

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



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## Audited results for the year ended 31 December 2024

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**Dated 30 April 2025**

MAST Energy Developments PLC ('MED' or the 'Company'), is pleased to announce its audited results for the year ended 31 December 2024. A condensed set of financial statements accompanies this announcement below while the Company's full Annual Report and Financial Statements (Audited Annual Report and Accounts for the year ended 31 December 2024) can be found at the Company's website at [www.med.energy](http://www.med.energy).

The Company's Notice of Annual General Meeting will be announced separately in due course.

### Overview of key events during the period up to the date of this report

- Revenue increased 77% year-on-year, which were predominantly earned from July 2024 during the last 6 months of the year, as a result of the comprehensive refurbishment programme started at the Pyebridge site earlier in 2024 in partnership with RiverFort Global Opportunities PCC Limited ("RiverFort"), and the successful completion of the overhaul of two engines at the Pyebridge site.
- Loss per share improved significantly with 78% from 1.51 pence in 2023 to 0.32 pence in 2024.
- The comprehensive refurbishment programme at Pyebridge included the overhaul of two engines at the Pyebridge site and other technical upgrades. The overhauled engines achieved full commercial operation in July 2024 and December 2024 respectively and are operating at optimum efficiency, providing a combined 5.4MW of power generation capacity.
- Company successfully secured alternative funding under a loan facility for up to £4m with RiverFort further to an agreement with MED subsidiary Pyebridge Power Ltd ("Pyebridge") on 28 February 2024. This loan facility on which the Company made three gross drawdowns during 2024 totalling £2,769,297 enabled the comprehensive refurbishment at Pyebridge. Subsequently, repayments to the value of £529,969 were made up to year-end, and cumulative repayments to date totals £637,969.
- MED's Pyebridge site has secured uninterrupted Capacity Market contracts to ensure minimum gross profit margin income totalling c. £1.7m until 2029, in addition to its trading revenue generation via its PPA with Statkraft.
- MED entered into a long-term Growth Capital Partnership with a long-established and successful UK flexible power developer and operator, Powertree (Holdings) Ltd ("Powertree"). As part of this Partnership, Powertree and ADV 001 Limited (MED's special purpose vehicle ("SPV") holding the Hindlip Project), signed a comprehensive investment agreement for the construction of Hindlip to provide capital funding for Hindlip up to £5m, resulting in the Hindlip site being fully funded with no

provide capital funding for HINDUP up to £5m, resulting in the HINDUP site being fully funded with no further funding obligation from MED.

- Following a successful turnaround during 2024, and with the ongoing support of its two new funding partners, RiverFort and Powertree, MED is now well positioned to grow its portfolio of MWs in production at some pace to achieve its target of 300+.

*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.*

## ENDS

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

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## DIRECTORS, OFFICERS AND PROFESSIONAL ADVISERS

BOARD OF DIRECTORS: Paul Venter (Non-Executive Chairman)  
Pieter Krügel (Chief Executive Officer)

REGISTERED OFFICE AND  
BUSINESS ADDRESS: Salisbury House  
London Wall  
London  
EC2M 5PS

COMPANY SECRETARY: Noel Flannan O'Keeffe  
Salisbury House  
London Wall  
London  
EC2M 5PS

PLACE OF INCORPORATION: England & Wales

AUDITORS: Crowe U.K. LLP  
55 Ludgate Hill  
London  
EC4M 7JW

BROKERS: Novum Securities Limited  
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London  
W1J 6ER

Fortified Securities  
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60 Windsor Avenue  
London  
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REGISTRAR: MUFG Corporate Markets  
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29 Wellington Street  
Leeds  
LS1 4DL

SOLICITORS: Druces LLP  
Salisbury House  
London Wall  
London  
EC2M 5PS

PRINCIPLE BANKERS: Barclays Bank PLC  
1 Churchill Place

Canary Wharf  
London E14 5HP

STOCK EXCHANGE LISTING: London Stock Exchange: Main Market (Share code: MAST)  
WEBSITE: [www.med.energy](http://www.med.energy)  
DATE OF INCORPORATION: 17 September 2020  
REGISTERED NUMBER: 12886458

## CHAIRMAN'S REPORT

I am pleased to provide a review of MAST Energy Developments PLC ("MED" or the "Company") and its subsidiaries (collectively, the "Group") activities and audited financial statements for the year ended 31 December 2024.

The past year has seen the Company turn a corner in pursuing its business strategy to expand its operations in the flexible power generation market in the United Kingdom following some set-backs in 2023 beyond its expectation or control, which saw the Company terminate the joint venture agreements with two investors because of failure of said investors to fulfil their contractual obligations. In early 2024, the Company successfully secured alternative funding under a loan facility for up to £4m with institutional investor, RiverFort Global Opportunities PCC Limited ("RiverFort") further to an agreement signed with MED subsidiary Pyebridge Power Ltd ("Pyebridge") on 28 February 2024. This loan facility on which the Company made three gross drawdowns during 2024 totalling £2,769,297 enabled the Company to pursue a comprehensive refurbishment programme and successful completion of the overhaul of two of the engines at our Pyebridge flexible power generation site. The Company repaid the Pyebridge loan facility owing to RiverFort to the value of £529,969 during the year, resulting in a net balance owing at year-end amounting to £2,239,328. The results of the positive progress at Pyebridge can clearly be seen from the Company's regular RNS announcements throughout 2024 to date. Most notably, they report significantly improved operating performance and enhanced revenue generation at Pyebridge. Pyebridge also benefited from extended periods of low winds during the last quarter of 2024 which sent UK power prices to a multi-year high, with the intraday price for electricity surging to c. £600 per MWh during December 2024.

Following successful pre-qualification for additional Capacity Market ("CM") T-1 and T-4 contracts during the assessment window in August 2024, and the implementation of a robust CM auction bid strategy, for the first time Pyebridge has now successfully secured both contracts at its maximum generation capacity permissible under the CM rules. The recent CM T-4 auction cleared at £60,000 per MW/year, and the CM T-1 auction cleared at £20,000 per MW/year. This means that Pyebridge now has uninterrupted CM contracts until 2029 with a cumulative total guaranteed gross profit income value of c. £1.73m, over and above its trading income through the Statkraft Power Purchase Agreement ("PPA") and Embedded Benefits.

Since the signing of the loan facility with RiverFort in February 2024, I am glad to report that our relationship has deepened and broadened over 2024 culminating in the signing of a Project Finance Framework Agreement in November 2024 providing for RiverFort to support MED to procure and secure project finance funding in order to grow its portfolio of in production to 300+ MW's, and further provide MED with certain financial advisory support services. Commensurate with the signing of the Project Finance Framework Agreement, we also announced the sale of our greenfield Rochdale Project at a premium to the initial acquisition cost. This sale was in line with our refocused strategy to acquire existing constructed or advanced sites which have a lower total investment cost and shorter time to production and income generation than earlier stage development sites. The sale also provided additional cashflow to the Company to expedite its refocused acquisition strategy and for general working capital purposes.

In addition to the Rochdale sale, we have continued to examine how we can best achieve value from our remaining three early construction and development sites, Bordesley, Hindlip and Stather while acquiring additional more advanced projects in line with our refocused strategy as mentioned above. In this regard, I am pleased to reflect on MED's new Growth Capital Partnership with long-established and successful UK flexible power developer and operator, Powertree (Holdings) Ltd ("Powertree"), to form a long-term partnership with MED and deploy capital into the portfolio of development flexible power generation projects that MED owns or acquires, starting with Hindlip. As part of this Growth Capital Partnership, Powertree and ADV 0001 Limited (MED's SPV holding the Hindlip Project) signed an interim finance facility

PowerTree and ADV 0001 Limited (MED SERV holding the Hindlip Project), signed an interim finance facility agreement for an initial advance of up to £70,000 of which MED availed of the full amount to cover some of Hindlip site's on-going development costs. Subsequent to the signing of the finance facility MED has now entered a comprehensive investment agreement with PowerTree for the construction of Hindlip under the terms of the Growth Capital Partnership. This comprises an investment agreement and a revision of the existing finance facility to provide capital funding for Hindlip up to £5m, resulting in the Hindlip site being fully funded with no further funding obligation from MED. The Growth Capital Partnership, which we expect will be extended to MED's other development and pipeline projects should assist with accelerating the timeframe to our objective to reach a 300+ MW portfolio acquiring, developing and operating multiple small-scale flexible power generation plants across the UK. In terms of pipeline projects, MED and its partners continue to identify potential acquisition opportunities with the objective to grow MED's portfolio of MWs in production at some pace.

With regard to corporate matters, following MED's successful agreement on the reprofiling of the outstanding balances on MED's two existing loan facilities held with RiverFort in May 2023, the Company paid down £325,000 on the outstanding balance in May 2024 via a director loan purchase agreement and a placing, and also secured funding of £325,000 via a new non-convertible fixed term loan with RiverFort. The placing, which was facilitated by the company's broker, Novum Securities, was at a price of 0.20p per share resulting in the issue of an additional 162,500,000 shares during 2024. I am also pleased to welcome Fortified Securities who were appointed in November 2024 as an additional corporate broker. Together with Novum Securities, I am confident that they will greatly assist the Company with its future funding requirements. Towards the end of 2024 we also saw Louis Coetzee and Dominic Traynor step-down and retire as directors of MED to pursue other business interests, and I would like to thank them for their significant contributions to the development of the Company while they served as directors.

I would like to extend a special word of thanks and appreciation on behalf of the Company and its board of directors to RiverFort, which was instrumental in ensuring MED's successful business turnaround during 2024 and continues to provide significant support to the Group.

As I write, changes in the global geopolitical environment are rapid, with the threat of a global tariff war on the horizon as well as uncertainty on the outcomes of conflicts in Ukraine and the Middle East and their impact on UK and European energy markets. When added to the impact of the evolving UK Government response to climate change and changes to the regulatory environment, I believe we have to be prepared for volatility in energy markets and prices for the foreseeable future. However, MED remains confident and optimistic that our business strategy and new partner relationships will enable the Group to deliver positive results from a growing robust projects portfolio over the course of the next 12 months and beyond.

In conclusion I would like to thank Pieter Krügel and his management team for their ongoing execution of the MED business strategy which has seen significant positive progress during 2024 following the challenging events the Company faced during 2023, and I look forward to supporting them as we build towards our target of 300+ MWs of flexible power generation available to the UK energy market.

This report was approved on 29 April 2025 by:

Paul Venter  
Non-Executive Chairman

## Financial summary of the MAST Energy Developments PLC Group

The following information is included to highlight the financial performance of the Group in its inaugural period of operations.

Description	Year ended 31 December 2024	Year ended 31 December 2023
Revenue	737,158	341,207
Cost of sales	(441,541)	(223,838)

Gross profit	<b>295,617</b>	<b>117,369</b>
Administrative expenses	(764,441)	(941,941)
Listing and capital raising fees	(130,421)	(464,853)
Project expenditure	(340,582)	(343,718)
Impairment	-	(1,857,604)
Disposal/de-recognition of non-current asset	87,005	-
Other income	-	40,375
Finance income	18	1,117
Finance costs	(244,629)	(90,139)
Loss for the period	<b>(1,097,433)</b>	<b>(3,539,394)</b>

The decrease in the loss year-on-year, as disclosed in the table above and in the statement of comprehensive income, is mainly owing to the following reasons:

- Revenue increased 77% year-on-year due the comprehensive refurbishment programme started at Pyebridge earlier in 2024 in partnership with RiverFort and the successful completion of the overhaul of two engines at the Pyebridge site. The first overhauled engine was commissioned in July 2024, and the second during December 2024. The increase in cost of sales is directly aligned with the increase in revenue.
- Pyebridge successfully qualified for and secured a number of Capacity Market ("CM") contracts, the first being a T-1 CM contract for delivery year 2023/2024 and the second CM for the delivery year 2024/2025, contributing to increased revenue earnings compared to 2023.
- Administrative expenses reduced with 19% year-on-year, due to concerted efforts to reduce costs.
- Listing and capital raising fees reduced with 72% year-on-year since new shares were only issued on one occasion during 2024.
- The impairment expense in 2023 was high due the pressure on the UK economy which influenced the assumptions used by management for the impairment assessment. There were no impairments recognised in 2024 largely due to the current improved market conditions, most notably the inflation and interest rate environment that have stabilised since 2023. Possible impairment reversals were identified during the impairment assessment performed as at year-end, but are not recognised in the accounts until it is confirmed to be of more permanent nature. Refer to note 11 for further details.
- A gain on disposal of the Rochdale site to the value of c. £16k.
- The de-recognition of the Stather Road lease (c. £70k) that was due to a Deed of Variation signed during 2024 resulting in the lease liability and corresponding right-of-use asset being de-recognised in terms of IFRS16. Due to the asset being impaired in 2023, it is showing as a gain in 2024.

There have been no dividends declared or paid during the current financial period (2023: £ Nil).

## RESPONSIBILITY STATEMENT

We confirm to the best of our knowledge:

- a) the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';
- b) the Directors' Statement includes a fair review of the information required by the Disclosure and Transparency Rule DTR 4.2.7R (indication of important events during the year); and
- c) the Directors' Statement includes a fair review of the information required by the Disclosure and Transparency Rule DTR 4.2.8R (disclosure of related party transactions and changes therein); and
- d) this report contains certain forward-looking statements with respect to the operations, performance, and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated.

The forward-looking statements reflect knowledge and information available at the date of preparation of this financial report and the Company undertakes no obligation to update these forward-looking statements

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Nothing in this financial report should be construed as a profit forecast.

## **CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Group	
		Year ended	Year ended
		31 December	31 December
		2024	2023
		Audited	Audited
		£	£
Revenue		737,158	341,207
Cost of sales		(441,541)	(223,838)
<b>Gross profit/(loss)</b>		<b>295,617</b>	<b>117,369</b>
Administrative expenses		(764,441)	(941,941)
Listing and other corporate fees		(130,421)	(464,853)
Project expenditure		(340,582)	(343,718)
Impairment	7&8	-	(1,857,604)
<b>Operating loss</b>		<b>(939,827)</b>	<b>(3,490,747)</b>
Other income		87,005	40,375
Finance income		18	1,117
Finance costs		(244,629)	(90,139)
<b>Loss before tax</b>		<b>(1,097,433)</b>	<b>(3,539,394)</b>
Taxation		-	-
<b>Loss for the period</b>		<b>(1,097,433)</b>	<b>(3,539,394)</b>
<b>Total comprehensive loss for the period</b>		<b>(1,097,433)</b>	<b>(3,539,394)</b>
<b>Loss for the period</b>		<b>(1,097,433)</b>	<b>(3,539,394)</b>
Attributable to the owners of the parent		(1,097,433)	(3,539,394)
Attributable to the non-controlling interest		-	-
<b>Total comprehensive loss for the period</b>		<b>(1,097,433)</b>	<b>(3,539,394)</b>
Attributable to the owners of the parent		(1,097,433)	(3,539,394)
<b>Loss Per Share</b>			
Basic loss per share(pence)	6	(0.32)	(1.51)
Diluted loss per share(pence)	6	(0.32)	(1.51)

## **CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2024**

	Note	Group	
		31 December	31 December
		2024	2023
		Audited	Audited
		£	£
<b>Assets</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	7	3,278,530	2,080,869
Intangible assets	8	247,405	397,779
<b>Total non-current assets</b>		<b>3,525,935</b>	<b>2,478,648</b>
<b>Current Assets</b>			
Other receivables		364,469	122,649
Cash and cash equivalents		146,446	252
<b>Total current assets</b>		<b>510,915</b>	<b>122,901</b>

<b>Total Assets</b>		<b>4,036,850</b>	<b>2,601,549</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Called up share capital	10	426,354	263,854
Share premium account	10	13,326,277	13,183,277
Share reserve		-	81,329
Warrant reserve	12	400,241	380,741
Common control reserve	11	383,048	383,048
Non-controlling interest acquired	11	(4,065,586)	(4,065,586)
Retained deficit		(11708,605)	(10,611,172)
<b>Total Equity</b>		<b>(1,238,271)</b>	<b>(384,509)</b>
<b>Liabilities</b>			
<b>Non-current Liabilities</b>			
Lease liability	7	341,149	405,390
Other financial liabilities	14	2,268,089	318,925
<b>Total non-current liabilities</b>		<b>2,609,238</b>	<b>724,315</b>
<b>Current Liabilities</b>			
Loans from related parties	13	-	849,253
Trade and other payables		696,049	941,688
Other financial liabilities	14	1,965,967	444,365
Lease liability	7	3,867	4,205
CLN Derivative liability	14	-	22,232
<b>Total current liabilities</b>		<b>2,665,883</b>	<b>2,261,743</b>
<b>Total Liabilities</b>		<b>5,275,121</b>	<b>2,986,058</b>
<b>Total Equity and Liabilities</b>		<b>4,036,850</b>	<b>2,601,549</b>

#### **CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Share Capital	Share Premium	Share Reserve	Common Control Reserve	Warrant Reserve	Non- controlling interest acquired	Retained deficit	Total
	£	£	£	£	£	£	£	£
<b>Balance at 31 December 2022</b>	<b>217,453</b>	<b>12,653,607</b>	<b>-</b>	<b>383,048</b>	<b>-</b>	<b>(4,065,586)</b>	<b>(7,071,778)</b>	<b>2,116,744</b>
Total comprehensive loss for the period	-	-	-	-	-	-	(3,539,394)	(3,539,394)
Warrants issued during the year	-	-	-	-	380,741	-	-	380,741
Loans partially settled in shares	14,755	92,317	-	-	-	-	-	107,072
Director's loan repayable in shares	-	-	81,329	-	-	-	-	81,329
Loan with holding company settled in shares	31,646	437,353	-	-	-	-	-	468,999
<b>Balance at 31 December 2023</b>	<b>263,854</b>	<b>13,183,277</b>	<b>81,329</b>	<b>383,048</b>	<b>380,741</b>	<b>(4,065,586)</b>	<b>(10,611,172)</b>	<b>(384,509)</b>
Total comprehensive loss for the period	-	-	-	-	-	-	(1,097,4330)	(1,097,433)
Shares issued	162,500	143,000	-	-	19,500	-	-	325,000
Derecognition of equity component of director's loan repayable in shares	-	-	(81,329)	-	-	-	-	(81,329)
<b>Balance at 31 December 2024</b>	<b>426,354</b>	<b>13,326,277</b>	<b>-</b>	<b>383,048</b>	<b>400,241</b>	<b>(4,065,586)</b>	<b>(11,708,605)</b>	<b>(1,238,271)</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	Note	Group	
		Year ended	Year ended
		31	31
		December	December
		2024	2023
		Audited	Audited
		£	£
<b>Cash flows from operating activities</b>			
Loss for the period before taxation		<b>(1,097,433)</b>	<b>(3,539,394)</b>
<b>Adjustments for non-cash items:</b>			
Depreciation	7	78,894	74,542
Impairment of intangible assets	8	-	1,397,904
Impairment of PPE		-	459,700
Gains on disposal of non-current assets		(87,005)	-
Implementation fee on reprofiling of convertible loan notes		-	48,950
Loss/(gain) on revaluation of CLN derivative liabilities		-	86,558
Non-cash interest accrued		244,629	88,731
Amounts due settled from share issue proceeds		64,500	-
Amounts due settled from Rochdale disposal proceeds		41,234	-
Other non-cash items		11,451	369
		<b>(743,730)</b>	<b>(1,382,640)</b>
<b>Movement in working capital</b>			
Decrease/(increase) in debtors		(241,820)	14,152
Increase in creditors		(245,639)	641,363
		<b>(487,459)</b>	<b>655,515</b>
<b>Net cash outflows from operating activities</b>		<b>(1,231,189)</b>	<b>(727,125)</b>
<b>Cash flows from investing activities</b>			
Disposal of subsidiary		216,936	-
Property, plant and equipment acquired		(1,636,555)	-
Property, plant and equipment disposed		270,000	-
<b>Net cash outflows from investing activities</b>		<b>(1,149,619)</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Lease liability repaid	7	(39,826)	(39,292)
Loans from related parties repaid	13	-	-
Proceeds from convertible loan notes	14	-	85,800
Proceeds from term loan		2,839,297	-
Repayment of term loan		(529,969)	-
Repayments of director's loan		(3,000)	-
Shares issued net of share issue costs		260,500	-
Proceeds from director's loan		-	81,329
Proceeds from shareholder's loan		-	86,615
Warrants issued		-	380,741
<b>Net cash flows financing activities</b>		<b>2,527,002</b>	<b>595,193</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b>146,194</b>	<b>(131,932)</b>
Cash and cash equivalents at beginning of period		252	132,184
<b>Cash and cash equivalents at end of the period</b>		<b>146,446</b>	<b>252</b>

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### **Note 1: General information**

MAST Energy Developments PLC ('MAST' or 'MED' or the 'Company') is incorporated in England & Wales as a public limited company. The Company's registered office is located at 55 Ludgate Hill, London, United Kingdom, EC4M 7JW.

The principal activity of MAST, through its subsidiaries (together the 'Group'), is to acquire and develop a portfolio of flexible power plants in the UK and become a multi-asset operator in the rapidly growing Reserve Power market.



## **Note 2: Statement of Preparation**

The Group and Company's financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted by the United Kingdom. The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with the Companies Act 2006 and UK adopted international financial reporting standards.

## **Note 3: Consolidation**

The consolidated annual financial statements comprise the financial statements of MAST Energy Developments PLC and its subsidiaries for the year ended 31 December 2024, over which the Company has control.

Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Intragroup balances and any unrealised gains or losses or income or expenses arising from intragroup transactions are eliminated in preparing the Group financial statements, except to the extent they provide evidence of impairment.

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business Combinations are recognised at their fair values at acquisition date.

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

Non-controlling interest arising from a business combination is measured either at their share of the net asset value of the assets and liabilities of the acquiree or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations.

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

## **Note 4: Going concern**

The financial results have been prepared on the going concern basis that contemplates the continuity of normal business activities, the realisation of assets and the settlement of liabilities in the normal course of business.

The financial results have been prepared on the going concern basis that contemplates the continuity of normal business activities, the realisation of assets and the settlement of liabilities in the normal course of business.

In performing the going concern assessment, the Board considered various factors, including the availability of cash and cash equivalents, data relating to working capital requirements for the foreseeable future, cashflows from operational activities, available information about the future, the possible outcomes of planned events, changes in future conditions, geopolitical events (e.g. escalation of the Ukraine conflict)

or planned events, changes in future conditions, geopolitical events (e.g. escalation of the Ukraine conflict), and the responses to such events and conditions that would be available to the Board.

The Board has, inter alia, considered the following specific factors in determining whether the Group is a going concern:

- The total comprehensive loss for the year of £1,097,433 compared to £3,539,394 for the preceding 12 month-financial period;
- Cash and cash equivalents available to the Group in the amount of £146,446 in order to partially pay its creditors and maturing liabilities (excluding the Pyebridge facilities) in the amount of £2,558,320; and
- MED and Pyebridge has a secured funding facility of up to GBP 4 million from RiverFort, of which the Company has drawn £2,769,297. The main focus of the facility is to overhaul the Pyebridge gensets in order to get the site generating at its full efficiency and income potential. The current outstanding balance is £2,131,328 following repayments totalling £637,969.
- Whether the Group has available cash resources, or equivalent short term funding opportunities in the foreseeable future, to deploy in developing and growing existing operations or invest in new opportunities.
- Post reporting period end, on 20 March 2025, the Company announced it has signed a binding definitive investment agreement (the "Investment Agreement") with Powertree (Holdings) Ltd ("Powertree"). Under the Investment Agreement, Powertree will invest up to £5,000,000 into MED's Hindlip project (the "Investment Consideration"), resulting in the Hindlip project being fully funded.

The Directors have evaluated the Group's liquidity requirements to confirm the Group has adequate cash resources to continue as a going concern for the foreseeable future. Considering the net current liability position, the Directors have reviewed financial projections to 30 August 2026 which include estimates and assumptions regarding the future revenues and costs and timing of these. The financial projection includes non-committed capex expenditure for the overhaul of the third Pyebridge engine. Thereby projecting revenue for up to three revenue producing Pyebridge engines during 2025. It includes the signed capacity market contracts income.

Based on the cash flow forecast the group experiences cash shortfall throughout the forecast period, ending with a shortfall of c. £286,000 at the end of Aug 2026. The cashflow forecast is reliant on a successful drawdown on a current facility, as well as successful electricity generation by Pyebridge. Unforeseen challenges with either of the aforementioned cause a risk that the Company may not be able to meet its current liabilities without another cash injection. In the event that further funding cannot be secured, the Group may experience continuous cash shortfalls over the next 18 months. The directors are in negotiations with funders and lenders to upgrade and/or develop the sites as per the business model of the Company.

In response to the net current liability position and to address future cashflow requirements, detailed liquidity improvement initiatives have been identified and are being pursued, with their implementation regularly monitored in order to ensure the Group is able to alleviate the liquidity constraints in the foreseeable future. Cost saving measures were identified and implemented on operational expenditure.

The Group has identified the below options in order to address the liquidity risk the Group faces on an ongoing basis. The ability of the Group to continue as a going concern is dependent on the successful implementation or conclusion of one or more of the below:

- The successful drawdown on the funding facility of £4,000,000 with RiverFort. There are terms and conditions limiting the drawdown which has to be adhered to.
- Raising of short- and medium term working capital and project capex funding, by way of capital placings.
- Successful conclusion of current funding opportunities of the Group with strategic funders regarding the funding of specific projects and/or the business.
- Obtaining debt funding or other funding instruments such as credit loan notes to fund MED projects.
- Successful cash generation from the Pyebridge power-generation facilities in order to achieve net-cash positive contributions toward the larger Group.

Although there is no guarantee, the Directors have a reasonable expectation that the Group will be able to raise further financing to support its ongoing development and commercialisation activities and continue

raise further financing to support its ongoing development and commercialisation activities and continue in operational existence for the next 12 months, from date of sign off of these financial statements. The directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern and that, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. As the Board is confident it would be able to successfully implement the above responses, it has adopted the going concern basis of accounting in preparing the consolidated financial statements.

## Note 5: Segmental Reporting

The Group discloses segmental analysis based on its different operations, being Bordersley, Rochdale . ADV 001 (Hindlip Lane), ARL 018 (Stather Road) and Pyebridge

31 December 2024	ADV001 Hindlip Lane	ARL018 Stather Road	Bordersley	Rochdale	Pyebridge	Treasury and Investment	Group
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Revenue	-	-	-	-	737,158	-	737,158
Cost of sales	-	-	-	-	(441,541)	-	(441,541)
Administrative and other expenses	(36,470)	(9,820)	(9,248)	(2,616)	(73,218)	(763,490)	(894,862)
Depreciation	-	-	-	-	(77,305)	(1,589)	(78,894)
Project costs	(2,278)	(512)	(6,717)	(1,171)	(299,424)	48,414	(261,688)
Other income	-	70,673	-	-	-	16,350	87,023
Finance costs	(230)	(3,690)	(29,309)	-	(136,329)	(75,071)	(244,629)
<b>Operating profit/(loss)</b>	<b>(38,978)</b>	<b>56,651</b>	<b>(45,274)</b>	<b>(3,787)</b>	<b>(290,659)</b>	<b>(775,386)</b>	<b>(1,097,433)</b>
<b>Total assets</b>	<b>110,597</b>	<b>5,248</b>	<b>50,749</b>	<b>-</b>	<b>3,591,046</b>	<b>279,210</b>	<b>4,036,850</b>
Capital	-	-	-	-	1,636,555	-	1,636,555
<b>Total liabilities</b>	<b>(128,077)</b>	<b>(59,657)</b>	<b>(398,656)</b>	<b>-</b>	<b>(2,595,350)</b>	<b>(2,093,381)</b>	<b>(5,275,121)</b>

  

31 December 2023	ADV001 Hindlip Lane	ARL018 Stather Road	Bordersley	Rochdale	Pyebridge	Treasury and Investment	Group
	(£)	(£)	(£)	(£)	(£)	(£)	(£)
Revenue	-	-	-	-	341,207	-	341,207
Cost of sales	-	-	-	-	(223,838)	-	(223,838)
Administration and other expenses	(14,032)	(20,313)	(37,736)	(9,377)	(46,424)	(1,319,017)	(1,447,169)
Impairment	-	(208,398)	(1,649,206)	-	-	-	(1,857,604)
Project costs	(38,434)	(5,743)	(27,972)	(23,396)	(173,631)	-	(296,176)
Other income	-	-	-	-	126,933	(86,558)	40,375
Depreciation	-	(2,509)	(11,941)	-	(58,504)	(1,589)	(74,542)
<b>Operating loss</b>	<b>(52,736)</b>	<b>(236,963)</b>	<b>(1,726,855)</b>	<b>(32,773)</b>	<b>(34,257)</b>	<b>(1,407,163)</b>	<b>(3,490,747)</b>
<b>Total assets</b>	<b>9,163</b>	<b>117,215</b>	<b>392,155</b>	<b>91,134</b>	<b>2,020,584</b>	<b>28,702</b>	<b>2,658,953</b>
<b>Total liabilities</b>	<b>(25,979)</b>	<b>(139,276)</b>	<b>(389,225)</b>	<b>(38,391)</b>	<b>(174,537)</b>	<b>(2,218,650)</b>	<b>(2,986,058)</b>

As the Group currently operates solely from the United Kingdom, consequently there is no segmented disclosure with regard to different geographic areas of operation.

## Note 6: Loss per share

### Basic loss per share

The basic loss and weighted average number of ordinary shares used for calculation purposes comprise the following:

Basic loss per share	31 December 2024 (£)	31 December 2023 (£)
Loss for the period attributable to equity holders of the parent	(1,097,433)	(3,539,394)
Weighted average number of ordinary shares for the purposes of basic loss per share	340,131,101	234,172,196
Basic loss per ordinary share (pence)	(0.32)	(1.51)

The Group has no dilutive instruments in issue as at year end

The Group has no derivative instruments in issue as at year end.

## Note 7: Property, plant and equipment

Group	Land	Plant & Machinery	Right of use assets	Computer Equipment	Asset under construction	Total
Cost	(£)	(£)	(£)	(£)	(£)	(£)
Opening Cost as at 1 January 2024	602,500	1,538,629	418,157	4,766	126,800	2,690,852
Derecognition of leases	-	-	(62,717)	-	-	(62,717)
Additions	-	1,604,340	-	-	32,215	1,636,555
Disposals	(90,000)	(270,000)	-	-	-	(360,000)
Closing Cost as at 31 December 2024	512,500	2,872,969	355,440	4,766	159,015	3,904,690
Accumulated Depreciation ("Acc Depr")	(£)	(£)	(£)	(£)	(£)	(£)
Opening Acc Depr as at 1 January 2024	-	(111,136)	(418,157)	(2,340)	(78,350)	(609,983)
Depreciation	-	(77,306)	-	(1,588)	-	(78,894)
Derecognition of leases	-	-	62,717	-	-	62,717
Acc Depr as at 31 December 2024	-	(188,442)	(355,440)	(3,928)	(78,350)	(626,160)
Carrying Value	(£)	(£)	(£)	(£)	(£)	(£)
Carrying value as at 31 December 2023	602,500	1,427,493	-	2,426	48,450	2,080,869
Carrying value as at 31 December 2024	512,500	2,684,527	-	838	80,665	3,278,530

During the year, the Group reassessed its property, plant and equipment's value in use and found that the conditions that previously lead to its impairment have improved. This has led to reversal of impairments.

Right of use asset	31 December 2024 (£) Group	31 December 2023 (£) Group
Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:		
Opening balance	-	333,525
Change in lease	-	62,274
Impairment	-	(381,350)
Depreciation	-	(14,449)
Closing balance	-	-

### Lease liability

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Opening balance	409,595	350,654
Interest	35,621	35,959
Change in lease	(60,373)	62,274
Repayment	(39,826)	(39,292)
Closing balance	345,016	409,595

### Split of lease liability between current and non-current portions:

Non-current	341,149	405,930
Current	3,867	4,205
Total	345,016	409,595

### Future minimum lease payments fall due as follows

- within 1 year	32,866	39,826
- later than 1 year but within 5 years	159,304	159,304
- later than 5 years	690,186	851,812
Subtotal	884,356	1,050,942
- Unearned future finance charges	(537,340)	(641,347)
Closing balance	345,016	409,595

The Group has two lease contracts for land it shall utilise to construct gas-fuelled power generation plants. The land is located at Roadside, Liverpool St, Birmingham and Station Road, Ebbw Vale. The Station

The land is located at Bordesley, Liverpool St. Birmingham and Statner Road, Rixborough. The Statner Road lease has been derecognised following deed of variations entered into with the lessors delaying the inception date of the lease until such time that the conditions linked to the inception date are met. There is no clear indication of the date in which the conditions will be met.

The lease of the land has a lease term of 20 years, with an option to extend for 10 years which the Group has opted to include due to the highly likely nature of extension as at the time of the original assessment.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group's incremental borrowing is 10.38%.

## Note 8: Intangible assets

Intangible assets consist of separately identifiable assets, property rights or intellectual property (Bordesley Power) acquired either through business combinations or through separate asset acquisitions. These intangible assets are recognised at the respective fair values of the underlying asset acquired, or where the fair value of the underlying asset acquired is not readily available, the fair value of the consideration.

The following reconciliation serves to summarise the composition of intangible assets as at period end:

Group	Rochdale Power (£)	Bordesley Power (£)	ARL018 Stather Road (£)	ADV001 Hindlip Lane (£)	Total (£)
Carrying value as at 1 January 2023	150,273	1,306,422	91,482	247,506	1,795,683
Impairments	-	(1,306,422)	(91,482)	-	(1,397,904)
Carrying value as at 31 December 2023	150,273	-	-	247,506	397,779
Disposal of Rochdale Power	(150,273)	-	-	-	(150,273)
Modification	-	-	-	(101)	(101)
Carrying value as at 31 December 2024	-	-	-	247,405	247,405

## Note 9: Acquisition of interests in other entities

### Sloane Energy Limited - 2023

During 2023, Sloane Developments (Sloane) founded and acquired 100% equity interest in Sloane Energy Limited. At the reporting date the company was dormant.

### Rochdale Power Limited - 2024

During 2024, Sloane disposed of its interest in Rochdale Power Limited for an amount of £258,170. The proceeds were applied against amounts due by Rochdale with the remainder of £216,936 paid to the Group. The net asset value of the project assets and liabilities at disposal date was £200,603. The group recognised a profit on disposal of £16,333.

## Note 10: Share Capital

The called-up and fully paid share capital of the Company is as follows:

	2024	2023	
<b>Allotted, issued and fully paid shares</b>			
(2024: 426,354,067 Ordinary shares of £0.001 each)	£426,354	-	
(2023: 263,854,067 Ordinary shares of £0.001 each)	-	£263,854	
	<b>£426,354</b>	<b>£263,854</b>	
	<b>Number of Shares</b>	<b>Ordinary Share Capital (£)</b>	<b>Share Premium (£)</b>
<b>Balance at 31 December 2023</b>	<b>263,854,067</b>	<b>263,854</b>	<b>13,183,277</b>
Issue of shares	162,500,000	162,500	143,000
<b>Balance at 31 December 2024</b>	<b>426,354,067</b>	<b>426,354</b>	<b>13,326,277</b>

All ordinary shares issued have the right to vote, right to receive dividends, a copy of the annual report, and the right to transfer ownership of their shares.

The group and company issued the following ordinary shares during the period, with regard to key transactions:

- 162,500,000 new MED Shares of £0.001 each were issued on 7 May 2024 at a deemed issue price of £0.002 for £325,000 of which £64,500 was applied against share issue costs and accrued brokers fees.

## Note 11: Reserves

### Common control reserve

The common control reserve is the result of the capital reorganisation between the company, its holding and ultimate holding company during the 2020 financial year. As the reorganisation was outside the scope of IFRS 3, predecessor valuation accounting was applied as a result of the common control transaction. The common control reserve amounts to £383,048 (2023: £383,048).

### Non-controlling interest acquired

On 31 July 2020, Sloane Developments Limited, MAST Energy Projects Limited and St. Anderton on Vaal Limited entered into the Share Exchange Agreement relating to the acquisition by Sloane Developments Limited of the remaining 40% of the issued share capital of MAST Energy Projects Limited. Under the Share Exchange Agreement, the Company paid St Anderton on Vaal Limited the sum of £4,065,586 payable by the issue of 36,917,076 ordinary shares of £0.001 each in the Company. Completion of the Share Exchange Agreement was subject to and conditional upon the Admission of Mast Energy Developments Limited to the London Stock Exchange.

Following the completion of the IPO on 14 April 2021, the Group acquired the remaining equity interest in MAST Energy Projects Ltd for the consideration equal to 36,917,076 shares at a total value of £4,065,586. As the controlling stake in the entity had already been acquired and was under control of MED, the transaction was seen as a transaction with owners, and the financial impact recognised directly in equity of £4,065,586.

The rationale for the transaction was to acquire the remaining equity within MAST Energy Projects Limited in order to have the exclusive see-through equity interest in the Bordersley project, held in the form of royalty and revenue agreements between MAST Energy Projects Limited and Bordersley Power Limited, from which MED could restructure the Group through its SPV's.

## Note 12: Warrants

The following reconciliation serves to summarise the value attributable to the warrant reserve as at period end for the Company:

	<b>Group and Company (£)</b>	
	<b>2024</b>	<b>2023</b>
Opening balance of warrant reserve	380,741	-
Issue of warrants	19,500	380,741
	<b>400,241</b>	<b>380,741</b>

The following reconciliation serves to summarise the quantity of warrants in issue as at period end:

	<b>Group and Company (£)</b>	
	<b>(number of warrants)</b>	
	<b>2024</b>	<b>2023</b>
Opening balance	86,814,562	-
New warrants issued	9,750,000	86,814,562
	<b>96,564,562</b>	<b>86,814,562</b>

The weighted average fair value of the warrants is 0.41p per warrant (2023: £0.44p)

At 31 December 2024 the Group had 96,564,562 warrants outstanding:

## Warrants

Date of Grant	Issue date	Expiry date	Exercise price	Number	Exercisable as
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				granted	at 31 December 2024
18 May 2023	18 May 2023	18 May 2026	2p	2,255,656	2,255,656
18 May 2023	18 May 2023	18 May 2026	2p	2,255,656	2,255,656
18 May 2023	18 May 2023	18 May 2027	0.89p	20,575,813	20,575,813
18 May 2023	18 May 2023	18 May 2027	1.8p	20,575,813	20,575,813
18 May 2023	18 May 2023	18 May 2027	0.89p	20,575,812	20,575,812
18 May 2023	18 May 2023	18 May 2027	1.8p	20,575,812	20,575,812
29 May 2024	29 May 2024	29 May 2027	0.2p	9,750,000	9,750,000
				<b>96,564,562</b>	<b>96,564,562</b>
<b>Total contingently issuable shares</b>				<b>96,564,562</b>	<b>96,564,562</b>

### Note 13: Loan from related parties

	Group 2024 (£)	Group 2023 (£)	Company 2024 (£)	Company 2023 (£)
<b>Amounts falling due within one year:</b>				
Kibo Mining (Cyprus) Limited	-	849,253	-	-
Pyebridge Power Limited	-	-	375,047	-
	-	<b>849,253</b>	<b>375,047</b>	-

The loan is unsecured, carries interest at 0%, and is repayable on demand. The carrying value of loans from related parties equals their fair value due mainly to the short-term nature of the liability.

### Note 14: Other financial and derivative liabilities

Description	Liabe group company	Group 2024 (£)	Group 2023 (£)	Company 2024 (£)	Company 2023 (£)
<b>Amounts falling due within one year:</b>					
Convertible loan notes	MED	854,594	444,100	854,594	444,100
CLN Derivative liability	MED	-	22,232	-	22,232
Loan - RiverFort	Sloane	849,253	-	-	-
	Developments				
Term loan - Powertree	Hindlip	70,230	-	-	-
Term loan - RiverFort	Pyebridge	107,563	-	-	-
Accrued interest on director's loan	MED	5,998	265	5,998	265
Director's loan	MED	78,329	-	78,329	-
		<b>1,965,967</b>	<b>466,597</b>	<b>938,921</b>	<b>466,597</b>
<b>Amounts falling due between one year and five years:</b>					
Convertible loan notes	MED	-	318,925	-	318,925
Term loan - RiverFort	Pyebridge	2,268,089	-	-	-
		<b>2,268,089</b>	<b>785,522</b>	-	<b>785,522</b>
		<b>4,234,056</b>	<b>785,522</b>	<b>938,921</b>	<b>785,522</b>

### Convertible loan notes

Convertible loan notes consist of a facility from institutional lenders which reprofiled the outstanding convertible loan notes held during the previous financial year. The interest accrues at 9.5% to 10% per annum based on the terms applied for each advance of the facility. The convertible loan notes have embedded derivative liabilities which were recognised at fair value.

### Term loans

The term loans are from institutional lenders. The interest accrues at 10% to 12% per annum.

- The "Term loan - Powertree" is payable by the Hindlip project SPV. The loan was used to pay the Capacity Market deposit. This loan is payable in full during the 2025 financial year and bears interest at 10% per annum. The term loan has been rolled up into the investment agreement after year-end. Refer to note 16.
- The "Term loan - RiverFort" is payable by the Pyebridge SPV. The funding was used to overhaul

the two engines at the Pyebridge site. The loan consists of three separate drawdowns all repayable during the 2026 financial year and bear interest at 12% per annum.

- The "Loan - Riverfort" is the historic shareholder loan owing by the Company to its former parent company, Kibo Energy PLC ("Kibo"), which Kibo sold to RiverFort during 2024. This loan has no fixed repayment terms and is repayable on demand and bears no interest.

#### Accrued interest on director's loan

The director's loan consists of interest payable on a director's loan which is to be settled in cash. The interest is accrued at 7% per annum.

#### Note 15: Related Parties

Related parties of the Group comprise subsidiaries, significant shareholders and the Directors.

#### Relationships

#### Board of Directors/ Key Management

Name	Relationship (Directors of:)
Paul Venter	PSCD Power 1 Ltd
Louis Coetzee	Kibo Energy PLC and Katoro Gold PLC (up to July 2024)
Dominic Traynor	Druces LLP (up to Nov 2024)
Pieter Krügel	Chief Executive Officer
Noel O'Keeffe	Director of subsidiaries ADV001 Ltd, ARL018 Ltd and Sloane Energy Limited

#### Other entities over which Directors/key management or their close family have control or significant influence:

PSCD Power 1 Ltd:	The Director of PSCD Power 1 Ltd is also a Director of Mast Energy Developments PLC.
Kibo Mining (Cyprus) Limited:	Kibo Mining (Cyprus) Limited is the controlling shareholder of Mast Energy Developments PLC (Up to September 2024).
Ultimate shareholder	Kibo Energy PLC (Up to September 2024).
Significant shareholders:	PSCD Power 1 Ltd
Associated by fellow directorship:	Katoro Gold PLC (Up to June 2024) Kibo Mining (Cyprus) Limited (Up to July 2024)

#### MAST Energy Developments PLC is a shareholder of the following companies and as such are considered related parties:

Directly held subsidiaries:	Sloane Developments Limited Bordersley Power Limited Pyebridge Power Limited ADV 001 Limited ARL 018 Limited Sloane Energy Limited
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#### Balances

Name	Amount (£) 2024	Amount (£) 2023
Kibo Mining (Cyprus) Limited - Loan from related parties owing	-	849,253
Paul Venter - Director's loan owing (share reserve)	-	81,329
Paul Venter - Director's loan owing (liability)	78,329	-
Paul Venter - Director's loan owing accrued interest	5,733	265
Kibo Energy PLC - Management and administration services accrued	31,170	32,130
Katoro Gold PLC - Receivable for management services paid on Katoro's behalf	4,246	21,140
Paul Venter - Director's remuneration due	43,500	18,371
Louis Coetzee - Director's remuneration due	47,550	27,000
Dominic Traynor- Director's remuneration due	48,018	17,644
Pieter Krügel - Director's remuneration due	43.844	49.844



Notes receivable - Director remuneration due	15,311	15,311
Noel O'Keeffe -Professional services remuneration due	4,500	9,000
Druces LLP - Supplier balance for professional services	52,675	143,732

## Transactions

Name	Amount (£) 2024
Paul Venter - interest on loan	5,733
Druces LLP - Professional services	84,500

As announced in the RNS dated 7 May 2024 the Company has entered into a partial settlement deed, in relation to the Reprofiled Balance due under the Reprofileing Agreement. Under the terms of the settlement deed Pieter Krügel, a director of the Company, purchased from Riverfort £325,000 (the "Capitalised Balance") of the Reprofiled Balance due, in consideration, Riverfort was paid £325,000 in cash (the "Acquisition"). The Capitalised Balance was 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. Following admission of the Subscription Shares, Pieter Krügel has agreed to sell the Subscription Shares to new investors arranged by the Company's broker at the same price per share as the Conversion, being 0.20p for a gross consideration of £325,000.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. The transactions during the period between the Company and its subsidiaries included the settlement of expenditure to/from subsidiaries, working capital funding, and settlement of the Company's liabilities through the issue of equity in subsidiaries. The loans from related parties do not have fixed repayment terms and are unsecured.

## Note 16: Events after reporting period

Following successful pre-qualification for additional Capacity Market ("CM") T-1 and T-4 contracts during the assessment window in August 2024, and the implementation of a robust CM auction bid strategy, for the first time Pyebridge has now successfully secured both contracts at its maximum generation capacity permissible under the CM rules. The recent CM T-4 auction cleared at £60,000 per MW/year, and the CM T-1 auction cleared at £20,000 per MW/year. This means that Pyebridge now has uninterrupted CM contracts until 2029 with a cumulative total guaranteed gross profit income value of c. £1.73m, over and above its PPA trading income and Embedded Benefits.

The Company has signed a binding definitive investment agreement (the "Investment Agreement") with Powertree (Holdings) Ltd ("Powertree"). Under the Investment Agreement, Powertree will invest up to £5,000,000 into MED's Hindlip project (the "Investment Consideration"), resulting in the Hindlip project being fully funded. The Investment Consideration will consist of £500,000 for 75% of the fully diluted ordinary equity of the Hindlip SPV, ADV 001 Ltd and, up to £4,500,000 will be by way of secured loan (the "Investor Loan") entered into between Powertree (as the lender) and the Hindlip SPV (as the borrower). MED shall retain 25% of the fully diluted ordinary equity of the Hindlip SPV with no further funding obligations. The closing of the Investment Agreement is subject to customary closing conditions.

## Note 17: Commitments and contingencies

The Group does not have identifiable material commitments and contingencies as at the reporting date.

## Note 18: Principal risks

The realisation of the various projects is dependent on the successful completion of technical assessments, project development and project implementation and is subject to a number of significant potential risks summarised as follows, and described further below:

- Funding risk;
- Regulatory risk;
- Commodity risk;
- Development and construction risk;
- Staffing and key personnel risk; and
- Information technology risk.
- Successful refinancing of the historic shareholder loan amounting to £849,253 owing by the Company to its former parent company, Kibo Energy PLC ("Kibo"), which Kibo sold to RiverFort during 2024, resulting in the deferral of loans payable in the foreseeable future beyond a 12-

month period after sign off of these financial statements.

#### *Funding risk*

Following the successful conclusion of an Initial Public Offering ('IPO') on 14 April 2021, the Group was able to raise £5.54 million in cash, which was utilised to further advance the various projects of the Group to date. During 2022, the Group raised a further £650 000 for acquisitions and general working capital purposes and availed of a further £100,000 during 2023 under the reprofiled loan with institutional investors agreed in May 2023. During 2024, the Company continued to avail of loan facilities under a facility agreement with RiverFort on which £2,769,297 has been drawn down to date, and £637,969 has been repaid. Funds from a broker sponsored placing of £350,000 were raised and funds from a second loan facility with RiverFort on which £350,000 was drawn down coincident with a partial re-settlement of the same amount on the outstanding balance on the May 2023 reprofiled loan.

There can be no assurance that such funds will continue to be available on reasonable terms, or at all in future, and that projects will be completed within the anticipated timeframes to supplement cashflows through operational activities. This risk was realised to a significant extent during 2023 where anticipated funding from the Seira and subsequently, Proventure joint venture agreements, did not materialise and has delayed the Company's anticipated timeframes for project completion.

The Group generated revenue of £737,158 (2023: £341,207) for the period ended 31 December 2024 and had a net liability position of £1,238,271 (2023: £384 509) as at 31 December 2024. As at year end, the Group had liquid assets in the form of cash and cash equivalent and other receivables of £146,446 and £364,469 (year to 31 December 2023: £122,901), respectively.

The Directors have reviewed budgets, projected cash flows and other relevant information, and based on this review and the rationale set out below, they are confident that the Group will have adequate financial resources to continue in operational existence for the foreseeable future.

The budgets and projected cash flows are reliant on continued successful drawdowns on current loan facilities, as well as continued operation of Pyebridge and its anticipated revenue generation from electricity production. Unforeseen challenges with either of the aforementioned cause a risk that the Company may not be able to meet its current liabilities without another cash injection. The directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern and that, therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors continue to review the Group's options to secure additional funding for its general working capital requirements as well as project financing for commercial production-ready sites, alongside its ongoing review of anticipated revenue generation from existing sites, potential acquisition targets and corporate development needs. The Directors are confident that such funding will be available, although there is no guarantee of such funding. In addition, any equity funding may be subject to shareholder approvals and in line with legal and regulatory requirements as appropriate.

As a result, the Directors continue to monitor and manage the Group's cash and overheads carefully in the best interests of its shareholders and believe that the Company and the Group by successfully implementing the above responses it will remain a going concern for the foreseeable future.

#### *Regulatory risk*

The United Kingdom power sector has undergone several considerable regulatory changes over the last few years and is now at a state of transition from large fossil-fuel plants to a more diverse range of power-generation sources, including renewables, small, distributed plants and new nuclear. As a result, there is greater regulatory involvement in the structure of the UK power market than has been the case over the last 20 years. Therefore, there remains a risk that future interventions by Ofgem or Government could have an adverse impact on the underlying assets that the Group manages and/or owns. The Company continually monitors this risk and, where possible, acts proactively to anticipate and mitigate any regulatory changes that may have an adverse impact on the ongoing financial viability of its projects. To monitor compliance with evolving UK government energy regulations, the Company subscribes to relevant environmental and energy regulation bodies' updates which management reviews on a regular basis. It makes recommendations to the Board in terms of mitigation that may be required should it become aware of any pending regulatory changes that may threaten the economic

viability of its projects.

#### *Commodity Risk*

The assets that the Group manages and owns will receive revenue from the sale of energy onto the wholesale market or to end users at a price linked to the wholesale power market price. Volatility in power prices going forward will affect the profitability of the underlying reserve power assets. For example, the significant reduction in wholesale electricity prices from 2022 to 2023 resulted in lower electricity prices received from sales at Pyebridge during the period that it was in operation during 2023. The Group will also use its skills, capabilities and knowledge of the UK power market to optimise these wholesale revenues. The Group's ability to effectively manage price risk and maximise profitability through trading and risk management techniques with the assistance of its electricity off-taker and trading platform provider, Statkraft, will have a considerable impact on the revenues and returns.

#### *Climate risk*

The Board considers Climate Risk to be a principal risk that may threaten the business viability of the Company insofar as it informs greater regulatory involvement by the UK Government in the structure of the UK power market as discussed under Regulatory Risk above. As the Company currently relies on the availability and permitted use of natural gas to fuel its current and planned reserve power sites, accelerated climate change, and associated adverse weather events may prompt further restrictions on the use of natural gas by UK regulators including its phasing out within a shorter period than the Company currently anticipates. In order to mitigate this risk, in addition to keeping itself informed of any pending regulatory risk that may threaten the economic viability of its projects, the Company will ensure that the engineering design and location of its projects are amenable to the use of alternative electricity generating fuels to natural gas e.g. green Hydrogen or biofuel and at minimum conversion costs should it be required. The Company will also plan to incorporate alternative renewable energy projects in its project pipeline such as solar, wind, waste-to-energy or long-duration storage (battery) do diversify its project portfolio in response to any accelerated phasing out of natural gas as an electricity generating fuel. As well as Climate Risk, the Company also recognises Climate Opportunity and more details on both are discussed under the Strategy heading in the Task Force on Climate-related Financial Disclosures (TCFD) section of this report. The TCFD section, in addition to providing the information required under the TCFD Framework in compliance with the Listing Rules also includes the Group's Climate Related Financial Disclosures (CRFD) as required under s414C, s414CA and s414CB of the Companies Act 2006 (the Act).

#### *Development and Construction Risk*

The Group will continue to develop new project sites that includes obtaining planning permission, securing land (under option to lease or freehold), and obtaining gas and grid connections. The Group will also oversee the construction of these projects where needed.

Risks to project delivery include damage or disruption to suppliers or to relevant manufacturing or distribution capabilities due to weather, natural disaster, fire, terrorism, pandemic, strikes or other reasons that could impair the Company's ability to deliver projects on time.

Failure to take adequate steps to mitigate the likelihood or potential impact of development and construction setbacks, or to effectively manage such events if they occur, could adversely affect the business or financial results. There are inherent risks that the Group may not ultimately be successful in achieving the full development and construction of every site and sunk costs could be lost. However, the risk is mitigated as the Group targets shovel-ready sites that adhere to specific requirements, coupled with an experienced senior management team.

#### *Staffing and Key Personnel Risks*

Personnel are our only truly sustainable source of competitive advantage and competition for key skills is intense, especially around science, technology, engineering and mathematics ('STEM') disciplines. While the Group has good relations with its employees, these relations may be impacted by various factors. The Group may not be successful in attracting, retaining, developing, engaging and inspiring the right people with the right skills to achieve our growth ambitions, which is why staff are encouraged to discuss with management matters of interest and subjects affecting day-to-day operations of the Group.

### *Information Technology Risks*

The Group relies on information technology ('IT') in all aspects of its business. Any significant disruption or failure, caused by external factors, denial of service, computer viruses or human error could result in a service interruption, accident or misappropriation of confidential information. Process failure, security breach or other operational difficulties may also lead to revenue loss or increased costs, fines, penalties or additional insurance requirements. The Group continues to implement more cloud-based systems and processes and improve cyber security protocols and facilities in order to mitigate the risk of data loss or business interruption.

### **Note 18: Use of Estimates and Judgements**

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, there are significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

#### **Estimation uncertainty:**

Information about estimates and assumptions that may have the most significant effect on recognition and measurement on assets, liabilities and expenses is provided below:

#### *Impairment assessment of property plant and equipment and intangible assets*

In applying IAS 36, impairment assessments are performed whenever events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable. Estimates are made in determining the recoverable amount of assets which includes the estimation of cash flows and discount rates used. In estimating the cash flows, management bases cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the assets. The discount rates used reflect the current market assessment of the time value of money and the risks specific to the assets for which the future cash flow estimates have not been adjusted. Refer to Note 11 of the annual report for detailed sensitivity analysis related to a potential change in the key estimation uncertainties inherent in the impairment assessment.

#### *Useful life of Intangible assets*

Amortisation is charged on a systematic basis over the estimated useful lives of the assets after taking into account the estimated residual values of the assets. Useful life is either the period of time over which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of the asset.

#### *Estimation uncertainty in the valuation of share-based instruments in issue*

Share-based instruments issued, such as warrants or options, or payments made require significant judgment and estimate concerning the method of valuation applied and key inputs applied respectively. In order to calculate the charge for share based warrants issued or payments as required by IFRS 9 and IFRS 2 respectively, the Group makes estimates principally relating to the assumptions used in its option-pricing model. Refer to Note 12 for details on valuation of share-based transactions, including options and warrants granted.

#### *Useful life of Property, plant and Equipment*

The depreciable amounts of assets are allocated on a systematic basis over their useful lives. In determining the depreciable amount, management makes assumptions in respect of the residual value of assets based on the expected estimated amount that the entity would currently obtain from disposing the asset, after deducting the estimated costs of disposal. If an asset is expected to be abandoned, the residual value is estimated at £nil. In determining the useful lives of assets, management considers the expected period of use of assets, expected physical wear and tear, legal or similar limits of assets such as

expected period of use of assets, expected physical wear and tear, legal or similar rights of assets such as rights, condition and location of the asset as well as obsolescence.

*Estimation uncertainty in the accrual for variable revenue in relation to electricity generation*

The group's revenue is dependent on the sale of electricity through an offtake partner based on the quantity of variable units generated over the course of the year. The utilisation rate is determined by the offtake partner who in turn relies on on-demand electricity request from the applicable service area. The group estimates its accrued revenue based on preliminary data received from the offtake partner which is obtained daily from the portal. Upon receipt of the final monthly invoice, which is usually in time for year-end reporting purposes, the estimates are updated to the actual values. No estimation uncertainties exist over fixed amount contracts for management fees and capacity market revenues.

**Critical judgements:**

Information about critical judgements that may have the most significant effect on recognition and measurement on assets, liabilities and expenses is provided below:

*Going Concern*

The Groups liabilities exceed its assets as at 31 December 2024, mainly due to the loan from the former ultimate holding company ceded to institutional investments and convertible loan notes of £849,253 and £854,594 respectively (2023: loans from related parties £849,253) which contributes significantly to the material uncertainty related to the going concern assumption applied in preparation of the financial statements. Management applies judgement in determining whether or not the Group is able to continue as a going concern for the foreseeable future, in identifying the matters which give rise to the existence of the material uncertainty, and in developing responses thereto in order to address the risk of material uncertainty. Refer to note 4 for further information on the going concern assessment.

**Note 19: Financial instruments - Fair value and Risk Management**

The carrying amount of all financial assets and liabilities approximates the fair value. Directors consider the carrying value of financial instruments of a short-term nature, that mature in 12 months or less, to approximate the fair value of such assets or liability classes.

The carrying values of longer-term assets are considered to approximate their fair value as these instruments bear interest at interest rates appropriate to the risk profile of the asset or liability class.

The Group does not carry any derivative liabilities in the statement of financial position at fair value at 31 December 2024.

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