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29 October 2021

**Cindrigo Holdings Limited**  
(‘Cindrigo’ or the ‘Company’)

**Interim Results**

Cindrigo Holdings Limited is pleased to announce its interim results for the six months ended 30 June 2021.

**Interim Management Report**

The proposed acquisition referred to in our final results for the year ended 31 December 2020 has completed. The acquisition of Cindrigo Limited (the "Acquisition") is a reverse takeover by the Company acquiring the entire issued share capital of its then parent, Cindrigo Energy Limited, a company incorporated in British Columbia Canada. Cindrigo Limited is a company pursuing renewable energy projects in the Ukraine built on broad Swedish expertise and experience in the waste to energy and biomass energy sector.

On 15 July 2021 the Supreme Court of British Columbia approved a Plan of Arrangement in connection with the proposed acquisition of the entire issued share capital of Cindrigo Energy Limited, and the transaction was completed 30 July 2021. As the Acquisition constitutes a reverse takeover for the Company, the Company is required to seek the cancellation of the Company's listing pursuant to Listing Rule 5.6.19. After discussing this requirement with the FCA, and as the Company is currently preparing to apply for the readmission of the enlarged capital of the Company to trading on the London Stock Exchange, it has not yet been required to cancel its listing and it is now expected that this will happen at a later date simultaneously with readmission.

**New Funding:**

The Company agreed with its principal shareholder, Danir AB ("Danir"), a subscription by Danir for new convertible loan notes in an amount of £1,500,000. Loan Notes with a principal value of £1,575,000 will be issued to Danir. £750,000 will be offset against the loan from Danir to Cindrigo Energy Limited that Cindrigo Limited has assumed, £750,000 will be paid to the Company in cash and £75,000 of notes will be issued in respect of fees. The Company intends to lend the cash subscription monies to its direct subsidiary, Cindrigo Limited, as additional working capital for its waste to energy business.

On 30 July 2021 the company allotted 140,449,800 new ordinary shares at a price £0.10 per share in consideration for the entire issued share capital of Cindrigo Energy Limited. The new shares were issued on 22 September 2021. The Company also issued Convertible Loan Notes with a principal value of £612,259.41 to Danir AB as part of the consideration for the Acquisition.

Name change:

On the 4 August 2021 Challenger Acquisitions Limited changed its name to Cindrigo Holdings Limited following the completion of the acquisition of Cindrigo Limited. The London Stock Exchange ticker of the Company was changed to CINH.

Note holders:

The Company has reached agreement with the holders of existing convertible loan notes, that the principal amount of the notes and all accumulated but unpaid interest, would be settled by the issue of new ten-year, zero coupon unsecured convertible loan notes with a face value equal to the principal amount only of the existing loan notes. The new Convertible Loan Notes were issued on 30 July 2021.

Dallas Wheel Investment and Dallas Wheel Investments:

Both of these historic investments have been fully impaired as there is significant uncertainty concerning their recoverability.

### **Financial and Corporate Overview**

During the six month period the company received £20k from Cindrigo Limited to fund ongoing working capital requirements.

The half year results report a loss of £132,000 (2020: loss £133,000), which includes legal, regulatory and public company costs for the company of £20,000 and non-cash finance charges of £84,000.

The financial position at 30 June includes borrowings of £1,949,000 related to three convertible notes, which have been settled in July 2021 by the issue of 194,950 new ordinary shares and £1,700,000 of new convertible loan notes after the completion of the acquisition of Cindrigo Limited. Trade and other payables of £590,000 include regular trade payables of £40,000, accrued interest payable of £532,000 on the convertible notes and other short term accruals of £18,000.

The principal corporate activity in the period was continuing the process of the reverse takeover of Cindrigo Limited. The transaction to acquire the entire issued share capital of Cindrigo Energy Limited was approved by the Supreme Court of British Columbia in Canada and was completed on 30 July 2021.

### **Outlook**

Following completion of the reverse takeover, the Company has procured the transfer of all the assets and liabilities of Cindrigo Energy Limited to Cindrigo Limited and is seeking to wind up Cindrigo Energy Limited in the Courts of British Columbia. The Company intends to apply to the London Stock Exchange for the readmission to trading of its enlarged issued share capital on the main market of the London Stock Exchange once the process currently underway to seek approval by the FCA of the required prospectus has completed.

I would like to take this opportunity to thank our stakeholders and the Board for their continued support.

**Lars Guldstrand**

Chief Executive Officer

28 October 2021

## Condensed Consolidated Statement of Comprehensive Income

The condensed consolidated statement of comprehensive income of the Group for the six month period from 1 January 2021 to 30 June 2021 is set out below:

		<b>Period ended 30 June 2021 (unaudited)</b>	<b>Period ended 30 June 2020 (unaudited)</b>
	<b>Note</b>	£'000	£'000
Administrative expenses		(46)	(45)
<b>Operating loss / profit on ordinary activities before taxation</b>		(46)	(45)
Finance costs		(86)	(88)
<b>Loss / Profit before income taxes</b>		(132)	(133)
Income tax expense		-	-
Loss / Profit after taxation		(132)	(133)
<b>Loss / Profit for the period</b>		(132)	(133)
<b>Total comprehensive loss / profit attributable to owners of the parent</b>		(132)	(133)
Loss / Profit per share:			
Basic & diluted	8	(0.0847)	(0.0004)

## Condensed Consolidated Statement of Financial Position

The condensed consolidated statement of financial position as at 30 June 2021 is set out below:

		As at 30 June	As at 31 December
		2021	2020
		unaudited	unaudited
	Note	£'000	£'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents		10	5
Trade and other receivables		8	7
Short-Term investments		-	-
<b>Total current assets</b>		<b>18</b>	<b>12</b>
<b>Total assets</b>		<b>18</b>	<b>12</b>
<b>Equity and liabilities</b>			
<b>Capital and reserves</b>			
Share capital account	5	8,394	8,394
Equity component of convertible instruments		106	106
Accumulated deficit		(11,021)	(10,909)
<b>Total equity attributable to equity holders</b>		<b>(2,521)</b>	<b>(2,409)</b>
<b>Current liabilities</b>			
Borrowings	9	1,949	1,949
Trade and other payables		590	472
<b>Total current liabilities</b>		<b>2,539</b>	<b>2,421</b>
<b>Total equity and liabilities</b>		<b>18</b>	<b>12</b>

## Condensed Consolidated Statement of Changes in Equity

The unaudited condensed consolidated statement of changes in equity of the Group for the period from 1 January 2020 to 30 June 2020 is set out below:

	Share Capital account	Equity component of convertible instruments	Retained earnings	Total
	£'000	£'000	£'000	£'000
<b>On 1 January 2020</b>	<b>8,364</b>	<b>106</b>	<b>(10,690)</b>	<b>(2,220)</b>
Loss for the period			(133)	(133)
<b>Total comprehensive profit for the period</b>			<b>(133)</b>	<b>(133)</b>
Issuance of shares	30			30
<b>As at 30 June 2020</b>	<b>8,394</b>	<b>106</b>	<b>(10,823)</b>	<b>(2,323)</b>

The unaudited condensed consolidated statement of changes in equity of the Group from 1 January 2021 to 30 June 2021 is set out below:

	Share Capital account	Equity component of convertible instruments	Retained earnings	Total
	£'000	£'000	£'000	£'000
<b>On 1 January 2021</b>	<b>8,394</b>	<b>106</b>	<b>(10,909)</b>	<b>(2,409)</b>
Loss for the period	-	-	(132)	(132)
Total comprehensive profit for the period	-	-		
Capital contribution of funding by Cindrigo Limited	-	-	20	20
<b>As at 30 June 2021</b>	<b>8,394</b>	<b>106</b>	<b>(11,021)</b>	<b>(2,521)</b>

Share capital comprises the Ordinary Shares issued by the Company.

Retained earnings represent the aggregate retained losses of the Company since incorporation.

Equity component of convertible instruments represents the equity element of instruments with a convertible element.

## Condensed Consolidated Statement of Cash Flows

The condensed consolidated cash flow statement of the Group from 1 January 2021 to 30 June 2021 is set out below:

	Period ended 30 June 2021 Unaudited £'000	Period ended 30 June 2020 Unaudited £'000
<b>Net cash used in operating activities</b>		
Profit / Loss for the period before taxation	(132)	(133)
Interest	86	85
<b>Operating cash flows before movements in working capital</b>	<b>(46)</b>	<b>(48)</b>
Decrease (increase) in receivables	(1)	(8)
Increase (decrease) in accounts payable and accrued liabilities	32	(17)
<b>Net cash used in operating activities</b>	<b>(15)</b>	<b>(73)</b>
Investment in available for sale financial asset	-	-
<b>Net cash outflow from investing activities</b>	<b>-</b>	<b>-</b>
Issue of ordinary shares net of issue costs	-	30
Issue of convertible instruments	-	41
Funding received from Cindrigo Limited	20	-
<b>Net cash inflow from financing activities</b>	<b>20</b>	<b>71</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>5</b>	<b>(2)</b>
Cash and cash equivalent at beginning of period	5	16
<b>Cash and cash equivalent at end of period</b>	<b>10</b>	<b>14</b>

## **Notes to the Condensed Consolidated Interim Report**

### **1. General information**

The Company was incorporated under section II of the Companies (Guernsey) Law 2008 on 24 November 2014, it is limited by shares and has registration number 59383.

On the 19 August 2020, the company entered into a Letter of Intent of Intent with Cindrigo Limited and Cindrigo Energy Limited, which are part of a group of companies pursuing renewable energy projects in the Ukraine.

The Company has since completed the acquisition of Cindrigo Limited whilst it was still a wholly owned subsidiary Cindrigo Energy Limited by initially acquiring the entire issued share capital of Cindrigo Limited and then transferring the shares in Cindrigo Limited to the Company. The Acquisition has completed pursuant to a Plan of Arrangement under the British Columbia Business Corporations Act. Under the arrangement the Company has acquired the entire issued share capital of Cindrigo Energy Limited in exchange for new shares issued by the Company. As a result of the agreement the shareholders of Cindrigo Energy Limited were entitled to some 96.5% of the enlarged issued share capital of the Company on a fully diluted basis but convertible loan notes were issued for part of the consideration to prevent the largest shareholder acquiring 30% or more of the Company's issued share capital and being required to make an offer for the Company pursuant to Rule 9 of the UK Takeover Code.

As the Acquisition constitutes a reverse takeover for the Company, the Company is required to seek the cancellation of the Company's listing pursuant to Listing Rule 5.6.19. Having discussed this with the FCA, as the company intends to apply for readmission of the enlarged share capital of the Company to trading on the London Stock Exchange it has not yet been required to cancel its listing and it is now expected that the cancellation will take place simultaneously with readmission.

On the 4<sup>th</sup> August 2021 the Company changed its name to Cindrigo Holdings Limited following the completion of the acquisition of Cindrigo Energy Limited.

The Company's registered office is located at PO Box 186, Royal Chambers, St Julian's Avenue, St. Peter Port, Guernsey GY1 4HP, Channel Islands.

The company has not prepared individual financial statements in accordance with section 244 of the Companies (Guernsey) Law 2008.

### **2. BASIS OF PREPARATION**

The interim condensed unaudited financial statements for the period ended 30 June 2021 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the group's financial position and performance since the last annual consolidated financial statements as at the year ended 31 December 2020. The results for the period ended 30 June 2021 are unaudited.

The condensed unaudited consolidated financial statements for the period ended 30 June 2021 have adopted accounting policies consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020.

### **3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong. Detailed information about each of these estimates and judgements is included together with information about the basis of calculation for each affected line item in the financial statements.

#### **Significant estimates and judgements**

The areas involving significant estimates or judgements are:

- Going concern

At 31 December 2020 the company had net current liabilities of £2,521k. The financial statements have been prepared on the assumption that the Company will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations. In assessing whether the going concern assumption is appropriate, the Directors take into account all available information for the foreseeable future, in particular for the twelve months from the date of approval of the financial information.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future due the completion of the acquisition of Cindrigo Limited.

On 17 June 2021, prior to completion of the Reverse Takeover, Cindrigo Energy Limited made an open offer to invite the Cindrigo Shareholders to subscribe for further shares in the company at £0.10 per share. The company issued 20,939,202 new shares raising £2,093,920 which was transferred by Cindrigo Energy Limited to Cindrigo Limited along with the remaining £250,000 from a loan from Danir to Cindrigo Energy Limited, the liability for which was assumed by Cindrigo Limited, which will be used by the Company and its subsidiaries or working capital purposes. This will enable the Group to meet its working capital requirements beyond the end of 2022.

The Company has completed agreements with the holders of existing convertible loan notes, whereby the principal amount of such notes and all accumulated but unpaid interest, has been settled by the issue of new ten-year, zero coupon unsecured convertible loan notes with a face value equal to the principal amount only of the existing loan notes



The Directors' objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders. At the date of this financial information, the Company had been financed from equity and convertible notes. In the future, the capital structure of the Company is expected to consist of convertible notes and equity attributable to equity holders of the Company, comprising issued share capital and reserves.

#### 4. BUSINESS SEGMENTS

For the purpose of IFRS8, the Chief Operating Decision Maker "CODM" takes the form of the board of directors. The Directors are of the opinion that the Company comprised a single activity being the waste to energy sector.

#### 5. SHARE CAPITAL

<b>Issued and fully paid</b>	<b>Number of shares</b>	<b>Share capital account</b>
		<b>£'000</b>
At 31 December 2020	1,557,746	8,394
Issue of shares	-	-
At 30 June 2021	1,557,746	8,394

The company undertook a share consolidation on 28th September 2020. Every 266.7609 of Existing Ordinary Shares of £0.01 were consolidated into one New Ordinary Share of £2.667609 each.

#### 6. CASH AND CASH EQUIVALENTS

	<b>Period ended 30 June 2021 (unaudited)</b>	<b>Period ended 31 December 2020 (audited)</b>
	<b>£'000</b>	<b>£'000</b>
Cash at bank and in hand	10	5
Total cash and cash equivalents	10	5

#### 7. TRADE AND OTHER RECEIVABLES

	<b>Period ended 30 June 2021 (unaudited)</b>	<b>Period ended 31 December 2020 (audited)</b>
	<b>£'000</b>	<b>£'000</b>
Prepayments	8	7
Total trade and other receivables	8	7

## 8. INVESTMENTS

	<b>Short-term Investments</b>
	£'000
Fair value	
At 31 December 2019	22
Impairment of Dallas Wheel	(22)
At 31 December 2020	-
At 30 June 2021	-

The company holds investments in the New York Wheel Investor LLC, which is fully written off and the Dallas Wheel Project, which is shown under short-term investments.

In the 2018 the Company invested USD 300k into the Dallas Wheel project. This financing was in the form of a convertible loan. On 31 December 2018 the Company signed a contract to change the repayment terms for its investment in the Dallas wheel. The Company received in 2019 USD 275k however has received no further sums since. Given the uncertainty as to whether the project will ultimately proceed the fair value of the Dallas wheel investment was fully impaired as at year end.

The equity units in New York Wheel Investor LLC are not quoted, in the prior year the Directors had regard to recent transactions in equity units of the New York Wheel and therefore assessed the value as a level 3 valuation. As the project has been stopped and the probability of the project restarting is very low, the investment in the New York Wheel was written off in full.

A further unit of the New York Wheel investment is held as security over the 29 January 2016 convertible loan.

## 9. Borrowings

	Period ended 30 June 2021  (unaudited)	Period ended 31 December 2020  (audited)
<b>Current</b>	£'000	£'000
Convertible notes	1,949	1,949
Deferred cash consideration		-
	1,949	1,939

	Note 1	Note 2	Note 3	Note 4	Total
	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2019 (liability)	1,090	833	-	-	1,923
Balance at 31 December 2019 (equity)	106	-	-	-	106
Issue of Note 3	-	-	40	-	40
Issue of Note 4	-	-	-	49	
Finance Charge	102	66	1	1	170
Increase/decrease in accrued interest	(101)	(66)	-	-	(167)
Premium on Note 3	-	-	10	-	10
Repayment of Note 3	-	-	(51)	-	(51)
Partial conversion of Note 2	-	(25)	-	-	(25)
Balance at 31 December 2020 (liability)	1,091	808	-	50	1,949
Balance at 31 December 2020 (equity)	106	-	-	-	106
Finance Charge	54	31	-	1	86
Increase/decrease in accrued interest	(54)	(31)	-	(1)	(86)
Balance at 30 June 2021 (liability)	1,091	808	-	49	1,949
Balance at 30 June 2021 (equity)	106	-	-	-	106

### Note 1

On 29 January 2016, the Company issued further £1 million of secured convertible notes. The notes are unlisted, secured, transferable and convertible. Maturity date was 30 June 2019. The Secured Convertible Notes were secured by one common unit of New York Wheel Investor LLC, representing a total value US\$1 million. Interest is accrued at 8% per annum and payable quarterly. One eighth of the interest can be settled in cash or shares at the Company's discretion. Seven eighths of the interest is settled in new convertible notes with the same terms. The notes are convertible in cash or shares at the option of the holder and can be

converted into Ordinary Shares at a fixed conversion price of £0.80 per Ordinary Share. The Company can redeem the notes at a 10% premium anytime. As per the nature of this convertible instrument, £106k has been recognised as an equity component of convertible instruments in statement of changes of equity, using a discount rate of 12%. Despite reaching maturity, this note is still outstanding and continues to accrue interest in accordance with the interest terms stated.

New loan notes were issued on completion of the Acquisition in settlement of the existing notes and accumulated interest. The new loan notes are ten-year, zero-coupon loan notes with a principal amount of £1,000,000.

## **Note 2**

The last tranche of £400,000 of the £1 million funding facility announced by the Company on 13 June 2017, was drawn on 18 January 2018 and subsequently the Company has issued convertible notes for £400,000. The notes are unlisted, unsecured, transferable and convertible. Maturity date is 8 June 2019. No conversions can happen in the first 120 days. The maximum amount that can be converted in any 30 day period is 20% of the principal amount. The conversion price is the lowest volume weighted average price over 10 days prior to the conversion. Interest rate is 8% per annum and payable upon conversion at the Company's option in cash or ordinary shares at the conversion price. The Company can redeem in cash all or any part of the outstanding convertible note with a 25% premium to the principal amount. Despite reaching maturity this note is still outstanding and continues to accrue interest in accordance with the interest terms stated

On the 6 January 2020 the company allotted 19,535,676 new ordinary shares of £0.01 each to holders of the Unsecured Convertible Note, comprising 16,479,895 for the conversion of £25,000 of notes and a further 3,055,781 New Ordinary Shares for accumulated interest.

£100,000 of the loan notes was converted into 100,000,000 ordinary shares on £0.01 each on 2 September 2020 which, following the consolidation of the Company's shares on a 266.7609:1 basis on 28 September 2020, constituted 374,868 ordinary shares of £2.667609 each. New loan notes were issued on completion of the Acquisition in settlement of the remainder of the notes and accumulated interest. The new loan notes are ten-year, zero-coupon loan notes with a principal amount of £700,000.

## **Note 3**

The company received £40,800 (US \$50,000) pursuant to the issue of an unsecured convertible on 27 May 2020. The noteholder may convert all or part of the principal amount of its notes into ordinary shares of the Company ('Ordinary Shares') at any time at a fixed conversion price of 0.1p per Ordinary Share. The notes are unlisted, unsecured, transferable and must be redeemed by the Company on 19 May 2021, at the Company's option in cash or in Ordinary Shares at 0.1p per Ordinary Share. Interest is accrued at 5% per annum and payable quarterly, or upon conversion, at the Company's option in cash or by issuing Ordinary Shares. At any time the Company can redeem in cash all or any part of the outstanding notes from the holder at a 25% premium to the principal amount of such notes. The notes were redeemed in cash in September 2020.

#### Note 4

The company issued £52,000 in unsecured convertible notes on 21 September 2020. The noteholder may convert all or part of the principal amount of its notes into ordinary shares of the Company ('Ordinary Shares') at any time at a fixed conversion price of 0.1p per Ordinary Share. The notes are unlisted, unsecured, transferable and may be redeemed by the Company on 19 May 2021, at the Company's option in cash or in Ordinary Shares at 0.1p per Ordinary Share. Interest is accrued at 5% per annum and payable quarterly, or upon conversion, at the Company's option in cash or by issuing Ordinary Shares. At any time the Company can redeem in cash all or any part of the outstanding notes from the holder at a 25% premium to the principal amount of such notes.

The notes were settled after the balance sheet date for the issuance of 194,931 shares in the Company.

#### 10. LOSS PER SHARE

The calculation for loss per share (basic and diluted) for the relevant period is based on the loss after income tax attributable to equity holder for the period from 1 January 2020 to 30 June 2021 and is as follows:

	<b>Period ended 30 June 2021</b>	<b>Period ended 30 June 2020</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>
Profit/Loss attributable to equity holders (£)	(132,000)	(133,000)
Weighted average number of shares	1,557,774	315,537,248
Profit/Loss per share basic (£)	(0.0847)	(0.0004)

Basic loss per share is calculated by dividing the loss after tax attributable to the equity holders of the group by the weighted average number of shares in issue during the year.

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares namely the conversion of the convertible loan note in issue. The effect of these potential dilutive shares would be anti-dilutive and therefore are not included in the above calculation of diluted earnings per share.

#### 11. SUBSEQUENT EVENTS

On 15 July 2021 the Supreme Court of British Columbia approved a Plan of Arrangement in connection with the proposed acquisition of the entire issued share capital of Cindrigo Energy Limited. The transaction was completed 30 July 2021. The Company thereby acquired Cindrigo Limited following the transfer of its entire issued share capital to the Company by Cindrigo Energy Limited shortly after the acquisition of the share capital of Cindrigo Energy Limited. The Company is currently proposing to apply for readmission of the enlarged issued share capital of the Company to trading on the London Stock Exchange and the process for obtaining approval by the FCA for a prospectus required for readmission is underway.

On the 4 August 2021 the Company changed its name to Cindrigo Holdings Limited following the completion of the acquisition of Cindrigo Energy Limited.

## **12. RELATED PARTY TRANSACTIONS**

The company received £20k in working capital from Cindrigo Limited to finance ongoing working capital requirements.

During the period directors received remuneration or consultancy fees of £37,295 for services to the company, these fees were paid by Cindrigo Limited and not recharged to the company.

## **13. ULTIMATE CONTROLLING PARTY**

As at 30 June 2021, no one entity owns greater than 50% of the issued share capital. Therefore, the Company does not have an ultimate controlling party.

**\*\*ENDS\*\***

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