

18 December 2024

Active Energy Group Plc

('Active Energy', the 'Company' or the 'Group')

Interim results for the six months ended 30 June 2024

Active Energy, the international biomass based renewable energy business, is pleased to announce its unaudited interim results for the six months ended 30 June 2024.

HIGHLIGHTS

Operational Highlights:

- On 26 January 2024, the commercial arrangements between Active Energy and Player Design Inc. to commence first production volumes of CoalSwitch® at the Ashland Reference Facility in Maine (the 'Facility') were terminated by mutual agreement.
- On 5 March 2024, a settlement was agreed between Active Energy and Player Design, providing for a cash payment of 1.6m to the Company reflecting previous amounts contributed by the Company towards development of the Facility. This sum was subsequently received by Active Energy.
- During the second quarter of 2024, the Board and the Company's management team investigated options to produce CoalSwitch® fuel at alternative facilities in the United States and examined commercial opportunities to monetise the Company's CoalSwitch® proprietary technology. In the event, Active Energy was unable to find an alternative production facility or to raise sufficient working capital to build and/or operate a CoalSwitch® production facility within an appropriate timeframe.
- On 13 May 2024, Active Energy ceased its US activities, and the Board started looking at options to maximise value for its stakeholders via either, i) a disposal of the components of the Group or ii) the sale of the CoalSwitch® assets and its associated intellectual property.
- On 20 June 2024, the Company announced that because it was unable to raise sufficient working capital to continue to commercialise CoalSwitch®, it was proposing a members' voluntary liquidation of the Company. The proposal was subsequently not approved by the shareholders.

Financial Highlights:

- Loss from continuing operations of 1.0 million (H1 23: 2.2 million).
- Cash position of 0.4 million at 30 June 2024 (31 December 2023: 0.3 million).

Post Period End activity and Outlook:

- On 1st July 2024, the Company shares were suspended from trading on AIM pending publication of the Company's 2023 audited annual accounts.
- A shareholder's meeting to approve the members' voluntary liquidation was held on 22 July 2024. At that meeting the relevant resolutions were not approved by the shareholders. Following the shareholder's meeting, the Board has continued to examine ways to monetise the CoalSwitch® technology.
- On 15th October 2024, Active Energy announced that it had received £125,000 by way of a loan from Zen Ventures Limited ('Zen Ventures') to enable the completion of the audit of the accounts for year ended 31 December 2023 and preparation of the interim accounts for the 6 months ended 30 June 2024 (together the 'Accounts').
- On 1 November 2024, a Heads of Terms ('Heads of Terms') was agreed between Active Energy and Zen Ventures. Zen Ventures subsequently extended its loan to the Company to a total amount of £200,000 to allow completion of the Accounts. On the same day, Max Aitken and Jason Zimmermann, both non-executive directors, resigned from the Board.

- On 4 December 2024 the Company published its accounts for the year ended 31 December 2023. Trading in the Company's shares remained suspended on AIM pending the Company announcing its interim results for the six months ended 30 June 2024.
- Following this announcement, it is expected that trading in the Company's shares on AIM will recommence at 7:30am on 18 December 2024.
- An annual general meeting of the Company (the 'AGM') will be convened in January 2025 and a circular will be published and sent to shareholders as soon as practicable.
- In accordance with the Heads of Terms, Zen Ventures intend to appoint 2 new directors to the Board before the AGM. James Leahy and Michael Rowan have informed the Board that they intend to resign as directors of Active Energy at the conclusion of the forthcoming AGM, subject to the Company having two other directors at the time.

Michael Rowan, CEO of Active Energy, commented:

"After an uncertain year, the Board have completed the audit of the accounts for the year ended 31 December 2023 and these interim results. We have used every effort over many years to commercially develop CoalSwitch® and are frustrated that we could not achieve this. The investment by Zen Ventures will allow the Company to continue to seek to monetise its CoalSwitch® assets and we thank them for their support in recent months."

Enquiries:

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BOARD'S STATEMENT

Introduction

The Group's strategy to continue to commercialise CoalSwitch®, a proprietary biomass production technology, met with significant commercial challenges in the first half of 2024.

Operational review during the period

1. Relationship with Player Design Inc ("Player Design")

After the various project delays at Player Design's facility in Ashland, Maine, (the 'Ashland Reference Facility' or the 'Facility') had been communicated to the Board during the second half of 2023, the Board became increasingly concerned about Player Design's commitment toward both completion of the Ashland Reference Facility and the future production of CoalSwitch® fuels and its wish to continue any commercial partnership with Active Energy. In the meantime, Active Energy continued to market CoalSwitch® fuels to prospective customers.

In January 2024, the Company announced that Player Design had informed the Company that it was no longer willing or able to commit to offer a future production date for the CoalSwitch® fuels or confirm any future production

volumes. Player Design also stated that it wished to terminate its commercial links with Active Energy although it provided no substantive reasons for wanting to do so. The Board attempted over several weeks to seek a compromise, even providing for a limited production run of CoalSwitch® fuels from the Facility but all these efforts were unsuccessful. In March 2024 a settlement agreement was agreed between the parties regarding the activities at the Ashland Reference Facility (the "Settlement Agreement").

Under the terms of the Settlement Agreement, Player Design agreed to pay the Company the sum of £1.65m to cover; (i) the return of cash proceeds formerly committed by the Company toward the development of the Ashland Reference Facility; (ii) transferring the ownership of certain production equipment located at the Ashland Reference Facility from the Company to Player Design; and, (iii) Player Design retaining ownership of its specific know how for its production methods at the Facility. These rights did not infringe upon Active Energy's intellectual property. The Board was disappointed in the actions of Player Design.

2. A Revised Strategy for Active Energy

During April 2024, the Board commenced a review of the Company's strategy to consider all options regarding the development of the Company, the commercialisation of CoalSwitch® fuels and sourcing alternate funding options for both the Company and a specific future production project. At that time, the commercial backdrop was not encouraging, notably with the continuing weakness in the capital markets and more importantly, the demise of Enviva Biomass Fuels Inc into Chapter 11, an American insolvency proceeding, during quarter two 2024. Both factors added to the challenges faced by the Company.

In May 2024, the Board had had a series of discussions with several parties about both strategic opportunities and the sale or license of the CoalSwitch® intellectual property. In each instance there was interest, however, timing had become a critical issue, and the Board had to preserve the finite capital resources then available to the Company. Considering this, the Board decided to terminate its operations in the United States and release the Company's US management team from their employment obligations. At the same time, a series of cost-cutting exercises were also implemented at the Company.

The Board continued its strategic conversations until mid-June 2024, at which point it was evident to the Board that any acceptable offer for the assets belonging to CoalSwitch® was unlikely to be achieved in the short term. On 20 June 2024, the Board resolved that in the event that any outstanding negotiations failed then it would be prudent to consider a members' voluntary liquidation given the then limited cash resources available to it.

Post period end activities

On 1 July 2024, the Company's shares were suspended from trading on AIM due to the Company's failure to publish its audited accounts for the year ended 31 December 2023. The Board convened the shareholders meeting to consider two resolutions, namely (i) the cancellation of admission to trading on AIM of the Company's shares and (ii) to undertake a members' voluntary liquidation in order to affect a solvent winding up of the business. The meeting was held on 22 July 2024; but neither resolution obtained the requisite shareholder's approval. Following the shareholders meeting all the Board resolved to continue to seek an alternate solution for the Company and continue its efforts to monetise the Company's CoalSwitch® fuel assets.

On 15 October, 2024, the Company reached an agreement with Zen Ventures Limited ('Zen Ventures'), a property development company based in Manchester, to provide the funding to allow the completion of the audit of the Company's accounts for the year ended 31 December 2023, and the preparation of the interim accounts for the 6 months ended 30 June 2024. On 1 November 2024, it was announced that £200,000 had been provided to the Company by Zen Ventures under the terms of a loan agreement. On the same date, two of the non- executive directors of the Company, Max Aitken and Jason Zimmerman resigned from the Board.

We would like to thank the directors, colleagues and commercial partners for all their hard work and commitment toward the development of CoalSwitch® over recent years. It is most frustrating that CoalSwitch® fuel was never provided with the opportunity to demonstrate its benefits, both environmental and economic.

James Leahy and Michael Rowan

18 December 2024

FINANCIAL REVIEW

The Unaudited Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2024 ("the reporting period" or "H1 24") are compared to the six-month period ended 30 June 2023 ("the prior period" or "H1 23") as required by UK-adopted International Accounting Standards ("IFRS").

The Group did not raise debt or equity finance during the period.

Performance

The operating loss from continuing operations for the period was 1.2 million (H1 23: 1.1 million), comprising administrative expenses.

The loss for the period includes foreign exchange gains of 0.2 million (H1 23: losses of 1.1 million) resulting from movements in the US Dollar relative to Sterling.

The basic and diluted loss per share was 0.72 cents (H1 23: loss per share of 1.67 cents)

Cash Flows

The Group reports a cash position at 30 June 2024 of US 0.4 million (31 December 2023: US 0.3 million).

Going concern

In October 2024 the Company received loan note finance of £200,000 from Zen Ventures Limited and it has subsequently received a commitment to provide additional future funding from Zen Ventures Limited and parties connected to Zen Ventures Limited. The Board, having reviewed the cash flow forecasts, consider that this funding commitment will be sufficient to enable the Company to settle its liabilities as they fall due for at least one year from the date of approval of these financial statements.

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

The Zen Ventures Limited loan note finance includes £27,616 of convertible loan notes that will convert to new ordinary shares representing 29.9% of the Company's issued share capital on 31 December 2024, contingent upon, inter alia, the suspension in trading in the Company's shares on AIM, a market operated by the London Stock Exchange plc, having been lifted by this date. To achieve this the Company must, inter alia, publish its interim results for the six months ended 30 June 2024 and the Board are very confident of meeting this requirement before 31 December 2024.

However, the loan notes, and by extension the future funding from Zen Ventures Limited and its connected parties, are also subject to approval by the Company's shareholders at its next general meeting. The Board consider that this represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Directors Responsibility Statement

The Directors confirm that to the best of their knowledge the unaudited interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'.

A list of the current Directors is available on the Company's website: www.aegplc.com.

James Leahy and Michael Rowan

Chairman and Chief Executive Officer

18 December 2024

CONDENSED CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

		30 June 2024	30 June 2023
		Unaudited	Restated
Note	US	Unaudited	Unaudited
		US	US
CONTINUING OPERATIONS			
REVENUE	7	<u>-</u>	<u>-</u>
GROSS PROFIT		-	-
Administrative expenses		<u>(1,191,321)</u>	<u>(1,142,996)</u>
OPERATING LOSS		(1,191,321)	(1,142,996)
Finance (costs)/income	5	(388)	20,162
Foreign exchange gains/(losses)		160,973	(1,115,822)
		<u>-</u>	<u>-</u>
LOSS BEFORE TAXATION		(1,030,736)	(2,238,656)
Taxation		<u>-</u>	<u>-</u>
LOSS FROM CONTINUING OPERATIONS	7	(1,030,736)	(2,238,656)

LOSS FROM DISCONTINUED OPERATIONS	7	(134,346)	(458,631)
LOSS FOR THE PERIOD - attributable to Parent	7	<u>(1,165,082)</u>	<u>(2,697,287)</u>
Basic and Diluted loss per share (US cent):			
- Continuing operations	6	(0.64)	(1.38)
- Discontinued operations	6	(0.08)	(0.29)
- Total operations	6	(0.72)	(1.67)
OTHER COMPREHENSIVE LOSS			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of operations		(158,466)	1,155,425
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		<u>(1,323,548)</u>	<u>(1,541,862)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

		30 June 2024 Unaudited US	31 December 2023 Audited US
	Note		
NON-CURRENT ASSETS			
Intangible assets	9	63,670	63,670
Property, plant and equipment	10	-	154
Other financial assets	11	863,967	870,047
		<u>927,637</u>	<u>933,871</u>
CURRENT ASSETS			
Trade and other receivables	12	55,759	845,714
Cash and cash equivalents	14	365,110	319,137
		<u>420,869</u>	<u>1,164,851</u>
Non-current assets held for sale		-	875,330
		<u>420,869</u>	<u>2,040,181</u>
TOTAL ASSETS		<u>1,348,506</u>	<u>2,974,052</u>
CURRENT LIABILITIES			
Trade and other payables	13	351,879	665,564
Loans and borrowings	14	126,196	14,781
		<u>478,075</u>	<u>680,345</u>
NON-CURRENT LIABILITIES			
Deferred income tax liabilities		-	-
Loans and borrowings	14	-	120,846
		<u>-</u>	<u>120,846</u>
TOTAL LIABILITIES		<u>478,075</u>	<u>801,191</u>
NET ASSETS		<u>870,431</u>	<u>2,172,861</u>
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Share capital - Ordinary shares	15	786,867	786,867
Share capital - Deferred shares		18,148,898	18,148,898
Share premium		55,349,883	55,349,883
Merger reserve		2,350,175	2,350,175
Foreign exchange reserve		(4,628,235)	(4,469,769)
Own shares held reserve		(268,442)	(268,442)
Convertible debt / warrant reserve		-	690,937
Retained earnings		(70,868,715)	(70,415,688)
		<u>870,431</u>	<u>2,172,861</u>
TOTAL EQUITY		<u>870,431</u>	<u>2,172,861</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

	Share capital US	Share premium US	Merger reserve US	Foreign exchange reserve US	Own shares held reserve US	Convertible debt and warrant reserve US	Retained earnings US	Total equity
At 31 December 2022	18,935,765	55,349,883	2,350,175	(5,851,094)	(268,442)	690,937	(55,373,429)	15,833,7
Total comprehensive loss	-	-	-	1,155,425	-	-	(2,697,287)	(1,541,8
Share based payments	-	-	-	-	-	-	85,867	85,8
At 30 June 2023	18,935,765	55,349,883	2,350,175	(4,695,669)	(268,442)	690,937	(57,984,849)	14,377,4
At 31 December 2023	18,935,765	55,349,883	2,350,175	(4,469,769)	(268,442)	690,937	(70,415,688)	2,172,4
Total comprehensive loss	-	-	-	(158,466)	-	-	(1,165,082)	(1,323,5
Release of warrant reserve	-	-	-	-	-	(690,937)	690,937	
Share based payments	-	-	-	-	-	-	21,118	21,1
At 30 June 2024	18,935,765	55,349,883	2,350,175	(4,628,235)	(268,442)	-	(70,868,715)	870,4

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

	Note	30 June 2024 Unaudited US	30 June 2023 Unaudited US
Cash flows from operating activities			
Loss for the period		(1,165,082)	(2,697,287)
<i>Adjustments for:</i>			
Non-cash and non-operating items	20	(495,027)	1,411,862
Working capital decrease		476,270	126,632
Net cash outflow from operations	20	(1,183,839)	(1,158,793)
Income tax received		362,282	-
Net cash outflow from operating activities		(821,557)	(1,158,793)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		875,330	-
Net cash inflow from investing activities		875,330	-
Cash flows from financing activities			
Loans repaid		(9,596)	(9,436)
Net cash (outflow) from financing activities		(9,596)	(9,436)
Net increase/(decrease) in cash and cash equivalents		44,177	(1,168,229)
Cash and cash equivalents at beginning of the period		319,137	2,614,472
Exchange gains/(losses) on cash and cash			

equivalents	1,796	(204,562)
Cash and cash equivalents at end of the period	365,110	1,241,681

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024

1. GENERAL INFORMATION

Active Energy Group plc ("AEG") is a renewable energy company focused on the production and development of next generation biomass products that have the potential to transform the traditional coal fired-power industry and the existing renewable biomass industry. The Company is quoted in London (AIM: AEG); however, its shares are currently suspended from trading.

The Company is incorporated in England and Wales (Company number 03148295) and the address of the registered office is 27-28 Eastcastle Street, London, W1W 8DH, United Kingdom.

2. BASIS OF PRESENTATION

The annual financial statements are prepared and approved by the Directors in accordance with UK-adopted International Accounting Standards ("IFRS") and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The condensed consolidated interim financial report for the half-year reporting period ended 30 June 2024 has been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The Interim Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2023. The Interim Financial Statements are presented in US Dollars, except as otherwise indicated. The Interim Financial Statements have been prepared on a going concern basis, under the historical cost convention, except for the revaluation of certain financial instruments.

The Interim Financial Statements are unaudited and do not constitute full statutory accounts under Section 434 of the Companies Act 2006. The financial information in respect of the year ended 31 December 2023 has been extracted from the statutory accounts which have been delivered to the Registrar of Companies. The Group's independent auditor's report on those accounts was unqualified and did not contain a statement under section 498(2) or 498(3) of the Companies Act 2006. The auditor's report on those accounts highlighted a material uncertainty in relation to going concern. The auditor did not qualify their report in respect of this matter. The financial information for the half years ended 30 June 2024 and 30 June 2023 is unaudited and the twelve months to 31 December 2023 is audited.

The accounting policies applied by the Group in this financial information are the same as those applied by the Group in its financial statements for the year ended 31 December 2023 and which will form the basis of the 2024 financial statements, except for the new and amended standards which have become effective since the beginning of the previous financial year. These new and amended standards are not expected to materially affect the Group.

The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the most appropriate application of the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing these interim financial statements are not materially different from those disclosed in the financial statements for the year ended 31 December 2023.

Restatement of prior period

The statement of comprehensive income for the six months ended 30 June 2023 has been restated

to report the loss for that period from operations discontinued later in 2023 within the *loss from discontinued operations* line (see note 7). The overall loss for the six months ended 30 June 2023, the total comprehensive loss for the period and net assets at 30 June 2023 are unaffected.

These Interim Financial Statements were approved by the Board of Directors on 18 December 2024.

3. GOING CONCERN

The Directors are required to give careful consideration to the appropriateness of the going concern basis in the preparation of the interim financial statements.

Following the termination of the Group's relationship with Player Design, Inc. the Company is now principally a holding company, and its projected future cash requirements comprise its ongoing compliance and management costs. The Company has prepared cash flow forecasts to estimate these future cash requirements, and the resources available to it, and these indicate that the Company should have sufficient cash resources to continue in operation for at least one year from the date of approval of these financial statements.

In October 2024 the Company received loan note finance of £200,000 from Zen Ventures Limited and it has subsequently received a commitment to provide additional future funding from Zen Ventures Limited and parties connected to Zen Ventures Limited. The Board, having reviewed the cash flow forecasts, consider that this funding commitment will be sufficient to enable the Company to settle its liabilities as they fall due for at least one year from the date of approval of these financial statements.

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

The Zen Ventures Limited loan note finance includes £27,616 of convertible loan notes that will convert to new ordinary shares representing 29.9% of the Company's issued share capital on 31 December 2024, contingent upon, inter alia, the suspension in trading in the Company's shares on AIM, a market operated by the London Stock Exchange plc, having been lifted by this date. To achieve this the Company must, inter alia, publish its interim results for the six months ended 30 June 2024 and the Board are very confident of meeting this requirement before 31 December 2024.

However, the loan notes, and by extension the future funding from Zen Ventures Limited and its connected parties, are also subject to approval by the Company's shareholders at its next general meeting. The Board consider that this represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements do not include any of the adjustments that would be required if they were not prepared on a going concern basis.

4. BASIS OF CONSOLIDATION

The financial information incorporates the results of AEG and entities controlled by AEG (its subsidiaries). Control is achieved when the Group has power over relevant activities, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidated interim financial statements present the financial results of AEG and its subsidiaries (the Group) as if they formed a single entity. Where necessary, adjustments are made to the results of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-Group transactions, balances, income and expenses are eliminated on consolidation.

5. NET FINANCE GAINS/(COSTS)

	30 June 2024 Unaudited	Restated 30 June 2023 Unaudited
Continuing operations		
Interest receivable	-	20,162
Loan interest	(288)	-

Loan interest	(500)	-
Net finance cost of continuing operations	(388)	20,162
Discontinued operations		
Loan interest and charges	(367)	(1,987)
Net finance cost of discontinued operations	(367)	(1,987)
Total operations	(755)	18,175

6. LOSS PER SHARE

	30 June 2024 Unaudited	Restated 30 June 2023 Unaudited
Weighted average ordinary shares in issue (Number)	161,863,136	161,863,136
Loss for the period (US):		
Continuing operations	(1,030,736)	(2,238,656)
Discontinued operations	(134,346)	(458,631)
Total operations	(1,165,082)	(2,697,287)
Basic and diluted loss per share (US cent):		
Continuing operations	(0.64)	(1.38)
Discontinued operations	(0.08)	(0.28)
Total operations	(0.72)	(1.67)

Basic and diluted loss per share is the same where the effect of any potential shares is anti-dilutive and is therefore excluded.

7. DISCONTINUED OPERATIONS

During 2023 the Group discontinued its CoalSwitch® operations in Ashland, Maine. During 2022 the Group sold the Lumberton property that was used for its wood processing operations. The results of these businesses are disclosed as a single line item in the Consolidated Statement of Income in accordance with IFRS5. The analysis between continuing and discontinued operations is as follows:

Six months to 30 June 2024 (Unaudited)	Continuing operations US	Discontinued operations US	Total US
Revenue	-	-	-
Gross loss	-	-	-
Administrative expenses	(1,191,321)	(496,570)	(1,687,891)
Operating loss	(1,191,321)	(496,570)	(1,687,891)
Finance costs	(388)	(367)	(755)
Foreign exchange gains	160,973	309	161,282
Loss before taxation	(1,030,736)	(496,628)	(1,527,364)
Taxation	-	362,282	362,282
Loss for the period	(1,030,736)	(134,346)	(1,165,082)
Cash (outflows)/inflows from operating activities	(1,083,464)	261,906	(821,558)
Cash inflows from investing activities	-	875,330	875,330
Cash outflows from financing activities	(6,728)	(2,868)	(9,596)
Six months to 30 June 2023 (Unaudited)	Restated Continuing operations US	Restated Discontinued operations US	Restated Total US
Revenue	-	-	-
Gross loss	-	-	-
Administrative expenses	(1,142,996)	(456,843)	(1,599,839)

Operating loss	(1,142,996)	(456,843)	(1,599,839)
Finance income/(costs)	20,162	(1,987)	18,175
Foreign exchange (loss)/gains	(1,115,822)	199	(1,115,623)
Loss before taxation	(2,238,656)	(458,631)	(2,697,287)
Taxation	-	-	-
Loss for the period	(2,238,656)	(458,631)	(2,697,287)
Cash outflows from operating activities	(390,123)	(768,670)	(1,158,793)
Cash outflows from financing activities	(6,568)	(2,868)	(9,436)

7. SEGMENTAL INFORMATION

The Group reports two business segments:

- "CoalSwitch®" denotes the Group's renewable wood pellet business. Activities have ceased and are reported as discontinued operations.
- "Corporate and other" denotes the Group's corporate and other costs.

The business segments are aligned to the Group's strategy as disclosed in the Strategic Report within its 2023 Annual Report.

Factors that management used to identify the Group's reportable segments

The Group's reportable segments are strategic business units that offer different products or services.

Measurement of operating segment profit or loss

The Group evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with IFRS but excluding the results from discontinued operations in accordance with IFRS 5.

Six months to 30 June 2024 (Unaudited)	CoalSwitch® US	Corporate & Other US	Total US
Revenue	-	-	-
Operating segment (loss)	-	(1,191,321)	(1,191,321)
Segment (loss) before tax	-	(1,030,736)	(1,030,736)
Tax	-	-	-
Segment (loss) for the period	-	(1,030,736)	(1,030,736)
Total Assets	63,892	1,284,614	1,348,506
Total Liabilities	22,478	455,597	478,075
Other segmental information:			
Depreciation & amortisation	-	152	152
Six months to 30 June 2023 (Unaudited)	Restated CoalSwitch® US	Restated Corporate & Other US	Restated Total US
Revenue	-	-	-
Operating segment (loss)	-	(1,142,996)	(1,142,996)
Segment (loss) before tax	-	(2,238,656)	(2,238,656)
Tax	-	-	-
Segment (loss) for the period	-	(2,238,656)	(2,238,656)
Total Assets	13,692,476	2,144,704	15,837,180
Total Liabilities	865,295	594,085	1,459,380
Other segmental information:			
Depreciation & amortisation	-	445	445

8. INTANGIBLE ASSETS

Intellectual

Total

	property US	total US
Cost		
At 31 December 2022 (audited)	8,064,947	8,064,947
Adjustment to prior year additions	(300,000)	(300,000)
At 31 December 2023 (audited)	7,764,947	7,764,947
Additions	-	-
At 30 June 2024 (unaudited)	7,764,947	7,767,947
Accumulated amortisation		
At 31 December 2022 (audited)	362	362
Impairment of intangibles	7,700,915	7,700,915
At 31 December 2023 (audited)	7,701,277	7,701,277
Amortisation charge	-	-
At 30 June 2024 (unaudited)	7,701,277	7,701,277
Net book value		
At 30 June 2024 (unaudited)	63,670	63,670
At 31 December 2023 (audited)	63,670	63,670

The adjustment to additions in 2023 results from further information becoming available in relation to the cost of the 2022 additions, subsequent to the approval of the 2022 financial statements.

Intellectual property comprises costs incurred to secure the rights and knowledge associated with the CoalSwitch® and PeatSwitch technologies. These assets are accounted for as indefinite life assets and assessed for impairment at each balance sheet date. These have been impaired to their recoverable amount, which has been determined to be their fair value less costs to sell. The key assumption in estimating the recoverable amount is considered to be the estimated selling price of the intellectual property assets.

9. PROPERTY, PLANT AND EQUIPMENT

	Plant and equipment US	Furniture and office equipment US	Total US
Cost			
At 31 December 2022 (audited)	7,771,514	11,765	7,783,279
Adjustment to prior year additions	(100,000)	-	(100,000)
Transfer to non-current assets held for sale	(7,671,514)	-	(7,671,514)
Foreign exchange movements	-	660	660
At 31 December 2023 (audited)	-	12,425	12,425
Foreign exchange differences	-	(86)	(86)
At 30 June 2024 (unaudited)	-	12,339	12,339
Accumulated depreciation			
At 31 December 2022 (audited)	3,000,000	10,749	3,010,749
Charge for the year	-	898	898
Impairment charges	3,796,184	-	3,796,184
Transfer to non-current asset held for sale	(6,796,184)	-	(6,796,184)
Foreign exchange differences	-	624	624
At 31 December 2023 (audited)	-	12,271	12,271
Charge for the period	-	152	152
Foreign exchange differences	-	(84)	(84)
At 30 June 2024 (unaudited)	-	12,339	12,339
Net book value			
At 30 June 2024 (unaudited)	-	12,339	12,339

At 30 June 2024 (unaudited)	-	-	-
At 31 December 2023 (audited)	-	154	154

The adjustment to additions in 2023 results from further information becoming available in relation to the cost of the 2022 additions, subsequent to the approval of the 2022 financial statements.

At 31 Dec 2023 the plant and equipment was impaired to its recoverable amount which was determined to be its fair value less costs to sell. This valuation was based on the amounts subsequently realised for these assets.

10. OTHER FINANCIAL ASSETS

	30 June 2024 Unaudited US	31 December 2023 Audited US
Fair value at previous year end	870,047	823,744
Foreign exchange movements	(6,080)	46,303
Fair value at period end	<u>863,967</u>	<u>870,047</u>

Other financial assets consist of an unquoted equity instrument which is valued at fair value through other comprehensive income and classified as a non-current asset. The instrument is denominated in Pounds Sterling.

This asset is valued according to Level 3 inputs as defined by IFRS 13 and is therefore subject to management's judgement of unobservable inputs. The asset is currently held at its historic cost which represents management's best estimate of its fair value.

11. TRADE AND OTHER RECEIVABLES

	30 June 2024 Unaudited US	31 December 2023 Audited US
Project advances	-	774,669
Prepayments	42,567	38,041
Other receivables	13,192	33,004
	<u>55,759</u>	<u>845,714</u>

No impairment provisions have been raised against trade and other receivables.

The carrying value of trade and other receivables approximates to fair value.

12. TRADE AND OTHER PAYABLES

	30 June 2024 Unaudited US	31 December 2023 Audited US
Trade payables	81,024	381,926
Social security and other taxes	-	14,911
Accruals and deferred income	270,855	268,727
	<u>351,879</u>	<u>665,564</u>

The carrying value of trade and other payables approximates to fair value.

13. NET CASH

30 June	31 December
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	2024 Unaudited US	2023 Audited US
Cash and cash equivalents	365,110	319,137
Loans and borrowings - current liabilities	(126,196)	(14,781)
Loans and borrowings - non-current liabilities	-	(120,846)
Loans and borrowings - Total liabilities	(126,196)	(135,627)
	238,914	183,510

14. SHARE CAPITAL - ORDINARY SHARES

	Number of shares	US
Allotted, called up and fully paid shares of 0.0035p each		
At 31 December 2023 and 30 June 2024	161,863,136	786,867

15. CONTINGENT LIABILITIES

The Group has received legal claims from former subcontractors in the USA in respect of alleged unpaid remuneration. The Group disputes these claims and is advised that they are unlikely to be successful, and the Board therefore does not consider it likely that any payment will be required to settle the claims. The Board's best estimate of the cost to the Group, were these claims to be successful, is 360,653. No provision has been made for this sum in these financial statements.

16. RELATED PARTY DISCLOSURES

During the period, the Group paid 18,954 (H1 2023: nil) to Rowan & Associates Limited, a company owned by Michael Rowan (a director of the Company), in respect of director's fees.

During the period, the Group paid 11,056 (H1 2023: 22,076) to Zimmfor Management Services Limited, a company owned by Jason Zimmerman (a director of the Company), in respect of director's fees.

Transactions between the Company and its subsidiaries, which are related party transactions, have been eliminated on consolidation. These transactions, which are incurred in the ordinary course of business and under normal commercial terms, are substantially the same in nature as those disclosed in the Annual report and Accounts at 31 December 2023.

17. CAPITAL COMMITMENTS

The Group had no capital commitments at 30 June 2024 (31 December 2023: Nil).

18. SUBSEQUENT EVENTS

The Company's shares were suspended from trading on AIM on 1 July 2024, pursuant to AIM Rule 19. On 4 December 2024 the Company published its accounts for the year ended 31 December 2023. Trading in the Company's shares remained suspended on AIM pending the Company announcing its interim results for the six months ended 30 June 2024. Following this announcement, it is expected that trading in the Company's shares on AIM will be recommenced at 7:30am on 18 December 2024.

On 22 July 2024 the Group placed its subsidiary Advanced Biomass Solutions Limited into a members' voluntary liquidation. The Group expects the company to realise its assets and settle its liabilities at amounts approximate to their carrying values.

In October 2024 the Company raised £200,000 (260,878) through the issue of loan notes, of which £27,616 (36,022) are convertible loan notes that will convert to new ordinary shares representing 29.9% of the Company's issued share capital on 31 December 2024 (subject to shareholder approval). The loan notes are secured by way of a fixed and floating charge over the assets of the Company.

On 1 November 2024 Jason Zimmermann and Max Aitken resigned as directors of the Company.

19. RECONCILIATION OF LOSS FOR THE PERIOD TO CASH OUTFLOWS FROM OPERATING ACTIVITIES

	30 June 2024 Unaudited US	30 June 2023 Unaudited US
Loss for the period	(1,165,082)	(2,697,287)
<i>Adjusted for:</i>		
Share based payment expense	21,118	85,867
Depreciation	152	445
Foreign currency translations	(154,771)	1,323,578
Finance expenses	756	1,972
Income tax received	(362,282)	-
	(1,660,109)	(1,285,425)
Decrease in trade and other receivables	789,955	9,049
(Decrease)/increase in trade and other payables	(313,685)	117,583
Net cash outflow from operations	(1,183,839)	(1,158,793)

20. COPIES OF THE INTERIM FINANCIAL STATEMENTS

Copies of the Consolidated Interim Financial Statements will be made available on the Company's website at www.aegplc.com.



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