

CINDRIGO HOLDINGS LIMITED

Unaudited Interim Report for the Six-Month Period Ended 30 June 2022

Cindrigo Holdings Limited
Unaudited Interim Report
For the Six Month Period Ended 30 June 2022

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Company Information

Directors

Jorgen Andersson (Non-Executive Chairman)
Lars Guldstrand (Chief Executive Officer)
Mustaq Patel (Chief Commercial Director)
Simon Fawcett (Chief Financial Officer)
Dag Andresen (Independent Director)
Jordan Oxley (Independent Director)

Group Secretary

Mark Taylor
12 Royal Avenue House
Royal Avenue
London
SW3 4QD

Registered Office

PO Box 186 Royal Chamber
St Julian's Avenue, St Peter Port
Guernsey
GY1 4HP

Registered Number

Incorporated in Guernsey with Registered No. 59383

Solicitors

McCarthy Denning Limited
Minster House
42 Mincing Lane
London
EC3R 7AE

Auditors and Reporting Accountants

Macalvins Limited
Bank House
7 St. John's Road
London
HA1 2EY

Principal Bankers

HSBC Bank plc
8 Canada Square
London
E14 5HQ

Registrars

Avenir Registrars Limited
5 St John's Lane,
Farringdon
London EC1M 4BH

Interim Management Report

Due to the situation in Ukraine, the Group has suspended its projects in Ukraine and has concentrated its efforts in the geothermal sector. The Group signed an option agreement in November 2021 to acquire Energy Co-invest Global Corp. (“ECG”), a renewable energy developer based in Canada with geothermal assets primarily in Iceland and Croatia. This option was exercised in March 2022 with ECG being a platform for the Group’s geothermal business and the continued development and pursuit of geothermal opportunities, primarily in Central Europe.

The Group is currently in the process of seeking FCA approval for a prospectus for it to apply for the readmission of the enlarged capital of the Company to the Official List by way of a standard listing and to trading on the Main Market of the London Stock Exchange.

New Funding:

The Company agreed with its principal shareholder, Danir AB (“Danir”) for a new loan financing facility of 18,000,000 SEK (c.£1,450,000) which was paid to the Company’s 100% subsidiary Cindrigo Limited in September 2022.

The loan has been used to repay the loans in Energy Co-Invest Corp used to secure the Croatian asset and provide working capital for project development in Dravacel (Croatia) as well as general working capital until further financing can be secured.

The Company has secured a further £4,000,000 convertible loan note subscription by BK Fortuna. The Group expects to receive the first tranche of these funds by 31 October 2022. The term of the notes is 24 months and is at an interest rate of 10%, with a conversion right at 15% discount to a 30 day Volume Weighted Average Share Price with a minimum of £1.25 per share.

The proceeds from the BK Fortuna loan note subscription will be partially used to repay the loan from Danir AB.

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 30th 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.

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Cindrigo Limited Investment

In order to complete the acquisition of Cindrigo Energy Limited and Cindrigo Limited the Company issued 140,449,800 new ordinary shares and convertible loan notes with a principal value of £612,259.41 convertible into up to 6,122,594 new ordinary shares at £0.10 per share as consideration for the acquisition.

In accordance with IFRS the transaction is recorded as an investment in the accounts of the Group.

On behalf of the new Cindrigo Holdings Board, we would like to take this opportunity to thank our shareholders and note holders for their patience and support during another challenging year.

Financial and Corporate Overview

The half year results report a loss of £1,106k (2021 six-month loss was £132k), which includes legal, regulatory and public Group costs for the Group of £161k and professional fees of £71k

The financial position at 30 June includes borrowings of £3,275k related to three convertible notes recognised within equity, 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 £400k include regular trade payables of £69k, other creditors of £127k and other short-term accruals of £157k.

The principal corporate activity in the period was continuing the process of preparing to apply for readmission of the Company's shares to the London Stock Exchange and seeking new opportunities to make acquisitions in the Geothermal and renewable energy sectors in Europe.

The Company signed an option agreement in November 2021 to acquire Energy Coinvest Global Corp, a renewable energy developer with geothermal assets primarily in Iceland and development opportunities in Croatia. This option was exercised in March 2022.

The Group has acquired 90% in Croatian Group, Dravacel, who holds a geothermal License area of 57km² in Slatina region Croatia

Outlook

Preparatory development work for the Croatian project is ongoing, as well as project financing activities. The Croatian project has recently received "Location Permit" which allows for starting the drilling work. The Group is also evaluating other potential expansion opportunities both in Europe and USA, but short-term focus is on the Croatian project.

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

Lars Guldstrand
Chief Executive Officer
26 September 2022

Responsibility Statement

The Directors are responsible for preparing the Interim Report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ('DTR') and with International Accounting Standard 34 on Interim Financial Reporting (IAS 34).

The Directors confirm that the interim financial statements have been prepared in accordance with IAS 34 and that as required by DTR 4.2.7 and DTR 4.2.8, the Interim Report includes a fair review of:

- important events that have occurred during the first six months of the year;
- the impact of those events on the financial statements;
- a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- details of any related party transactions that have materially affected the Group's financial position or performance in the six months ended 30 June 2022.

The Directors who served during the period and up to the date of signing the interim financial statements were:

Jorgen Andersson (Non-Executive Chairman)

Lars Guldstrand (Chief Executive Officer)

Mustaq Patel ((Chief Commercial Officer)

Dag Andresen (Independent Director)

Jordan Oxley (Independent Director)

Simon Fawcett (Chief Financial Officer)

Group Secretary:

Mark Taylor

By Order of the Board

Mark Taylor

Group Secretary

22 September 2022

Condensed Consolidated Statement of Comprehensive Income

The condensed consolidated statement of comprehensive income of the Group for the six month period from 1 January 2022 to 30 June 2022 is set out below.

	Period ended 30 June 2022 (unaudited) £'000	Period ended 30 June 2021 (unaudited) £'000
Note		
Administrative expenses	(788)	(46)
Operating loss / profit on ordinary activities before taxation	(788)	(46)
Finance costs	(318)	(86)
Loss / Profit before income taxes	(1,106)	(132)
Income tax expense	-	-
Loss / Profit after taxation	(1,106)	(132)
Loss / Profit for the period	(1,106)	(132)
Total comprehensive loss / profit attributable to owners of the parent	(1,106)	(132)
Loss / Profit per share:		
Basic & diluted	8 (0.008)	(0.0847)

Condensed Consolidated Statement of Financial Position

The condensed consolidated statement of financial position as at 30 June 2022 is set out below:

		As at 30 June 2022 unaudited £'000	As at 31 December 2021 unaudited £'000
	Note		
Assets			
Current assets			
Cash and cash equivalents		722	1,562
Trade and other receivables		1,106	863
Short-Term investments		2,943	-
Total current assets		4,821	2,425
Total assets		4,821	2,425
Equity and liabilities			
Capital and reserves			
Share capital account	5	13,379	11,879
Equity component of convertible instruments		3,275	3,275
Accumulated deficit		-14,453	-13,818
Total equity attributable to equity holders		2,201	1,335
Current liabilities			
Borrowings	9	2,170	809
Trade and other payables		400	201
Total current liabilities		2,570	1,090
Total equity and liabilities		4,821	3,271

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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 2021 to 30 June 2021 is set out below:

	Share Capital account £'000	Equity component of convertible instruments £'000	Retained earnings £'000	Total £'000
As at 1 January 2021	8,394	106	-10,909	-2,409
Profit for the year				
Total comprehensive loss for the year		-	-133	-133
Transaction with owners				
Issue of shares	30	-	-	30
Equity component convertible notes: Release on settlement of convertible loans	-	-	-	-
Capital contribution of funding by Cindrigo Limited	-	-	-	-
Total	30	-	-	30
As at 30 June 2021	8,424	106	-11,042	-2,513

The unaudited condensed consolidated statement of changes in equity of the Group from 1 January 2022 to 30 June 2022 is set out below:

	Share Capital account £'000	Equity component of convertible instruments £'000	Retained earnings £'000	Total £'000
As at 1 January 2022	11,879	3,275	-10,818	1,335

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Total comprehensive loss for the year			-1,106	-1,106
Transaction with owners	<hr/>			
Issue of shares	1,500	-	-	-
Conversion of loan notes to equity instruments	-	-	-	-
Other movements	-	-	471	471
Total	<hr/>			
	-	-	-635	-635
As at 30 June 2022	13,379	3,275	-14,453	2,201

Share capital comprises the Ordinary Shares issued by the Group.

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

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

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Condensed Consolidated Statement of Cash Flows

The condensed consolidated cash flow statement of the Group from 1 January 2022 to 30 June 2022 is set out below:

	Period ended 30 June 2022 Unaudited £'000	Period ended 30 June 2021 Unaudited £'000
Net cash used in operating activities		
Profit / Loss for the period before taxation	(1,106)	(132)
Interest	318	86
Operating cash flows before movements in working capital	(788)	(46)
(Increase)/Decrease in receivables	(242)	(1)
Increase/(Decrease) in accounts payable and accrued liabilities	190	32
Net cash used in operating activities	(840)	(15)
Investment in available for sale financial asset	-	-
Net cash outflow from investing activities	-	-
Issue of ordinary shares net of issue costs	-	-
Issue of convertible instruments	-	-
Funding received from Cindrigo Limited	-	20
Net cash inflow from financing activities	-	20
Net increase (decrease) in cash and cash equivalents	(840)	5
Cash and cash equivalent at beginning of period	1,562	5
Cash and cash equivalent at end of period	722	10

Notes to the Condensed Consolidated Interim Report

1. GENERAL INFORMATION

The Group 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.

The Group had an investment of US\$3m in New York Wheel Investor LLC, a Group that was set up to fund the equity component for the project to build a New York Wheel which includes an approximate 630 foot high observation wheel with 36 capsules, a 68,000 square foot terminal and retail building, and a 950 space parking garage. This investment was fully impaired as a result of the termination of the project and litigation between New York Wheel Investor LLC and one of the primary contractors. One share with a nominal value of US\$1m was given to the former Starneth owners to pay the debt resulting from the second tranche of the purchase contract. The Group entered into an investment into the Dallas Wheel project. The investment was sold in 2019 for consideration of US\$300k of which US\$275k was received however no further sums have been received 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.

On the 30 July 2021, the Group completed its reverse takeover of Cindrigo Limited and Cindrigo Energy Limited, which are part of a group of companies that were pursuing renewable energy projects in the Ukraine and Central Europe.

The Group entered into an agreement with Cindrigo Energy Limited in respect of achieving the acquisition of Cindrigo Energy Limited and its wholly owned subsidiary Cindrigo Limited. The Acquisition proceeded pursuant to a new Plan of Arrangement under the British Columbia Business Corporations Act. Under the arrangement the Group acquired each share in the issued share capital of Cindrigo Energy Limited in exchange for 0.875 new shares issued by the Company. As a result of the exchange the former shareholders of Cindrigo Energy Limited acquired 96.5% of the enlarged issued share capital of the Group on a fully diluted basis if all consideration loan notes had been converted.

The Acquisition constituted a reverse takeover for the Group.

The Group is proposing to make an application for its enlarged ordinary share capital to be readmitted to the standard segment of the Official List of the FCA and to trading on the Main Market of the London Stock Exchange.

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

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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 consolidated financial statements for the period ended 30 June 2022 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 2021. The results for the period ended 30 June 2022 are unaudited.

The condensed unaudited consolidated financial statements for the period ended 30 June 2022 have adopted accounting policies consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended 31 December 2021.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

The financial information has been presented in British Pound (£), being the functional currency of the Group.

The consolidated financial statement incorporates the results of the Company and its wholly owned subsidiaries:

The Group conducts its operational business through the Company's wholly-owned subsidiaries, Cindrigo Limited (UK), ECG and Cindrigo Geothermal Limited.

The Company signed an option agreement in November 2021 to acquire Energy Coinvest Global Corp, a renewable energy developer with geothermal assets primarily in Iceland and development opportunities in Croatia. This option was exercised in March 2022.

All inter-company, investments, balances, transactions, income and expenses and profits and losses resulting from inter-company group transactions are eliminated in full on consolidation. Unrealised losses are also eliminated when the transaction provides evidence of an impairment of the asset transferred.

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.

Going Concern

At 30 June 2022 the Group had net assets of £701k excluding the value of its investment in the Cindrigo Group. The financial statements have been prepared on the assumption that the Group 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 Group has adequate resources to continue in operational existence for the foreseeable future

As at date of issue of the financial statements the Group and the noteholders have settled their former, interest bearing loan notes, principal and accrued but unpaid interest, by the issue of new 10-year, zero coupon, convertible loan notes which the Group will be able to convert as soon as it is readmitted to listing. Therefore, on admission, the liability causing the material uncertainty as to Cindrigo Holdings Limited's ability to continue as a going concern, will be converted to equity.

The Directors' objectives when managing capital are to safeguard the Group'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 Group had been financed from equity and convertible notes. In the future, the capital structure of the Group is expected to consist of convertible notes and equity attributable to equity holders of the Group, comprising issued share capital and reserves.

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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 Group comprised a single activity being the Geothermal energy sector.

5. SHARE CAPITAL

Issued and fully paid	Number of shares	Share capital account
		£'000
At 31 December 2021	142,202,746	11,879
Issue of shares	1,200,000	1,500
At 30 June 2022	143,402,746	13,379

The Group 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.

During the reverse takeover the Group issued 140,449,800 shares to acquire the Cindrigo Group. Loan notes with a principal value of £52,000 converted automatically on completion of the acquisition and an additional 194,931 new ordinary shares were issued on such conversion.

The Group issued 1,200,000 ordinary shares to TCB Investors Limited at a price of £1.25 per share on 2nd June 2022. The shares were part of the acquisition costs of ECG by the Company.

6. CASH AND CASH EQUIVALENTS

	Period ended 30	Period ended 31
	June 2022	December 2021
	(unaudited)	(audited)
	£'000	£'000
Cash at bank and in hand	722	722
Total cash and cash equivalents	722	1,562

7. TRADE AND OTHER RECEIVABLES

	Period ended 30 June 2022 (unaudited) £'000	Period ended 31 December 2021 (audited) £'000
Prepayments	-	6
Other receivables	921	671
JTC Deposit	185	186
Total trade and other receivables	1,106	863

The Group made refundable deposits of \$1,500,000 on an investment agreement with JT Capital Pte LTD, during the months of August, 2019 and November 2019, Ltd. The deposits are refundable should the investment agreement not proceed at the Company's option terminate. The company exercised the option to terminate on 18 March 2020. \$1,000,000 was refunded on 28 April 2020.

8. INVESTMENTS IN ASSOCIATES AND SUBSIDIARIES

Fair value	Short-term Investments £'000
At 31 December 2021	-
Acquired in purchase of ECG	1,443
Shares issued in the purchases of ECG	1,500
At 30 June 2022	2,943

The investments associates were acquired in ECG when the Group exercised the option to acquire in March 2022 at comprises of the following companies.

CINH issued 1,200,000 ordinary shares to TCB Investors Limited at a price of £1.25 per share on 2nd June 2022. The shares were part of the acquisition costs of ECG by the Company.

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GEG ENF

Registered office: Tjarnargotu 4, 101 Reykjavik, Iceland

Nature of business: Energy consulting and investing

Class of shares:	%
Ordinary Shares	holding 48.00

The Group holds one equity unit investment in the New York Wheel Investor LLC, which is fully written off and the Group has agreed to transfer one of the equity units to a loan note holder as part of the settlement of certain loan notes, and also an investment in the Dallas Wheel Project, which is shown under short-term investments.

In the 2018 the Group invested USD 300k into the Dallas Wheel project. This financing was in the form of a convertible loan. On 31 December 2018 the Group signed a contract to change the repayment terms for its investment in the Dallas wheel. The Group 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.

In July 2021 the Group issued 140,449,800 new ordinary shares to acquire the Cindrigo Group and complete the reverse takeover. In accordance with IFRS this is recognised as an investment within the accounts of Cindrigo Holdings Limited.

9. Borrowings

	Period ended 30 June 2022 (unaudited) £'000	Period ended 31 December 2021 (audited) £'000
Current		
Convertible notes	620	612
Deferred cash consideration	1,550	277
	2,170	889

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	Note 1	Note 2	Note 3	Note 4	Note 5
	£'000	£'000	£'000	£'000	£'000
Balance at 31 December 2020 (liability)	1,091	808	-	50	-
Balance at 31 December 2020 (equity)	106	-	-	-	-
Finance Charge	97	72	-	4	-
Conversion of loan to equity instrument	-1,000	-700	-	-	-
Conversion of loan note 4	-	-	-	-54	-
Issue of Note 5	-	-	-	-	1,575
Other movements	-188	-180	-	-	-
Balance at 31 December 2021 (liability)	-	-	-	-	-
Balance at 31 December 2021(equity)	1,000	700	-	-	1,575
Accrued interest					8
Balance at 31 December 2021 (liability)	-	-	-	-	-
Balance at 31 December 2021(equity)	1,000	700	-	-	1,583

Note 1

On 29 January 2016, the Group issued further £1 million of secured convertible notes. The notes were 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 accrued at 8% per annum and was payable quarterly. One eighth of the interest can be settled in cash or shares at the Group'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 Group 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 in of convertible instruments in statement of changes of equity, using a discount rate of 12%.

In August 2021 the loan notes, including all accumulated but unpaid interest, were settled by new 10-year zero coupon loan notes with a principal value of £1m which have been reclassified as an equity instrument under IFRS.

Note 2

The last tranche of £400,000 of the £1 million funding facility announced by the Group on 13 June 2017, was drawn on 18 January 2018 and subsequently the Group issued convertible note for £400,000. The notes were unlisted, unsecured, transferable and convertible. Maturity date was 8 June 2019. No conversions could happen in the first 120 days. The maximum amount that could be converted in any 30day period was 20% of the principal amount. The conversion price was the lowest volume weighted average price over 10 days prior to the

conversion. Interest rate was 8% per annum and payable upon conversion at the Group's option in cash or ordinary shares at the conversion price. The Group could 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 was still outstanding and continued to accrue interest in accordance with the interest terms stated

On the 6 January 2020 the Group 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.

In August 2021 the loan notes, including all accumulated but unpaid interest, were settled by new 10- year zero coupon loan notes with a principal value of £700,000 which have been reclassified as an equity instrument under IFRS.

Note 3

The Group received £40,800 (US \$50,000) pursuant to the issue of an unsecured convertible on 27 May 2020. The noteholder could convert all or part of the principal amount of its notes into ordinary shares of the Group ('Ordinary Shares') at any time at a fixed conversion price of 0.1p per Ordinary Share. The notes were unlisted, unsecured, transferable and must be redeemed by the Group on 19 May 2021, at the Group's option in cash or in Ordinary Shares at 0.1p per Ordinary Share. Interest accrued at 5% per annum and payable quarterly, or upon conversion, at the Group's option in cash or by issuing Ordinary Shares. At any time the Group could 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 Group issued £52,000 in unsecured convertible notes on 21 September 2020. The noteholder could convert all or part of the principal amount of its notes into ordinary shares of the Group ('Ordinary Shares') at any time at a fixed conversion price of 0.1p per Ordinary Share of £0.01 (pre-consolidation). The notes were unlisted, unsecured, transferable and could be redeemed by the Group on 19 May 2021, at the Group's option in cash or in Ordinary Shares at 0.1p per Ordinary Share. Interest accrued at 5% per annum and payable quarterly, or upon conversion, at the Group's option in cash or by issuing Ordinary Shares.

In August 2021 the loan notes converted automatically on the completion of the acquisition of Cindrigo Energy Limited and 194,931 new ordinary shares were issued in respect of such conversion.

Note 5

On 11 October 2021 the Group created up to £1,575,000 Series 4 unlisted, unsecured, zero-coupon, convertible and transferable loan notes 2031.

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Other loans

On October 21, 2018, the Company borrowed US\$295,600 from a group of arm's length parties. The loans bear interest at 7% interest per annum. The loans are convertible at the option of the lenders at any time between 6 to 30 months after the Company's listing on a Stock Exchange at a conversion price that is at a 25% discount to the 30 day volume weighted average share price. If the loans are not converted, the loans are due three years after the Company's listing.

To finance the acquisition of Peninsula Geothermal by Energy Co-Invest Corp the company obtained 8 loans of EUR 1,103,800 at 5% monthly interest from various sources.

The loans were repaid in full in September 2022.

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 2021 to 30 June 2022 and is as follows:

	Period ended 30 June 2022 (unaudited)	Period ended 30 June 2021 (unaudited)
Profit/Loss attributable to equity holders (£)	(1,106,000)	(132,000)
Weighted average number of shares	142,202,746	1,557,774
Profit/Loss per share basic (£)	(0.008)	(0.0847)

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

The following events have occurred in the financial position of the Company since 30 June 2022 being the end of the financial period covered by these interim financial statements:

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- (1) On 5 September 2022, the Company entered into a loan agreement with Danir AB in an amount of SEK 18,000,000 (approximately £1,443,660). The loan is interest free and is repayable by 31 January 2023. An arrangement fee of between £160k and £280k, depending on the time the loan is outstanding, is payable by the Company. Cindrigo has a right to repay all or any part of the loan before the final repayment date on one business day's notice.
- (2) On 6 September 2022, the Company lent some of the funds from the New Danir Facility to its subsidiary Energy Co-Invest Global Corp to repay approximately €1.1m of the short-term bridging loans made by 6 of the 8 lenders to the subsidiary
- (3) The balance of the Danir Loan was lent by the Company to its wholly-owned subsidiary, Cindrigo Geothermal Limited, to enable the subsidiary to meet its obligations to provide €500,000 of working capital to Dravacel Energetika d.o.o. pursuant to a sale and purchase agreement entered into by the subsidiary relating to the acquisition of 90% of Dravacel dated 8 June 2022.
- (4) On 25 September 2022 the Company entered into a Subscription Agreement with BK Fortuna AS whereby BK Fortuna agreed to subscribe for £4m in new 2 year 10% secured convertible loan notes (the "Notes"). At least £1m of the Notes are to be subscribed by 31 October 2022 and the remaining £3m are to be subscribed by 30 November 2022.

12. RELATED PARTY TRANSACTIONS

During the period the consultancy fees of £48,900 (30 June 2021: £45,000) were payable to Fitzrovia Advisory Ltd, a company in which M Patel the director has a material interest. No balances were outstanding at period end (31 December 2021: £nil). Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy and legal fees of £nil (30 June 2021: £129,167) were payable to Biogas Prom, a company who was a shareholder in Cindrigo Limited (and is now a shareholder in the parent company Cindrigo Energy Limited). £2,856 in fees were due to Biogas Prom period end (31 December 2021: £98,60). Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy fees of £60,000 (30 June 2021: £64,096) were payable to IMM International. No balances were due to IMM International at 30 June 2021 (31 December 2021: £nil). IMM International and Cindrigo Limited are connected by virtue of common key management personnel. Transactions are completed on an arm's length basis on normal commercial terms.

The Company paid amounts due under Directors Service Agreements with Cindrigo Energy Limited for the period of £20,500 (30 June 2021: £13,295) and remuneration of key management personnel of £16,000 (30 June 2021: £24,000). The amounts were not recharged

to Cindrigo Energy Limited.

13. ULTIMATE CONTROLLING PARTY

As at 30 June 2022, no one entity owns greater than 50% of the issued share capital. Therefore, the Group does not have an ultimate controlling party.