

Mast Energy Developments PLC  
(Incorporated in England and Wales)  
(Registration Number: 12886458)  
LEI :213800HFVHGJ9YGO9F71  
Share code on the LSE: MAST  
ISIN: GB00BMBSCV12  
('MED' or 'the Company')



**Dated: 7 May 2024**

**Mast Energy Developments PLC ('MED' or 'the Company')**

**Business Update, Capitalisation of Loan, Issue of Equity & Financing**

Mast Energy Developments PLC, the UK-based multi-asset owner, developer and operator in the rapidly growing flexible power market, is pleased to announce a further business operational update, capitalisation of an outstanding loan, issue of equity, and a financing transaction. The details of the foregoing are set out below.

**Business Operational Update**

Further to the Company's previous announcement dated 26 April 2024, MED has now officially launched the 2<sup>nd</sup> Phase of the work programme at its Pyebridge asset. Pyebridge Power Ltd ("Pyebridge") has signed an Engineering Works contract with the Pyebridge site's O&M contractor, Cooper Östlund regarding the full long-block overhaul of one genset, and certain essential improvements to the site. The expected timeline to completion of the work and commercial operations date of the refurbished genset is around 8 weeks.

During the time that the work on the one genset will be performed, it is expected that the site's other two gensets will remain operational and will continue to generate revenue via its PPA with Statkraft. Pyebridge will also keep receiving its current Capacity Market contract income from the government.

Once the work on the first genset has been completed, Pyebridge should have 3 gensets operating and generating at optimum capacity. The plan is to overhaul the other two gensets in due course, in order to maximise full reliability, efficiency and revenue generating ability in the most cost-efficient manner.

The total costs for the above referred works on the one genset overhaul will be funded under the new Funding Agreement with RiverFort, as previously announced on 28 February 2024, with Pyebridge as the borrower. As such, the board of MED has agreed with RiverFort a 2<sup>nd</sup> Advance against the Funding Agreement amounting to a gross total of £1,177,107. The gross draw includes a VAT funding element, and once the associated VAT has been reclaimed, and an expected refund for the replaced long-block been received, it will be paid back to RiverFort (anticipated to be in June), resulting in a net 2<sup>nd</sup> Advance of c. £836,670. The proceeds from the 2<sup>nd</sup> Advance will solely be used for the above-mentioned works at Pyebridge on the genset engine overhaul. The 2<sup>nd</sup> Advance accelerates the overhaul of the first engine, and once the work is completed will result in additional revenue being generated sooner than expected.

**Capitalisation of Loan and Issue of Equity**

Further to the Company's RNS dated 18 May 2023, the Company confirms that it has entered into a partial settlement deed with the Institutional Lender, being RiverFort Global Opportunities, in relation to the Reprofiled Balance due under the Reprofiled Agreement. Under the terms of the settlement deed Mr. Pieter Krügel, a director of the Company will purchase from the Institutional Lender £325,000 (the "Capitalised Balance") of the Reprofiled Balance due under the Reprofiled Agreement, in consideration, the Institutional Lender of the Reprofiled Agreement will be paid £325,000 in cash (the "Acquisition").

In accordance with the terms of the Reprofitting Agreement, the Capitalised Balance will be converted into 162,500,000 new MED ordinary shares of 0.1p (the "Subscription Shares") at a conversion price of 0.20p per share by Mr. Pieter Krügel, a director of the Company (the "Conversion"). The Capitalised Balance has been transferred and assigned to Mr. Krügel. Following the Acquisition and Conversion, the remaining outstanding balance due under the Reprofitting Agreement will be £477,005.

Following admission of the Subscription Shares, Mr. Krügel has agreed to sell the Subscription Shares to new investors arranged by the Company's broker, Novum Securities Limited ("Novum") at the same price per share as the Conversion, being 0.20p (the "Placing"), for a gross consideration of £325,000.

As part of the Placing agreement with Novum, the Company will grant to Novum or associates brokerwarrants valid for three years from the issue date which shall give Novum the right to subscribe for one ordinary share for each warrant issued. The number of warrants to be issued is calculated as warrants equivalent to 6% of the gross aggregate value of the Placing consideration at the Placing price.

As part of the Conversion and Placing, MED's major shareholder, Kibo Energy PLC has agreed to a hard lock-in of its existing MED shares for a period of 3 months from today's date (with no sale of shares allowed unless approved by the MED Board in the usual exceptional circumstances). Following issue of the Financing Shares, Kibo Energy PLC will hold 83,211,746 Ordinary Shares representing 19.52% of the Company's enlarged issued share capital.

Completion of the Conversion is conditional on, inter alia :- the Subscription Shares being admitted to trading on the standard segment of the Main Market on the London Stock Exchange on or around 29 May 2024 ("Admission").

Applications have been made to the FCA and the London Stock Exchange for admission in respect of the Subscription Shares. It is expected that Admission will become effective, and that dealings in the Subscription Shares are expected to commence, at 8.00 a.m. on or around 29 May 2024.

The rights attaching to the Subscription Shares will be uniform in all respects and all of the new Subscription Shares will rank pari passu and form a single class for all purposes with the existing issued shares of £0.001 par value in the Company.

## **Financing**

The Company has entered into a new unsecured, non-convertible fixed term loan with RiverFort Global Opportunities ("RiverFort"), amounting to £325,000 (the "Term Loan"). The loan is subject to a fixed coupon of 10% and is repayable in cash after 12 months. The proceeds of the Term Loan will be used to further develop MED's existing development sites and for working capital purposes.

**Pieter Krügel, MED CEO, commented** *"We are pleased to have officially initiated the 2<sup>nd</sup> Phase work programme. It will see Pyebridge generating at optimum capacity as soon as the work has been completed, boosting revenues and profitability. We have worked closely with the Pyebridge site's O&M contractor to source a replacement engine for the first overhaul, which was secured and ready to ship much sooner than expected, and along with the associated 2<sup>nd</sup> Advance funding, resulting in an accelerated timeline to get the overhauled genset into production and generating additional revenue sooner. We are appreciative of the ongoing support from RiverFort, and their preparedness to fund the turnkey at Pyebridge, which is testament of their belief in MED's business model. We are looking forward to completing the work on the first genset. We will update the market with progress in due course.*

*"Further, we are delighted to have completed the capitalisation of the existing loan and the associated capital placing via Novum. The cash proceeds due to MED under the Term Loan will bolster our runway and ability to progress the Company's strategy."*

## **Total Voting Rights**

Following Admission, the Company has 426,354,067 ordinary shares of £0.001 par value in issue, each with one vote per share (and none of which are held in treasury). The total number of voting rights in the Company is therefore 426,354,067.

This figure may be used by shareholders in the Company as the denominator for calculations to determine if they have a notifiable interest in the share capital of the Company under the Disclosure Guidance and Transparency Rules, or if such interest has changed. For further information, please visit [www.med.energy](http://www.med.energy).

As Mr. Krügel is a Person Discharging Managerial Responsibility ('PDMR') under the Company's Share Dealing Policy Code, he has obtained consent from the Company for the sale of the Subscription Shares, which was completed on 7 May 2024. Mr Krügel has also notified the Financial Conduct Authority ('FCA') in the prescribed manner by submitting the details shown on the Dealing Notification Form below.

As a result of the Conversion and prior to the Placing Mr Krügel's aggregate interest in the capital of the Company will momentarily (pending completion of the Placing) exceed the 30% of the entire share capital of the Company. In compliance with the Takeover Code, the Panel on Takeovers and Mergers have waived the requirement for a Rule 9 bid arising as a result of the issue and allotment of the Subscription Shares to Mr Krügel.

**Notification and public disclosure of transactions by persons discharging managerial responsibilities and persons closely associated with them.**

**DEALING NOTIFICATION FORM  
FOR USE BY PERSONS DISCHARGING MANAGERIAL RESPONSIBILITY AND THEIR  
CLOSELY ASSOCIATED PERSONS**

<b>1.</b>	<b>Details of the person discharging managerial responsibilities/person closely associated</b>					
a)	Name:	Pieter Krugel				
<b>2.</b>	<b>Reason for the notification</b>					
a)	Position/status:	Director				
b)	Initial notification/Amendment:	Initial				
<b>3.</b>	<b>Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor</b>					
a)	Name:	Mast Energy Developments PLC				
b)	LEI:	213800HFVHGJ9YGO9F71				
<b>4.</b>	<b>Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transactions have been conducted</b>					
a)	Description of the financial instrument, type of instrument: Identification code	Ordinary Shares of £0.001 each GB00BMBSCV12 / MAST				
b)	Nature of the transaction:	Capitalisation of £325,000 in to 162,500,000 new ordinary shares and disposal thereof.				
c)	Price(s) and volume(s):	<table border="1"> <thead> <tr> <th>Price(s)</th><th>Volume(s)</th></tr> </thead> <tbody> <tr> <td>£0.002</td><td>162,500,000</td></tr> </tbody> </table>	Price(s)	Volume(s)	£0.002	162,500,000
Price(s)	Volume(s)					
£0.002	162,500,000					
d)	Aggregated information: • Aggregated volume: • Price:	N/A				
e)	Date of the transaction:	7 May 2024				
f)	Place of the transaction:	Outside Trading Venue				

END

*This announcement contains inside information for the purposes of the UK version of the Market Abuse Regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ('UK MAR'). Upon the publication of this announcement, this inside information is now considered to be in the public domain.*

For further information please visit [www.med.energy](http://www.med.energy) or contact:

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Jon Belliss	+44 (0)20 7399 9425	Novum Securities	Corporate Broker

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