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11 August 2023

**Cindrigo Holdings Limited**

**("Cindrigo" or the "Company")**

**Interim Results**

Cindrigo (LSE: CINH) announces its interim results for the period ended 30 June 2023. The full interim report can be round on the Company's website, www.cindrigo.com

## INTERIM MANAGEMENT REPORT

Due to the situation in Ukraine, the Group has concentrated its efforts in the geothermal sector. The Group is currently preparing to apply for the readmission of the enlarged capital of the Group to trading on the London Stock Exchange.

### New Funding

The Group agreed with its principal shareholder, Danir AB ("Danir"), for a new loan financing facility of £1,000,000 which was paid in April 2023. The loan facility has been provided for the purposes working capital management.

### Board of director changes

There have been no changes in the Board of Directors during the 6 months period January – June 2023.

### Financial and Corporate Overview

The half year results report a loss of £964k (2022 six-month loss was £1,106k), which includes legal, regulatory and public Group costs for the Group of £132k and professional fees of £64k.

The financial position at 30 June 2023 includes borrowing of £3,251k related to three convertible notes, loans are mix of equity and convertible loan notes and recognised as equity and liabilities. Trade and other payables of £466k include regular trade payables of £121k, other creditors of £344k.

The principal corporate activity in the period was continuing the process of readmission of the Group's shares to the London Stock Exchange and development of the current project in Croatia as well as seeking new opportunities to make development and/or acquisitions in the Geothermal and renewable energy sectors in Europe.

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

**Outlook**

The Company has signed Framework agreement with Petroline a company based in the Abu Dhabi UAE regarding project funding (contingent on Due Diligence) and Kaishan, a Singapore based company for full turn key EPC contract, to be finalized in specific contract for Croatia 1 (Slatina 3).

Current priority is to raise and finalise Project development funds for the Dravacel /Croatia 1 project, to move the project forward, while also evaluate additional licenses primarily in Europe, to strengthen the portfolio.

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

**Lars Guldstrand**
Chief Executive Officer
11 August 2023

**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 2023.

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


**For more information please contact:**

| | |
|---|---|
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| St Brides Partners Ltd (PR), Catherine Leftley, Paul Dulieu | cindrigo@stbridespartners.co.uk |

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The condensed consolidated statement of comprehensive income of the Group for the six month period from 1 January 2023 to 30 June 2023 is set out below.

| | Note | Period ended 30 June 2023 (unaudited) £'000 | Period ended 30 June 2022 (audited) £'000 |
|---|---|---|---|
| Administrative expenses | | (892) | (788) |
| **Operating loss / profit on ordinary activities before taxation** | | (892) | (788) |
| Finance costs | | (78) | (318) |
| **Loss / Profit before income taxes** | | (970) | (1,106) |
| Income tax expense | | - | - |
| Loss / Profit after taxation | | (970) | (1,106) |
| **Loss / Profit for the period** | | (970) | (1,106) |
| Share of (Profit) / loss attributable to Non-controlling interest | | 6 | - |
| **Total comprehensive loss / profit attributable to owners of the parent** | | (964) | (1,106) |
| Loss / Profit per share: | | | |
| Basic & diluted | 12 | (0.007) | (0.008) |

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The condensed consolidated statement of financial position as at 30 June 2023 is set out below:

| | Note | As at 30 June 2023 unaudited £'000 | As at 31 December 2022 audited £'000 |
|---|---|---|---|
| **Assets** | | | |
| **Non - current assets** | | | |
| Property, plant and equipment | 5 | 613 | 622 |
| Intangible Assets | 6 | 394 | 227 |
| **Total current assets** | | **1,007** | **849** |
| | | | |
| **Current assets** | | | |
| Cash and cash equivalents | 8 | 680 | 690 |
| Trade and other receivables | 9 | 456 | 402 |
| **Total current assets** | | **1,136** | **1,092** |
| | | | |
| **Total assets** | | **2,143** | **1,941** |
| | | | |
| **Equity and liabilities** | | | |
| **Capital and reserves** | | | |
| Share capital account | 7 | 11,965 | 12,038 |
| Equity component of convertible instruments | | 3,673 | 3,456 |
| Accumulated deficit | | (17,203) | (16,270) |
| Non-controlling Interests | | (9) | (3) |
| **Total equity attributable to equity holders** | | **(1,574)** | **(779)** |
| | | | |
| **Current liabilities** | | | |
| Borrowings | 11 | 3,251 | 2,407 |
| Trade and other payables | | 466 | 313 |
| **Total current liabilities** | | **3,717** | **2,720** |
| | | | |
| **Total equity and liabilities** | | **2,143** | **1,941** |

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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

| | Share Capital account | Equity component of convertible instruments | Retained earnings | Total |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 |
| **As at 1 January 2022** | **11,879** | **3,275** | **(13,818)** | **(1,336)** |
| Profit for the year | | | | |
| **Total comprehensive loss for the year** | | **-** | **(1,106)** | **(1,106)** |
| **Transaction with owners** | | | | |
| Issue of shares | - | - | - | **-** |
| Equity component convertible notes: | | | | |
| Other movements | - | - | 471 | - |
| **Total** | **-** | **-** | **471** | **-** |
| **As at 30 June 2022** | **11,879** | **3,275** | **(14,453)** | **(701)** |

The audited condensed consolidated statement of changes in equity of the Group from 1 January 2023 to 30 June 2023 is set out below:

| | Share Capital account £'000 | Equity component of convertible instruments £'000 | Retained earnings £'000 | Non-controlling Interest £'000 | Total £'000 |
|---|---|---|---|---|---|
| **As at 1 January 2023** | **12,038** | **3,456** | **(16,270)** | **(3)** | **(779)** |
| Profit for the year | | | | | |
| **Total comprehensive loss for the year** | | **-** | **(964)** | **-** | **(964)** |
| **Transaction with owners** | | | | | |
| Issue of shares | - | - | - | - | - |
| Equity component convertible notes: | - | 217 | - | - | 217 |
| Other movements | (73) | - | 31 | - | (42) |
| Amounts attributable To NCI | - | - | - | (6) | (6) |
| **Total** | **(73)** | **217** | **31** | **(6)** | **169** |
| **As at 30 June 2023** | **11,965** | **3,673** | **(17,203)** | **(9)** | **(1,574)** |

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.

## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

The condensed consolidated cash flow statement of the Group from 1 January 2023 to 30 June 2023 is set out below:

| | Period ended 30 June 2023 Unaudited £'000 | Period ended 30 June 2022 Audited £'000 |
|---|---|---|
| **Net cash used in operating activities** | | |
| Profit / Loss for the period before taxation | (964) | (1,106) |
| Depreciation and amortisation | 20 | - |
| Interest | 78 | 318 |
| **Operating cash flows before movements in working capital** | **(866)** | **(788)** |
| (Increase)/Decrease in receivables | (54) | (242) |
| Increase/(Decrease) in accounts payable and accrued liabilities | 153 | 190 |
| **Net cash used in operating activities** | **(767)** | **(840)** |
| | | |
| Purchase of intangible assets | (187) | - |
| **Net cash outflow from investing activities** | **(187)** | **-** |
| | | |
| Other movements in equity/Minority interest | (48) | - |
| Issue of convertible instruments | 1,070 | - |
| Interest paid | (78) | - |
| **Net cash inflow from financing activities** | **944** | **-** |
| | | |
| **Net increase (decrease) in cash and cash equivalents** | **(10)** | **(840)** |
| | | |
| Cash and cash equivalent at beginning of period | 690 | 1,562 |
| **Cash and cash equivalent at end of period** | **680** | **722** |

## 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 a 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 Group. 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.

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

## 2. BASIS OF PREPARATION

The interim condensed audited consolidated financial statements for the period ended 30 June 2023 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 2022. The results for the period ended 30 June 2023 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 Group's annual consolidated financial statements for the year ended 31 December 2022.

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 following companies are consolidated into the interim Group financial statements:

| **Name of Company** | **Country of incorporation** | **Nature of operations** | **% owned** | **Method of Consolidation** |
|---|---|---|---|---|
| Cindrigo Limited | U.K | Cost Centre | 100% | Full consolidation |
| Cindrigo Geothermal Limited | U.K | Holding company | 100% | Full consolidation |
| Dravacel Energetika doo | Croatia | Geothermal energy | 90% | Full consolidation |
| Energy Co-Invest Global | Canada | Holding company | 100% | Full consolidation |
| GEG efh | Iceland | Geothermal energy | 48% | Equity accounting |
| Kyiv Power BTS LLC | Ukraine | Holding company | 99% | Full consolidation |

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

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**

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.

**Foreign Currency Translation**

Functional and presentation currency

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in British Pounds (GBP), which is Cindrigo Holdings functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange gains and losses are presented in the statement of profit or loss, within finance income or finance costs.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as available-for-sale financial assets are recognised in other comprehensive income.

**Fair value of assets**

Assets are tested for fair value whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. A reduction in fair value is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing fair value, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered a significant reduction in fair value are reviewed for possible reversal of the significant reduction in fair value at the end of each reporting period.

**Intangible assets**

An entity applies the definition and recognition criteria for an intangible asset in the same way in an interim period as in an annual period.

**Depreciation and amortisation**
Intangible assets subject to amortization are amortized over their estimated useful life of 10 years.

**Cash and cash equivalents**
For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**Trade and other payables**
These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

**Borrowings**
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

## 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. PROPERTY, PLANT AND EQUIPMENT

Land was acquired as part of new acquisition Dravacel, in June 2022, land is in Croatia and has license to construct GEFL energy site.

| | LAND £'000 | Total £'000 |
|---|---|---|
| At 31 December 2022 | 622 | 622 |
| Currency revaluation gain/losses | (9) | (9) |
| At 30 June 2023 | 613 | 613 |

The land is not depreciated. The directors have considered whether the value of the land requires an impairment as at 31 December 2022, due to the fact that Dravacel has exploration rights for the land the directors consider that there has been no diminution in the carrying value of the land since the acquisition.

## 6. INTANGIBLE ASSETS

Intangible assets includes Patents and licence, this is property of Dravacel, acquired in June 2022.

| | PATENTS AND LICENCES £'000 | Total £'000 |
|---|---|---|
| At 31 December 2022 | 227 | 227 |
| Additions | 187 | 187 |
| Depreciation | (20) | (20) |
| At 30 June 2023 | 394 | 394 |

## 7. SHARE CAPITAL

| Issued and fully paid | Number of shares | Share capital account £'000 |
|---|---|---|
| At 31 December 2022 | 142,202,746 | 22,458 |
| Issue of shares | - | - |
| At 30 June 2023 | 142,202,746 | 22,458 |

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.

## 8. CASH AND CASH EQUIVALENTS

| | Period ended 30 June 2023 (unaudited) £'000 | Period ended 31 December 2022 (audited) £'000 |
|---|---|---|
| Cash at bank and in hand | 680 | **690** |
| **Total cash and cash equivalents** | **680** | **690** |

## 9. TRADE AND OTHER RECEIVABLES

| | **Period ended 30 June 2023 (unaudited)** £'000 | **Period ended 31 December 2022 (audited)** £'000 |
|---|---|---|
| Prepayments | 38 | 1 |
| Other receivables | 79 | 62 |
| TCB Investors | 339 | 339 |
| **Total trade and other receivables** | **456** | **402** |

On 5 August 2022 CINH lent interest free loan to TCB Investors OU the Vendor of ECG £340,000 for a term to 31st December 2023.

## 10. INVESTMENTS IN ASSOCIATES

| | **Short-term Investments £'000** |
|---|---|
| **Fair value** | |
| At 31 December 2022 | - |
| Acquired in purchase of ECG | - |
| At 30 June 2023 | - |

The Group holds only investment in associate is GEG of which the group owns 48% by virtue of owning 100% of ECG and that the investment in associate is fully impaired.

## 11. Borrowings

| Current | Period ended 30 June 2023 (unaudited) £'000 | Period ended 31 December 2022 (audited) £'000 |
|---|---|---|
| Convertible notes | 2,940 | 2,113 |
| Other loans | 311 | 294 |
| | **3,251** | **2,407** |

| | Note 1 £'000 | Note 2 £'000 | Note 3 £'000 | Note 4 £'000 | Note 5 £'000 | Note 6 £'000 |
|---|---|---|---|---|---|---|
| Balance at 31 December 2021 (liability) | - | - | - | - | - | - |
| Balance at 31 December 2021 (equity) | 1,000 | 700 | 1,575 | - | - | - |
| Other movements | - | - | - | - | | |
| Issue of Note | - | - | - | 1,443 | 827 | - |
| Accrued interest | - | - | - | 23 | 1 | - |
| Conversion of loan to equity instrument | - | - | - | -68 | -113 | - |
| Balance at 31 December 2022 (liability) | - | - | - | 1,398 | 715 | - |
| Balance at 31 December 2022(equity) | 1,000 | 700 | 1,575 | 68 | 113 | - |
| Issue of Note | - | - | - | - | - | 1,000 |
| Conversion of loan to equity instrument | - | - | - | - | - | -216 |
| Accrued interest | - | - | - | 36 | 18 | 9 |
| Conversion of loan | - | - | - | - | - | - |
| Other movements | - | - | - | - | - | -20 |
| Conversion of loan | - | - | - | - | - | - |
| Balance at 30 June 2023 (liability) | - | - | - | 1,414 | 733 | 793 |
| Balance at 30 June 2023(equity) | 1,000 | 700 | 1,575 | 68 | 113 | 216 |

**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**

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

**Note 4**

On 6th September 2022 Company received funding of SEK 18,000k from Danir AB. The loan is interest free and payable on 05 September 2025 but has an option to convert.

**Note 5**

On 5th August 2022 Danir agreed to lend CINH £750,000 at an interest rate of 5% per annum. The Loan was to be convertible at a 25% discount to VWAP or £1.25 per share which ever was the higher.

On 9th December 2022 CINH agreed with Danir to restructure the facility. A loan of £750,000 was advanced to CINH on that date with agreements and loan note instruments being reduced to writing in January 2023. The original agreement was cancelled and a new issue of £3,800,000 convertible notes were issued to Danir convertible at £0.15 per share. A further loan was advanced in the sum of £750,000 which will be convertible at £1.25 per share. 2,000,000 warrants at £1.00 exercisable by 31 December 2023 and 3,000,000 warrants at £1.25 exercisable by 31 December 2023.

**Note 6**

On 26th April 2023 Danir agreed to lend CINH £1,000,000 payable as soon as possible. A loan facility is by the subscription for convertible loan notes, unsecured 12% convertible loan notes created by the Loan Note Instrument. Loan facility is for 48 months after the date of this agreement.

**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.

## 12. 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 2023 to 30 June 2023 and is as follows:

| | Period ended 30 June 2023 (unaudited) | Period ended 30 June 2022 (audited) |
|---|---|---|
| Loss attributable to equity holders (£) | (964,000) | (1,106,000) |
| Weighted average number of shares | 142,202,746 | 142,202,746 |
| Loss per share basic (£) | (0.007) | (0.008) |

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.

## 13. SUBSEQUENT EVENTS

There are no subsequent events to report since 30 June 2023.

## 14. RELATED PARTY TRANSACTIONS

During the period the consultancy fees of £48,000 (30 June 2022: £48,900) 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 2022: £nil). Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy fees of £70,000 (30 June 2022: £60,000) were payable to IMM International. Balances were due to IMM International of £9k at 31 December 2022 (31 December 2021: £nil). IMM International and Cindrigo Holdings Limited are connected by virtue of common key management personnel, L Guldstrand. Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy fees of £42,500 (30 June 2022: £nil) were payable to Treasury Core UAB. Balances were due to Treasury Core UAB of £9k at 31 December 2022 (31 December 2021: £nil). Treasury Core UAB and Cindrigo Holdings Limited are connected by virtue of common personnel, J Oxley. Transactions are completed on an arm's length basis on normal commercial terms.

During the period the consultancy fees of £20,000 (30 June 2022: £nil) were payable to Osmosis Limited. Balances were due to Osmosis Limited of £4k at 31 December 2022 (31 December 2021: £nil). Osmosis Limited and Cindrigo Holdings Limited are connected by virtue of common key management personnel, S Fawcett. Transactions are completed on an arm's length basis on normal commercial terms.

The Company paid amounts due under Directors Service Agreements with Cindrigo Holdings Limited for the period of £38,000 (30 June 2022: £20,500) and remuneration of key management personnel of £Nil (30 June 2022: £16,000).

## 15. ULTIMATE CONTROLLING PARTY

As at 30 June 2023, no one entity owns greater than 50% of the issued share capital. Therefore, the Group does not have an ultimate controlling party.