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05 October 2020

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Interim Results Half Year to 30 June 2020

Mustang Energy PLC (the "Company"), the special purpose acquisition company, announces its unaudited interim results for the half year ended 30 June 2020.

Copies of this interim report will be made available on the Company's website, www.mustangplc.com

ENQUIRIES

For further information, please visit www.mustangplc.com, follow us on Twitter [@Mustang_Plc](https://twitter.com/Mustang_Plc), or contact:

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Interim Management Report

The Company was formed to undertake an acquisition of a target business, or asset(s) with operations in the energy or natural resources sectors.

As you are aware the Company's shares began trading on the standard list of the London Stock Exchange on the 29 July 2019 after raising £750,000. Even though the Company has only been funded for just over 12 months we have been active in executing the Company's objectives as outlined in the Company's Prospectus.

The Directors believe that their network and profile following Admission mean that the Company will be able to target an Acquisition where the target company or business or asset(s) has a transaction value of between £2 million and £50 million.

The Company's determination in identifying a prospective target company or business or asset(s) in the energy or natural resources sectors will not be limited to a specific geographic region, stage of development from exploration through to production. However, it is the Company's preference that the target is generating cashflow or has the capability of generating cash flow within 12-18 months of acquisition.

As previously advised the Company completed due diligence in late 2019 on a number of assets located in the USA, all of these assets were in production and had development upside. Bids were placed on the assets in a competitive bidding process however the Company was not successful in those instances. In early 2020 the Company had initiated discussions with a number of companies in respect to acquiring non-operated, minority interests in assets located in western Europe.

Since that time the effects of the COVID-19 virus and the oil price war between Saudi Arabia and Russia meant that oil prices materially declined and still remain approximately 30% below levels seen at the start of 2020. The Company believes that the effect of this will mean companies that were seeking to divest assets will wait until the oil price recovers to a more attractive level, it is the Company's view that this level will be a Brent oil price of at least US\$50 barrel. It is unknown how long this recovery will take and therefore the Company will expand its search for appropriate acquisition targets to the entire value chain of the energy industry and not just the upstream sector. It will also consider potential acquisitions outside of the energy and natural resources industries.

The Directors collectively have an interest of 29.2% in the Company and therefore have a vested interest to ensure the Company's first acquisition is the right one. The Company will remain diligent in minimising its overheads by reducing administration charges wherever possible. I look forward to communicating with you further once a suitable acquisition has been identified and secured by the Company.

**Alan
Broome,
AM
Chairman**

Statement of Directors' Responsibilities

The directors are responsible for preparing the interim report in accordance with applicable law and regulations. The directors confirm that the condensed interim financial information has been prepared in accordance with International Accounting Standard 34 ('Interim Financial Reporting') as adopted by the European Union.

The interim management report includes a fair review of the information required by the Disclosure and Transparency Rules paragraphs 4.2.7 R and 4.2.8 R, namely:

- the interim condensed financial statements, which have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position, and profit or loss of the issuer as required by DTR 4.2.4R; and

- an indication of important events that have occurred during the six months ended 30 June 2020 and their impact on the condensed set of financial information, and a description of the principal risks and uncertainties for the remaining six months of the year; and

- material related-party transactions during the six months ended 30 June 2020 and any material changes in the related-party transactions described in the Annual report and accounts 2019.

The directors of the company are listed in the interim condensed financial statements.

The directors are responsible for the maintenance and integrity of, amongst other things, the financial and corporate governance information.

The interim condensed financial statements have been prepared on a going concern basis.

The interim report was approved by the Board of Directors and authorised for issue on 5 October 2020 and signed on its behalf by:

Dean Lloyd Gallegos
Director

Date: 5 October 2020

Statement of Comprehensive Income

Period ended

30 June 20

Period ended

31 July 19

	(unaudited)	(unaudited)
	Note	
Administrative expenses	<u>(94,859)</u>	<u>(142,827)</u>
Operating loss	(94,859)	(142,827)
Interest income	-	-
Loss before taxation	(94,859)	(142,827)
Taxation	-	-
Loss for the period	(94,859)	(142,827)
Other comprehensive income for the period	-	-
Total comprehensive loss or the period attributable to the equity owners	(94,859)	(142,847)
Loss per share from continuing operations attributable to the equity owners		
	3	
Basic loss per share	(0.01)	(0.20)
Diluted loss per share (pence per share)	(0.01)	(0.20)

Statement of Financial Position

	Note	As at 30 June 2020 (unaudited) £	As at 31 December 2019 (audited) £
Assets			
<i>Non-current assets</i>			
Property, plant and equipment		360	551
Total non-current assets		<u>360</u>	<u>551</u>
<i>Current assets</i>			
Trade and other receivables	4	39,242	31,282
Cash and cash equivalents		404,451	516,557
Total current assets		<u>443,693</u>	<u>547,839</u>
Total assets		<u>444,053</u>	<u>548,390</u>
Equity and liabilities			
<i>Equity attributable to shareholders</i>			
Share capital		84,000	84,000
Share premium		654,000	654,000
Share based payments reserve		48,986	27,471
Retained deficit		(364,471)	(269,612)
Total equity		<u>422,515</u>	<u>495,859</u>
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	5	21,538	52,531
Total liabilities		<u>21,538</u>	<u>52,531</u>
Total equity and liabilities		<u>444,053</u>	<u>548,390</u>

Statement of Changes in Equity

	Share capital £	Share premium account £	Share based payments reserve £	Retained deficit £	Total equity £
On 31 January 2019	-	-	-	(74,148)	(74,148)
Period ended 31 December 2019				(195,464)	(195,464)
Total comprehensive loss for the period	-	-	-		
Issue of share capital	84,000	654,000	-	-	738,000
Share based payment	-	-	27,471	-	27,471
Balance as at 31 December 2019 (audited)	84,000	654,000	27,471	(269,612)	495,859
Period ended 30 June 2020					
Total comprehensive loss for the period	-	-	-	(94,859)	(94,859)
Share based payment	-	-	21,515	-	21,515
Balance as at 30 June 2020 (unaudited)	84,000	654,000	48,986	(364,471)	422,515

Statement of Cash Flows

Note	6 months to 30 June 2020 (unaudited) £	6 months to 31 July 2019 (unaudited) £
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Cash (absorbed by) from operations	(112,106)	(20)
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Cash flow from operating activities

Cash (absorbed by) from operations	10	(112,106)	(20)
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Cash flow from operating activities		(112,106)	(20)
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Investing activities

Purchase of property, plant and equipment		-	-
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Net cash (used) in investing activities		-	-
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Financing activities

Proceeds from issue of shares (net of share issue costs)		-	275,301
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Repayment of loans and borrowings		-	-
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Proceeds from loans and borrowings		-	-
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Net cash generated from financing activities		-	275,301
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Net increase (decrease) in cash and cash equivalents		(112,106)	275,281
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Cash and cash equivalents at beginning of period		516,557	-
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Cash and cash equivalents at end of period		404,451	275,281
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1 Notes to the interim financial statements

General information

Mustang Energy PLC (the "Company") is a Public Limited Company incorporated and domiciled in England and Wales. The interim condensed financial statements for the six months ended 30 June 2020. The address of the Company's registered office is 48 Chancery Lane, c/o Keystone Law, London, WC2A 1JF. The interim condensed financial statements of the Company were authorised for issue in accordance with a resolution of the Directors on 5 October 2020.

These interim condensed financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The unaudited statutory accounts for the period ended 31 December

2019 have been delivered to the Registrar of Companies in England and Wales and are publicly available on the Company's website: www.mustangplc.com. The interim condensed financial statements have been prepared on a going concern basis.

1.1 Accounting convention

The Interim Financial Statements are for the six months ended 30 June 2020 and have been prepared in accordance with IAS 34 'Interim Financial Reporting'. They do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the financial statements for the period ended 31 December 2019.

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

1.2 Accounting policies, critical estimates and judgements

The accounting policies, methods of computation, critical estimates and judgements followed in the interim financial statements are in accordance with those followed in preparing the financial statements for the period ended 31 December 2019.

No new accounting policies were adopted since the preparation of the financial statements for the period ended 31 December 2020.

2 Adoption of new and revised standards and changes in accounting policies Standards which are in issue but not yet effective

In the current period, the following new and revised Standards and Interpretations have been adopted by the company for the first time. These have been considered by the directors and deemed not to have a material impact on the current, previously reported, or future financial position and performance of the company.

- Amendments to References to the Conceptual Framework in IFRS Standards

At the date of authorisation of these financial statements, the following Standards and interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective:

- IFRS 3 - Amendments updating a reference to the Conceptual Framework
- IAS 1 - Amendments regarding the classification of liabilities
- IAS 1 - Amendment to defer the effective date of the January 2020 amendments

It is not anticipated that adoption of the standards and interpretations listed above will have a material impact on the current financial position and performance of the company.

3 Loss per share

	6 month period ended	6 month period ended
	30 June 20	31 July 19
	£	£
Number of shares		
Weighted average number of ordinary shares for basic earnings per share	8,400,000	706,081
Weighted average number of ordinary shares for diluted earnings per share	9,584,615	706,081
Loss		
Loss for the period from continued operations	(94,859)	(142,827)
Loss for basic and diluted earnings per share being net profit attributable to equity shareholders of the company for continued operations	(94,859)	(142,827)
Loss per share for continuing operations		
Basic loss per share	(0.01)	(0.20)
Diluted loss per share	(0.01)	(0.20)

The share options and warrants are considered to be anti-dilutive.

4 Trade and other receivables

	30 June	31 December
	2020	2019
	£	£
Other receivables	9,000	8,000
VAT recoverable	23,845	14,671
Prepayments	6,397	8,611
	39,242	31,282

Trade and other payables

	30 June	31 December
	2020	2019
	£	£
Trade Payables	11,163	18,245
Accruals	10,375	34,286
	21,538	52,531

5 Share-based payment transactions

On 18 May 2020, the Company granted 350,000 Options to Jacqueline Yee, a director of the company. Each Option entitles the Option Holder to subscribe for one Ordinary Share at the Placing Price per each Ordinary Share. The Options vest when the share price of the Ordinary Shares reaches 15p. The Option Holder must exercise the Options by 5:00pm GMT on 28 July 2024, subject to the Options having vested.

The directors are of the opinion the company will achieve a share price of 15p by 31 December 2020, and

therefore the Options will vest by this date. The successful acquisition of a target company is anticipated by 31 December 2020 following the expansion of searches for target companies into increased industries and areas, and the share price is expected to increase following acquisition.

The fair value of the options at their grant date has been calculated using the Black Scholes Model and a valuation for the newly granted options of £3,000 has been adjusted through the Share based payment reverse in equity during the current period. There has also been a fair value adjustment of £18,515 in the period relating to options already in existence at 31 December 2019.

6 Events after reporting date

There have been no material events since the reporting date that require disclosure.

7 Directors' loans

At the reporting date £9,000 (31 December 2019 - £9,000) was due from the directors to the company in respect of unsettled share capital. £6,300 (31 December 2019 - £6,300) was due from D L Gallegos, and £900 (31 December 2019 - £900) was each due from A J Broome, P V Wale and S W Holden. These amounts are repayable on demand, interest free and are considered fully recoverable.

In addition, a further amount of £nil (31 December 2019 - £1,000) was due to D L Gallegos. This amount was repayable on demand and interest free.

8 Principal risks and uncertainties

The Directors consider that the principal risks and uncertainties that could have a material effect on the Company's performance are unchanged from those identified in the Annual Report and audited financial statements for the period ended 31 December 2019.

9 Cash generated from operations

	6 month	6 month
	period ended	period ended
	30 June 2019	31 July 2019
	£	£
Loss for the period after tax	(94,859)	(142,827)
Adjustments for:		
Depreciation and impairment of property, plant and equipment	191	191
Equity settled share-based payment expense	21,515	86,700
Movements in working capital		
(Increase)/decrease in trade and other receivables	(7,960)	6,757
(Decrease)/increase in trade and other payables	(30,993)	49,159
	(112,106)	(20)

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