauthorised production in Block 26, without the participation of Gulfsands, continues with average production of approximately 14,000 boepd throughout 2024.

No revenues have been recognised by Gulfsands.

Reported production levels appear to demonstrate the reservoir quality and that the assets are materially undamaged and operationally fit, however it is widely reported that unsophisticated oil field practices are leading to health and safety issues and significant environmental damage.

The Potential of Block 26

Production levels over recent years appear to demonstrate **the reservoir quality and that the assets are materially undamaged and operationally fit.**

+20 years resource life and the potential to produce over **50,000 boepd** from existing discoveries.

Prospective portfolio takes the potential production of the field above **100,000 boepd.**

Full Field Development Plan

Validated* Field Development Plan ("FDP") for Khurbet East, Yousefieh, and Al Khairat fields, envisions an investment programme to increase production to over 50,000 boepd from the existing fields.

Exploration Programme

Further investment to explore nine validated* drill-ready prospects which could be targeted during an intensive drilling programme when circumstances allow, which could increase production to over 100,000 boepd.

** Validated through Competent Persons Report by Oilfield Production Consultants ("OPC").*

Reserves and Resources
(as at 1 January 2025 - net to Gulfsands).

2C CONTINGENT RESOURCES:

108m boe*

UNRISKED, MID-CASE PROSPECTIVE RESOURCES:

545m boe

RISKED, MID-CASE PROSPECTIVE RESOURCES:

134m boe

** OPC believes that the vast majority of these 2C Contingent Resources will be reclassified as 2P Reserves upon the lifting of Force Majeure.*

Syria Re-Entry Planning

Unsophisticated oilfield practices continue to cause devastating pollution and damage to the local environment and health of local populations, as well as potentially damaging the reservoirs on an ongoing basis. It is therefore vital that we return to operations soon, in order to protect the environment and preserve the value of Syria's natural resources.

Gulfsands is planning to return to operations as soon as circumstance allow and will bring:

- Significant investment.
- Implementation of our validated FDP and Exploration Programme.
- State of the art reservoir management techniques and technologies.
- World class oilfield practices.
- Environmental clean-up.
- Employment, training and community programmes for the local population.
- Significant revenue to the country's treasury to invest in the rebuilding of the country.

Gulfsands is actively engaging with the new Syrian Government and relevant industry stakeholders, to navigate the resumption of operations. See page 22 for more details on re-entry planning.

Business Platform Established for Regional Business Development

Gulfsands is focused on building out its portfolio through material business development in the MENA region.

MENA hub established in the world-renowned Abu Dhabi Global Market (“**ADGM**”) in the UAE, along with a MENA-dedicated subsidiary, Gulfsands Middle East Limited (“**GMEL**”).

Experienced technical, finance and administrative team with extensive regional experience assembled to lead business development initiatives.

Structured processes put in place to source, screen, analyse and evaluate potential opportunities.

Technology platform upgraded to facilitate integration of acquisitions and new ventures.

Strengthened Gulfsands' profile and visibility within the region and the industry, to be recognised as a credible partner of choice.

Share Trading Facility

The Company's shares continue to trade through the secondary trading auction facility provided by Asset Match (www.assetmatch.com).

Strategic Report
Chairman's Statement

Dear Shareholder,

I am delighted to write to you at a time of great optimism for the country of Syria and for the Syrian people.

The fall of the Assad Regime in December 2024 brought to an end a dark period for the country, including over a decade of civil war, and heralded a great opportunity for the country to build a more united, inclusive, peaceful and vibrant future for all Syrians.

It is not appropriate for me to comment on every political development, nor to interfere in the unfolding political processes. A sustainable solution for Syria must be Syrian-owned and Syrian-led. We do however call on all those in positions of authority and those given the weighty task of charting the course to a better future for Syrians, to work together within the agreed frameworks to find a peaceful transition and sustainable future for the country.

There will no doubt be bumps in the road, but we wish strength and wisdom to those who are tasked with rebuilding this proud country, to overcome the challenges that come their way.

Since we first coined the phrase "Project Hope" back in 2018, Gulfsands has firmly believed that rebuilding a vibrant oil and gas industry, bringing together international best practice and investment, and nurturing local expertise and talent, can be a central pillar to helping Syria get back on its feet again. This is truer now than ever and we have a great opportunity to do just that.

We will only return to operations in Syria when it is legal and safe to do so, but as explained elsewhere in this Annual Report, our plans to do so are well underway, spurred on by movement in sanction restrictions from various sanctioning jurisdictions, and initial political progress in-country towards a united Syria. We are hopeful that, when we do return, it will be to a welcoming and constructive environment from both the Damascus Government and our near neighbours in the North-East of Syria.

Returning will not only bring much needed energy supply revenue to the country's treasury but will also bring employment, training and other economic activity to the region. It will also enable a widescale environmental clean-up that will help improve some of the chronic health issues that have resulted from recent unsophisticated oilfield practices.

In terms of Gulfsands' broader strategy, we remain focused on building a multi-asset portfolio within the MENA region, in parallel to resuming Block 26 operations. We continue to screen opportunities, supported by our team and network in Abu Dhabi, and we will be sure to update shareholders as soon as things develop on this front.

As we navigate the complexities of re-entering Syria, I would like to thank the Gulfsands team, and our broader group of advisers including the Strategic Advisory Board, for their hard work and dedication.

I sincerely hope that for the sake of the millions of Syrians, our staff, and you, our patient, long-standing shareholders, that Syria continues on its pathway towards a peaceful, unified and prosperous future, which will enable us to resume operations in the near future.

I wish you and all Syrians well for the year ahead and thank you for your faith in Gulfsands.

Michael Kroupeev
Non-Executive Chairman
27 May 2025

Strategic Report
Managing Director's Statement

We face the coming year with cautious optimism for the people of Syria and the prospect of Gulfsands returning to operations in Block 26 after over a decade of Force Majeure. We stand ready to work with all interested parties to facilitate our return at the earliest opportunity.

Dear Shareholder

The fall of the Assad Regime in December 2024 and political developments since, including the installation of a new Government in Damascus means that Gulfsands can cautiously begin planning for a return to operations as soon as circumstances allow.

2025 will be a pivotal year for Syria as we see if the positive developments to date can be translated into a concrete platform on which to build a safe and secure future for Syrians.

Our plans for re-entry, and regaining control of Block 26, are explained in more detail in the Operations Review. Gulfsands will not, however, determine alone when we return to operations. When circumstance allow, and all sides agree that safe, secure and legal operations can be recommenced, Force Majeure will be lifted, and we will return to operations and bring with us expertise, know-how and much needed investment, jobs and training.

In addition to Block 26 legal, commercial and administrative matters being clarified, for international energy companies such as Gulfsands to return to their operations in Syria, two major conditions are required to be met:

1. International sanctions must be amended and/or waived to bring clarity; and

2. The security situation must enable safe and secure operations.

In terms of sanctions, there is clear direction of travel by the international community, but different jurisdictions are moving at different paces. The US, European Union and the UK have all taken steps to waive or suspend certain sanctions in Q1 2025. In April 2025, the UK Government completed the lifting of all material sanctions regarding the energy sector (both trade and financial sanctions). We understand that there appears to be a desire to use sanctions to encourage the country's political process to stay on track. We also hope that over the remainder of the year, a global consensus will bring legal clarity and sufficient business confidence to allow operators and investors to return. We encourage all involved to follow the UK Government and do what is necessary to enable the release of sanctions as soon as possible, to enable the country to flourish again.

The security situation also needs to be resolved to enable a safe and secure return to operations. The location of Block 26 in North-East Syria, means that a sustainable agreement between Damascus and our near neighbours in the North-East will be vital to us ensuring safe and secure operations are possible. We were pleased to see the recent announcement of a framework agreement between the SDF and the Damascus Government, and we encourage both sides to work expeditiously through the details required over the coming months that will facilitate a sustainable future including the re-opening of the oilfields. Not only will this bring much needed revenue to the country's treasury but will also bring employment, training and other economic activity to the region as well as enable a widescale environmental clean-up that will help reverse the huge environmental damage and chronic health issues that have resulted from unsophisticated oilfield practices over recent years.

It is still too early to determine how the Syria situation will develop, and there will likely be bumps in the road ahead, but the signs so far are encouraging and we stand with our Syrian partners and the Syrian people to do whatever we can to rebuild an industry that can be a central pillar to rebuilding the country for the benefit of all.

It is not for Gulfsands to dictate any political solution for Syria – this should be Syrian-owned, and Syrian-led. We do however wish strength, wisdom and patience to those who are tasked with rebuilding this proud country, to grasp the opportunity that is ahead of them and overcome any challenges that come their way.

In the meantime, Gulfsands will step up its plans from our **Protect-Preserve-Prepare** approach, to active **Re-Entry Planning**, as more fully explained on page 22.

Business Development

Business Development in the MENA region remains a core part of our strategy and we spent much of our time during 2024 screening for the right deals that will add value for our shareholders. We made a number of offers for transactions at the level at which the Board felt were in the shareholders' best interests, but were unable to consummate any of them during the year. Our regional hub in the world-renowned Abu Dhabi Global Market ("ADGM") in Abu Dhabi, along with our MENA-dedicated subsidiary, Gulfsands Middle East Limited ("GMEL"), provides the ideal platform to push ahead with our growth plans in the region, under the guidance of Mark Cutis.

Environmental and Social Responsibilities

Central to both our business development activities, and our re-entry plans for Syria, remains a deep respect for our environmental and social obligations.

Sustainability building blocks are at the centre of our re-entry plans as well as any new-country entries that arise from our business development activities. A key part of our return plans to Syria will be a significant environment clean-up that will reverse the impact of many years of neglect and unsophisticated oilfield activities, as well as community programmes.

We will undertake significant societal impact studies to ensure that Gulfsands is a force for good in the communities in which we operate; local content and training programmes will ensure that the local economy and communities will benefit directly from our return. In the meantime, we will again undertake some targeted humanitarian initiatives, as we have in prior years, focused on youth education. Given the changing landscape in Syria we now hope to undertake these within the country, rather than just in refugee camps.

It is now over 7 years since we first proposed **"Project Hope"**, arguing that the oil and gas industry should be a force for good within Syria for the benefit of all Syrians, providing not only vital revenues and hydrocarbons for the Syrian people but also jobs, opportunity, training and economic activity for the communities in which we operate. We stand by the principles of Project Hope and are delighted that we may now have the opportunity to make some of those principles a reality.

You can read more about this in our Strategic Report where we describe our Environmental, Social and Governance (**ESG**) strategy which adopts the UN's Sustainable Development Goals (**"SDG's"**) building blocks as core to its framework.

Financial Results for the Year

The Group posted an Operating Loss for the year of $2.8 million (2023: $2.9 million), and an overall loss for the year of $2.9 million (2023: $5.4 million).

Our Core G&A reduced slightly to $2.4 million (2023: $2.7 million). We expect G&A to increase during 2025 as we prepare for our anticipated return to operations. We are grateful to our Major Shareholders for their continued support that allows us to make this step up in activity, which they have indicated they are willing to continue funding.

At the end of 2023, the 2017 Facility was converted by the Major Shareholders and in early 2024, this conversion was settled in full by the issuance of Ordinary Shares to the Major Shareholders. The G&A for 2024 was funded by Waterford through an Equity Facility and the Company ended 2024 debt free.

In early 2025, post year-end, given the uncertainty in funding requirements for re-entry, the Major Shareholders agreed to fund the Company through an Unsecured Bridge Financing Facility which is extinguishable with Equity and has the flexibility to extend and expand to reflect the funds required.

The Board continues to discuss the Group's longer term funding needs, and sources of that funding, with both the Major Shareholders and potential other providers of strategic capital.

Details of all the funding arrangements are included in the Financial Review on pages 24 – 26, and further discussion on Going Concern is included in Note 1.3a of this Annual Report.

Since the Company's delisting from AIM in April 2018, the Company continues to be a Public Limited Company (a "PLC") and Gulfsands' shares continue to trade through the secondary trading auction facility provided by Asset Match. Anyone wishing to trade Gulfsands' shares should contact Asset Match directly at **www.assetmatch.com**.

Outlook for 2025 and beyond

2025 has the potential to be a monumental year for Syria and the Syrian people, and of course this will have significant implications for Gulfsands as well. We hope that the path towards a united, inclusive, peaceful and vibrant future for all Syrians will be navigated well and that where necessary, international support will be there to help Syria along the way.

Gulfsands stands ready to play its part and is laser-focused on ensuring that we are ready to return to operations as soon as circumstances allow.

We continue to explore other business opportunities in the region, in our quest to build Gulfsands into a major, multi-asset, multi-country energy company but our priority is to ensure that we are ready to return to Syria as soon as we can to play our part in what we hope will be a bright new era for Syria.

I would like to close by thanking our shareholders for their continued support and express my gratitude to the entire Gulfsands team, who continue to deliver on our strategic objectives with incredible dedication.

Yours sincerely,

John Bell
Managing Director
27 May 2025

Strategic Report
Our Business Model

After several years of restructuring the business, the Gulfsands Group now has the platform to deliver its core strategy of building a strong, independent energy company focused on material growth in the Middle East and broader MENA region. Our ambition is to create a multi-billion-dollar company with a portfolio of assets across the MENA region.

Our presence in the world-renowned Abu Dhabi Global Market ("ADGM") in Abu Dhabi, along with our MENA-dedicated subsidiary, Gulfsands Middle East Limited ("GMEL"), provides a platform to push ahead with these growth plans in the region.

Recent developments in Syria mean that we can now cautiously press ahead with preparations to return to operations in Syria as soon as circumstances allow.

Whether it be the acquisition of new asset(s) or a returning to Syria, our business model remains based on the following building blocks:

Areas of Expertise

- Extensive experience operating in our core area of the Middle East and broader MENA region
- Experienced and entrepreneurial leadership team
- Access to strong technical skills from our in-house team and our network of advisers
- Commitment to excellence in HSSE and Sustainability
- Emphasis on building strong local organisations and skill sets.

Business Development Strategy

- Spearheaded through our MENA dedicated, and Abu Dhabi based, subsidiary GMEL
- Utilise regional knowledge and relationships with partners, to identify new opportunities
- A disciplined approach to evaluating E&P opportunities
- To build a portfolio with a balance between producing assets with high impact upside
- Preparations to return to Syria with focus on growth in resources, reserves and sustainable production.

Corporate and Financial Discipline

- Careful stewardship of cash resources
- Strong emphasis on cost control and cost/benefit analysis
- Aim to make Gulfsands cashflow positive in the medium term
- Robust financial evaluation of all business development opportunities
- Rigorous approach to compliance and governance.

Business Conduct and Sustainability

- Striving to be a partner of choice in the countries and regions in which we operate
- Establishing strong relationships with our partners
- Respecting the environment and the health and safety of our employees and the local communities
- Embracing new technologies, renewable energy and carbon reduction initiatives
- Respecting all relevant international and local legislation and regulations
- Being a good corporate citizen wherever we operate, in accordance with UN Sustainable Development Goals.

Strategic Priorities

The following tables set out our strategic priorities and how we seek to progress towards their realisation:

A Return to Operations in Syria	• Resume the development of Block 26 to build production and generate income in a safe and environmentally acceptable manner, and continue to explore Block 26 to realise its full oil and gas potential. • Build relationships with the new Syrian Government and work with them, within remaining sanction constraints, to return to operations and to be a chosen partner in rebuilding the energy sector in Syria. • Maintain the support of the international community to build their confidence and support for our return to operations in Syria, as well as complying with any remaining applicable sanctions and other guidelines. • Ensuring ongoing compliance with Block 26 PSC, and managing local relationships with relevant authorities to facilitate our return. • Manage an orderly process for the lifting of Force Majeure. • Maintain and build our local management team in Syria, ensuring strong local expertise and presence. • Build the support and confidence of the local communities in and around Block 26. • Monitor and manage the security situation to ensure a safe and secure environment for returning to operations. • Refine and implement our re-entry planning process, as soon as circumstances permit (see page 22).
Material Growth in the MENA Region	• Continue to develop GMEL in Abu Dhabi to spearhead regional business development. • Focus on assets with existing production with material embedded upside. • Increase and upgrade reserves and resources through acquisition and/or organic growth. • Identify deals which are value accretive and where Gulfsands has a competitive advantage to increase value. • Build a portfolio which can generate robust cashflow combined with potentially transformational upside. • Flexibility to move outside the MENA region if opportunities arise.
Maintain our Competitive Advantage	• Target our focus on our core area of expertise - the MENA region. • Use our regional network to identify opportunities before they become public. • Efficient screening and evaluation of growth opportunities, especially via our strong technical team with extensive regional expertise. • Rigorous, multi-faceted due diligence and business planning processes incorporating Technical, Financial, Political and Operational expertise.
Ensure the Group is well Financed and Efficiently run	• Increased focus on cash generation to ensure financial sustainability. • Ensure discipline in capital investment programmes. • Maintain the support of our Major Shareholder(s) to ensure ongoing financial support. • Extending outreach to identify new strategic partners and investors, who can bring financial, strategic and geo-political support to our projects. • Maintain control over costs.
To Build a Sustainable Business	• Maintain focus on Sustainability and ESG factors in all business activities, including business development. • Build Community Outreach, Security, Health and Safety and Environmental considerations into all our operations planning, including all new business initiatives and Syria re-entry planning. • Key stakeholder engagement across government, community, regulatory and industry counterparties with an aim to being a preferred partner of choice. • Minimise energy wastage and incorporate GHG reduction initiatives into all operations and plans. • Embrace new technologies into existing and new operations. • Explore parallel renewable projects alongside traditional oil and gas projects.

Strategic Report
Sustainability – Licence to Operate

It is imperative that Gulfsands maintains a good reputation and its "licence to operate" and therefore, throughout everything we do, we seek to maintain strong relationships with all the stakeholders with whom we interact. This is the only way to build a truly sustainable business model. Balancing the requirement of all constituents is critical to our success and central to our decision making.

Gulfsands seeks to maintain its "licence to operate" by being a responsible and reliable partner with all stakeholders.

Gulfsands is focused on building a sustainable business model that considers the social, environmental and governance impacts of all its projects. Gulfsands' focus on Environmental, Social and Governance ("ESG") matters, permeates all business development activities, including its re-entry planning strategy for Block 26 in Syria. Gulfsands has a proven track record of implementing extensive sustainability initiatives when it was able to operate within Syria, and will do again upon return to operations. We are guided throughout by the principles outlined by the UN Global Compact and the UN's Sustainable Development Goals ("SDG's").

Strategic Report
Sustainability – ESG

Gulfsands' progress and performance in respect of sustainability and ESG is overseen and driven by the Sustainability Committee, chaired by the Managing Director. By adopting the UN's Sustainable Development Goals (SDGs) and applying a consultative mapping process specific to Gulfsands business and culture, we have selected the SDGs that apply to the three sustainability pillars, Environmental, Social and Governance. As Gulfsands is in Force Majeure and currently unable to operate its Block 26 assets, the sustainability plan captures the key elements of the go-forward strategy that will be incorporated into our Syria Re-Entry Planning, Asset Field Development Plans, and all new business development initiatives.

Environmental: Protecting the environment

E *Producing hydrocarbons in an environmentally responsible way.*

AMBITION	ACTION	SUSTAINABLE DEVELOPMENT GOALS	POLICIES / PROCEDURES
Minimise the impact of its operations on the local environment	• No spills or pollution to the local area of its facilities • Minimise impact to air quality, biodiversity and water around its facilities • Any future seismic, drilling or facilities operations continue to be preceded by Socio- Environmental Impact Assessment ("**SEIA**") studies • Focus on efficiency of operations and sustainable practices	15, 6, 12	• Integrated into Re-entry Planning • Field Development Plans
Minimise its greenhouse gas emissions	• Reduce emissions from power and fuel consumption at its offices and facilities through increasing the use of low or zero carbon electricity • Reduce routine flaring, aspire to Zero Routine Flaring • Use the best available technology to improve energy efficiency at its facilities • Seek usage of associated gas for power generation • Prioritise gas for further power generation where appropriate • Study CCS options on its current and future operations to reduce carbon footprint and move towards net zero	13, 9, 12	• Field Development Plans • Gas prioritisation
Explore its next steps in the energy transition	• Evaluate renewable energy projects that could tie in with its current operations • Prioritise gas for further power generation where appropriate	7, 13	• Renewable technologies • Gas prioritisation

Social: Sharing the benefits

S *Ensure our projects make a difference to local communities and make a positive impact on the socio-economic development of the country, alleviating poverty, improving quality of life while also building, training, developing a cohesive and strong local workforce.*

AMBITION	ACTION	SUSTAINABLE DEVELOPMENT GOALS	POLICIES / PROCEDURES
Champion positive impact on the local community	• Run community outreach programmes • Support educational, medical/healthcare, archaeological, social objectives when Gulfsands resumes as operator of Block 26 • Look to supply local industrial and domestic consumption directly to meet local energy needs	1, 2, 3, 4, 7, 11, 9	• Integrated into Re-entry Planning • Humanitarian Initiatives as part of re-entry planning
Provide local economic opportunity	• Build local workforce with related education • Fulfil operations with local companies, contractors and employees • Ensure equal opportunities for all • Fair wages and rewarding careers	1, 2, 10, 8	• Humanitarian Initiatives as part of re-entry planning
Build a rewarding and fair workplace	• Ensure equal opportunities for all • Adhere to labour rights and safe/secure working environments • Invest to provide for employees: - Rewarding careers - Fair pay and conditions - Training - Well-being • Adherence to Code of Conduct and Ethics	4, 8, 10, 5	• Training Programs • Well-being • Code of Conduct and Ethics
Deliver a zero-harm workplace	• Ensure no injuries, lost workdays or work-related illnesses for our staff and communities • Incorporate Health and Safety into all management choices, plans and operations • Apply best industry practice policies and procedures in these areas and seek to manage its business and its contractors in accordance therewith	3, 8	• Health and Safety Policy • Incorporation into Development Plans

Governance: Setting high standards and being transparent

G *Sustainability begins at the top and permeates our entire Corporate Governance structure. We also operate under a range of regulations including sanctions and anti-bribery and corruption where we hold ourselves to the highest of standards through our Code of Conduct and Ethics policy.*

AMBITION	ACTION	SUSTAINABLE DEVELOPMENT GOALS	POLICIES / PROCEDURES
Maintain good governance	• Maintain appropriate Corporate Governance standards • Incorporate a focus on sustainability • Ensure all stakeholders are considered in decision making	17	• Independent Board Committees • Stakeholder engagement • See Corporate Governance Section
Manage and mitigate risks • **Sanctions** • **Anti-bribery & corruption** • **Anti-money laundering**	• Minimise the risk of breaches • Maintain best practice on compliance • Embed zero tolerance approach to bribery and money laundering • Maintain good Government relationships	16, 17	• Sanctions Policy • Anti-Bribery and Corruption Policy
Meet regulatory and legal requirements	• Maintain Code of Conduct and Ethics policy • Embrace zero tolerance approach to ethics breaches • Maintain whistle-blower procedures	17	• Code of Conduct and Ethics policy
Government Relations	• Disclose relevant and appropriate information to stakeholders • Maintain support of all relevant Governments	16, 17	• Strategic Advisory Board

Strategic Report
Sustainability – Track Record

Gulfsands' track record in sustainability

Prior to Force Majeure, between 2009 – 2011, Gulfsands supported a number of initiatives with a level of financial assistance, activities and logistical support in Syria, involving local communities and social and charitable organisations. Efforts were focused towards supporting programmes aimed to improve the health, welfare and prospects of children, women and the disadvantaged members of society, especially for people living in North-East Syria, and central Damascus. These initiatives included:

Education:

- Schools in villages local to the Khurbet East and Yousefieh oil fields: Including provision of internet access, computers, peripherals and supplies, as well as the refurbishment of dedicated classrooms and programmes to train teaching staff;
- Financial and logistical support for organisations (such as FIRDOS, BIDAYA, SHABAB, AWRD and the Syrian Young Scholars), which provide access to education and educational infrastructure such as mobile libraries, micro finance and assistance for the development of micro-businesses.

Healthcare:

- Providing funding to BASMA (Children with Cancer) at the Al Buruni University Hospital in Damascus, and the Children's Hospital in Damascus;
- BANA (the Syrian institute for the Blind), where Gulfsands assisted to complete the construction of a facility and equipment for a computer-based Braille teaching programme and the construction and population of a digital audio library at BANA's Damascus headquarters;
- Support to AAMAL, the Syrian Organisation for the Disabled, the Syrian Association for Autistic Children which provides teaching and support facilities for children with learning difficulties, and the Light and Flowers Centre for Cerebral Palsy.

Culture:

- Funding for carbon dating and forensic work on discoveries made during the archaeological excavation of an ancient Urkesh Palace at the Tell Mozan site near to Block 26 in North-East Syria. Further details about this important work can be viewed at www.urkesh.org.

Strategic Report
Sustainability – Recent Initiatives

Empowering Futures: Gulfsands' Community Initiatives in Syria and Beyond

Gulfsands has long recognised that energy development must go hand-in-hand with social progress, especially in fragile and conflict-affected regions. During the period of Force Majeure, Gulfsands has been constrained in the way it could operate within Syria. Instead, in recent years, Gulfsands has focused its humanitarian activities on the refugee community both in the UK and most recently in Syria's nearest neighbours, most notably Jordan. Activities in the UK have included the provision of care packages to refugee families, and fundraising including an event in London to commemorate World Refugee Day.

Since 2022, the company has committed itself to empowering Syrian youth through education and innovation. Recognising that rebuilding communities starts with unlocking human potential. In partnership with **Phoenix Space, The Chaffinch Trust, Blumont,** and **UNHCR**, Gulfsands has launched a series of pioneering programmes that focus on equipping displaced Syrians with essential knowledge and skills for the modern era. These initiatives have evolved over the years, from foundational STEM education for children, to AI business training and humanitarian advocacy. Examples include:

2022: Igniting a Spark Through STEM

In 2022 Gulfsands launched a pilot STEM education programme in partnership with Phoenix Space and The Chaffinch Trust. Designed for Syrian refugee children aged 14–16 in Amman, Jordan, the initiative introduced participants to key scientific disciplines in algebra, geometry, mechanics, programming, and space science through an engaging and creative curriculum.

2023: Scaling Impact and Raising Awareness

Building on this momentum, Gulfsands significantly expanded the scope of its work in 2023, with the STEM programme returning to Amman with a broader curriculum and renewed commitment, again involving on-the-ground participation from Gulfsands' leadership. In August, the initiative reached a new milestone: nearly 200 children aged 8–14 participated in a large-scale deployment in Za'atari Refugee Camp, Jordan. This effort was coordinated with support from Blumont and UNHCR, adding vital logistical and institutional capacity.

2024: Innovation Meets Empowerment - AI Business Fundamentals Programme

In 2024, Gulfsands expanded its community strategy to meet the evolving challenges of displaced youth in a digital world.

Launched in September 2024, this cutting-edge programme equipped young Syrians aged 18–35 in Za'atari Refugee Camp with high-demand digital and AI-related skills. Co-developed with Phoenix Space and implemented by Blumont under UNHCR's Uplift Project, the course focuses on:

- Fundamentals of artificial intelligence and data literacy
- Real-world AI business skills; and
- Employability and economic self-reliance

Participants were provided with the tools required to access entry-level digital jobs and pursue careers in a globalised, tech-driven economy. The programme represents a strategic shift from basic education to upskilling, designed to foster economic resilience and long-term community sustainability.

Also in 2024, continuing our fundraising efforts, we were able to sponsor a private reception in the presence of Her Royal Highness the Princess Royal at the iconic Reform Club, where we highlighted and promoted the work we have been undertaking with the Chaffinch Trust and Phoenix Space.

Looking Ahead

Gulfsands will continue to have societal and community based projects at the heart of its operations. With the dawn of a new era for Syria, Gulfsands intends to reactivate societal and charitable programmes to improve the health, welfare and prospects of people living in North-East Syria, and central Damascus, specifically children, women and disadvantaged members of society.

In particular, we will incorporate such programmes into our re-entry planning and as a first step will seek to replicate some of our recent AI and STEM based initiatives within Syria during this year.

Strategic Report
Principal Risks and Uncertainties

The Group's approach to risk management aims to identify material risks as early as possible, to reduce or eliminate the probability of those risks occurring, and to mitigate, to the greatest extent practicable, the impact on the Group if an event does occur.

All staff within the Group take an active responsibility for identification of potential risks to the Group, to ensure these are communicated to the appropriate person, and to participate in the mitigation processes.

The Group considers its current principal risks and uncertainties to be as follows:

SYRIA GEOPOLITICAL RISKS

Nature of Risk	Mitigation
The Group's core assets are based in Syria. Despite the fall of the Assad Regime in December 2024 and the installation of a new Syrian Government, the country continues to be subject to political uncertainty and its society and infrastructure have been damaged significantly by civil war. The Group's interests in Syria are in Force Majeure as a consequence of various international sanctions and the security situation in Syria. Given the fall of the Assad Regime there is cautious optimism that Force Majeure can be lifted, but this will require the following: i. International sanctions must be amended and/or waived to allow us to return; ii. The security situation must be sufficient that it allows for safe and secure operations. iii. There must be legal and commercial clarity on the terms of lifting Force Majeure. The precise details of how these issues will be resolved and the timeline for achieving all three of these conditions is uncertain In the meantime, the inability to operate means that Gulfsands has no control over the day-to-day operations of Block 26, including the control of any unauthorised production.	The Group's ability to mitigate these geopolitical risks of Syria is limited. However, especially since December 2024, the Group has actively engaged with major stakeholders to help navigate these complexities. The Group believes that its legal rights should be preserved upon its return to operations in accordance with the PSC. There is clear direction of travel by the international community in terms of providing sanctions relief, but different jurisdictions are moving at different paces. In April 2025 the UK Government lifted Trade Sanctions relating to the energy sector, following some relevant Financial Sanctions being lifted in March 2025. We encourage all involved to follow the UK and do what is necessary to enable the release of sanctions as soon as possible, to enable the country to flourish again. In March 2025, the new Syrian Government and the SDF/AANES agreed a framework agreement to integrate the North-East of Syria into the Syrian state including civil and military institutions and the oil and gas fields. Work is ongoing to formalise this framework, with a target for implementation by the end of 2025. Since December 2024, Gulfsands has made significant outreach to the new Syrian Government and related oil and gas authorities to express its desire to return to operations as soon as circumstances allow, citing the three conditions listed as critical factors in any return. Dialogue has been positive to date and is ongoing. The Group is undertaking extensive work to formulate a re-entry plan to allow it to lift Force Majeure and resume operation of the assets as soon as conditions are met. The Group is not affiliated to any government, political party, religion, ethnic grouping or similar organisation, but seeks to maintain good relationships with communities and important local stakeholders. Gulfsands continues to step up its engagement with key stakeholders, including regional and international governments, to garner support for a return to operations as soon as practicable.

BUSINESS DEVELOPMENT RISKS

Nature of Risk	Mitigation
Identification and Execution of the Right Deals Failure to select, secure and implement successful projects will impact the Group's financial performance and ability to finance the growth and development of the Group. The market for attractive oil and gas deals remains highly competitive. To be successful, deals must be attractive: • Technically; • Operationally; • Financial / Commercially; and • Politically. The Company must be able to secure sufficient, likeminded investors to secure and finance selected projects. **Local Buy-In for Prospective New Projects** New country entries require buy-in from governments, regulators, and local communities to ensure ongoing success of the projects.	Use our regional network to identify opportunities before they become public. Key industry outreach to be a preferred partner of choice. An integrated, multi-faceted approach due diligence and business planning processes incorporating Technical, Financial, Political and Operational expertise. Rigorous economic modelling based on chance of success and a range of possible outcomes. Extensive outreach to identify new strategic investors (especially strategic MENA focused investors, aligned to our strategy). Rigorous economic analysis to ensure appropriate investor return even in conservative, prudent scenarios (e.g. oil price environment). Local integration and pre-deal liaison on all business development opportunities with local stakeholders is key part of project selection.

FINANCING AND SHAREHOLDER RISKS

Nature of Risk	Mitigation
Shareholder Concentration A large proportion of the shares in the Company are held by two shareholders holding approximately 62.25% and 28.29% respectively (the “Major Shareholders”). This concentration could enable those Major Shareholders to exert influence on the Board and management which may reflect their interests to the detriment of the minority shareholders. In particular, Waterford could unilaterally propose and pass, or block an ordinary resolution of the Company, and Waterford and Blake together could propose and pass, or block a special resolution of the Company.	Even post delisting, the Board has sought to continue to maintain high levels of corporate governance. The Board maintains a close relationship with its Major Shareholders who support the strategy outlined in this Annual Report. General & Administrative costs, including additional expenditure required to prepare for a re-entry into Syria, have been contained to a level acceptable to the Major Shareholders who have expressed a willingness to continue to fund the business at this level.
Reliance on Major Shareholders For Financing The Group currently has no revenue, with its only producing assets being in Syria which are currently under Force Majeure. The Group is dependant entirely upon external financing to support its ongoing activities. Given the unique nature of the Group’s existing Syrian assets, the Group is currently particularly reliant on the continued support of its Major Shareholder(s) who have been the only sources of significant funding over the past 9 years.	The Major Shareholders have committed to the 2025 Unsecured Loan Financing and are expected to support the Company beyond that. Further discussion regarding the current funding situation is contained in the going concern note 1.3a to the Consolidated Financial Statements. Initiative is underway to identify new, like minded, strategic investors to supplement the Major Shareholders in support of business development opportunities and actual re-entry costs.

ORGANISATIONAL RISKS

Nature of Risk	Mitigation
Reliance on Key Staff: The Group has a small staff of experienced people and relies heavily on their knowledge and experience in developing and delivering the Group’s strategic objectives. There is therefore a heightened risk of loss of management continuity and impairment of the business model.	The Group undertakes internal succession planning where possible together with maintaining contact with a network of experienced people in the industry, including consultants on whom it may call if required. Contracts with key personnel have notice periods that allow sufficient time to source replacements.
IT Infrastructure: Risk of systems failure or cyber-attacks, resulting in loss of data, breaches of security or business interruption.	All core, business critical systems are now cloud-based, providing state of the art security and in-built redundancy, back-up and business continuity protection. Frequent staff training regarding cyber-security threats.
Compliance: Bribery and Corruption, Sanctions The Group’s licence to operate depends on its continued compliance with a range of relevant regulations including those relating to sanctions, bribery and corruption. These regulations are complex, and interpretation of their implications requires the Group to seek advice which is sometimes not definitive. The Group’s failure to comply with such regulations could have a significant impact on its ability to operate as a result of reputational damage, legal liability and financial loss.	The Group has a Code of Business Conduct which applies to all activities of the Group. This is complemented by specific sanction and anti-bribery guidance and policies. Business practices are reviewed against this code, guidance, and policies. Formal training and monitoring is provided across the Group particularly in respect of bribery, corruption and sanctions compliance. Professional advice is sought where required and periodic briefing is received to update the Board on developments in the regulatory framework.
Syria Re-entry Planning Re-commencement of operations will require significant build out of the Gulfsands organisation, and the build out of our Joint Operating Company, Dijla Petroleum Company.	Extensive re-entry planning is underway including operational planning, organisational design and active liaison with local stakeholders.

HEALTH, SAFETY, ENVIRONMENT, SECURITY AND SUSTAINABILITY

Nature of Risk	Mitigation
The Group’s licence to operate is critically dependent on: • the protection of the health and safety of its staff, its contractors and members of the community in which it operates; • the protection of the environment in which it operates; and • the security of its interests and assets. Failure in respect of these matters could severely impact on the Group’s ability to work and obtain further business in its areas of operation as well as putting it at risk of legal and financial liabilities.	The Group maintains best practice policies and procedures in these areas and seeks to manage its business and its contractors in accordance therewith. The implementation of the Company’s Sustainability framework and Sustainability Committee have increased the focus on this important area. Health, safety and security issues are a clear area of focus in our Syria re-entry planning.

CLIMATE CHANGE AND THE ENERGY TRANSITION

Nature of Risk	Mitigation
Climate change concerns and the pursuit of a just energy transition may cause host governments to impose additional regulations upon Oil and Gas Operators.	The Board and management consider the impact of climate change and the energy transition on all potential acquisition projects. Incorporating energy transition targets and objectives (such as carbon capture, flaring reduction, and renewables) into dialogue with host government will help ensure common understanding of expectations and impact.

SYRIA

Gulfsands is the operator of the Block 26 Production Sharing Contract ("PSC") and holds a 50% working interest in the PSC along with Sinochem Group (also 50% working interest).

During 2024 Gulfsands was not involved in any production or exploration activities on Block 26 as the PSC remains in Force Majeure (as it has since 2011) as a result of the security situation in Syria and the existence of UK Sanctions in respect of Syria.

Due to the Force Majeure status, the Group does not exercise control over the Block 26 asset and therefore it is not in a position to consolidate the results into the financial statements.

Following the fall of the Assad Regime in December 2024, there is great optimism for the new era for Syria. A new government is in place, and Gulfsands is able to start to cautiously plan for return to operations.

Block 26 Assets

Block 26 is located in North-East Syria. The PSC grants to the Contractor Parties the exclusive right for the exploration, development and production in an area designated as "Block 26". This includes the rights to the benefits of production from discovered fields for a minimum of 25 years from the date of initial commercial production from such development area, with an extension of a further ten years thereto at the partners' option. Gulfsands' joint venture partner in Block 26 is Sinochem Group, a Chinese conglomerate primarily engaged in the production and trading of chemicals and fertiliser, and exploration and production of oil.

Under the Group's operatorship, two oil fields containing reservoirs of Cretaceous age have been discovered, appraised and approved for Development within the PSC area, Khurbet East (2008) and Yousefieh (2010). During 2011, combined production from these fields reached a level of just under 25,000 barrels of oil per day before the impact of EU/UK Sanctions resulted in the curtailing of production levels. Two additional oil and gas discoveries within reservoirs of Triassic age have been identified within the Kurrachine Dolomite and Butmah formations, beneath the Cretaceous aged oil producing reservoir in the Khurbet East field. Development approvals for these Triassic discoveries were granted in 2008 and 2011 respectively. A further oil discovery was made late in 2011 by Gulfsands in the Cretaceous aged reservoirs penetrated by the Al Khairat exploration well, a few kilometres east of the Yousefieh field. A Development Licence application for Al Khairat will be submitted upon the lifting of Force Majeure.

Operation of the Khurbet East and Yousefieh fields during the production phase has been undertaken by Dijla Petroleum Company ("DPC"), a joint operating company formed between Gulfsands, Sinochem and Syrian state oil company, General Petroleum Corporation ("GPC") for the purpose of undertaking the management and control of petroleum production operations and related infrastructure on Block 26. Staff of both Gulfsands and GPC were previously seconded to DPC.

As a consequence of the EU's imposition of further sanctions on Syria which came into effect in early December 2011, Force Majeure was declared by Gulfsands in respect of the Block 26 PSC. Since then Gulfsands' has had no involvement in petroleum production operations in Syria, although it has maintained an office in Damascus to monitor the situation and ensure ongoing compliance with local laws and the PSC.

The recent developments in Syria, including the fall of the Assad Regime in December 2024, provide cause for optimism that over the coming months, we may be able to bring our Force Majeure declaration to an end. In addition to obvious legal, commercial and administrative matters that will need to be clarified to exit Force Majeure, there are two major conditions that need to be met for us to return to operations:

1. International sanctions must be amended and/or waived to allow us to return; and
2. The security situation must be sufficient that it allows for safe and secure operations.

Under the terms of the PSC, upon the lifting of Force Majeure, Gulfsands expects than any time lost during the Force Majeure period, plus any time needed to remedy any damage done during the Force Majeure period will be added back to term of the PSC and any related development or exploration periods.

Production

Since December 2011, Gulfsands has received periodic, infrequent/irregular updates from DPC on hydrocarbon volumes produced from the Group's Syrian fields under DPC's operation. In early 2017 the Company was informed by DPC that the Group's Syrian fields had returned to significant and regular production. The unauthorised production from the fields is described by GPC/DPC as "stolen". The Company has been unable to independently audit the precise production numbers from DPC and has been unable to visit the fields for several years due to an inability to get security clearance. The Company, whilst remaining sanctions compliant, continually seeks to gain additional information regarding the ongoing status of production operations, and given the changing landscape in Syria, hope to be able to visit the fields soon.

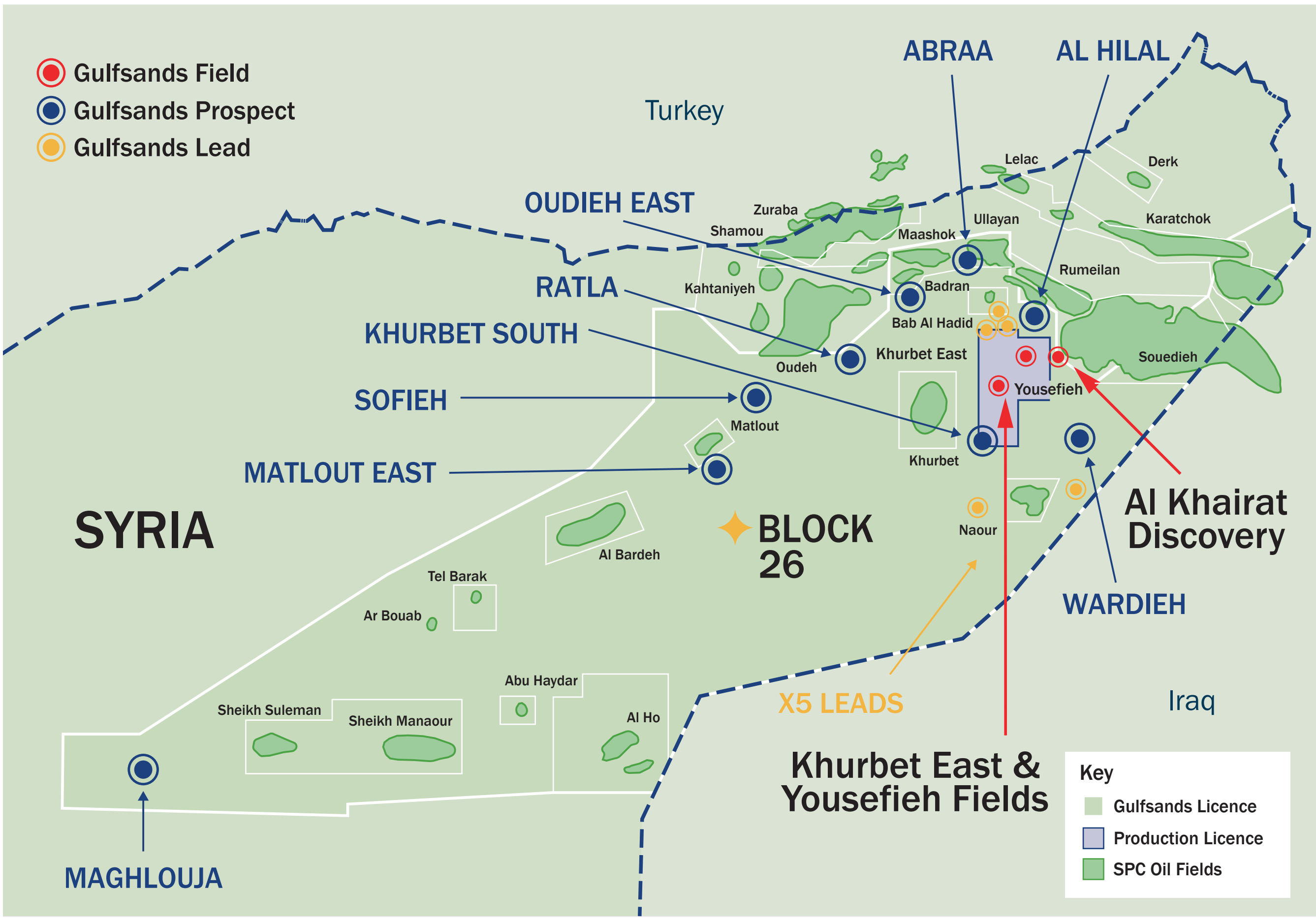
The average production rate from all fields combined during 2024 appears to be around 14,000 boepd, giving total unauthorised production during 2024 of around 5.1 million barrels of oil equivalent made up of 4.6 million barrels of oil and 3.1 Bcf of gas (2023: 5.8 million boe). Since the date of the first commercial oil production from the Block 26 area by the Group, cumulative oil production from the Group's fields is understood to have exceeded 77.3 million boe by year end 2024 (End of 2023: 72.2 million barrels), of which around 58.65 million barrels (2023: 53.5 million barrels), have been produced since Force Majeure was declared, and without the involvement of Gulfsands. Gulfsands considers this production to be unauthorised, unlawful and breaches the Company's contractual rights. The Group has not recognised or received any revenue for this or indeed any production, post the imposition of EU Sanctions (now UK). It has however, updated its remaining recoverable resource volumes for these fields, based on this new production information.

Upon re-entry, Gulfsands plans to implement a comprehensive Field Development Plan which it believes can increase production from these existing resources to over 50,000 boepd.

Exploration

At the time of the declaration of Force Majeure in December 2011, the PSC had nine months remaining of the final exploration period under the terms of the contract. Gulfsands has undertaken significant work during the period of Force Majeure to identify a portfolio of nine potential exploration prospects. Upon the lifting of Force Majeure, Gulfsands plans to undertake an extensive exploration programme targeting these prospects. The Company believes it is well positioned to progress this significant exploration work programme and will make its case for the reinstatement of sufficient time to undertake such a programme at the time of re-entry.

Gulfsands estimates that a successful Exploration Programme could raise production levels to over 100,000 boepd.



Reserves and Resources

Up until 2015, hydrocarbons related to the known discoveries of Khurbet East and Yousefieh were classified as Reserves. During 2015 these Reserves were reclassified to Contingent Resources as a result of the continuing EU/UK Sanctions in Syria. In such a circumstance the SPE PRMS Guidelines suggest that if the (re)commencement of development cannot be guaranteed to be within five years from the date of evaluation then the volumes of hydrocarbons should be classified as Contingent Resources rather than Reserves. The Company therefore concluded in December 2015 that the uncertainty in any timeline over which EU/UK Sanctions in Syria may be lifted required that the volumes of oil, gas and condensate previously reported as Syrian Reserves be reclassified by the Company as Contingent Resources. Since 2015 this classification as Contingent Resources has continued, even though, as at 31 December 2024, especially given the fall of the Assad Regime the Board believed that UK Sanctions would be lifted in a much shorter time frame. This was borne out, with the UK Government lifting both financial and trade sanctions relating to the energy sector in first half of 2025. The Board has not reclassified the Resources to reserves as at 31 December 2024 but expects, as confirmed by the OPC CPR, that the majority of the Contingent Resources will be reclassified as 2P Reserves upon the lifting of Force Majeure.

Over recent years, the Gulfsands team has undertaken significant internal technical work to review estimated resources as part of the preparation for its return to Syria. During 2019, and again in 2023, Independent consultants Oilfield Production Consultants (**"OPC"**) were commissioned to review, audit and validate this work, and prepare a Competent Persons Report (**"CPR"**). This exercise included a comprehensive review of the Block 26 interests (Contingent Resources and Prospective Resources) in accordance with the definitions and guidelines set forth in the 2018 Petroleum Resources Management System (**"PRMS"**) approved by the Society of Petroleum Engineers (**"SPE"**).

In estimating the Resources, it has been assumed that the period of time elapsed during which the Group has declared Force Majeure on its Block 26 development and production activities, will ultimately be added as an equivalent time period extension to the contractually specified Exploration Period and Production Concession Periods, as is anticipated by the PSC, although the precise additional time added will only be confirmed once the documentation of exiting Force Majeure is finalised.

Contingent Resources

The Group's Contingent Resources in the 2023 CPR, have been rolled forward, updated and reconfirmed as of 1 January 2025, taking into account the production that has occurred during 2024, and other items. The 2C Contingent Resources in Khurbet East (Massive, Butmah and Kurrachine Dolomite), Yousefieh (Massive) and Al Khairat (Massive) fields as at 1 January 2025 were evaluated to be 108.0 million boe (net to Gulfsands), a 2.1% decrease in 2C Contingent resources compared to 110.4 million boe in the 2023 Annual Report, as follows:

Unrisked working interest basis
As at 1 January 2025

		1C	2C	3C
Syria Block 26 (Working interest 50%)				
1 January 2024	Oil, Condensate and Gas, mmboe	60.3	110.4	181.8
1 January 2025	**Oil, Condensate and Gas, mmboe**	**57.8**	**108.0**	**179.6**
	% decrease	**4.1**	**2.1**	**1.2**

Please note, certain figures may not add up due to rounding.
Gas is converted to mmboe at the conversion factor 1 bcf = 0.1667 mmboe

OPC have confirmed that they believe the vast majority of the Contingent Resources will be reclassified as 2P Reserves upon the lifting of Force Majeure.

Prospective Resources

OPC also reviewed the portfolio of nine identified prospects within Block 26 as of 1 January 2025, and validated them as Prospects under PRMS definitions and also estimated associated Prospective Resources, on a risked and un-risked, pre-royalty basis, summarised below.

Prospective Resources (Unrisked working interest basis)

	Constituent	Low	Mid	High
Total Oil	mmstb	154	320	542
Total Gas	Bscf	877	1,355	1,945
Total Resources	**mmboe**	**300**	**545**	**866**

Prospective Resources (Risked working interest basis)

	Risked HCIIP (mmboe)	Risked Prospective Resources (mmboe)
Total	**419**	**134**

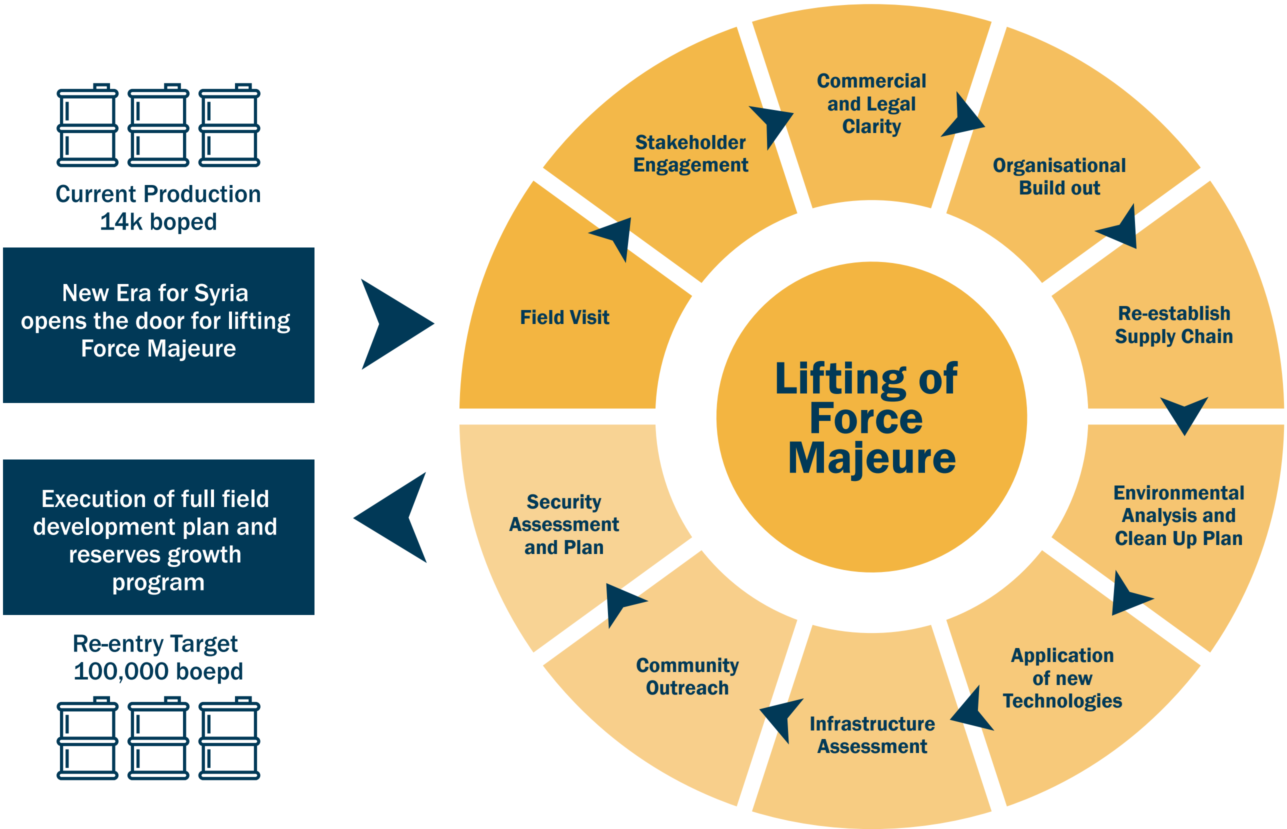
Economic Evaluation

OPC also undertook an Economic Evaluation of the Block 26 project and have updated such evaluation periodically since, though this did not take into account any of the above-ground risks associated with the assets. Any valuation is sensitive to input assumptions including discount rates used, preservation of current PSC terms, oil price assumptions, timing of resumption of operations, and anticipated capex and opex costs including cost inflation. The OPC Economic Evaluation considered these factors, including related sensitivities. This sensitivity analysis indicates a central range of Expected Monetary Value (“EMV”) of the Block 26 assets, including both Contingent and Prospective Resources, of $1.5 billion - $2.0 billion (net to Gulfsands). Note that this economic evaluation was independent of the impairment review undertaken for the valuation of the Investment in Dijla Petroleum Company, which is explained in more detail in note 4.2.

Operations Review – Syria Re-Entry Planning

Gulfsands' core Syria strategy for many years has been to **Protect** and **Preserve** its rights related to Block 26 and to **Prepare** for a re-entry into Syria and a return to operations when circumstances allow.

Given the fall of the Assad Regime in December 2024, the installation of new Government in Syria, the general acceptance of the new Syria back into the international fold, and the trend towards an easing and/or lifting of international sanctions (led by the UK who lifted all relevant Energy Sector sanction in March and April 2025), Gulfsands is now in a position to start making concrete steps towards a re-entry into Block 26.



Beyond Block 26, Gulfsands recognises the critical role that the Energy sector can make to the reconstruction of Syria. Gulfsands has long advocated that Syria's energy sector is vital for the rebuilding of the country and that meeting the country's energy needs is vital to returning quality to the lives of millions of Syrians. In the medium term, oil and gas is the only indigenous industry that can generate important foreign currency revenues for the Syrian economy. As an established global market, the energy industry is traditionally one of the first industries that can attract material Foreign Direct Investment.

The first important step to re-entry will be the lifting of Force Majeure. This will require three key conditions to be met:

1. Legal and commercial clarity on the arrangements for lifting Force Majeure;
2. Clarity on international sanctions amendments and waivers to allow a return by international companies; and
3. The security situation must be sufficient that it allows for safe and secure operations.

Upon the lifting of Force Majeure, Gulfsands will bring investment, expertise, human resources, and world-leading technologies and know-how to rehabilitate the fields, increase their production, and reduce environmental pollution. This will generate significant economic activity including jobs, training and commerce for the communities in which we operate.

Gulfsands has undertaken a significant amount of internal technical work, formalising and analysing existing data, which has also been subject to a Competent Persons Report review by OPC as part of this re-entry preparation. The OPC review covered a comprehensive Field Development Plan of existing discoveries as well as a comprehensive Exploration Programme for Prospective Resources within the exploration portfolio of identified prospects.

The Board believes, and the CPR has confirmed that on a gross basis, Block 26 could be proven to contain over a billion barrels of recoverable resource with the potential for production levels of around 50,000 boepd from existing discoveries in the near term, and over 100,000 boepd from a full block development incorporating the potential exploration upside.

Gulfsands has already begun dialogue with the Syrian authorities about how the process to return to operations will evolve so that a clear transition plan to recommencement to operations can be undertaken. Gulfsands will continue to build ESG and sustainability considerations into all its re-entry planning.


ملحمة الحمراء

Strategic Report
Financial Review

Selected operational and financial data

	Year ended 31 December 2024 $'000	Year ended 31 December 2023 $'000
General and Administrative costs	(2,351)	(2,684)
Operating Loss	(2,797)	(2,882)
Loss before taxation	(2,860)	(5,398)
Cash and cash equivalents	495	636
Restricted cash balances	500	500

Financial highlights for the year ended 31 December 2024

- The Operating Loss for the year of $2.8 million (2023: $2.9 million).
- After taking into account non-cash items, the total loss before taxation for the year was $2.9 million (2023: $5.4 million, which included $1.8 million of imputed interest on the zero-coupon 2017 Facility).
- General and Administrative costs were $2.4 million in 2024 (2023: $2.7 million).
- The Group continues to hold its investment in its Syrian interest at a carrying value of $102.0 million.
- Funding for 2024, of £2 million, was provided by Major Shareholder, Waterford through an equity financing facility ("2023 Equity Financing").
- Cash and cash equivalents were $0.49 million at 31 December 2024 (2023: $0.64 million).
- In January 2025, £2 million unsecured bridge finance ("2025 Unsecured Bridge Loan") was agreed with the Major Shareholders, Waterford and Blake.

INCOME STATEMENT

The Group reported an Operating loss for the year of $2.8 million (2023: $2.9 million), and after taking into account non-cash items such as foreign exchange, a total loss before taxation for the year of $2.9 million (2023: $5.4 million).

General and Administrative Expenses for the year ended 31 December 2024 totalled $2.4 million (2023: $2.7 million).

General and administrative expenses

	Year ended 31 December 2024 $'000	Year ended 31 December 2023 $'000
Gross General and Administrative Expenses	2,927	3,260
Partner recoveries	(576)	(576)
General and Administrative Expenses	2,351	2,684

Foreign exchange gains totalled $0.03 million (2023: $0.6 million loss).

BALANCE SHEET

Exploration and Evaluation Assets

The Group's E&E assets are held at a net book value of $nil at 31 December 2024 (2023: $nil million). Certain exploration licence costs in Syria which are in Force Majeure, remain, but have been fully impaired.

Syria Investment

The Group's investment in Dijla Petroleum Company ("DPC"), the entity established in Syria, pursuant to the Block 26 PSC, to administer the Group's Syrian oil and gas development and production assets (and which for valuation purposes is considered to also include the related rights to production under the PSC), is recorded as a "Financial asset held at fair value through other comprehensive income". Due to the unknown timing of any return to operations and uncertainty over the eventual outcome of events in the country, any valuation attributed to the investment is highly subjective and there are a wide range of possible fair value measurements. Management reviewed its internal valuation methodology and continues to believe that as a result of the passage of time and the high degree of judgement required, it is not possible to reliably estimate the investment's fair value. Management, continues to consider that the historical cost figure of $102 million, represents an appropriate estimate of fair value, given there is a wide range of possible fair value measurements, being the last valuation which could be reliably determined. This value is reviewed at least annually for impairment and any impairment losses recognised through the Income Statement.

At 31 December 2024, management has carried out an impairment review, using an economic model of the estimated future cash flows that could be generated in respect of the Group's entitlement volumes (Contingent Resources) in Block 26 (see note 4.2 for details). This model was reviewed and updated as part of the Competent Person Report review by OPC. The Board continues to consider that its position in respect of its Block 26 interests remains strong, and expects Gulfsands and its partner's rights will be honoured and that it will be able to return to operational control of its interests in accordance with the terms of the PSC, as soon as circumstances permit. The fall of Assad Regime in December 2024, has clearly brought some cautious optimism for when this return may be possible, but no definite timeline can be substantiated for the resumption of the full field development of the discovered fields in Block 26. The Board and Management has stepped up its preparation for such a return and in April 2025, the UK completed the lifting of all relevant financial and trade sanctions regarding Gulfsands' business. An assessment did however need to be made as at 31st December 2024 as to the likely time of a return, and at that time the Board concluded, that its "base case" assumption for impairment calculation purposes to be a resumption of operations in two years (as at 31st December 2023 the assumption was 3 years).

The 'base case' economic model calculates, as at 31 December 2024, a gross contractor undiscounted NPV(0) of $4.54 billion, meaning a Gulfsands 50% interest undiscounted NPV(0) of $2.27 billion, as well as Gulfsands 50% interest discounted NPV(10) of $805.0 million and Gulfsands 50% interest discounted NPV(15) of $540.0 million. Therefore, management believes no impairment is necessary and has maintained the $102 million carrying value on the Balance Sheet at year end. Following consideration, management conclude that it is premature to revalue the carrying value upwards to reflect the potential NPV values, given the ongoing risks and uncertainties associated with the Syrian assets.

In parallel to the CPR update, OPC undertook an economic evaluation of the Company's entire Block 26 assets including both Contingent and Prospective Resources. This evaluation, which did not take into account any of the above-ground risks associated with the assets, does consider a range of possible valuation scenarios and continues to indicate a central range of risked Expected Monetary Value ("EMV") of the Block 26 assets, including both Contingent and Prospective Resources, of $1.5 billion - $2.0 billion (net share to Gulfsands).

The Directors have reviewed the carrying value of this Financial Asset held at fair value through other comprehensive income, at 31 December 2024 and are of the opinion that the carrying value, although subject to significant uncertainty, remains appropriate in the circumstances.

Financing

Prior to beginning of the year, in December 2023 the entire outstanding amount of the 2017 Facility, which stood at £14.055 million ($17.849 million) was converted through the Company's exercise of its Extinguishment Option at a price of 5 pence per share. The settlement of this conversion was partially deferred into 2024, and was held in the Equity Settlement Account at 31 December 2023 with a value of £4.421 million ($5.629 million). This whole amount was settled in May 2024 through the issuance of 88,411,728 new ordinary shares to Blake at a price of 5 pence per share.

During the year, £2 million of equity financing was provided by Waterford (the "2023 Equity Financing"), whereby equity was issued at a fixed price of 5 pence per ordinary share (£1 million was received by March 2024, and £1 million was received by December 2024). This provided funds for the Company's G&A through to early 2025.

Subsequent to the year-end, a £2 million unsecured bridge loan financing ("2025 Unsecured Bridge Loan") was agreed with Waterford and Blake, to provide baseline funding for 2025. As at the date of this Report, £1 million has been drawn under the 2025 Bridge Loan financing and one tranche of £1 million remains available, due on 15th July 2025.

Cash flow

The total change in cash and cash equivalents during the year was an out-flow of $0.1 million (2023: $0.5 million net out-flow). Net cash out-flow from operating activities during the period totalled $2.5 million (2023: $2.5 million). Net cash received from financing activities totalled $2.4 million (2023: $2.1 million), predominantly made up of cash received from the 2023 Equity Financing.

Strategic Report
Financial Review (continued)

Cash position

At 31 December 2024 the Group had total cash and cash equivalents of $0.49 million (2023: $0.64 million).

Restricted cash balances at the end of the year (which are presented as long-term financial assets in the Balance Sheet) represent funds held as collateral in respect of future work obligations. The net amount, not provided against, totalled $0.5 million (2023: $0.5 million), and relates the Group's Syrian Block 26 interest.

Going concern

As at the date of this Report, the Group has free cash available for operations totalling approximately $0.7 million and ongoing general and administrative costs are expected to be approximately $0.2-$0.3 million per month depending on the pace of Syria re-entry. One further tranche of £1 million is available under the 2025 Unsecured Bridge Loan, to be drawn down on or after 15 July 2025. These funds are expected to fund the Company's baseline general and administrative costs through to late 2025, meaning that additional funding will be required before the end of 2025.

Preparations for the re-entry into Syria and the re-commencement of operations in Block 26, will inevitably mean an increase in capital requirements. Based on current estimated budgets, the Major Shareholders have expressed a willingness to support this increased expenditure.

The Directors note that the Company remains reliant on the support of its Major Shareholders, Waterford and Blake. The Board maintains a good relationship with its Major Shareholders who continue to support the Company's strategy as outlined in this Report.

Recent developments in Syria have created increased investor interest in the Company, although there are no immediate plans for raising external capital. It is acknowledged that without the support of either the Major shareholders, or other investors, the Company would be financially challenged.

The Board maintains an ongoing dialogue with the Major Shareholders regarding the Group's future business strategy, and financing requirements, including the plans for a re-entry into Syria. As a result of this dialogue, the Board continues to believe that the Major Shareholders have the willingness and ability to continue supporting the Group going forward. In particular, it is confident that the Major Shareholders will continue to fund the core G&A for the business, as increased for Syria re-entry planning, for a period of at least twelve months from the date of approval of this Financial Report. However, there are no firm funding commitments in place, beyond the 2025 Unsecured Bridge Loan Financing, as at the date of this Report.

In respect of material business development transactions, and the actual Syria re-entry itself, the Board acknowledges that this will likely need the support of additional strategic investors, in addition to the ongoing support of the Major Shareholders. The Company is in active discussions with potential investors and existing shareholders to secure the necessary financing based on expected activity levels.

The intention of business development, and the return to Syria, is to make the business sustainable and cash flow positive in the medium term, in order to remove the reliance on existing shareholders for funding going forward.

Following completion of a review of the going concern position of the Company and Group at the meeting of the Board of Directors on 27 May 2025, including consideration of the uncertainties described above, the Board has concluded that it is confident that, with free cash available for operations totalling $0.7 million, the remaining £1 million available to be drawn under the 2025 Unsecured Bridge Loan Financing plus any additional financing that will need to be sourced after that, the Company and the Group is likely to have sufficient resources to continue in operational existence for the foreseeable future, being a period not less than twelve months from the date of approval of this Financial Report. Accordingly, the Directors consider it appropriate to continue to adopt the going concern basis in preparing these Financial Statements.

Notwithstanding the confidence that the Board has in its ability to finance the Group's business, the Directors, in accordance with Financial Reporting Council guidance in this area, conclude that at this time there is material uncertainty that finance could be procured to fund ongoing costs and liabilities, and failure to do so might cast significant doubt upon the Company's and the Group's ability to continue as a going concern and that the Company and the Group may therefore be unable to realise their assets and discharge their liabilities in the normal course of business. These Financial Statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

These Financial Statements consolidate the accounts of Gulfsands Petroleum plc and all its subsidiary undertakings drawn to 31 December each year.

This Strategic Report was approved by the Board of Directors on 27 May 2025.

John Bell
Managing Director
27 May 2025

Cautionary statement

This Strategic Report has been prepared solely to provide additional information to shareholders to assess the Group's strategies and the potential for those strategies to succeed.

The Strategic Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the time of their approval of this Report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

The Directors, in preparing this Strategic Report, have been guided by the requirements of section 414c of the Companies Act 2006. The Report has been prepared for the Group as a whole and therefore gives emphasis to those matters which are significant to the Group as a whole.

Governance
Board of Directors

Michael Kroupeev
Non-Executive Chairman

Mr Kroupeev has 29 years' experience working within the exploration and production sector. After University in Moscow and MBA at London Business School, he began his career working for Dana Petroleum plc as a Director in 1994. In 1995, Mr Kroupeev founded Waterford Finance and Investment Limited ("Waterford"). Waterford is an oil and gas focused vehicle, specialising in the financing of oil, gas and other energy related projects, and is a Major Shareholder of Gulfsands. He has been directly involved in the capital raising for natural resource projects and in acquiring, restructuring, developing and divesting such assets. Waterford has a number of substantial shareholdings in oil and gas companies with operations in Europe, Africa, Australasia and Former Soviet Union countries, and is a substantial shareholder of Gulfsands, holding a 62.25 percent interest in the Company. He was appointed a Non-Executive Director of Gulfsands in October 2016, and became Non-Executive Chairman in December 2020.

John Bell
Managing Director

Mr Bell is a Chartered Engineer with over 30 years of experience in the energy sector having worked at Vice President or Managing Director level at BP plc, Equinor and Suncor Energy (Syria). He has spent a large part of his career in the Middle East, as well as time in North Africa, the Americas, the UK North Sea, Scandinavia and the Caribbean, where he has successfully been involved in developments, operations, corporate restructuring, refinancing and growing businesses to provide enhanced shareholder returns. He has a First-Class Honours Degree in Engineering from Strathclyde University in Scotland and studied Executive Leadership at Haas School of Business, University of California, Berkeley. Previous public company directorships include Gulf Keystone Petroleum, Tethys Petroleum where he was Executive Chairman and Aminex where he was Non-Executive Chairman. Mr Bell joined the Board as a Non-Executive Director of Gulfsands in August 2014 and assumed the role of Managing Director in July 2016.

Andrew James Morris
Finance Director

Mr Morris has extensive international business experience and has advised and sat on the boards of companies, ranging from early-stage resource companies to emerging technology companies. He was founder and CEO of Persistency Capital, where he acted as both investor in, and adviser to, companies across a broad range of sectors and geographies. Previous directorships include Madagascar Oil Limited, Falcon Oil & Gas Ltd, SouthWest Energy Ltd, Kriisa Research Inc. and Direct Petroleum Exploration Inc. as well as Blake Oil and Gas Limited and various related parties. Previously, Mr Morris served as a director of Ernst & Young, where he advised a broad range of organisations on enterprise risk management including corporate governance, management reporting, financial control, operational risk and process improvement. Mr Morris holds a BSc (Hons) degree in Mathematics from Bristol University and is a Fellow of the Institute of Chartered Accountants in England and Wales. Mr Morris joined the Board of Gulfsands as a Non-Executive Director in April 2015 and became Finance Director in July 2016.

Joseph Darby
Senior Independent Non-Executive Director

Mr Darby has over 45 years of experience in the energy sector, including eight years with Shell Petroleum before becoming managing director of Thomson North Sea Ltd and later the Chief Executive of LASMO plc. He has held non-executive roles at Nordaq Energy plc, British Nuclear Fuels plc, Mowlem plc, Centurion Energy Inc and Alkane Energy plc. Mr Darby was previously chairman of Mowlem plc (2005-06) and Faroe Petroleum plc (2003-07). Mr Darby was also more recently a Non-Executive Director of Bowleven plc and a Non-Executive Director of Premier Oil plc. He is currently also a Non-Executive Chairman at Orcadian Energy Ltd. He was appointed a Non-Executive Director of Gulfsands in November 2012.

James Ede-Golightly
Non-Executive Director

James Ede-Golightly joined Gulfsands as a Non-Executive Director in February 2025, having previously served as Chairman of the Company between 2016 and 2020. Mr. Ede-Golightly is currently Chairman of Oxehealth Ltd, Oxeco Ltd and ORA Global Ltd. Among other directorships, Mr. Ede-Golightly is also Non-Executive Director of Sarossa plc. Mr. Ede-Golightly was a founder of ORA Capital Partners in 2006, having previously worked as an analyst at Merrill Lynch Investment Managers and Commerzbank. Mr. Ede-Golightly is a CFA Charterholder and holds an M.A. degree in economics from Cambridge University. In 2012, he was awarded New Chartered Director of the Year by the Institute of Directors. Mr. Ede Golightly is affiliated with Gulfsands' Major Shareholder Blake Holdings Limited.

Governance
Directors' Report

The Directors present their Annual Report together with the audited Financial Statements of Gulfsands Petroleum plc and its subsidiary undertakings (the "Group" or the "Company" or "Gulfsands") for the year ended 31 December 2024.

Any significant events since the Balance Sheet date are detailed in the Consolidated Financial Statements, however an indication of possible future developments in the business of the Group are included in the Strategic Report on pages 2 to 26.

Dividends

The Directors do not recommend payment of a dividend in respect of 2024 (2023: $nil).

Capital structure

Equity

Details of the issued share capital, together with details of the movements in the Company's issued share capital during the year are set out in note 6.1 to the Consolidated Financial Statements. The outstanding number of Issued Ordinary Shares as at 31 December 2024 is 893,614,156. The Company has both Ordinary and Deferred Shares outstanding as explained in note 6.1. The Ordinary and Deferred Shares carry no right to fixed income. Each Ordinary Share carries the right to one vote at general meetings of the Company. The Deferred Shares have no voting rights and are not entitled to dividends.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights. Details of employee share schemes are set out in note 6.1 to the Consolidated Financial Statements. No person has any special rights of control over the Company's share capital. As at 31 December 2023 all issued shares were fully paid.

Debt

As at 31st December 2024, the Group had no external debt.

Subsequent to the year-end, £2 million Unsecured bridge loan financing ("2025 Unsecured Bridge Loan") was agreed with Waterford and Blake, to provide funding for 2025. As at the date of this Report, £1 million has been drawn under the 2025 Unsecured Bridge Loan.

Substantial shareholders

The Company has been notified that as at 27 May 2025, the Major Shareholders held the following number of Ordinary shares of the Company:

Name	Number of shares	% of shares in issue
Waterford Finance and Investment Limited (1)	561,912,087	62.25%
Blake Holdings Limited	255,340,323	28.29%

(1) Company associated with Michael Kroupeev.

Qualifying third party indemnity provisions

The Company has previously made qualifying third-party indemnity provisions for the benefit of its directors. These provisions remain in force at the reporting date.

Directors and their interests

The Directors who served during the year, except as noted, and their interests in the Company's shares, were as follows:

	At 31 December 2024		At 31 December 2023	
	Number of ordinary shares	Number of share options	Number of ordinary shares	Number of share options
A Morris (1)	130,000	11,237,500	–	6,850,000
J Darby	100,250	1,500,000	100,250	–
J Bell (2)	231,554	17,650,000	36,554	11,800,000
M Kroupeev (3)	563,312,087	3,000,000	523,312,087	1,000,000

(1) Post year-end, in February 2025 Mr Morris purchased an additional 600,000 ordinary shares in a market transaction and exercised 3,337,500 share options.
(2) Post year-end, in February 2025 Mr Bell purchased an additional 800,000 ordinary shares in a market transaction and exercised 4,450,000 share options.
(3) Mr. Kroupeev is an ultimate beneficial owner of Waterford Finance and Investment Limited.

Directors' interests in transactions

Details of transactions with Directors for the year ended 31 December 2024 are set out in note 6.3 to the Consolidated Financial Statements.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, Directors' Report and the Financial Statements in accordance with applicable laws and regulations, and International Financial Reporting Standards ("IFRS") as adopted by the United Kingdom of Great Britain and Northern Ireland.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Group and Company financial statements in accordance with IFRS as adopted by the UK and IFRIC (IFRS Interpretations Committee) interpretations. 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 Company and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the UK and IFRIC (IFRS Interpretations Committee) interpretations, subject to any material departures disclosed and explained in the financial statements; 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 Report and the 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.

Statement of disclosure to the auditor

So far as the Directors, at the time of approval of their Report, are aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- each Director has taken steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with section 418 of the Companies Act 2006.

Auditor

The auditor, MHA, previously traded through the legal entity MacIntyre Hudson LLP. In response to regulatory changes, MacIntyre Hudson LLP ceased to hold an audit registration with the engagement transitioning to MHA Audit Services LLP.

MHA will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

By order of the Board,

John Bell
Managing Director
27 May 2025

Directors' Corporate Governance Report

for the year ended 31 December 2024

The Company delisted from the AIM market in April 2018 but remains a Public Limited Company ("PLC"). While non- listed companies are not subject to the requirements of the UK Corporate Governance Code on corporate governance, the Board has sought to continue to maintain appropriate standards of corporate governance, as it considers practicable for the size, stage of development and operations of the Group.

In order to communicate the Group's business conduct standards to employees, contract staff and contractor personnel across the Group, the Board has established a Code of Business Conduct and Ethics which is supported by detailed internal policies and procedures. Compliance with the Code of Business Conduct and Ethics is a contractual requirement for all personnel.

The Gulfsands Board

The role of the Board

The Board sets the Group's strategic objectives taking into account the financial and human resources available within the Group to meet these objectives. The Board determines the Company's key policies, values and standards, effectively communicating these throughout the Group. Periodically, the Board reviews the potential risks to the Group and ensures the probability of these risks affecting the business are minimised via management and mitigation.

The Board's role is to provide entrepreneurial leadership of the Group within a framework of effective controls and periodic reporting; this enables operational and financial performance to be actively monitored and managed.

The composition of the Board

Gulfsands' business carries political, commercial and technical risks. Accordingly, particular attention is paid to the composition and balance of the Board to ensure that it has experience of the oil and gas industry, the regulatory environments in which the Group operates and has appropriate financial and risk management skills to lead the Group.

The Board considers that objectivity and integrity are prerequisites for all appointments, as are the skills, experience, ability and diversity that will assist the Board in its key functions and decision-making. The Board sees the role of the Non-Executive Directors to be to independently and constructively challenge the performance of the Executive Management and to offer assistance and mentor where their skills and experience can assist the performance of the Management team in the delivery of agreed objectives.

The Board of Directors currently comprises five Directors; the Non-Executive Chairman, the Managing Director, the Finance Director, and two Non-Executive Directors. The Board's independent Non-Executive Director is Joe Darby, who is also Senior Independent Director. Non-Executive Director James Ede-Golightly, who joined the Board post year-end in February 2025, is affiliated with Major Shareholder Blake Holdings Limited ("Blake"). A brief description of each of the Directors' backgrounds and experience can be found on page 27. The Board continues to review its composition.

Terms and conditions of appointment of Non-Executive Directors are set out in appointment letters.

How the Board operates

A detailed schedule of matters reserved for the Board has been established and is periodically reviewed. The key matters reserved are the consideration and approval of:

- the Group's overall strategy and objectives;
- material acquisitions and disposals and major expenditure commitments;
- borrowing and hedging of oil and gas sales;
- the issuance of equity and options;
- annual work programme and budget;
- the Group's annual and, if prepared, half-yearly Financial Statements;
- Board appointments, remuneration and roles;
- corporate policies and corporate governance arrangements; and
- any transactions with related parties such as Major Shareholders.

Through the publication of regular announcements, and face-to-face meetings where appropriate, the Board has sought to communicate its strategy, objectives and performance to all shareholders on a timely basis.

The Board of Directors expects to hold face to face Board Meetings approximately six times per year. In addition, further meetings are convened by conference call to resolve urgent business matters.

Committees of the Board

The Company has established two sub-committees of the Board, an Audit Committee, and a Remuneration Committee; the purpose of which are to review areas of the business mandated by the Board and to present findings and recommendations to the Board for its decision. While the Board delegates certain of its duties, responsibilities and powers to the Committees, so that these can receive suitably focused attention, they both act on behalf of the full Board, and the matters reviewed and managed by the Committees remain the responsibility of the Board of Directors as a whole.

Each of the Committees has its own written terms of reference; copies of which are available on the Company's website.

1. Audit Committee

The Audit Committee is chaired by Joe Darby and its activities are governed by terms of reference that are available on the Company's website. The primary duties of the Audit Committee are:

- to review and consider the integrity of the Company's Financial Statements and regulatory announcements;
- to keep under review the effectiveness of the Company's internal controls;
- to assist the Board in ensuring that it receives appropriate financial and risk reporting to enable it to make its business decisions;
- to regularly review the Company's risk management processes and the risks to which the Company is exposed;
- to oversee the relationship with the external auditor;
- to review the Company's whistle-blowing processes; and
- to report to the Board on how the Audit Committee has discharged its responsibilities.

2. Remuneration Committee

The Remuneration Committee is chaired by Joe Darby and its activities are governed by terms of reference that are available on the Company's website. It is responsible for considering and making recommendations to the Board in respect of remuneration for the Chairman and Executive Directors. The Committee also has oversight of the remuneration arrangements for the direct reports to the Executive Directors, the remuneration for whom is set by the Managing Director in conjunction with the Chairman. The remuneration of Non-Executive Directors is a matter for the Chairman in consultation with the Managing Director and the Chairman of the Remuneration Committee, with fees being determined by the Board excluding the Non-Executive Directors.

The number of meetings of the Board and its Committees during 2024, and individual attendance by Directors, is shown below:

	Board	Audit	Remuneration
Number of meetings 2024	11	2	6
Attendance:			
Andrew Morris	11	2	n/a
Joe Darby	9	2	6
John Bell	11	2	n/a
Michael Kroupeev	9	1	6

Directors' Corporate Governance Report (continued)

for the year ended 31 December 2024

In addition to the formal Committees of the Board, the Company has established two additional Committees to help with the Governance of the Group:

Strategic Advisory Board

Given the complex nature of managing the Group's Syrian assets and the goal of an ultimate return to production when circumstances allow, as well as the Group's business development initiatives, the Company has sought significant political, legal and strategic advice. While some of this support has come from lawyers and advisers, the Company has found great value in creating a Board of advisors made up of individuals with deep experience in the fields of diplomacy, international politics, and post conflict rehabilitation.

Members of the Strategic Advisory Board include:

The Rt Hon Sir Alan Duncan KCMG

Sir Alan Duncan has had a career in both oil and politics. After studying at Oxford and Harvard he worked first for Shell, and then for ten years as a crude oil trader with Marc Rich & Co (now Glencore). He spent 27 years as a Member of Parliament, during which he was Minister for International Development and later Foreign Minister. In January 2020 he left Parliament and returned to the energy sector. After leaving Parliament he worked for Vitol from 2020-24.

The Rt. Hon. Charles Hendry, CBE

Charles Hendry was Conservative MP for Wealden from 2001-2015 and was Minister of State for Energy from May 2010 until September 2012. He was previously the Conservative Party's spokesman on energy issues, from 2005-2010. On leaving Ministerial office, Prime Minister David Cameron appointed him as his Trade Envoy to Azerbaijan, Kazakhstan and Turkmenistan, a role he continued until leaving Parliament in 2015.

He was awarded the CBE in Her Majesty The Queen's 2019 Birthday Honours for his work in supporting British Trade in Russia and Central Asia. He is an Honorary Professor at the University of Edinburgh Business School and has held various other prestigious roles including being a Distinguished Fellow at the Atlantic Council, Vice President of the Energy Institute and Patron of the Nuclear Institute. He lectures and works extensively across the energy and trade sectors primarily focusing on energy security and the energy transition.

Mark Nicolas Cutis

Mark Cutis is also Vice Chairman of our Abu Dhabi Subsidiary GMEL. He is a seasoned banking and capital markets executive with extensive global market experience spanning 40+ years. He has actively managed portfolios as CIO and CEO on behalf of both private as well as multilateral (EBRD) and sovereign wealth funds (ADIC) in multiple geographical locations.

Most recently, he was CEO of Abu Dhabi Global Market, the international financial centre of Abu Dhabi. Prior to that, he was Group CFO, and Chief Advisor of Abu Dhabi National Oil Company (2018 – 2021), and immediately prior to that was the founding CIO of Global Special Situations at Abu Dhabi Investment Council (2008 – 2018) now part of Mubadala. He has also run investment managers and financial institutions in London, Tokyo, and New York and has had work stints in Frankfurt and Moscow as well.

Mark holds a BA in Monetary Economics and History from Emory University and an MBA in Finance from Wharton Business School.

Sustainability Committee

As explained on pages 10 to 15 in the Strategic Report, Gulfsands is focused on building a sustainable business model that considers the social, environmental and governance impacts of all its projects. This is guided throughout by the principles outlined by the UN Global Compact and the UN's Sustainable Development Goals ("SDG's"). Gulfsands' progress and performance on its strategic approach to Sustainability is overseen and driven by the Sustainability Committee, chaired by the Managing Director and comprises a combination of line managers and members of the Board and Strategic Advisory Board.

Remuneration of Directors

The remuneration of the Directors for the year ended 31 December 2024 was as follows:

	Annual Remuneration (£'000)							
	Salary and fees		Bonuses		Benefits in kind		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
A Morris (1)	195	180	20	36	2	2	217	218
J Darby (2)	34	34	—	–	—	–	34	34
J Bell(3)	260	240	26	48	2	2	288	290
M Kroupeev (4)	45	45	—	–	—	–	45	45
	534	499	46	84	4	4	584	587

(1) Finance Director.
(2) Non-Executive Director.
(3) Managing Director.
(4) Non-Executive Chairman.

Share Options

The interests of the Directors, who held office during 2024, in options over the Company's ordinary shares are set out in the table below:

	Number of options						
	At 1 January 2024	Granted	At 31 December 2024	Exercise price (£)	Exercisable at 31 December 2024	Grant date	Expiry date
J Bell	2,000,000	–	2,000,000 (*)	0.01	2,000,000	11/11/2016	11/11/2029
	6,800,000	–	6,800,000	0.05	–	28/06/2018	26/06/2028
	1,200,000	–	1,200,000	0.05	1,200,000	30/06/2020	30/06/2030
	600,000	–	600,000 (*)	0.01	600,000	31/12/2022	31/12/2032
	1,200,000	–	1,200,000 (*)	0.01	1,200,000	31/12/2023	31/12/2033
	–	5,200,000	5,200,000	0.05	1,733,000	12/02/2024	12/02/2034
	–	650,000	650,000 (*)	0.01	650,000	31/12/2024	31/12/2034
A Morris	1,500,000	–	1,500,000 (*)	0.01	1,500,000	11/11/2016	11/11/2029
	2,800,000	–	2,800,000	0.05	–	28/06/2018	28/06/2028
	1,200,000	–	1,200,000	0.05	1,200,000	30/06/2020	30/06/2030
	450,000	–	450,000 (*)	0.01	450,000	31/12/2022	31/12/2032
	900,000	–	900,000 (*)	0.01	900,000	31/12/2023	31/12/2033
	–	3,900,000	3,900,000	0.05	1,300,000	12/02/2034	12/02/2034
	–	487,500	487,500 (*)	0.01	487,500	31/12/2034	31/12/2034
M Kroupeev	1,000,000	–	1,000,000	0.03375	1,000,000	11/11/2016	11/11/2029
	–	2,000,000	2,000,000	0.05	666,667	31/08/2024	31/08/2034
J Darby	–	1,500,000	1,500,000	0.05	500,000	31/08/2024	31/08/2034

(*) These options were exercised post-year end.

This Report was approved by the Board of Directors on 27 May 2025.

Independent Auditor's Report
to the members of Gulfsands Petroleum plc

Opinion

We have audited the financial statements of Gulfsands Petroleum plc (the 'Parent Company or Company') and its subsidiaries (the 'Group') for the year ended 31 December 2024 which comprise:

- the Consolidated Income Statement
- the Consolidated Balance Sheet
- the Consolidated Statement of Changes in Equity
- the Consolidated Cash Flow Statement
- the related Group Notes 1 to 6.5 including material accounting policies
- the Company Balance Sheet
- the Company Statement of Changes in Equity
- the Company Cash Flow Statement
- the related Parent Company Notes 1 to 5.6 including material accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Financial Reporting Standards ("UK adopted IFRS").

In our opinion:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2024 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK adopted IFRS; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw your attention to Note 1.3a of the financial statements on page 41 of the financial statements, which describes the Group may need to raise additional finance from its shareholders and other potential investors to fund future obligations and business plans and there is no guarantee that the required funding will be available. As noted in Note 1.3a this indicates that a material uncertainty exists that may cast significant doubt on the Group and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Emphasis of matter – carrying value of Group's Syrian Assets

We draw attention to note 4.2 of the Consolidated Financial Statements concerning the valuation of the Group's suspended production operations in Syria. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Enquiry of management around actual and potential litigation and claims.
- Enquiry of management to identify any instances of known or suspected instances of fraud.
- Discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.
- Reviewing minutes of meetings of those charged with governance.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Parent Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Moyser FCA FCCA (Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
London, United Kingdom

Date: 27 May 2025

MHA is the trading name of MHA Audit Services LLP, a limited liability partnership in England and Wales (registered number OC455542).

Financial Statements
Consolidated Financial Statements
and Notes to the Consolidated Financial Statements

Primary Statements

Consolidated Primary Statements
This section contains the Group's primary Financial Statements and the independent auditor's report.

Basis of Preparation

Section 1 Basis of Preparation
This section contains the Group's significant accounting policies that relate to the Financial Statements as a whole. Significant accounting policies specific to one note have been included in that note. Accounting policies determined non-significant are not included in these Financial Statements. There have been no changes to the Group's accounting policies that are not disclosed in the Financial Statements.

Oil and Gas Assets

Section 2 Oil and Gas Assets
This section focuses on the oil and gas assets which form the core of our business, including details of exploration costs incurred in the year, those written-off or impaired.

Working Capital

Section 3 Working Capital
This section focuses on the working capital position of the Group supporting our business.

Other Assets/Liabilities

Section 4 Other Assets and Liabilities
This section details the Group's investments.

Results for the Year

Section 5 Results for the Year
This section focuses on the results and performance of the Group, with disclosures including segmental information, components of the operating loss, taxation and earnings per share.

Capital Structure

Section 6 Capital Structure and Other Disclosures
The disclosures in this section focus on the issued share capital, the share schemes in operation and other mandatory disclosures.

Financial Statements
Consolidated Income Statement
for the year ended 31 December 2024

	Notes	2024 $'000	2023 $'000
Continuing operations			
General administrative expenses		(2,351)	(2,684)
Share-based payments	5.3	(446)	(198)
Operating loss	5.2	(2,797)	(2,882)
Foreign exchange gains/(losses)		29	(635)
Loan facility finance cost		—	(1,772)
Other finance expenses		(92)	(109)
Loss before taxation		(2,860)	(5,398)
Taxation	5.7	—	—
Loss for the year		(2,860)	(5,398)

There are no items of comprehensive income outside of the Consolidated Income Statement.

Financial Statements
Consolidated Balance Sheet
as at 31 December 2024

	Notes	2024 $'000	2023 $'000
Assets			
Non-current assets			
Intangible assets	2.2	—	—
Long-term financial assets	3.3	500	500
Investments	4.2	102,000	102,000
		102,500	102,500
Current assets			
Trade and other receivables	3.1	173	238
Cash and cash equivalents	3.2	495	636
Inventory	3.5	—	—
		668	874
Total assets		103,168	103,374
Liabilities			
Current liabilities			
Trade and other payables	3.4	237	475
Loans and borrowings	3.6	—	5,629
		237	6,104
Non-current liabilities			
Trade and other payables	3.4	3,973	3,986
		3,973	3,986
Total liabilities		4,210	10,090
Net assets		98,958	93,284
Equity			
Capital and reserves attributable to equity holders			
Share capital	6.1	23,552	21,934
Share premium		129,154	122,684
Merger reserve		11,709	11,709
Retained loss		(65,457)	(63,043)
Total equity		98,958	93,284

These Consolidated Financial Statements were approved and authorised by the Board of Directors on 27 May 2025 and signed on its behalf by:

Andrew James Morris
Finance Director
27 May 2025

Financial Statements
Consolidated Statement of Changes in Equity
for the year ended 31 December 2024

	Share capital $'000	Share premium $'000	Merger reserve $'000	Capital contribution reserve $'000	Retained (loss)/profit $'000	Total equity $'000
At 1 January 2023	19,491	112,909	11,709	3,251	(61,266)	86,094
Loss for 2023	—	—	—	—	(5,398)	(5,398)
Transactions with owners						
Share-based payment charge	—	—	—	—	198	198
Shares issued	2,443	9,775	—	—	—	12,218
Equity element of convertible loan note	—	—	—	172	—	172
Recycling of convertible loan note through retained earnings	—	—	—	(3,423)	3,423	—
At 31 December 2023	21,934	122,684	11,709	—	(63,043)	93,284
Loss for 2024	—	—	—	—	(2,860)	(2,860)
Transactions with owners						
Share-based payment charge	—	—	—	—	446	446
Shares issued	1,618	6,470	—	—	—	8,088
At 31 December 2024	**23,552**	**129,154**	**11,709**	**—**	**(65,457)**	**98,958**

The merger reserve arose on the acquisition of Gulfsands Petroleum Ltd and its subsidiaries by the Company by way of a share-for-share exchange in April 2005, in conjunction with the flotation of the Company on the Alternative Investment Market of the London Stock Exchange.

Financial Statements

Consolidated Cash Flow Statement

for the year ended 31 December 2024

	Notes	2024 $'000	2023 $'000
Cash flows from operating activities			
Operating loss from continuing operations		(2,797)	(2,882)
Share-based payment charge	5.3	446	198
Decrease/(increase) in receivables	3.1	65	(42)
(Decrease)/increase in payables	3.4	(251)	111
Foreign exchange gains		28	93
Net cash used in operating activities		(2,509)	(2,522)
Financing activities			
Equity issued		2,460	–
Loan draw-down		—	2,159
Other finance expenses		(92)	(109)
Net cash provided by financing activities		2,368	2,050
Decrease in cash and cash equivalents		(141)	(472)
Cash and cash equivalents at beginning of year		636	1,108
Cash and cash equivalents at end of year	3.2	495	636

Financial Statements
Notes to the Consolidated Financial Statements
for the year ended 31 December 2024

Section 1 – Basis of Preparation

1.1 Authorisation of Financial Statements and statement of compliance with IFRS
Gulfsands Petroleum plc is a public limited company which was quoted on the Alternative Investment Market of the London Stock Exchange ("AIM") until 23 April 2018 and is incorporated in the United Kingdom. The Company's shares now trade through periodic auction through the Asset Match platform. The principal activities of the Company and its subsidiaries (the "Group") are that of oil and gas production, exploration and development.

The Consolidated Financial Statements for the year ended 31 December 2024 were authorised for issue by the Board of Directors on 27 May 2025 and the Balance Sheets were signed on the Board's behalf by Andrew James Morris, Finance Director. The principal accounting policies adopted are set out in note 1.3.

1.2 Adoption of International Financial Reporting Standards
The Consolidated Financial Statements for the year ended 31 December 2024 and for the comparative year ended 31 December 2023 have been prepared in accordance with United Kingdom adopted International Financial Reporting Standards (UK adopted IFRS) and those parts of the Companies Act 2006 that are applicable to companies which apply UK adopted IFRS.

1.3 Material accounting policies

a) Basis of preparation, measurement and accounting standards
The Consolidated Financial Statements have been prepared in accordance with United Kingdom adopted International Financial Reporting Standards (UK adopted IFRS) and those parts of the Companies Act 2006 that are applicable to companies which apply UK adopted IFRS. The consolidated financial statements have been prepared on a historical cost basis. The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 1.4.

Going concern
As at the date of this Report, the Group has free cash available for operations totalling approximately $0.7 million and ongoing general and administrative costs are expected to be approximately $0.2-$0.3 million per month depending on the pace of Syria re-entry. One further tranche of £1 million is available under the 2025 Unsecured Bridge Loan, to be drawn down on or after 15 July 2025. These funds are expected to fund the Company's baseline general and administrative costs through to late 2025, meaning that additional funding will be required before the end of 2025.

Preparations for the re-entry into Syria and the re-commencement of operations in Block 26, will inevitably mean an increase in capital requirements. Based on current estimated Budgets, the Major Shareholders have expressed a willingness to support this increased expenditure.

The Directors note that the Company remains reliant on the support of its Major Shareholders, Waterford and Blake. The Board maintains a good relationship with its Major Shareholders who continue to support the Company's strategy as outlined in this Report.

Recent developments in Syria have created increased investor interest in the Company, although there are no immediate plans for raising external capital. It is acknowledged that without the support of either the Major shareholders, or other investors, the Company would be financially challenged.

The Board maintains an ongoing dialogue with the Major Shareholders regarding the Group's future business strategy, and financing requirements, including the plans for a re-entry into Syria. As a result of this dialogue, the Board continues to believe that the Major Shareholders have the willingness and ability to continue supporting the Group going forward. In particular, it is confident that the Major Shareholders will continue to fund the core G&A for the business, as increased for Syria re-entry planning, for a period of at least twelve months from the date of approval of this Financial Report. However, there are no firm funding commitments in place, beyond the 2025 Unsecured Bridge Loan Financing, as at the date of this Report.

In respect of material business development transactions, and the actual Syria re-entry itself, the Board acknowledges that this will likely need the support of additional strategic investors, in addition to the ongoing support of the Major Shareholders. The Company is in active discussions with potential investors and existing shareholders to secure the necessary financing based on expected activity levels.

The intention of business development, and the return to Syria, is to make the business sustainable and cash flow positive in the medium term, in order to remove the reliance on existing shareholders for funding going forward.

Following completion of a review of the going concern position of the Company and Group at the meeting of the Board of Directors on 27 May 2025, including consideration of the uncertainties described above, the Board has concluded that it is confident that, with free cash available for operations totalling $0.7 million, the remaining £1 million available to be drawn under the 2025 Unsecured Bridge Loan Financing plus any additional financing that will need to be sourced after that, the Company and the Group is likely to have sufficient resources to continue in operational existence for the foreseeable future, being a period not less than twelve months from the date of approval of this Financial Report. Accordingly, the Directors consider it appropriate to continue to adopt the going concern basis in preparing these Financial Statements.

1.3 Material accounting policies (continued)

a) Basis of preparation, measurement and accounting standards (continued)

Going concern (continued)

Notwithstanding the confidence that the Board has in its ability to finance the Group's business, the Directors, in accordance with Financial Reporting Council guidance in this area, conclude that at this time there is material uncertainty that finance could be procured to fund ongoing costs and liabilities, and failure to do so might cast significant doubt upon the Company's and the Group's ability to continue as a going concern and that the Company and the Group may therefore be unable to realise their assets and discharge their liabilities in the normal course of business. These Financial Statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

b) Accounting standards, amendments and interpretations effective in 2024

Other Accounting standards that have come into effect as of 1 January 2024 have been:

- Amendments to Lease liability in a sale and leaseback transaction (Amendments to IFRS 16), Classification of Liabilities as Current or Non-current (Amendments to IAS 1), Non-Current Liabilities with Covenants (Amendments to IAS 1), and Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7).

The adoption of these standards has had no effect on the financial results of the Group.

c) Standards, amendments and interpretations, which are effective for reporting periods beginning after the date of these financial statements which have not been adopted early:

There are a number of standards, amendments to standards, and interpretations which have been issued that are effective in future periods and which the Group has chosen not to adopt early, in particular:

- Lack of Exchangeability (Amendments to IAS 21);
- Presentation and Disclosure in Financial Statements (IFRS 18);
- Subsidiaries without Public Accountability: Disclosures (IFRS 19);
- Amendments to classification and measurement requirements for financial instruments (Amendments to IFRS 9 and IFRS 7).

None of these are expected to have a significant effect on the Group.

d) Basis of consolidation

Intra-group sales, profits and balances are eliminated fully on consolidation.

The results of subsidiaries acquired or sold are consolidated for the periods from, or to, the date when control passed. Acquisitions are accounted for under the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for the control of the acquiree. Acquisition related costs are recognised in the Income Statement as incurred. At the acquisition date the identifiable assets acquired, and the liabilities assumed are recognised at their fair value.

The Consolidated Financial Statements include the accounts of subsidiary undertakings when the Company has the control over the undertaking. The Company controls an investee if all three of the following elements are present: power over the investee; exposure to variable returns from the investee; and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The Group is engaged in oil and gas exploration, development and production through joint operations. A joint operation is whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. A joint operator recognises its assets, including its share of any assets incurred jointly; its liabilities, including its share of any liabilities incurred jointly; its revenues, including its share of revenue from the sale of the output by the joint operation; and its expenses, including its share of any expenses jointly incurred.

When the Group loses control or joint control of a subsidiary or joint operation, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary or joint operation and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary or joint operation are accounted for in the same manner as would be required if the relevant assets or liabilities are disposed of. The fair value of any investment retained in the former subsidiary or joint operation at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 'Financial Instruments: Recognition and Measurement' or, when applicable, the costs on initial recognition of an investment in an associate or jointly controlled entity.

e) Foreign and reporting currency

These Consolidated Financial Statements are presented in US Dollars. The functional and presentational currency of the Company is the US Dollar, and the functional currency of all subsidiaries is also the US Dollar. Gains and losses from foreign currency transactions, if any, are recognised in the Income Statement for the year. The effective exchange rate to the Pound Sterling for the year ended 31 December 2024 was £1: $1.27 (2023: £1: $1.24). The exchange rate to the Pound Sterling as at 31 December 2024 was £1: $1.25 (2023: £1: $1.27).

Foreign currency transactions of individual companies within the Group are translated to the functional and reporting currency of US Dollars at the rates prevailing when the transactions occurred. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the Balance Sheet date. All differences are taken to the Income Statement.

1.4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts 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 revision and future periods if the revision affects both current and future periods.

The following sets out the critical judgements and estimations that the Directors have made in the process of applying the Group's accounting policies and the key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year:

- going concern (judgement) – for further details see note 1.3a;
- recoverability of restricted cash balances (judgement) – for further details see note 3.3; and
- carrying value of the Group's Syrian Assets (i.e. investment in DPC) (estimation) – for further details see note 4.2.

Section 2 – Oil and Gas Assets

2.1 Property, plant and equipment

The Group applies the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources' and where additional guidance is needed IAS 16 'Property, Plant and Equipment' and IAS 36 'Impairment of Assets' noting that several items in the latter two standards are exempted for assets at the exploration and evaluation stage due to the application of IFRS 6. Set out below is our interpretation of the principles set out in IFRS 6 and other IFRS.

Recognition and measurement

Development and production assets are accumulated on a cash generating unit basis and represent the cost of developing the Proved plus Probable Reserves discovered and bringing them into production, together with the exploration and evaluation ("E&E") asset expenditures incurred in finding Proved plus Probable Reserves, transferred from intangible E&E assets.

The cost of development and production assets also includes the cost of acquisitions and purchases of such assets, directly attributable overheads.

Depletion of producing assets

Expenditure within each cash generating unit is depleted by a unit of production method using the ratio of oil and gas production in the year compared to the estimated quantity of Proved and Probable Reserves at the beginning of the year. Costs used in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future field development costs for Proved and Probable Reserves. Changes in estimates of commercial reserves or future development costs are dealt with prospectively.

Impairment

An impairment test is performed whenever events and circumstances arising during the development or production phase indicate that the carrying value of a development or production asset may exceed its recoverable amount. The aggregate carrying value is compared against the recoverable amount of the cash generating unit, generally by reference to the present value of the future net cash flows expected to be derived from production of commercial reserves.

The Company currently has no tangible Oil and Gas Assets, following the reclassification of its Syrian assets to Investments (see note 4.2).

2.2 Intangible assets

Key accounting judgements, estimates and assumptions

Recoverability of intangible oil and gas exploration and evaluation assets

If there are indicators of impairment, the carrying values of E&E assets are assessed for impairment which involves judgement as to the (i) likely commerciality of the assets, (ii) future revenues and costs pertaining and (iii) the discount rate to be applied for the purpose of deriving a recoverable value. Additional judgements apply to the Group's E&E assets affected by sanctions in Syria. See note 4.2 for further details.

The Group applies the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources', set out below is our interpretation of the principles set out in IFRS 6.

Recognition and measurement

The Group follows the successful efforts method of accounting whereby costs for unsuccessful exploration activities are expensed. All licence acquisition, exploration and evaluation costs are initially capitalised as intangible fixed assets in cost centres by licence or contract, as appropriate, pending determination of commerciality of the relevant property. Directly attributable administration costs are capitalised insofar as they relate to specific exploration activities. Pre-licence costs and general exploration costs not directly attributable to any particular licence or prospect are expensed as incurred.

E&E assets relating to each exploration licence/prospect are not amortised but are carried forward until the existence or otherwise of commercial reserves has been determined. If commercial reserves have been discovered, the related E&E assets are assessed for impairment on a cash generating unit basis as set out below and any impairment loss is recognised in the Income Statement. The carrying value of the E&E assets, after any impairment loss, is then reclassified as development and production assets in property, plant and equipment. Costs of unsuccessful exploration efforts are expensed at the time that a determination is made that the exploration has failed to locate commercially recoverable hydrocarbons.

Impairment
As the Group does not hold any intangibles with an indefinite useful life, non-current assets are assessed for impairment on a cash generating unit basis when facts and circumstances suggest that the carrying amount may exceed its recoverable amount. Such triggering events in respect of E&E assets include: the point at which final determination is made as to whether commercial reserves exist; actual or imminent expiry of exploration licence/contract without expectation of renewal; and/or no further plans to explore the licence/contract area.

Where there has been an indication of a possible impairment, Management assesses the recoverability of the carrying value of the cash generating unit by comparison with the estimated discounted future net cash flows based on Management's expectation of the future production, hydrocarbon prices and costs. Any identified impairment is charged to the Income Statement.

Where conditions giving rise to impairment subsequently reverse, the effect of the impairment charge is also reversed as a credit to the Income Statement, net of any amortisation that would have been charged since the impairment.

Syria
The accumulated costs of E&E assets in Syria represent the Group's share of the drilling costs of the Al Khairat, Twaiba and Wardieh wells and certain 3D seismic surveys. The Al Khairat well was successfully tested although commercial development approval is yet to be granted by the government of the Syrian Arab Republic since Force Majeure was declared prior to application for a Production Licence. An application has been prepared and will be submitted as soon as circumstances allow, and Contingent Resources have been allocated to this discovery. The Twaiba and Wardieh wells are still under evaluation. Following the declaration of Force Majeure, an impairment test was conducted and the carrying value of all E&E assets in Syria was impaired to nil as a result of the uncertainty arising at that time. The E&E assets remain impaired as at the date of this Report.

	Syria $'000	Total $'000
Cost:		
At 1 January 2023	10,505	10,505
Additions	—	—
At 31 December 2023	10,505	10,505
Additions	—	—
Disposals	—	—
At 31 December 2024	**10,505**	**10,505**
Accumulated impairment:		
At 1 January 2023	(10,505)	(10,505)
Exploration expenditure impaired	—	—
At 31 December 2023	(10,505)	(10,505)
Disposals	—	—
At 31 December 2024	**(10,505)**	**(10,505)**
Net book value at 31 December 2023	—	—
Net book value at 31 December 2024	**—**	**—**

The above intangible assets table is for information purposes only and illustrates the historical value of E&E costs less accumulated impairment prior to the declaration of Force Majeure in 2011. The Group does not exercise control of these assets, and therefore the E&E costs are currently impaired to $nil. The exploration portfolio will be re-assessed upon re-entry to Syria.

2.3 Work obligation commitments
As at 31 December 2024 the Group had no capital commitments. There were no material obligations or contracts outstanding in relation to ongoing projects not provided for or disclosed in these Consolidated Financial Statements.

Section 3 – Working Capital

3.1 Trade and other receivables

Trade receivables are carried at original invoice amounts less any provision made for impairment of receivables. A provision for impairment of trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the debt.

	2024 $'000	2023 $'000
Other receivables	59	17
Prepayments	114	221
	173	238

At 31 December 2024 and 2023 the Group was owed $25.3 million by the government of the Syrian Arab Republic relating to oil delivered during the period of August to November 2011. The total amount invoiced was $31.2 million and to November 2011 an amount of $5.9 million had been paid. This asset was fully provided against in 2011 due to the uncertainties of recovery. The recovery of this amount is included within the impairment calculations modelled when reviewing the Syrian investment for any impairment, see note 4.2 for further details.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits repayable on demand by banks and other short-term investments with original maturities of three months or less. Balances held in bank accounts subject to escrow agreements as collateral for performance bonds issued are excluded from cash and cash equivalents and are shown as long-term financial assets.

	2024 $'000	2023 $'000
Cash at bank and in hand	495	636
Restricted cash balances	500	500
Total cash and bank resources	995	1,136
Included in long-term financial assets (note 3.3)	(500)	(500)
Total cash and cash equivalents	495	636

3.3 Long-term financial assets

Long-term financial assets comprise balances held in bank accounts subject to escrow agreements as collateral for performance bonds issued.

Key accounting judgements, estimates and assumptions:

	2024 $'000	2023 $'000
Restricted cash balances	500	500
Total cash and cash equivalents	500	500

The amount of $0.5 million (2023: $0.5 million) relates the Group's Syrian Block 26 interest. Upon return, half of this amount would be due to Gulfsands joint venture partner, Sinochem Group, and so a payable of $0.25 million has been included for this in non-current liabilities (note 3.4).

3.4 Trade and other payables

Trade payables are not interest-bearing and are stated at their nominal values.

	2024 $'000	2023 $'000
Current liabilities		
Trade payables	36	60
Accruals and other payables	201	415
	237	475
Non-current liabilities		
Trade payables, accruals and other payables	3,973	3,986
	3,973	3,986

Non-current liabilities include predominantly legacy items relating to the Syria business prior to the declaration of Force Majeure in 2011. This includes certain amounts that were in dispute at the time and certain amounts relating to parties subject to asset freezing regulations under the UK Sanctions regime. It is unclear if and when these amounts may become payable, and hence are treated as non-current liabilities. No discounting has been applied. These amounts will be re-assessed when the situation in Syria normalises.

3.5 Inventory

Inventories comprise materials and equipment, which are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing the materials and equipment to its present condition and location.

	2024 $'000	2023 $'000
Drilling and production inventory	514	514
Provisions	(514)	(514)
	—	—

Drilling and production inventory of $0.51 million (2023: $0.51 million) relates to Syrian operations. Given the uncertainties that remain around access to the inventory and ability to use it in the near term as a result of current Force Majeure status, the Group continues to fully provide against this value.

3.6 Loans and borrowings

Group and Company

Recognition and measurement

Equity and debt instruments are classified as either equity or as financial liabilities in accordance with the substance of the contractual arrangement.

2017 Secured Term Financing Facility and Equity Settlement Account

On 15 February 2017, the Company entered into a Secured Term Financing Facility. Over time, as explained in prior Annual Reports, through various amendments, novation's and extensions, the Outstanding Amount under the 2017 Facility (due to Major Shareholders Waterford and Blake), grew to an amount of £14.055 million ($17.849 million) in December 2023.

In December 2023, the Company exercised its Extinguishment Option over the entire Outstanding Amount, at an exercise price of 5 pence per share and the 2017 Facility was terminated in late December 2023. All related security arrangements were also terminated.

The Conversion was settled by the issuance of 192,706,643 new ordinary shares to Waterford for their 68.55% portion, being £9,635,332.11 (approximately $12,218k) of the 2017 Facility in December 2023. Settlement of the remaining 31.45% portion held by Blake, being £4,420,586.36 (approximately $5,629k) was deferred through a Deed of Settlement agreement. Under the Deed of Settlement, the Company had the right to settle the outstanding amount either in cash (for £4,420,586.36) or by the issuance of 88,411,728 shares. As at 31 December 2023, this amount was held on the Balance Sheet as the Equity Settlement Account.

In mid-May 2024, the Equity Settlement Account was settled through the issuance of 88,411,728 new ordinary shares to Blake at a price of 5 pence per share, in accordance with the Deed of Settlement.

As at 31 December 2024, the Group had $nil (£nil) (2023: $nil [£nil]) of debt outstanding.

Section 4 – Other Assets and Liabilities

4.1 Investments

The Company's investments in subsidiary undertakings are shown below. All investments are in ordinary shares and are directly or indirectly owned by the Company as stated below:

Name of company	Proportion of voting shares at 31 December 2024	Nature of business	Country of incorporation
Directly held by the Company:			
Gulfsands Petroleum Ltd.[a]	100%	Holding company	Cayman Islands
Indirectly held by the Company:			
Gulfsands Petroleum Holdings Ltd[a]	100%	Holding company	Cayman Islands
Gulfsands Middle East Limited[b]	100%	Management services	Abu Dhabi
Gulfsands Petroleum Levant Ltd[a]	100%	Oil and gas exploration	Cayman Islands
Gulfsands Petroleum Iraq Ltd[a]	100%	Oil and gas exploration	Cayman Islands
Gulfsands Petroleum (MENA) Ltd[a]	100%	Oil and gas exploration	Cayman Islands

(a) Company registered address: 30 The Strand, 46 Canal Point Drive, Grand Cayman KY1-1105, Cayman Islands.
(b) The Company's registered address is: 24th Floor, 2461 Al Sila Tower, ADGM Square, Al Maryah Island, Abu Dhabi, UAE.

4.2 Financial asset held at fair value through other comprehensive income

Key accounting judgements, estimates and assumptions
Fair value of the Group's investment in Dijla Petroleum Company ("DPC")

The Group's investment in DPC, the entity established in Syria, pursuant to the Block 26 PSC, to administer the Group's Syrian oil and gas development and production assets (and which for this purpose is considered to also include the related rights to production under the PSC), is recorded as a "Financial asset held at fair value through other comprehensive income" investment.

Due to the Force Majeure status of Block 26, the Group does not exercise control over DPC and therefore it is not in a position to treat DPC as a subsidiary, nor to consolidate the results of DPC into the financial statements.

Due to the unknown duration of Force Majeure and uncertainty over the eventual outcome of events in the country, any valuation attributed to the investment is highly subjective and there are a wide range of possible fair value measurements. Notwithstanding recent developments in Syria, management reviewed their internal valuation methodology in 2024 (as it has in prior years) and continued to believe, as at year-end, that as a result of the further passage of time, the significant future uncertainty and the high degree of judgement required, it is not possible to reliably estimate the investment's fair value. As part of Managements internal valuation exercise, they have identified a range of valuations for the investment. Management have completed an assessment against the criteria outlined in IFRS 9 and have concluded that for the aforementioned reasons the historical cost of $102 million represents the most appropriate fair value, with it being the last valuation which could be reliably determined. The investment cost of $102 million is within the wide range of potential outcomes calculated as part of the internal valuation method.

Financial assets held at fair value through other comprehensive income should be stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investment's revaluation reserve.

Competent Person Report on the Block 26 Assets

In 2023 the Company's technical team updated their analysis of Block 26 assets including estimates of the oil and gas resources and the proposed Field Development Plan, incorporating recent production data and previously un-analysed reprocessed seismic collated prior to the declaration of Force Majeure. Following the completion of this work, the Company commissioned independent consulting firm Oilfield Production Consultants ("OPC") to prepare a new Competent Person's Report ("CPR") and economic evaluation of this revised analysis. The CPR, effective 1 January 2024 reiterated that Block 26 could still contain over a billion barrels of recoverable resource with the potential for production levels of around 50,000 boepd from existing discoveries and over 100,000 boepd from a full block development incorporating potential exploration upside.

At year-end, the CPR was "rolled forward" by OPC to an effective date of 1 January 2025, taking into account production and other data received during 2024. Details of the updated Resources estimates, and a further description of the Block 26 assets can be found in the Strategic Report on pages 18 – 22.

Impairment review of the Group's investment in DPC

For accounting purposes, as part of an internal review process, management assess the recoverability of the carrying value of the Financial asset held at fair value through other comprehensive income investment by comparison with the estimated discounted future net cash flows based on Management's expectation of the future production, hydrocarbon prices, estimated time to resumption of production and costs.

The Group is party to a PSC for the exploitation of hydrocarbon production in Block 26 in Syria. Pursuant to the PSC the Group operates its Syrian oil and gas production assets through a joint venture administered by DPC in which the Group has a 25% equity interest. The Group lost joint control of DPC on 1 December 2011 following the publication of European Union Council Decision 2011/782/CFSP. For the purposes of UK Sanctions, DPC was a Designated Entity and was considered to be controlled by General Petroleum Corporation ("GPC"). Since the Group has neither joint control nor significant influence over the financial and operating policy decisions of the entity, it carries its investment in DPC and the associated rights under the Block 26 PSC as Financial asset held at fair value through other comprehensive income. The carrying value of the Financial asset held at fair value through other comprehensive income investment at 31 December 2024 is $102 million (2023: $102 million). Post year-end, in March 2025 both DPC and GPC were removed from the Designated List by the UK Government's Office of Financial Sanction Implementation, although this did not impact the valuation analysis as at 31 December 2024.

In order to carry out an internal impairment review, Management use an economic model of the estimated future cash flows that could be generated in respect of the Group's entitlement volumes in Block 26, based upon the Resources validated by the recent CPR. The Management team have reviewed this in detail and believe due to the high degree of subjectivity inherent in the valuation it is imperative that the valuation model and its key drivers and assumptions are as transparent as possible. Management assessed the key drivers to be:

- the oil price; and
- the delay to resumption of production.

1. Oil price

For the year ended 31 December 2024 Management have used ERC Equipose Ltd's (Independent Energy Experts) Q1 2025 "base oil price deck" for the period from 2025 ($76/bbl) to 2034 ($90/bbl), and then a 2% per annum escalation factor applied thereafter as the forecast for the 'base case' comparative valuation for the impairment review. Given the other sources of oil price data reviewed, Management considers this to be an appropriate approach. However, sensitivities are provided below showing the impact that a 25% and 50% rise and fall in oil price would have on the impairment calculation.

2. Delay to resumption of production

Gulfsands cannot give a definite timeline for the resumption of the full field development of the discovered fields within Block 26 that was suspended under the declaration of Force Majeure in 2011. Given recent developments in Syria, the Group's Board and Management has stepped up its preparation for such a return and in April 2025, the UK completed the lifting of all relevant financial and trade sanctions regarding Gulfsands' business. An assessment did however need to be made as at 31st December 2024 as to the likely time of a return, and, acknowledging the inherent uncertainty in any assumption, at that time the Board concluded, that its "base case" assumption for impairment calculation purposes to be a resumption of operations in two years (as at 31st December 2023 the assumption was three years).

Other model assumptions

The model uses the production profiles based upon 2C contingent resources at Khurbet East (Massive, Butmah and Kurrachine Dolomite), Yousefieh (Massive) and Al Khairat (Massive). As part of the recent CPR and FDP work undertaken by OPC, production profiles were reanalysed and confirmed and incorporated into the model accordingly. Receivables are included in relation to oil produced and invoiced but not yet received, and oil produced and not yet invoiced, on the expectation that these amounts will be recovered once Force Majeure is lifted.

The economic model calculates:

- a Gross Contractor undiscounted NPV(0) of $4.54 billion;
- Gulfsands 50% interest, undiscounted NPV(0) of $2.27 billion; and
- Gulfsands 50% interest discounted NPV(10) of $805.0 million; and
- Gulfsands 50% interest discounted NPV(15) of $540.0 million.

The Group has used the NPV(15) of $540.0 million (2023: $465.0 million) to conclude that no impairment is necessary but the following table sets out the NPV(15) calculated when adjusting the two key drivers: oil price and time delay to resumption of production. All figures are presented in $ million:

	Delay to first production		
Oil price	One year delay	Two year delay	Three year delay
50% decrease	258.0	212.5	172.0
25% decrease	452.0	376.5	312.0
ERCE's Q1 2025 base oil price deck	644.5	540.0	450.0
25% increase	836.0	702.0	587.5
50% increase	1,027.5	864.0	724.5

The following table sets out the impact that changes in the key variables would have on the comparative valuation of the asset, $540.0 million, for the impairment review.

	Change in comparative valuation of investment from $540 million ($ million)
Delay until first production	
3 years	(90.0)
1 year	104.5
Oil price	
50% decrease	(327.5)
25% decrease	(163.5)
25% increase	162.0
50% increase	324.0
Change in discount rate to	
20%	(159.0)
10%	265.0
Change in forecast capex	
25% increase	(28.5)
25% decrease	27.5
Change in forecast opex	
25% increase	(7.5)
25% decrease	7.5

The Directors have reviewed the carrying value of this Financial asset held at fair value through other comprehensive income at 31 December 2024 and are of the opinion that no impairment is required to the carrying value. Although the carrying value is subject to significant uncertainty, Management believes it remains appropriate in the circumstances, although not necessarily reflective of the value of the Group's investments in its Syrian operations over the long term once re-entry into Syria is completed. Management reiterate that there is a high degree of subjectivity inherent in the valuation calculated for impairment purposes, due to the unknown duration of the sanctions and the eventual outcome of events in Syria. Accordingly, it may change materially in future periods depending on a wide range of factors and an impairment may then be required.

In a separate exercise to the valuation analysis above, as part of the recent CPR, OPC undertook an economic evaluation of the Company's entire Block 26 assets including both Contingent and Prospective Resources, as of 1 January 2025. This evaluation did not take into account any of the above-ground risks associated with the assets, but they did consider a range of possible valuation scenarios and indicated a central range of risked Expected Monetary Value ("EMV") of the Block 26 assets, including both Contingent and Prospective Resources, of $1.5 billion - $2.0 billion (net share to Gulfsands).

Section 5 – Results for the Year

5.1 Segmental analysis of continuing operations

For management purposes, during 2024 (and 2023) the Group operated in two geographical areas: Suspended operations in Syria (as discussed in note 4.2) and Abu Dhabi. Syria segment is involved with the production of, and exploration for oil and gas. Abu Dhabi segment relates to Management services relating to the Group's MENA business. The "Other" segment represents corporate and head office costs.

The Group's results and certain asset and liability information for the year are analysed by reportable segment as follows;

Year ended 31 December 2024

	Syria $'000	Abu Dhabi $'000	Other $'000	Total $'000
Total administrative expenditure	(576)	(758)	(1,463)	(2,797)
Operating loss	(576)	(758)	(1,463)	(2,797)
Financing cost				(63)
Net loss from continuing operations				(2,860)
Total assets	102,591	7	569	103,168
Total liabilities	(4,062)	—	(148)	(4,210)
E&E capital expenditure	—	—	—	—

Year ended 31 December 2023

	Syria $'000	Abu Dhabi $'000	Other $'000	Total $'000
Total administrative expenditure	(695)	(815)	(1,372)	(2,882)
Operating loss	(695)	(815)	(1,372)	(2,882)
Financing cost				(2,516)
Net loss from continuing operations				(5,398)
Total assets	102,651	7	716	103,374
Total liabilities	(4,123)	(33)	(5,934)	(10,090)
E&E capital expenditure	—	—	—	—

5.2 Operating loss

The Group's operating loss for continuing operations is stated after charging:

	2024 $'000	2023 $'000
Share-based payment charges (note 5.3)	446	198
Staff costs excluding share-based payments (note 5.5)	1,082	1,066
Lease rentals:		
Buildings	153	155

Leases

Rentals payable under leases are charged to the Income Statement on a straight-line basis over the lease term.

5.3 Share-based payments

The Company has made equity-settled share-based payments to certain employees, advisers and/or Directors by way of issues of share options. The fair value of these payments is calculated at grant date by the Company using the Black-Scholes option pricing model excluding the effect of non-market-based vesting conditions. The expense is recognised on a straight-line basis over the period from the date of award to the date of vesting, based on the Company's best estimate of the number of options that will eventually vest. At each Balance Sheet date, the Company revises its estimates of the number of options expected to vest as a result of the effect of non-market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to retained profit.

The only share-based plan currently in operation is the Gulfsands Restricted Share Plan which was introduced in 2010 and was due to expire in 2020 but has been extended to 2030. Under this plan, share awards may be granted to Directors and members of staff and may be based upon length of service and/or linked to achievement of performance criteria. Awards to advisers are issued under similar terms. All instruments outstanding and issued during the year under this plan are share options to purchase Ordinary Shares in the Company.

Share options are issued with an exercise price generally equivalent to an estimate of the underlying share price at the date of grant, or such other exercise price as the Remuneration Committee may determine. Share options will usually have a deferred vesting period and a maximum validity period of ten years. The share-based payment charge for the period is based upon the requirements of IFRS 2 'Share-based Payment'. For this purpose, the estimated fair value of the share options granted was calculated using a Black-Scholes option pricing model. No dividends were factored into the model and volatility was estimated based on a combination of historic and anticipated price performance. The estimated fair value of share options with a deferred vesting period is charged to the Income Statement over the vesting period of the options concerned. The estimated fair value of options exercisable immediately is expensed at the time of issuance of the award. The charge for the year was **$446,000** (2023: $198,000) and further details are provided in note 6.1.

During 2016, John Bell was appointed Managing Director and Andrew Morris was appointed Finance Director. In view of the continuing uncertainty surrounding the Company's business in Syria and the shortage of available funds, it was decided that remuneration packages for these two executives should be a combination of base salary, bonuses and share options. Accordingly, John Bell was awarded 8 million share options and Andrew Morris 5 million share options. (**"2016 Executive Options")**.

4 million of Mr Bell's options and 3 million of Mr Morris' were set to vest quarterly over a two-year period from July 2016 dependent in part on continued service during that period and in part on performance criteria related to the achievement of strategic objectives. All these options were exercisable for a period of 10 years (from November 2016) and had a strike price of 1 pence, and have now vested.

The vesting schedule of the additional 4 million and 2 million options respectively was not set at the time of issuance but during 2018, the Board confirmed the vesting criteria would be based upon operational targets. In addition, contractual terms were clarified which resulted in Mr. Morris being issued an additional 1 million such options. Once vested, the options were to be exercisable for a period of 10 years (from 2016). In 2018, half of these remaining, unvested 2016 options vested on the completion of the Putumayo-14 farmout (2 million and 1.5 million options respectively). In May 2022, following confirmation of the mutual termination of the Llanos-50 licence, the remaining half of these options (2 million and 1.5 million options respectively) vested. All these options were exercisable for a period of 10 years (from November 2016) and had a strike price of 1 pence. Post year end, the remaining 2016 Executive Options (2 million for John Bell and 1.5 million for Andrew Morris) were extended for a period of 3 years to 11th November 2029.

Share options were also granted to the Chairman and two new Non-Executive Directors in 2016. These options were not subject to performance criteria. Half of their respective awards vested on the date of award in 2016 and the other half vested after one year in mid-2017. These options had a strike price of 3.375 pence and a maturity of 10 years (from 2016). Post- year end, in 2025, the remaining options (2 million for James Ed-Golightly and 1 million for Michael Kroupeev were extended for 3 years until 11th November 2029).

During 2017, 1,900,000 stock options were issued to key members of staff, which options were not subject to performance criteria and vested after one year. These options had a strike price of 4.25 pence and a maturity of 10 years (from 2017).

During 2018, the Board issued additional options to Mr Bell and Mr Morris to vest based upon strategic goals in relation to Syria. Mr Bell was issued 8 million such options and Mr. Morris was issued 4 million such options (**"2018 Executive Options"**). These 2018 Executive Options accumulated to the holders over a period of 3 years but will only vest upon the achievement of key strategic milestones in respect of Syria. Once vested, the 2018 Executive Options are exercisable for a period of 10 years (from July 2018) and have a strike price of 5 pence. These options have been fully charged to the profit and loss account based upon their accumulation schedule.

During 2020 Mr Bell and Mr. Morris agreed to surrender 1,200,000 each of their 2018 Executive Options.

Also, during 2020, a tax advantaged Company Share Option Scheme (CSOP) was introduced for staff and Executive Directors. During the year 4,400,000 CSOP options (Executive Directors: 2,400,000, Staff: 2,000,000) were issued with a strike price of 5 pence per share. The CSOP options issued were scheduled to vest over a maximum of 3 years and have now all fully vested. The CSOP options are exercisable for a period of 10 years (from grant date in 2020).

As a result of the Mandatory Offer in May 2021, Mr Bell exercised 6 million 2016 Executive Options and Mr Morris exercised 4.5 million 2016 options into the Mandatory Offer. All other options were rolled forward to continue to exist under their original terms and the Gulfsands Restricted Share Plan. As a result of the Mandatory Offer the CSOP options continue to exist but have lost their tax advantaged status.

During 2021, 2,000,000 stock options were issued to members of Gulfsands Strategic Advisory Board which options are scheduled to vest in four tranches between December 2021 and June 2023 (all 2,000,000 options have vested as at 31 December 2024). These options have a maturity of 10 years from issuance and a strike price of 5 pence per share.

During 2022, 1,050,000 stock options were issued to John Bell and Andrew Morris, which options are not subject to performance criteria and vested immediately. These options have a maturity of 10 years from issuance and a strike price of 1 pence per share.

During 2023, 1,000,000 stock options were issued to a member of Gulfsands Strategic Advisory Board, which options are scheduled to vest in tranches between August 2023 and April 2024 (all 1,000,000 options have vested as at 31 December 2024). These options have a maturity of 10 years from issuance and a strike price of 5 pence per share.

Also during 2023, 2,100,000 stock options were issued to John Bell and Andrew Morris, which options were not subject to performance criteria and vested immediately. These options have a maturity of 10 years from issuance and a strike price of 1 pence per share.

During 2024, 9,100,000 stock options were issued to John Bell and Andrew Morris, which options vest in tranches between July 2024 and July 2026 (3,033,333 options have vested as at 31 December 2024), or earlier, if £5 million new capital is secured from new investors. These options have a maturity of 10 years from issuance and a strike price of 5 pence per share.

During 2024, 3,500,000 share options were issued to Michael Kroupeev and Joe Darby. These options are not subject to performance criteria and vest in tranches between August 2024 and June 2026 (1,166,666 options have vested as at 31 December 2024). These options have a maturity of 10 years from issuance and a strike price of 5 pence per share.

During 2024, 3,000,000 stock options were issued to members of Gulfsands Strategic Advisory Board, which options are scheduled to vest in tranches between April 2024 and April 2026 (1,750,000 options have vested as at 31 December 2024). These options have a maturity of 10 years from issuance and a strike price of 5 pence per share.

During 2024, 2,400,000 stock options were issued to key members of staff, which options were not subject to performance criteria and vest in tranches between October 2024 and April 2026 (800,000 options have vested as at 31 December 2024). These options have a maturity of 10 years from issuance and a strike price of 5 pence per share.

Also during 2024, 1,137,500 stock options were issued to John Bell and Andrew Morris, which options are not subject to performance criteria and vested immediately. These options have a maturity of 10 years from issuance and a strike price of 1 pence per share.

Post year end, the remaining 2016 Executive Options (2 million for John Bell and 1.5 million for Andrew Morris) were extended for a period of 3 years to 11th November 2029.

Post year-end various options were exercised as explained in Note 6.1 and the Directors Report.

Fair value of share options granted

The fair value of options granted under the share options scheme is estimated as at the date of grant using a variant of the Black Scholes model, taking into account the terms and conditions upon which the options are granted, which includes the performance conditions. The following table lists the inputs to the model used for the options granted in the year ended 31 December 2024 and the year ended 31 December 2023.

Year Issued:	2024	2023
Dividend yield	n/a	n/a
Expected share price volatility	50.0%	50.0%
Risk free interest rate	5.0%	5.0%
Share price	5 pence	5 pence
Exercise price	1 pence / 5 pence	1 pence / 5 pence
Expected / maximum life of option (years)	10	10

5.4 Auditor's remuneration

Details of the auditor's remuneration is set out in the table below:	2024 $'000	2023 $'000
Fees payable to the Company's principal auditor for the audit of:		
Company's accounts	108	100
Company's accounts additional fees charged by the auditor for the audit of the 2022 Annual Report	—	12
Company's subsidiaries	—	—
Total audit fees	108	112
Audit related assurance services	—	—
Total non-audit fees	—	—
Fees payable to other auditors for the audit of:		
Company's subsidiaries	5	5
Total audit fees	5	5
Taxation compliance services	8	8
Other taxation advisory services	—	—
Total non-audit fees	8	8

5.5 Staff costs

The aggregate payroll costs of Employees and Executive Directors were as follows:

	2024 $'000	2023 $'000
Salaries	958	944
Pension costs	5	5
Social security costs	99	97
Share-based payment charges	285	117
Other benefits in kind	20	20
	1,367	1,183

The average number of employees and Executive Directors was 9 (2023: 9).

5.6 Directors' emoluments

Details of the remuneration of Directors are included in the Directors' Corporate Governance Report on page 33.

5.7 Taxation

Current tax

Current tax, including UK Corporation Tax and overseas tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date.

Where current or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

	2024 $'000	2023 $'000
Current Corporation Tax:		
UK Corporation Tax	—	—
Overseas Corporation Tax	—	—
Total credit	—	—

The Group's effective tax rate differs from the theoretical amount that would arise using the UK domestic corporation tax rate applicable to profits of the consolidated companies as follows:

	2024 $'000	2023 $'000
Total loss before tax from continuing operations	(2,860)	(5,398)
Tax calculated at domestic rate of 25% (2023: 25%)	(715)	(1,349)
Effects of:		
Expenses not deductible for tax purposes	—	—
PSC expenses not subject to corporation tax(1)	174	340
Tax losses utilised	—	—
Tax losses for which no deferred tax asset was recognised	601	1,004
Impact of local tax rates	(60)	5
	—	—

(1) The Group's tax liabilities in Syria are settled on its behalf by the national oil companies out of the latter's share of royalties and profit oil and, as such, are not reflected in the Group's tax charge for the year.

Deferred tax

Deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted, or substantively enacted, tax rates and laws that will be in effect when the differences are expected to reverse. The recoverability of deferred tax assets is evaluated annually, and an impairment provision is made if it is more likely than not that the deferred tax asset will not give rise to future benefits in the Group's tax returns. Deferred tax assets are not provided where the Group does not consider it probable that sufficient future taxable profits will be made to offset the deductions represented by those deferred tax assets. In performing this calculation, the Group considers deferred tax balances relating to each tax authority separately. No deferred tax assets have been provided in respect of losses carried forward and other temporary timing differences as the Board does not consider it probable that sufficient future taxable profits will be made to offset the deductions represented by those deferred tax assets.

The tax effect of amounts for which no deferred tax asset has been recognised is as follows:

	2024 $'000	2023 $'000
DD&A and impairment in excess of tax allowances	190	190
Tax losses carried forward	15,185	14,854
Unrecognised deferred tax asset	(15,375)	(15,044)
Deferred tax asset/(liability) at 31 December	—	—

Section 6 – Capital Structure and Other Disclosures

Equity instruments
Group and Company

Equity instruments issued by the Company, being any instruments with a residual interest in the assets of the Company after deducting all its liabilities, are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Share premium account

The share premium account represents the amounts received by the Company (net of any costs) on the issue of its shares which were in excess of the nominal value of the shares.

Retained earnings

Cumulative net gains and losses recognised in the Statement of Comprehensive Income less any amounts reflected directly in other reserves. The share option reserve has been included within the retained deficit and is a non-distributable reserve.

6.1 Share capital

Group and Company	2024 $'000	2023 $'000
Allotted, called up and fully paid:		
893,614,156 Ordinary Shares of 1 pence (2023: 765,202,428 Ordinary Shares of 1 pence)	23,552	21,934

On 17 September 2015, each of the Company's existing ordinary shares were subdivided into one ordinary share of 1 pence and one deferred share of 4.7142865 pence. Consequently, other than the ordinary share referenced in the above table, there are in issue 121,989,500 deferred shares. The rights of both the ordinary and the deferred shares are as set out in the Articles of Association as amended 15 September 2015. Deferred shares in issue do not have voting rights and are not entitled to dividends.

The movements in share capital and share options were:

	Number of ordinary shares	Number of deferred shares	Number of 2010 Restricted Share Plan options	Weighted average price of options (pence)
At 31 December 2023	765,202,428	121,989,500	28,350,000	3.79
Equity issued during the year	128,411,728	—	—	—
Share options granted	—	—	19,137,500	4.76
Share options lapsing unexercised	—	—	(1,000,000)	3.38
At 31 December 2024	**893,614,156**	**121,989,500**	**46,487,500**	**4.20**

128,411,728 new ordinary shares issued during the year, at a price of 5 pence per share:

- 88,411,728 shares were issued to Blake in accordance with the Deed of Settlement, following which the Equity Settlement Account was settled in full; and
- 40,000,000 shares were issued to Waterford under the 2023 Equity Financing (20,000,000 in March 2024, and 20,000,000 in December 2024).

The detail of the share options outstanding at 31 December 2024 are as follows:

Maturity date	Year share options vest	Exercise price of options (£ pence)	Number of share options
11 November 2026 *	See Note 5.3	1.00	3,500,000
11 November 2026 *	2016 - 2018	3.375	3,000,000
5 July 2028	2018	4.25	1,300,000
28 June 2028	See Note 5.3	5.00	9,600,000
30 June 2030	See Note 5.3	5.00	3,800,000
7 December 2031	See Note 5.3	5.00	2,000,000
31 December 2032	See Note 5.3	1.00	1,050,000
1 October 2032	2022	5.00	1,000,000
31 December 2033	2023	1.00	2,100,000
12 February 2034	See Note 5.3	5.00	9,100,000
24 April 2034	See Note 5.3	5.00	2,000,000
31 August 2034	See Note 5.3	5.00	5,900,000
1 October 2034	See Note 5.3	5.00	1,000,000
31 December 2034	2024	1.00	1,137,500
		4.20	**46,487,500**

* Post year end, these options were extended for a period of 3 years to 11th November 2029.

Of the share options outstanding, 7,787,500 options have an exercise price of 1 pence per share, 3,000,000 options have an exercise price of 3.375 pence per share, 1,300,000 have an exercise price of 4.25 pence and 34,400,000 have an exercise price of 5.00 pence. The weighted average exercise price of stock options is 4.20 pence.

Post year-end all outstanding options with an exercise price of 1 pence per share, and all outstanding options with an exercise price of 4.25 pence per share were exercised.

The highest share price during the year was £0.06 and the lowest price was £0.033 (2023: £0.05 and £0.05).

6.2 Financial instruments, derivatives and capital management

Risk assessment

The Group's oil and gas activities are subject to a range of financial risks, as described below, which can significantly impact its performance.

Liquidity risk

At the end of the year the Group had cash and cash equivalents of $0.49 million, and further bank balances of $0.5 million held in escrow to guarantee minimum work obligations. Cash forecasts identifying the liquidity requirements of the Group are produced frequently. These are reviewed regularly by management and the Board.

The following table details the Group's remaining contractual maturity for its non-derivative financial assets and liabilities with agreed repayment periods. The table has been drawn up based on the undiscounted cash flows of the financial assets and liabilities based upon the earliest date on which the Group can be required to pay or receipt. The table includes both interest and gross undiscounted cash flows.

	Less than three months $'000	Three months to one year $'000	One to three years $'000	More than three years $'000	Total $'000
31 December 2024					
Current trade and other payables	(237)	—	—	—	(237)
Non-current trade and other payables	—	—	—	(3,973)	(3,973)
Loans and borrowings	—	—	—	—	—
	(237)	—	—	(3,973)	(4,210)
31 December 2023					
Current trade and other payables	(475)	—	—	—	(475)
Non-current trade and other payables	—	—	—	(3,986)	(3,986)
Loans and borrowings	—	(5,629)	—	—	(5,629)
	(475)	(5,629)	—	(3,986)	(10,090)

Currency risk

The Group has currency exposure arising from transactions denominated in currencies other than the functional currency of the Company and all its subsidiaries, US Dollars. These transactions relate to certain costs of its operations which are denominated in local currencies or in Euro, and its head office costs, which are denominated in Pounds Sterling.

In Syria where operations are covered by PSCs, costs incurred in currencies other than US Dollars are recoverable under the terms of the PSC at the rate of exchange between US Dollars and that currency at the date of payment of the expense.

The Group maintains part of its cash balances in Pounds Sterling to defray head office costs but limits exposure to other currencies as far as practicable. The following table demonstrates the sensitivity to changes in the US Dollar exchange rate, with all other variables held constant, on the Group's net assets:

	Change in US Dollar rate	Effect on net assets $'000
2024	**(+ or –) 5%**	**+/- 22**
2023	(+ or –) 5%	+/- 43

The following table demonstrates the sensitivity to changes in the US Dollar exchange rate, with all other variables held constant, on the Group's loss before tax:

	Change in US Dollar rate	Effect on loss before tax $'000
2024	**(+ or –) 5%**	**+/- 143**
2023	(+ or –) 5%	+/- 270

Credit risk

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in a financial loss to the Group. The Group's operations are typically structured via contractual joint venture arrangements. As such, the Group is reliant on joint venture partners to fund their capital or other funding obligations in relation to assets and operations which are not yet cash generative. The Group closely monitors the risks and maintains a close dialogue with those counterparties considered to be highest risk in this regard.

In addition, the Company is reliant for funding upon the availability of £2 million under the 2025 Unsecured Bridge Loan. The Board remains in regular dialogue with Major Shareholder(s) to ensure the Group retains their ongoing support.

To measure expected credit losses on a collective basis, trade receivables and contract assets are grouped based on similar credit risk and aging. The contract assets have similar risk characteristics to the trade receivables for similar types of contracts. The Directors do not consider that any further provision is necessary against any financial assets.

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and, to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt.

The capital structure of the Group consists of cash and cash equivalents, restricted cash (as disclosed in note 3.2), and equity of the Group (comprising issued capital, reserves and retained earnings).

Financial assets

The Group's financial assets consist of long-term financial assets, its Financial asset held at fair value through other comprehensive income investment in DPC, cash at bank and receivables. The interest rate profile at 31 December for these assets at US Dollar equivalents was as follows:

	Financial assets on which interest is earned $'000	Financial assets on which no interest is earned $'000	Total $'000
2024			
US Dollar	5	102,545	102,550
Pound Sterling	—	420	420
Euro	—	110	110
Other currencies	—	88	88
	5	103,163	103,168
2023			
US Dollar	5	102,516	102,521
Pound Sterling	—	558	558
Euro	—	159	159
Other currencies	—	136	136
	5	103,369	103,374

The Pound Sterling, Euro and Syrian Pound assets principally comprise cash in hand, cash in instant access accounts and short-term money market deposits. The US Dollar assets represent a Financial asset held at fair value through other comprehensive income financial asset, cash on call accounts, money market accounts, and short-term receivables.

The Group is not sensitive to fluctuations in the interest rate received on bank and money market deposits and accordingly no sensitivity analysis is published.

Included in financial assets on which no interest is earned at 31 December 2024 and 2023 was a gross amount of $25.3 million of trade receivables that has been fully provided against. This amount is due from the government of the Syrian Arab Republic in respect of oil sales in Syria. Due to the ongoing sanctions against the country's oil industry the payment of this amount has been delayed and, taking into account the current exceptional circumstances in Syria and the consequential difficulty of predicting the timing of future payment, has been fully impaired. The recovery of this amount is included within the impairment calculations modelled when reviewing the Syrian investment for any impairment, see note 4.2 for further details.

The remaining trade receivables consist of amounts receivable from various counterparties where the Group considers the credit risk to be low. This risk is monitored by the Group.

Primary Statements
Basis of Preparation
Oil and Gas Assets
Working Capital
Other Assets/Liabilities
Results for the Year
Capital Structure

Financial liabilities

The Group's financial liabilities consist of both short-term and long-term payables. None of the short and long-term payables bear interest to external parties. The Group's short-term liabilities are considered to be payable on demand. At 31 December financial liabilities are classified as shown below:

	Financial liabilities on which interest is charged $'000	Financial liabilities on which no interest is charged $'000	Total $'000
2024			
US Dollar	—	4,062	4,062
Pound Sterling	—	148	148
Other currencies	—	—	—
	—	4,210	4,210
2023			
US Dollar	—	4,156	4,156
Pound Sterling	—	5,934	5,934
Other currencies	—	—	—
	—	10,090	10,090

Commodity price risk

The realisation of the carrying values of oil and gas assets within these Consolidated Financial Statements, and the value of the Group's Financial asset held at fair value through other comprehensive income financial assets, being the Syrian interests, are in part dependent upon future oil and gas prices achieved. Note 4.2 gives details of the impact of a change in the oil price on the valuation of Financial asset held at fair value through other comprehensive income financial assets. In 2024 and 2023 the Group did not enter into any derivative contracts.

Fair values

The Group's investment in DPC, the entity established in Syria, pursuant to the PSC, to administer the Group's Syrian oil and gas development and production assets (and for these purposes which is considered to also include the related rights to production under the PSC), is recorded as an Financial asset held at fair value through other comprehensive income investment. Due to the unknown duration of Force Majeure and uncertainty over the eventual outcome of events in the country, any valuation attributed to the investment is highly subjective and subject to material change and uncertainty. Management believes that as a result of the further passage of time and the high degree of judgement required, it is not possible to reliably estimate the investment's fair value. Management will therefore carry forward the last valuation which could be reliably determined, being the $102 million previously disclosed. This value will be reviewed periodically as described further in note 4.2. At 31 December 2024 and 2023, the Directors considered the fair values and book values of the Group's financial assets and liabilities to be level 3 valuations.

6.3 Related party transactions and key management

Key management of the Group are considered to be the Directors of the Company. Directors' interests in shares and their remuneration and share options are disclosed in the Directors' Corporate Governance Report on pages 29 and 33. The remuneration of Directors for each of the categories specified in IAS 24 'Related Party Disclosures' is:

	2024 $'000	2023 $'000
Short-term employee benefits	737	728
Short-based payments	334	117
	1,071	845

The 2023 Equity Financing (£2 million funding for 2024) with Waterford, is a related party transaction, and was completed during 2024.

All of the above related party transactions were made on terms equivalent to those that prevail in arm's length transactions. Balances and transactions between the Company and its subsidiaries, which are related, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its subsidiaries are disclosed in note 5.6 of the Company Financial Statements. There were no other related party transactions of the Group during the years ended 31 December 2024 or 2023.

6.4 Obligations under leases

At the end of the year the Group had commitments for future minimum lease payments under non-cancellable leases as below:

	2024 Land and buildings $'000	Other $'000	2023 Land and buildings $'000	Other $'000
Amounts payable on leases:				
Within one year	2	—	2	—
In two to five years	—	—	—	—
	2	—	2	—

There are no future minimum sublease payments expected to be received under non cancellable subleases at the end of the reporting period (2023: $nil).

6.5 Post balance sheet events

2025 Bridge loan

Subsequent to the year-end, £2 million Unsecured bridge loan financing ("2025 Unsecured Bridge Loan") was agreed with Waterford and Blake, to provide funding for 2025. The Loan will automatically convert into any upcoming Qualified Equity Financing, at a discount of 20%, with a cap conversion price of 8 pence per ordinary share. If there is not a Qualified Equity Financing before 30 June 2026, then the Company has an option to repay the loan in cash or to extinguish it by the issuance of ordinary shares at a price of 3 pence per share.

Syria Situation and UK Sanctions

The fall of the Assad Regime happened in December 2024, just prior to the year-end. The situation in Syria remains uncertain but there is cautious optimism for the future of Syria, with the installation of a new Syrian Government and other frameworks agreements, notably with the SDF/ANNES, suggest positive momentum towards a united and unified Syria.

In March 2025 the UK Government's Office of Financial Sanctions Implementation ("OFSI") removed certain relevant entities from its Designated List, including Dijla Petroleum Company ("DPC"), General Petroleum Corporation ("GPC") and the Syrian Petroleum Company ("SPC"), and in April 2025, the UK Government lifted all material sanctions relating to the Energy and Oil and Gas Sector.

While uncertainty remains regarding the future of Syria, this has enabled Gulfsands to cautiously begin preparing for a lifting of Force Majeure and return to operation.

Note that these accounts do not take into account the impacts of any lifting of Force Majeure, in particular in respect of any re-assessment of valuation of the Group's Syrian assets.

Financial Statements
Parent Company Financial Statements
and Notes to the Company Financial Statements

Primary Statements

Parent Company Primary Statements
This section contains the Company's primary Financial Statements.

Basis of Preparation

Section 1 Basis of Preparation
This section contains the Group's significant accounting policies that relate to the Financial Statements as a whole. Significant accounting policies specific to one note have been included in that note. Accounting policies determined non-significant are not included in these financial statements. There have been no changes to the Group's accounting policies that are no longer disclosed in the financial statements.

Investments in Subsidiaries

Section 2 Investments in Subsidiaries
This section focuses on the Company's investments in subsidiaries.

Working Capital

Section 3 Working Capital
This section focuses on the working capital position of the company supporting its business.

Results for the Year

Section 4 Results for the Year
This section focuses on the results and performance of the Company.

Capital Structure

Section 5 Capital Structure and Other Disclosures
The disclosures in this section focus on the issued share capital, the share schemes in operation and other mandatory disclosures.

Company Balance Sheet
as at 31 December 2024

	Notes	2024 $'000	2023 $'000
Assets			
Non-current assets			
Investments in subsidiaries	2.1	7,307	7,307
Amounts due from subsidiaries	3.1	57,490	56,032
		64,797	63,339
Current assets			
Trade and other receivables	3.1	130	143
Cash and cash equivalents	3.2	421	556
		551	699
Total assets		65,348	64,037
Liabilities			
Current liabilities			
Trade and other payables	3.3	148	305
Loans and borrowings	3.4	—	5,629
		148	5,934
Non-current liabilities		—	—
Total liabilities		148	5,934
Net assets		65,200	58,103
Equity			
Capital and reserves attributable to equity holders			
Share capital	5.1	23,552	21,934
Share premium		129,155	122,684
Capital contribution reserve		—	—
Retained loss		(87,507)	(86,515)
Total equity		65,200	58,103

The Company has elected to take the exemption under section 408 of the Companies Act 2006, to not present the parent company income statement. The net loss for the parent Company was $1.4 million (2023: $3.9 million).

The Financial Statements of Gulfsands Petroleum plc (registered number: 05302880) were approved by the Board of Directors on 27 May 2025 and signed on its behalf by:

Andrew James Morris
Finance Director
27 May 2025

Company Statement of Changes in Equity

for the year ended 31 December 2024

	Share capital $'000	Share premium $'000	Capital contribution reserve $'000	Retained (loss)/profit $'000	Total equity $'000
At 1 January 2023	19,491	112,909	3,251	(86,272)	49,379
Loss for 2023	—	—	—	(3,864)	(3,864)
Transactions with owners					
Shares issued	2,443	9,775	—	—	12,218
Share-based payment charge	—	—	—	198	198
Equity element of convertible loan note	—	—	172	—	172
Recycling of convertible loan note reserve through retained earnings	—	—	(3,423)	3,423	—
At 31 December 2023	21,934	122,684	—	(86,515)	58,103
Loss for 2024	—	—	—	(1,438)	(1,438)
Transactions with owners					
Shares issued	1,618	6,471	—	—	8,089
Share-based payment charge	—	—	—	446	446
At 31 December 2024	**23,552**	**129,155**	**—**	**(87,507)**	**65,200**

Company Cash Flow Statement

for the year ended 31 December 2024

	Notes	2024 $'000	2023 $'000
Cash flows from operating activities			
Operating loss		(1,445)	(1,355)
Share-based payment charge		446	198
Decrease in receivables	3.1	14	24
(Decrease)/increase in payables	3.3	(157)	45
Net cash used in operations		(1,142)	(1,088)
Foreign exchange gains		67	50
Funds transferred to subsidiaries		(1,458)	(1,571)
Net cash used in operating activities		(2,533)	(2,668)
Financing activities			
Equity finance		2,460	–
Other finance expenses		(62)	(59)
Loan draw-down		—	2,159
Net cash received from financing activities		2,398	2,100
Decrease in cash and cash equivalents		(135)	(509)
Cash and cash equivalents at beginning of year		556	1,065
Cash and cash equivalents at end of year	3.2	421	556

Notes to the Parent Company Financial Statements

Section 1 – Basis of Preparation

1.1 Authorisation of Financial Statements and statement of compliance with IFRSs

Gulfsands Petroleum plc is a public limited company and incorporated in the United Kingdom. The principal activity of the Company is that of provision of services to its subsidiaries which are engaged in oil and gas production, exploration and development activities.

The Company Financial Statements for the year ended 31 December 2024 were authorised for issue by the Board of Directors on 27 May 2025 and the Balance Sheet was signed on the Board's behalf by Andrew James Morris, Finance Director.

The Company Financial Statements have been prepared in accordance with United Kingdom adopted International Financial Reporting Standards (UK adopted IFRS) and those parts of the Companies Act 2006 that are applicable to companies which apply UK adopted IFRS. The principal accounting policies adopted are set out in note 1.3.

1.2 Adoption of International Financial Reporting Standards

The Company's Financial Statements for the year ended 31 December 2024 and for the comparative year ended 31 December 2023 have been prepared in accordance with UK adopted International Financial Reporting Standards ("UK adopted IFRS") in accordance with the provisions of the Companies Act 2006.

See note 1.3b to the Consolidated Financial Statements for details of new IFRS and interpretations.

1.3 Material accounting policies

a) Basis of preparation and accounting standards

The Company's significant accounting policies used in the preparation of the Company Financial Statements are set out in the notes below.

The Company Financial Statements have been prepared in accordance with United Kingdom adopted International Financial Reporting Standards (UK adopted IFRS) and those parts of the Companies Act 2006 that are applicable to companies which apply UK adopted IFRS, and, except for share-based payments, under the historical cost convention. They have also been prepared on the going concern basis of accounting, for the reasons set out in note 1.3a to the Consolidated Financial Statements.

b) Reporting currency

These company Financial Statements are presented in US Dollars. The Company's operations are undertaken in Pounds Sterling, Euros and US Dollars. The majority of costs associated with foreign operations are paid in US Dollars and all loan balances with subsidiary undertakings are denominated in US Dollars. Therefore, the presentational and functional currency of the Company is the US Dollar. Gains and losses from foreign currency transactions, if any, are recognised in the Income Statement for the year. The effective exchange rate to the Pound Sterling for the year ended 31 December 2024 was £1: $1.27 (2023: £1: $1.24). The exchange rate to the Pound Sterling on 31 December 2024 was £1: $1.25 (2023: £1: $1.27).

1.4 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described below, the Directors are required to make judgements, estimates and assumptions about the carrying amounts 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 revision and future periods if the revision affects both current and future periods.

The Company's operations are undertaken in Pounds Sterling, Euros and US Dollars. The majority of costs associated with foreign operations are paid in US Dollars and all loan balances with subsidiary undertakings are denominated in US Dollars. The most appropriate presentational and functional currency is considered to be the US Dollar. Such judgement is reviewed periodically.

IFRS 9, requires the Company to make assumptions when implementing the forward-looking expected credit loss model. This model is required to be used to assess intercompany loan receivables from the Companies subsidiaries for impairment. Arriving at the expected credit loss allowance involved considering different scenarios for the recovery of the intercompany loan receivables, the possible credit losses that could arise and the probabilities for these scenarios. Recovery of the intercompany balances is predominantly dependent upon the subsidiaries' ability to generate funds from the Block 26 assets, either through revenue generation or potential sale of equity. The Directors believe that there is sufficient asset coverage to cover all intercompany receivables, having taken into account such factors as :the value of the potential reserves, the Field Development Plan, the planned Exploration Programme, country and project risks, the expected future oil prices, the ability to monetise the project, and the ability to find a new farm-out partner.

Section 2 – Investments in Subsidiaries

2.1 Investments

The Company's investments in subsidiary companies are included in the Company Balance Sheet at cost, less provision for any impairment.

The Company's fixed asset investment of $7.3 million represents the historic cost of acquisition of the entire share capital of Gulfsands Petroleum Ltd by means of a share-for-share exchange in 2005, less any required provision for impairment.

The Company's investments in subsidiary undertakings are shown in note 4.1 to the Consolidated Financial Statements.

	2024 $'000	2023 $'000
Investment brought forward	7,307	7,307
Provision for impairment	—	—
Investment carried forward	7,307	7,307

Section 3 –Working Capital

3.1 Trade and other receivables

Trade receivables are carried at original invoice amounts less any provision made for impairment of receivables. A provision for impairment of trade receivables is made when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debt.

	2024 $'000	2023 $'000
Current		
Other receivables	21	17
Prepayments	109	126
	130	143
Non-current		
Amounts due from subsidiaries	57,490	56,032

Further details on the amounts due from subsidiaries are included in note 5.5.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and deposits repayable on demand by banks and other short-term investments with original maturities of three months or less. Balances held in bank accounts subject to escrow agreements as collateral for performance bonds issued are excluded from cash and cash equivalents and are shown as long-term financial assets.

	2024 $'000	2023 $'000
Cash at bank and in hand	421	556
Total cash and cash equivalents	421	556

3.3 Trade and other payables

Trade payables are not interest bearing and are stated at their nominal values.

	2024 $'000	2023 $'000
Current		
Trade payables	31	28
Accruals and other payables	117	277
	148	305

3.4 Loans and borrowings

See note 3.6 to the Consolidated Financial Statements.

Section 4 – Results for the Year

4.1 Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective rate applicable.

Income Statement and total revenue

No individual Income Statement is presented in respect of the Company as permitted by section 408 of the Companies Act 2006. The Company's loss for the year was $1.4 million (2023: $3.9 million). There was no revenue during 2024, as defined by IFRS 15 Revenue Recognition (2023: $nil). The Company operates in one segment, that of the provision of services to Group undertakings, and in one geographical area, the United Kingdom.

4.2 Leases

Rentals payable under leases are charged to the Income Statement on a straight-line basis over the lease term.

Obligations under leases

At the end of the year the Company had commitments for future minimum lease payments under non-cancellable leases in respect of land and buildings of $2k (2023: $2k) within one year and $nil (2023: $nil) between two and five years.

4.3 Share-based payments

See note 5.3 to the Consolidated Financial Statements.

4.4 Taxation

Current tax

Current tax, including UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

No deferred tax assets have been provided in respect of losses carried forward in the UK and other temporary timing differences as the Board does not consider it probable that sufficient future taxable profits will be made to offset the deductions represented by those deferred tax assets.

Deferred tax assets and liabilities are determined based on differences between financial reporting and tax bases of assets and liabilities and are measured using the enacted, or substantively enacted, tax rates and laws that will be in effect when the differences are expected to reverse. The recoverability of deferred tax assets is evaluated annually and an impairment provision is provided if it is more likely than not that the deferred tax asset will not give rise to future benefits in the Company's tax returns.

Deferred tax assets/(liabilities)

	2024 $'000	2023 $'000
Tax losses carried forward	15,185	14,854
Depreciation in advance of capital allowances	—	—
Unprovided deferred tax asset	(15,185)	(14,854)
Deferred tax asset/(liability) at 31 December	—	—

The tax losses of the Company have no expiry date.

Section 5 –Capital Structure and Other Disclosures

Equity instruments

Equity instruments issued by the Company, being any instruments with a residual interest in the assets of the Company after deducting all its liabilities, are recorded at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Share premium account

The share premium account represents the amounts received by the Company (net of any costs) on the issue of its shares which were in excess of the nominal value of the shares.

Retained earnings

Cumulative net gains and losses recognised in the Statement of Comprehensive Income less any amounts reflected directly in other reserves. The share option reserve has been included within the retained deficit and is a non-distributable reserve.

5.1 Share capital

See note 6.1 to the Consolidated Financial Statements.

5.2 Financial instruments, derivatives and capital management

The financial risks of the Company are principally in respect of balances held in bank accounts and on deposit, and balances owed to, or owed by, subsidiary undertakings. Balances owed to, or owed by, subsidiary undertakings are all denominated in US Dollars. Other risks are managed on a unified basis with the Group and a full disclosure of these risks is made in note 6.2 to the Consolidated Financial Statements. The exposure of the Company to interest rate and currency movements is not significant.

A summary of the financial assets of the Company is set out below:

	Financial assets on which interest is earned $'000	Financial assets on which no interest is earned $'000	Total $'000
2024			
US Dollar	5	57,506	57,511
Pound Sterling	—	420	420
Euro	—	98	98
Other currencies	—	12	12
	5	58,036	58,041
2023			
US Dollar	4	56,043	56,047
Pound Sterling	—	558	558
Euro	—	121	121
Other currencies	—	5	5
	4	56,727	56,731

A summary of the financial liabilities of the Company is set out below:

	Financial liabilities on which interest is charged $'000	Financial liabilities on which no interest is charged $'000	Total $'000
2024			
US Dollar	—	—	—
Pound Sterling	—	148	148
Other currencies	—	—	—
	—	148	148
2023			
US Dollar	—	—	—
Pound Sterling	—	5,934	5,934
Other currencies	—	—	—
	—	5,934	5,934

5.3 Foreign currency
Foreign currency transactions are translated to the functional and reporting currency of US Dollars at the rates prevailing when the transactions occurred. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange at the Balance Sheet date. All differences are taken to the Income Statement.

5.4 Employees
The average monthly number of persons employed by the Company, including Executive Directors was 3 (2023:3).

5.5 Related party transactions
(i) Transactions with Directors
Transactions with Directors are disclosed in note 6.3 to the Consolidated Financial Statements. Interests in shares and their remuneration and share options are disclosed in the Directors' Corporate Governance Report on page 29 and page 33.

(ii) Transactions with subsidiary Companies
The Company traded with various undertakings within the same Group during the years ended 31 December 2024 and 2023. IFRS 9 requires the Company to assess expected credit losses on intercompany loan receivables balances which are classified as held at amortised cost, under a forward-looking model approach. Intercompany loans are interest free and repayable on demand.

The Directors have assessed the cash flows associated with a number of different recovery scenarios. Recovery of the intercompany balances is predominantly dependent upon the subsidiaries' ability to generate funds from the Block 26 assets, either through revenue generation or potential sale of equity. The Directors believe that there is sufficient asset coverage to cover all intercompany receivables, having taken into account such factors as :the value of the potential reserves, the Field Development Plan, the planned Exploration Programme, country and project risks, the expected future oil prices, the ability to monetise the project, and the ability to find a new farm-out partner. The credit loss allowance was assessed during 2024 and there was no increase/decrease in the expected credit loss allowance (2023: $nil).

A summary of the transactions and outstanding balances at the year-end is set out below.

Balances owed by / (owed to) related parties

Name of related party	Nature of relationship	Commercial terms	2024 $'000	2023 $'000
Gulfsands Petroleum Ltd	Subsidiary	Non-interest bearing	57,490	56,032
Total			57,490	56,032

Services recharged to related parties

	2024		2023	
Name of related party	Time writing $'000	Indirect overhead $'000	Time writing $'000	Indirect overhead $'000
Gulfsands Petroleum Levant Ltd	409	—	409	—
Gulfsands Middle East Limited	—	439	—	426

(iii) Controlling party:

The parent company's immediate controlling party is Waterford, and the ultimate controlling party is Waterford.

5.6 Post balance sheet events

Post balance sheet events are disclosed in note 6.5 to the Consolidated Financial Statements.

Glossary of Terms

1C Low estimate (P90) Contingent Resources

2C Best estimate (P50) Contingent Resources

3C High estimate (P10) Contingent Resources

bbls Barrels of oil

bcf Billion cubic feet of gas

boe Barrels of oil equivalent

boepd Barrels of oil per day

Blake Blake Holdings Limited

CPR Competent Persons Report

CSOP Company Share Option Plan

DD&A Depletion, depreciation and amortisation

DPC Dijla Petroleum Company

E&E / E&P Exploration and evaluation / Exploration and production

ERCE ERC Equipoise Limited (Independent Energy Experts)

FDP Field Development Plan

G&A General and administrative expenses

GMEL Gulfsands Middle East Limited

GPC General Petroleum Corporation

Gulfsands Levant Gulfsands Petroleum Levant Limited

HCIIP Hydrocarbons Initially In Place

HSSE Health, safety, environment and security

IFRS International Financial Reporting Standards

km Kilometres

km² Square kilometres

KPI Key performance indicator

Major Shareholder Waterford

Major Shareholders Waterford and Blake

MENA Middle East and North Africa

mmbbl Millions of barrels of oil

mmboe Millions of barrels of oil equivalent

mmsbt Million Stock Tank Barrels

NGLs Natural gas liquids

NPV Net present value

OPC Oilfield Production Consultants

P10 There exists a 10% probability that the true quantity or value is greater than or equal to the stated P10 quantity or value

P50 There exists a 50% probability that the true quantity or value is greater than or equal to the stated P50 quantity or value

P90 There exists a 90% probability that the true quantity or value is greater than or equal to the stated P90 quantity or value

Possible Reserves Possible Reserves are those additional reserves which analysis of geological and engineering data suggests are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible (“3P”) Reserves, which is equivalent to the high estimate scenario. In this context, when probabilistic methods are used, there should be more than a 10% probability that the quantities actually recovered will equal or exceed the 3P estimate.

Probable Reserves Probable Reserves are those unproved reserves which analysis of geological and engineering data suggests are more likely than not to be recoverable. In this context, when probabilistic methods are used, there should be more than a 50% probability that the quantities actually recovered will equal or exceed the sum of estimated Proved plus Probable Reserves.

Proved Reserves Proved Reserves are those quantities of petroleum which, by analysis of geological and engineering data, can be estimated with reasonable certainty (normally over 90% if measured on a probabilistic basis) to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations.

PRMS The 2018 Petroleum Resources Management classification system of the SPE

PSC Production Sharing Contract

SPC Syrian Petroleum Company

SDG Sustainable Development Goals

SPE Society of Petroleum Engineers

UK Sanctions Sanctions applicable in the UK and to UK persons at any given time:

- for the period until and including 31 December 2020, EU sanctions, and the UK regulations relating to them (including Regulation (EU) No 36/2012 and The Syria (European Union Financial Sanctions) Regulations 2012); and
- for the period from 1 January 2021 onwards, UK sanctions made under the Sanctions and AML Act 2018, including The Syria (Sanctions)(EU Exit) Regulations 2019.
- note that all material UK sanctions relating to Gulfsands business were lifted post-year-end in 2025.

Waterford Waterford Finance and Investment Limited

Corporate Information

Corporate headquarters

52 Grosvenor Gardens
London SW1W 0AU
United Kingdom
www.gulfsands.com
info@gulfsands.com
T: +44 (0)20 3026 3919

Secretary and registered office

Ben Harber
c/o Arch Law,
8 Bishopsgate,
London EC2N 4BQ
United Kingdom

Regional offices

Syria

Grand Floor # 2151
Bldg. # 103
Abdullah Ibn Rawaha Street
Tanzeem Kafarsouseh
Damascus

Abu Dhabi

2461 Al Sila Tower, ADGM Square,
Al Maryah Island,
Abu Dhabi,
United Arab Emirates

Auditor

MHA
2 London Wall Place,
London, EC2Y 5AU
United Kingdom

Solicitors

Pinsent Masons LLP
141 Bothwell Street
Glasgow G2 7EQ
United Kingdom

Registrars

MUFG Corporate Services
10th Floor, Central Square
29 Wellington Street
Leeds LS1 4DL
United Kingdom

Secondary Trading Facility

Asset Match Ltd.
New Broad Street House
35 New Broad Street
London EC2M 1NH
United Kingdom
www.assetmatch.com
info@assetmatch.com

Company number

05302880

Shareholder Information

Post delisting trading in Gulfsands Petroleum PLC shares

Gulfsands Petroleum Plc ("Gulfsands") shares may be bought and sold through an electronic trading platform administered by Asset Match. www.assetmatch.com

Shareholders wishing to trade shares on Asset Match must do so through a UK stockbroker. Asset Match's preferred broker is shareDeal active (www.sharedealactive.co.uk). However please contact Asset Match to confirm whether your existing broker is set-up to deal.

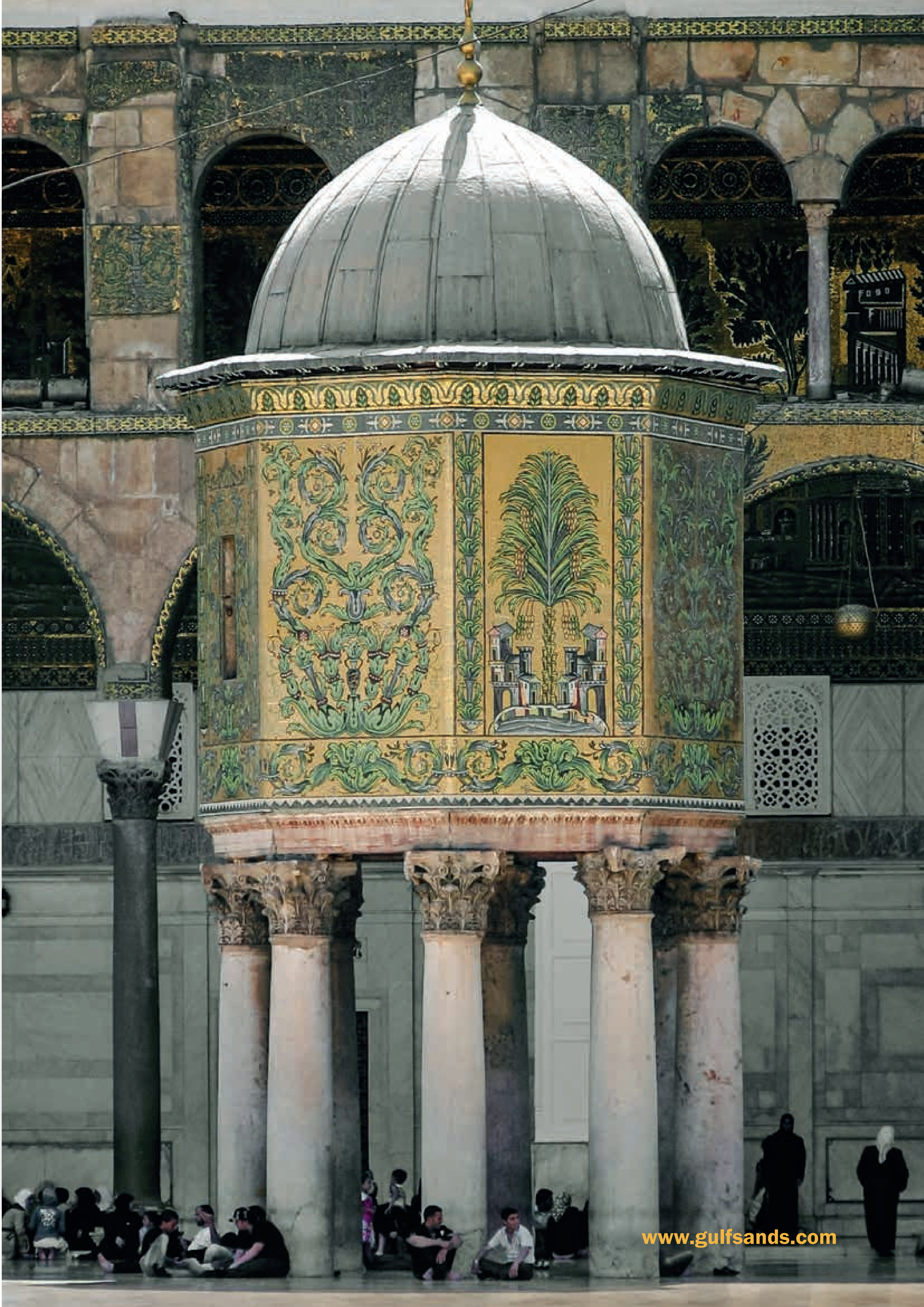
The Asset Match trading facility operates under its own code of practice which governs the behaviour of participants and the running of the periodic auctions. Asset Match operates an open auction system where volumes of bids and offers at different prices are displayed on its website together with the closing date of the auction. At the end of each auction period Asset Match pass this information through a non-discretionary algorithm that determines a "market-derived" share price based on supply and demand and allocates transactions accordingly. Bids and offers may be made and withdrawn at any time before the closing date of each auction.

Shareholders are encouraged to register at www.assetmatch.com and direct any enquiries by email to dealing@assetmatch.com or alternatively Tel. 020 7248 2788.

Asset Match is authorised and regulated by the Financial Conduct Authority.

If you have any queries regarding your shareholding or wish to advise any amendments, such as change of address, please contact our Registrars:

MUFG Corporate Services
10th Floor, Central Square
29 Wellington Street
Leeds LS1 4DL
United Kingdom
Tel: +44 (0)371 664 0300
Email: shareholderenquiries@cm.mpms.mutg.com


www.gulfsands.com

Gulfsands

52 Grosvenor Gardens
London SW1W 0AU
United Kingdom

info@gulfsands.com

www.gulfsands.com