

This Document comprises a prospectus relating to Cindrigo Holdings Limited (the “Company”) prepared in accordance with the Prospectus Regulation Rules of the Financial Conduct Authority (FCA) made under section 73A of the Financial Services and Markets Act 2000 (FSMA). A copy of this Document has been filed with, and approved by the FCA and has been made available to the public in accordance with the Prospectus Regulation Rules. This Document has been approved as a prospectus by the FCA as competent authority under the UK version of Regulation (EU) 2017/1129 which is part of English law by virtue of the European Union (Withdrawal) Act 2018 (as amended). The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation in respect of a prospectus. Such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this Document. Investors should make their own assessment as to the suitability of investing in the securities. This Document will be made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

Application will be made to (i) the FCA for all of the Shares to be admitted to the Equity Shares (Commercial Companies) category of the Official List and (ii) the London Stock Exchange for all of the Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (“Main Market”). Conditional dealings in the Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 31 October 2025. It is expected that Admission to listing on the Official List and trading on the London Stock Exchange will become effective and that unconditional dealings in the Shares will commence at 8.00 a.m. on 31 October 2025. All dealings in the Shares prior to the commencement of unconditional dealings will be on a “when issued” basis and will be of no effect if Admission does not take place and will be at the sole risk of the parties concerned. No application is currently intended to be made for the Shares to be admitted to listing or trading on any other exchange.

The Company and its directors, whose names appear on page 31 of this document (“Directors”), accept responsibility for the information contained in this Document. To the best of the knowledge of the Company and the Directors, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

INVESTORS SHOULD READ THIS DOCUMENT IN ITS ENTIRETY. IN PARTICULAR, YOUR ATTENTION IS DRAWN TO “RISK FACTORS” FOR A DISCUSSION OF THE RISKS THAT MIGHT AFFECT THE VALUE OF YOUR SHAREHOLDING IN THE COMPANY. IT SHOULD BE REMEMBERED THAT THE PRICE OF THE ORDINARY SHARES AND THE INCOME FROM THEM CAN GO DOWN AS WELL AS UP.



Cindrigo Holdings Limited

(Incorporated in Guernsey with Registered No. 59383)

**Gross Proceeds of the Fundraising £2,061,239 by way of the issuance of 13,499,994
Placing Shares plus 3,677,000 Subscription Shares**

Admission of the Enlarged Ordinary Share Capital to listing on the Equity Shares (Commercial Companies) category of the Official List and Admission to trading on the Main Market of the London Stock Exchange

**BEAUMONT
CORNISH**
LIMITED

Sponsor



Broker

***Enlarged Ordinary Share Capital immediately following Admission as enlarged by the issue of
Fundraising Shares, Introducer Shares and Total CLN Conversion Shares:***

333,914,907 Ordinary Shares

This Prospectus is issued solely in connection with Admission. This Prospectus does not constitute or form part of an offer or invitation to sell or issue, or any solicitation of an offer to purchase or subscribe for, any securities by any person. The Ordinary Shares will not be generally made available or marketed to the public in the UK or any other jurisdiction in connection with Admission. The information contained in this Document is not intended to be relied upon by any subsequent purchasers of Ordinary Shares (whether on or off exchange) and accordingly no duty of care is accepted in relation to them.

The Ordinary Shares have not been, and will not be, registered under the United States Securities Act of 1933 (as amended) (the “Securities Act”), or under the securities laws or with any securities regulatory authority of any state or other jurisdiction of the United States or of any province or territory of Australia, Canada, Japan, South Africa or the Republic of Ireland.

Securities may not be offered or sold in the United States absent: (i) registration under the Securities Act; or (ii) an available exemption from registration under the Securities Act. The Ordinary Shares have not been and will not be offered or sold in the United States, Australia, Canada, Japan, South Africa or the Republic of Ireland or to or for the account or benefit of any person resident in Australia, Canada, Japan, South Africa, the United States or the Republic of Ireland and this Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in such jurisdictions or in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. These materials may not be published, distributed or transmitted by any means or media, directly or indirectly, in whole or in part, in or into the United States, Australia, Canada, Japan, South Africa or the Republic of Ireland. The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves of and observe any such restrictions.

The distribution of this Document in or into jurisdictions other than the UK may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document has been prepared to comply with requirements of English law, the UK Listing Rules ("UKLR"), the Prospectus Regulation Rules and the rules of the London Stock Exchange and information disclosed may not be the same as that which would have been disclosed if this Document had been prepared in accordance with the laws of jurisdictions outside England.

In relation to each Member State of the European Economic Area (each a "Relevant State"), no Ordinary Shares have been offered or will be offered in connection with Admission to the public in that Relevant State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the Ordinary Shares may be offered to the public in that Relevant State at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation); or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Ordinary Shares shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Ordinary Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Ordinary Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Beaumont Cornish Limited has been appointed as sponsor in connection with Admission. Beaumont Cornish Limited which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and no one else in connection with Admission and will not regard any other person (whether or not a recipient of this Document) as a client in relation to Admission and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to Admission or any transaction or arrangement referred to in this Document. Apart from the responsibilities and liabilities, if any, that may be imposed on Beaumont Cornish Limited by FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, Beaumont Cornish Limited accepts no responsibility whatsoever for, and makes no representation or warranty, express or implied, as to the contents of, this Document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Shares or the Offer and nothing in this Document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Beaumont Cornish Limited accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which it might otherwise have in respect of this Document or any such statement. Beaumont Cornish Limited has given and not withdrawn its consent to the issue of this Document with the inclusion of the references to its name in the form and context to which they are included.

Capital Plus Partners Ltd ("Capital Plus"), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company as broker in connection with the Placing and Admission. Capital Plus is not acting for any other person and will not (subject to the responsibilities and liabilities imposed by FSMA or the regulatory regime established thereunder) be responsible to any other person for providing the protections afforded to customers of Capital Plus, or for advising any other person in connection with the Placing and Admission. No representation or warranty, express or implied, is made by Capital Plus or any of its directors, officers, partners, employees, agents or advisers as to the contents of this Document (without limiting the statutory rights of any person to whom this Document is issued). No liability whatsoever is accepted by Capital Plus or any of its directors, officers, partners, employees, agents or advisers for the accuracy of any information or opinions contained in this Document or for the omission of any material information for which it is not responsible.

This prospectus is dated 28 October 2025

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PART 1 SUMMARY

1. INTRODUCTION AND WARNINGS

1.1 Details of the Issuer

The issuer is Cindrigo Holdings Limited ("the Company"), a company incorporated and registered in Guernsey as a company limited by shares on 24 November 2014 under the Companies (Guernsey) Law, 2008, as amended, with the previous name Challenger Acquisitions Limited. The Company registered number is 59383.

The Company's registered office is located at 1st & 2nd Floors Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW, and the telephone number is +44 1481 740 820.

The Legal Entity Identifier (LEI) of the Company is 213800T424TYEZ5PLE75.

1.2 Details of the Securities

The securities to which this Prospectus (the "Prospectus") relates are the fully paid Ordinary Shares of the Company (the "Ordinary Shares"), each with a nominal value of £0.01. The Prospectus is being issued in connection with the Company's application for admission to listing on the Equity Shares (Commercial Companies) category of the Official List and to trading on the London Stock Exchange's Main Market for listed securities (the "Admission").

On Admission, the Ordinary Shares will be registered with the ISIN – GG00BM9CCP98, SEDOL – BM9CCP9 and will trade under the ticker symbol "CINH".

1.3 Identity and Contact Details of the Competent Authority Approving the Prospectus

This Prospectus has been approved by the FCA, the competent authority for listing in the United Kingdom, under Part VI of the Financial Services and Markets Act 2000, as amended (FSMA). The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation in respect of a prospectus. Such approval should not be considered as an endorsement of the Company that is, or the quality of the securities that are, the subject of this Document. Investors should make their own assessment as to the suitability of investing in the securities. The FCA's head office is located at 12 Endeavour Square, London E20 1JN, and can be contacted via telephone at +44 207 066 1000.

1.4 Date of Approval of the Prospectus

28 October 2025

1.5 Warnings

This summary should be read as an introduction to the Prospectus. Any decision to invest in the Ordinary Shares should be based on consideration of the Prospectus as a whole by the investor. Investors could lose all or part of the invested capital. Civil liability attaches only to those persons who have tabled this summary including any translation, but only where the summary is misleading, inaccurate, or inconsistent, when read together with the other parts of the Prospectus or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

2. KEY INFORMATION ON THE ISSUER

2.1 Who is the Issuer of the Securities?

The corporate and trading name of the issuer is **Cindrigo Holdings Limited ("the Company")**, domiciled in Guernsey. It was incorporated on **24 November 2014** and is subject to the **Companies (Guernsey) Law, 2008, as amended**. The Company is regulated under the **UK Listing Rules** in the Equity Shares (Commercial Companies) category and is required to comply with all associated governance and public hands requirements.

The principal activity of the Company is the development and operation of renewable energy projects, focusing on **Waste-to-Energy ("WtE")** and **geothermal energy generation**.

2.2 Sponsor Information

In connection with Admission, the Company has appointed Beaumont Cornish Limited, as required for listing in the Equity Shares (Commercial Companies) category.

2.3 Principal Activities and Projects

The Company's principal operations are:

- **Kaipola Plant:** A 110 MW combined heat and power plant in Finland expected to commence commercial operations in 2025 (the "**Kaipola Plant**").
- **Geothermal Projects:** Focused on the Upper Rhine Valley in Germany, with three signed energy projects currently within the portfolio (the "**German Projects**" or "**Geothermal Projects**").

The Company's Ordinary Shares were formerly admitted to trading on the London Stock Exchange's Main Market for listed securities and to the Official List as a special purpose acquisition company pursuant to Chapter 14 of the Listing Rules in force at the time, which set out the requirements for Standard Listings, on 19 February 2015.

The Company was originally established to undertake one or more acquisitions in the entertainment and leisure sectors, with a particular focus on the attractions sector. Following the acquisition and subsequent disposal (early in 2017) of the assets and liabilities related to the Starneth companies, the Company explored acquisition opportunities in other sectors. This led to the acquisition on 30 July 2021 of Cindrigo Limited ("Cindrigo"), a private company registered in England and Wales (company number 10572147), incorporated on 19 January 2017 to assume part of the business and projects of Cindrigo SA, a Swiss company (the "Acquisition").

The Acquisition of Cindrigo was executed by first acquiring its then parent company, Cindrigo Energy Limited ("CEL"), a company incorporated under the laws of British Columbia, Canada, through a plan of arrangement under those laws ("Plan of Arrangement"). Upon completion of the Plan of Arrangement ("Completion"), the Company acquired 167,517,063 common shares of no-par value in the capital of CEL, representing its entire issued share capital, from its existing shareholders (the "Cindrigo Shareholders").

As of the date of this Prospectus, the Group is engaged in the development and operation of renewable energy projects, focusing on WtE and geothermal heat and power generation. The Group's principal asset is a 90 per cent. stake, acquired by the Company in April 2024, in Kaipola, a 110 MW combined heat and power plant (the "Plant") located in Finland, which is expected to commence commercial operations in 2025. This Plant is projected to provide consistent baseload electricity and heat, leveraging local and national demand in Finland for sustainable energy solutions.

In furthering the Company's renewable energy portfolio, on 3 March 2025, Cindrigo's sister company, Cindrigo Geothermal Limited, entered into an Investment Agreement in respect of three licenced geothermal projects in the Upper Rhine Valley, Germany, a region renowned for its geothermal potential.

These efforts aim to optimise its ability to achieve growth in these markets, aligning with the Group's strategy to become a significant developer and provider in the European renewable energy sector. Through strategic acquisitions, government partnerships, and renewable technology innovations, the Group seeks to deliver sustainable growth and create long-term value for its Shareholders.

2.4 Major Shareholders

Insofar as is known to the Company, based on prior notifications, the table below shows (i) on Admission, the persons who, directly or indirectly, are or will be interested in 5 per cent. or more of the Company's issued ordinary share capital; and (ii) their respective interests upon exercise of all options and warrants issued by the Company and the conversion of all outstanding Convertible Loan Notes:

Name	On Publication of this Prospectus		On Admission		Upon exercise of all options warrants and conversion of Convertible Loan Notes and the Issue of Unissued Offer Shares	
	Number of voting rights	Percentage of issued ordinary share capital	Number of voting rights	Percentage of issued ordinary share capital	Number of voting rights	Percentage of issued ordinary share capital
Danir AB	41,238,720	15.68%	91,238,731	27.32%	183,057,070	36.84%
Lars Guldstrand	17,892,615	6.80%	17,892,615	5.36%	30,042,006	6.05%

All Shareholders have the same voting rights in respect of the existing share capital of the Company. The Company is not directly or indirectly owned or controlled by any person.

2.5 Key Personnel

The Company's executive management team is composed of:

- Lars Guldstrand – Director & Chief Executive Officer (CEO)
- Dag Andresen – Director & Chief Financial Officer (CFO)
- Mustaq Patel – Executive Director
- Snorri Einarsson – Chief Technical Officer (CTO)
- Ishtiaq Ahmad – Central Europe Representative
- Riku Ryödi – Managing Director of Kaipolan Energia Oy ("Kaipolan")

The Company's board of directors also includes (in addition to the Directors named above):

- Jörgen Andersson – Non-Executive Chairman
- Alan Boyd – Independent Non-Executive Director
- Jack Clipsham – Independent Non-Executive Director
- Johan Glennmo – Non-Executive Director

2.6 Statutory auditors

As of the date of this Prospectus, the Company's statutory auditors are Grant Thornton Limited (Channel Islands), with their registered office at St James Place, St James Street, St Peter Port, Guernsey GY1 2NZ. Accountant's reports included in this Prospectus for historical financial information have been prepared by Macalvins Limited, located at 7 St John's Road, Harrow, Middlesex HA1 2EY, former auditors of the Company. The statutory auditors ensure that the Group's financial statements comply with applicable accounting standards and provide transparency for shareholders and stakeholders.

2.7 What is the key financial information regarding the issuer?

Selected historical key financial information – The Group

The following selected financial information relating to the Group has been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union. The financial information summarises the Group's financial performance and position for each of the years ended 31 December 2022, 2023, and 2024, as well as unaudited 6-month interims to 30 June 2025 set out in the following tables:

	As at 31 December 2022 (Audited) (Restated) (£'000)	As at 31 December 2023 (Audited) (Restated) (£'000)	As at 31 December 2024 (Audited) (£'000)	As at 30 June 2025 (unaudited) (£'000)	As at 30 June 2024 (unaudited) (£'000)
Statement of Financial position of the Group					
Total assets	1,941	3,357	21,550	22,575	22,479
Total equity	(2,704)	(4,913)	4,477	3,693	1,887
Total liabilities	4,645	8,270	17,073	18,882	20,592
Total equity and liabilities	1,941	3,357	21,550	22,575	22,479

	Year-ended 31 December 2022 (Audited) (Restated) (£'000)	Year-ended 31 December 2023 (Audited) (Restated) (£'000)	Year-ended 31 December 2024 (Audited) (£'000)	Six Month interims to 30 June 2025 (unaudited) (£'000)	Six Month interims to 30 June 2024 (unaudited) (£'000)
<i>Statement of Comprehensive Income of the Group</i>					
Operating Loss	(1,770)	(3,482)	(8,781)	(1,987)	(5,541)
Loss before taxation	(1,867)	(3,762)	(11,457)	(2,408)	(5,978)
Income tax expense	–	–	(3)	–	–
Loss for the year/period	(1,867)	(3,762)	(11,460)	(2,408)	(5,978)
Total comprehensive income (loss) for the year/period attributable to the equity owners of the parent company	(2,467)	(3,747)	(10,987)	(2,309)	(5,496)
	Year-ended 31 December 2022 (Audited) (Restated) (£'000)	Year-ended 31 December 2023 (Audited) (Restated) (£'000)	Year-ended 31 December 2024 (Audited) (£'000)	Six Month interims to 30 June 2025 (unaudited) (£'000)	Six Month interims to 30 June 2024 (unaudited) (£'000)
<i>Statement of cash flows</i>					
Net cash used in operations	(1,856)	(2,017)	(1,373)	(1,870)	(419)
Net cash used in investing activities	(849)	(1,305)	(4,739)	(1,108)	(3,023)
Net cash from financing activities	1,833	2,804	6,315	3,876	4,012
Net increase/(decrease) in cash and cash equivalent	(872)	(518)	203	898	570
Cash and cash equivalents at beginning of period	1,562	690	172	375	172
Cash and cash equivalents at end of period	690	172	375	1,273	742

Subsequent to that date of this Document, and conditional upon Admission, the following events are expected to occur:

- Conditional on Admission, the Company will issue 2,923,011 New Ordinary Shares at £0.58 per new Ordinary Share pursuant to conversion of the loan notes originally issued on 30 July 2021, reducing the Company's debt by £1.7 million.
- 759,442 New Ordinary Shares will be issued at £0.0198 per new Ordinary Share after Admission, as a fee to the introducer of the Acquisition ("Introducer Shares"). The timing of the issue is at the discretion of the advisers. This will reduce the amount owed to the Company's creditors by the cash equivalent of the shares at the issue price, being the trading price at the time of issue, and the Company's share capital account will increase by the same amount.
- Conditional on Admission, the Company will issue 50,000,011 New Ordinary Shares to Danir AB pursuant to a part conversion of Danir's Convertible Loan Notes which amount in total to £7,599,490 and are convertible at an average blended conversion price of circa 15.2 pence per share.
- Conditional on Admission, 13,499,994 New Ordinary Shares will be issued pursuant to the Placing Agreement by the Company's broker, Capital Plus which have raised £1,620k at the price of 12 pence per new Ordinary Share.
- Subscription Agreements for a total of £441k at a price of 12 pence per new Ordinary Share was agreed on 2 October 2025 between the Company and 13 Investors, the completion of which is conditional on Admission. The Subscription Proceeds of £441k have been received as of the date of this Document with the issuance of 3,677,000 Subscription Shares concurrent with the Placing Shares on the first day of trading.

Other than the above, there have been no significant changes in the financial position or financial performance of the Group subsequent to 30 June 2025 (being the latest financial information of the Group).

The Company held a general meeting on 24 October 2024 at which resolutions were passed to, *inter alia*, sub-divide the Company's share capital into Ordinary Shares of £0.01 and deferred shares and to give the Directors authority to issue shares and warrants pursuant to the Fundraise and for general purposes.

Selected historical key financial information – Kaipolan

The following selected financial information relating to the Kaipolan has been prepared in accordance with IFRS as adopted by the European Union. The financial information summarises Kaipolan's financial performance and position for each of the years ended 31 December 2022 and 2023, set out in the tables below. The financial information relates to previous business operations undertaken by Kaipolan and does not show the combined heat and power plant as a consolidated operation and therefore does not reflect the new business strategy which is proposed by the Company. Given the Company acquired Kaipolan on 9 April 2024, and as substantially all the 2024 and 2025 operating results of Kaipolan occurred subsequent to the acquisition and these results are consolidated in the Cindrigo Group 2024 Accounts and the Cindrigo Group 2025 interim results.

The historical financial information on Kaipolan for the years ended 31 December 2022 and 2023 was prepared by Macalvin's who are reporting accountants to the transaction and not the statutory auditors to Kaipolan and thus were unable to observe physical inventory counts for the year ends December 2023 and December 2022, and alternative procedures were insufficient to verify inventory quantities. This limitation affects the extent of the audit evidence regarding inventory balances.

	As at 31 December 2022 (Audited) (£)	As at 31 December 2023 (Audited) (£)
<i>Statement of Financial position of Kaipolan</i>		
Total assets	13,456	16,259
Total equity	(629)	(33)
Total liabilities	14,085	16,292
Total equity and liabilities	13,456	16,259

	25 March 2022 to 31 December 2022 (Audited) (£)	Year-ended 31 December 2023 (Audited) (£)
<i>Statement of Comprehensive Income of Kaipolan</i>		
Revenue	2,177	6,760
Operating Loss/ Profit	(629)	596
Loss before taxation	(629)	596
Income tax expense	–	–
Loss for the year/period	(629)	596
Total comprehensive income (loss) for the year/period	(629)	596

	25 March 2022 to 31 December 2022 (Audited) (£)	Year-ended 31 December 2023 (Audited) (£)
<i>Statement of cash flows</i>		
Net cash used in operations	(978)	(2,340)
Net cash used in investing activities	(8,892)	–
Net cash from financing activities	13,276	1,949
Net increase/(decrease) in cash and cash equivalent	3,406	(391)
Cash and cash equivalents at beginning of period	–	3,406
Cash and cash equivalents at end of period	3,406	3,015

Set out below is an unaudited pro forma consolidated statement of net assets of Cindrigo Holdings Ltd and its subsidiaries (together, the "Group") as at 30 June 2025 prepared in accordance with the requirements of item Annex 20 of the PR Regulation.

Unaudited pro forma statement of net assets at 30 June 2025

	<i>The Group as at 30 June 2025 (£'000) (Note 1)</i>	<i>Proceeds from Placing and Subscription, net of costs (£'000) (Note 2)</i>	<i>CLN Conversion and Introducing Shares (£'000) (Note 3)</i>	<i>Unaudited pro forma adjusted net assets of the Group on Admission (£'000)</i>
Assets				
Non-current assets				
Property, plant and equipment	869	–	–	869
Right-of-use assets	4,334	–	–	4,334
Goodwill	15,381	–	–	15,381
Derivative financial assets	64	–	–	64
Long-Term Deposits	8	–	–	8
Current assets				
Cash	1,273	1,367	–	2,640
Trade and receivables	483	–	–	483
Inventories	163	–	–	163
Total assets	22,575	1,367	–	23,942
Non-current liabilities				
Lease liabilities	4,543	–	–	4,543
Borrowings	13,411	–	(9,315)	4,096
Current Liabilities				
Trade and other payables	625	–	–	625
Lease liabilities	15	–	–	15
Borrowings	285	–	–	285
Tax liabilities	3	–	–	3
Total liabilities	18,882	–	(9,315)	9,567
Total assets less total liabilities	3,693	1,367	9,315	14,375

Notes

The pro forma statement of net assets has been prepared on the following basis:

- The unaudited net assets of the Group as at 30 June 2025 have been extracted without adjustment from the unaudited interim financial information of the Group for the six months ended 30 June 2025 as set out in Part 11 (Section A) of this Prospectus.
- Adjustments have been made to reflect:
 - The £1.62 million gross proceeds from the Placing of 13,499,994 Ordinary Shares of the Company at an issue price of £0.12 per Ordinary Share;
 - The £0.44 million gross proceeds from the Subscription of 3,677,000 Ordinary Shares of the Company at an issue price of £0.12 per Ordinary Share; and
 - Transaction costs related to the Fundraising and Admission outstanding **as at 30 June 2025** estimated at £0.69 million.

3. An adjustment has been made to reflect the conversion of CLN Conversion Shares and Introducer Shares included within non-current borrowings with a total principal amount of £9.3 million into 53,682,464 Ordinary Shares at a blended average conversion price of approximately £0.17. These conversions will be completed on Admission. These share issuances form part of the Enlarged Ordinary Share Capital and as outlined in Part 9 of this Prospectus;
4. No adjustments have been made to reflect the trading or other transactions, other than described above of the Group since 30 June 2025.
5. The pro forma statement of net assets does not constitute financial statements.

2.8 What are the key risks that are specific to the issuer?

The following are the key risks specific to the Company that, individually or collectively, could have a material adverse impact on the Group's business, operations, financial condition, and/or prospects (but none of the following in any way affect the Company's ability to confirm that, taking into account the Net Proceeds of the Fundraising, the working capital available to the Group is sufficient for the Group's present requirements, that is for at least the next 12 months from the date of this Document):

- **Commencement of production at Kaipola Plant and customer concentration risk:** The most significant and material risk factor facing the Company is the commencement of commercial operations at its Waste to Energy plant in Kaipola Finland. The Kaipola Plant has never operated as a commercial stand-alone business in the past and so the Company's business model for the Kaipola Plant is untested. Delays in starting commercial operations and a slower than planned increase in energy generation (heat and electricity) could negatively impact the cash flow of the Group causing other activities to be postponed or cancelled. Cindrigo's production is contingent on the commercial operation of a buyer of the heat produced, e.g. a pellet factory in Kaipola. Kaipolan has entered into two contracts with two potential pellet factory operators on the Kaipola Estate to supply heat and steam to them. The first agreement is with Suomen Uusiopelletti OY ("Suomen"). Suomen's pellet factory has not been developed to date and is dependent on the completion of its equipment purchase and its own financing arrangements. Suomen have not yet produced evidence of either the purchase of the required equipment or the availability of funding to develop the proposed pellet factory. These factors are of concern to Cindrigo. The Company's supply to Suomen would commence on the start of production of Suomen's operations at the Kaipola pellet mill. The total production of heat which the buyer intends to utilize is stated in that contract to be 22MW in 2025-2026, 44MW in 2026-2027 and 66MW in 2027-2028 (but there are no legally binding commitments to take (or supply) those amounts although, if Suomen does commence production the Company would seek to enter into an agreement to make the minimum commitments mutually legally binding. Kaipolan will charge Suomen the sum of €70 per MWh of heat, although the contract provides that after a period of six months the price will be based on the six-month average for the HELEN price index with a 10 per cent. discount and some adjustment factor to compensate or incentivise for volumes, and thus could be lower than €70 after that time. Consequently, there is currently no binding obligation on Suomen to purchase heat.
- The second agreement is with a Finnish company, Fuelwood Oy ("Fuelwood"). Whilst supply under this agreement also commences only on the start of production by Fuelwood which in practice means that is conditional on Fuelwood raising the necessary finance and developing a pellet factory, Cindrigo has been told by the prospective management team that Fuelwood are well advanced with their funding arrangements and anticipate closing its funding during Q4 2025 which would hopefully allow commencement of commercial activities in December 2025. The contract stipulates that Fuelwood will use its best endeavours to construct its factory as soon as reasonably possible. Supply under the contract will commence for an initial period of 5 years from the date on which Fuelwood commences commercial operations at the pellet factory. Thereafter the contract will continue until terminated by either party giving not less than 12 months' notice of termination to the other. Subject to satisfying the conditions described above, Kaipolan is obliged to sell and Fuelwood is obliged to buy during 2026 a minimum of 25MW of Steam and during 2027 and thereafter a minimum of 47MW per 12-month period. The price of the Steam is to be further negotiated but is estimated to be €60 per MWh. There is a mechanism in the contract to adjust the price in line with the HELEN average price adjustment. The contract also provides for Kaipolan to sell electricity to Fuelwood at a price of Nord Pool prices plus 10 per cent. Such reliance on either of these customers significantly increases the revenue concentration risk for the Cindrigo Group. Finally, the Kaipola Plant requires a minimum production level of circa 35 per cent., which is circa 40MW of heat and power combined to make it financially and operationally viable and it also needs a continuous supply of the biomass material, which is incinerated in the Plant, the quality of which is stipulated by existing permits. Accordingly, whilst the two off-take contracts with Fuelwood and Suomen are binding, they are subject to, as aforesaid material practical conditions and are therefore in practical terms to be regarded as an intention to purchase heat. It is highly unlikely that both the Fuelwood and Suomen plants would be operational at the same time and they should therefore be viewed as alternatives
- **Operational Risks** for the Kaipola Plant and the proposed German Projects. The success of the Kaipola Plant depends on a continuous supply of biomass and reliable energy off-takers. Additionally, all biomass feedstock is initially likely to be dependent on one supplier, increasing the potential operation cost and revenue risk. Disruptions could negatively impact revenues and profitability. Changes in fuel and energy prices may affect revenues from Kaipola's operations. The success of the German Projects depends on the renewal of licences and the discovery of geothermal resources of the kind suitable for the production of geothermal energy. Inability to progress both the Kaipola Plant and German geothermal projects could inhibit financial performance. In particular the successful operation of the Kaipola Plant is intended both to finance the Group generally and to provide finance for the development of the German Projects so the latter will be at risk if that is not achieved.
- **Unforeseen maintenance and repair costs at Kaipola:** The usual life of a combined heat and power plant is dependent on the continued maintaining investments to keep plant fully functioning and as the Plant has already been operating for many years there could be increased unforeseen costs of maintenance and necessary repair costs which may reduce the output of the Kaipola Plant or force it to close down temporarily with adverse consequences on the Group's cash-flow, over and above requiring the funding for the costs of repairs and maintenance.
- **Reliance on Key Personnel:** The Group depends on a small number of key individuals whose loss could adversely affect operations. The ability to attract and retain skilled personnel in a competitive market also poses challenges. This is particularly prevalent for the bespoke skill set required at the Kaipola Plant. The Group may not be able to develop its operations, and it currently proposes without the specialised knowledge and skill sets of these key persons, which may negatively affect operations and thus cash flows and performance generally.
- **Reliance on Industry Participants and Availability of Partners:** The Company will rely on third party industry participants, and other suppliers, contractors and joint venture parties in executing its business strategy and financing its operations. As a result, the Company may be exposed to third party credit risk and operational delays through its contractual arrangements with its current or future suppliers, thus affecting future cash flows and performance generally.
- **Licences and Permits:** Development projects depend on obtaining, renewing and maintaining various regulatory approvals. The Company's geothermal operations are dependent on the extension of the licences for the three potential exploration areas in the Upper Rhine Valley which otherwise expire during Q4 2025 (the cost of licence renewal is €300k per project). Any delays or rejections could disrupt project timelines or viability, thus affecting future potential cash flows and performance generally.

- **Uncertainty of Financing:** The Group's projects require significant upfront capital, specifically the German projects for drilling, with no guarantee of securing adequate funding. The Group has relied on support from its largest shareholder, Danir AB ("Danir"), but they may not be prepared to provide further funding and the Company may face challenges raising further finance for project development and the proposed exploration and geothermal plant production to exploit any resources discovered may have to be delayed scaled-back or cancelled altogether if sufficient funding cannot be obtained. Ultimately, therefore the development of the German Projects would be at risk of not proceeding.
- **Early-Stage Development Risks:** The Group's operations are at an early stage, and there is no assurance of success or timely commencement of commercial operations. There is a risk that no commercially viable geothermal energy resource may be discovered in the licence areas in which the Company's German Projects are proposed to be constructed, thus leading to the abandonment of the German Projects with a consequential loss of future cash flows. Additionally, adverse economic or political developments could affect progress and cash flows.
- **Cost of Debt:** The Company has two separate loan outstandings from its largest shareholder, Danir AB, consisting of (i) an amount outstanding of circa £6.8 million (as it will be following the issue of 50,000,011 Ordinary Shares by way of conversion of £7,599k of the debt on Admission) from the amalgamation of various pre-existing loans, plus (ii) an additional Bridge Loan Facility for £2.5 million (no conversion rights) which was signed on 16 May 2025, which amounts carry interest at a fixed rate of 3 per cent. and 5 per cent. respectively. The Company's funding arrangements in respect of its planned projects are very likely to include debt funding that will involve the payment of interest on what are likely to be large sums borrowed. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company or at all. Furthermore, refinancing the existing Danir debt of £6.8 million (as mentioned above) plus the additional Bridge Loan Facility compounded with the accumulated accrued interest on all outstanding debt may become too substantial for the Company to meet its short-term obligations should the Kaipola Plant not commence commercial operations, outside of the Working Capital Period.
- **Environmental and Seismic Risks:** The Group's projects may face changing environmental regulations and fees which could impact operational costs and operational efficiency. Geothermal projects face risks of resource depletion, environmental degradation, and seismic events, which may increase costs or render projects unviable affecting performance and ultimately leading to the abandonment of the affected project.

Investors should consider these risks, along with the detailed information in this Prospectus, when evaluating an investment in the Ordinary Shares.

3. KEY INFORMATION ON THE SECURITIES

3.1 Main Features of the Securities

(A) Type, Class, and ISIN of the Securities

The Ordinary Shares are fully paid Ordinary Shares in the capital of the Company with a nominal value of £0.01 each.

The Ordinary Shares, can be held in uncertificated form and transferred electronically in the CREST system.

On Admission, the Ordinary Shares will be registered with the ISIN – GG00BM9CCP98 and trading on the LSE's Main Market under the ticker symbol "CINH".

(B) Currency of the Securities

The Ordinary Shares are, and on Admission will be, denominated in Pounds Sterling. They will also be quoted in pence (GBX) on the LSE.

(C) Number of Issued Securities

On Admission, the total number of Ordinary Shares in issue will be 333,914,907, including the 263,055,449 existing Ordinary Shares immediately prior to Admission, the 52,923,022 New Ordinary Shares issued pursuant to loans conversion, 759,442 Introducer Shares, 13,499,994 New Ordinary Shares issued pursuant to Placing and 3,677,000 New Ordinary Shares issued pursuant to Subscription.

(D) Rights Attaching to the Securities

The Ordinary Shares are Ordinary Shares in the capital of the Company. The Ordinary Shares rank equally for voting purposes, dividends declared, and for any distributions on a winding-up. At a Shareholders' meeting, each Shareholder has one vote on a poll per Ordinary Share held.

(E) Rank of Securities in the Event of Insolvency

The Ordinary Shares rank equally in the right to receive a relative proportion of the Company's assets upon dissolution, after discharging all liabilities and obligations.

(F) Description of Restrictions on Free Transferability of the Securities

The Ordinary Shares are freely transferable, subject to compliance with applicable securities laws. There are no restrictions on transfer imposed by the Company's Articles of Incorporation.

(G) Board Discretion and Key Strategic Matters

The Board will be responsible for the Enlarged Group's objectives and business strategy and its overall supervision. Acquisition, divestment, and other strategic decisions will be considered and determined by the Board.

The Board will provide leadership within a framework of appropriate and effective controls. The Board will set up, operate, and monitor the corporate governance values of the Enlarged Group, and will have overall responsibility for setting the Enlarged Group's strategic aims, defining the business objective, managing the financial and operational resources of the Enlarged Group and reviewing the performance of the officers and management. The Board will take appropriate steps to ensure that the Enlarged Group complies with Listing Rules.

(H) Dividend Policy

The Directors recognise the importance of dividends to investors. As the Company's business matures, the desirability of paying dividends will remain under review. However, in the early years following Admission, the Company is unlikely to declare or pay dividends, as future income generated by the Company is expected to be reinvested into the Group's business. Any decision to declare and pay dividends will depend on applicable laws, the Company's distributable reserves, financial position, and other relevant factors.

3.2 Where Will the Securities Be Traded?

The Ordinary Shares on Admission will be admitted to the **Equity Shares (Commercial Companies)** category of the Official List and to trading on the **Main Market of the London Stock Exchange**, expected to commence at **8.00 a.m. on 31 October 2025**.

3.3 'What are the key risks that are specific to the securities?

Share trading Risk

There is no certainty that a market in the Company's shares will develop after Admission or be sustained. The price of shares may vary both upwards and downwards depending on numerous market factors some related to the Group. It may be impossible for shareholders to sell their shares at or above the opening price or at all.

Risk of dilution on exercise of conversion or subscription rights by lenders

Existing holders of loan notes and warrants have rights to convert into or subscribe for, shares in the Company at conversion/subscription prices below the anticipated Placing Price on Admission. A substantial number of loan notes and warrants will remain unconverted or unexercised at Admission.

The proposed listing of the Ordinary Shares in the Equity Shares (Commercial Companies) category of the Official List

Application will be made for the Ordinary Shares to be admitted to a listing in the Equity Shares (Commercial Companies) category of the Official List. A listing in this category subjects the Company to enhanced regulatory obligations under the UK Listing Rules ("UKLR"). These additional obligations include higher corporate governance standards, stricter disclosure requirements, and the need to maintain at least 10 per cent. of the Ordinary Shares in public hands.

Investors may not be able to realise returns on their investment in the Ordinary Shares within a period that they would consider to be reasonable.

4. KEY INFORMATION ON THE ADMISSION TO TRADING

4.1 Under which conditions can I invest in this security?

There is no offer open to investors at the time of Admission. The Ordinary Shares issue or to be issued pursuant to the Fundraising will represent circa 5.2 per cent. of the issued ordinary share capital of the Company on Admission and represents a dilution of pre-existing shareholdings of approximately 5.8 per cent. The total expenses directly attributable to the Fundraising are approximately £125k. None of the expenses payable by the Subscribers or Placees. Investors wishing to acquire Ordinary Shares may be able to obtain them in the secondary market after Admission and investors should speak to their broker, bank or other party with whom they usually make arrangements to deal in securities. The Company has engaged a market maker to facilitate trading in the Ordinary Shares after Admission. The Ordinary Shares on Admission will be admitted to the **Equity Shares (Commercial Companies)** category of the Official List and to trading on the **Main Market of the London Stock Exchange**, expected to commence at **8.00 a.m. on 31 October 2025**.

4.2 Why is This Prospectus Being Produced?

This Prospectus is being published in connection with the Admission, which will support the execution of its strategic objectives of the Company. The Company's primary focus is to advance its clean energy initiatives initially through WtE and geothermal projects across Europe, which include commencement of commercial operations of the Kaipola Plant in Finland and prospective geothermal energy projects in Germany.

The Company's 110 MW WtE facility in Kaipola, secured through a 50-year lease, is positioned to become a key revenue-generating asset following the full functional start (large scale heat and electricity production) in conjunction with the primary heat customer and commencement of its pellet factory expected in 2025. Kaipola started small scale heat production, delivering, and invoicing heat during December 2024 for several weeks and is expected to restart and step-up to scale production of Combined Heat and Electricity (CHP) during Q4 of 2025 with a further gradual increase in 2026 and thereafter generating a consistent income. The Directors estimate that the assets held under the Lease and the operation of the Plant can be attributed a depreciated replacement value in the region of €80 million to €120 million. It is emphasised however that this is not an indication of any sales value that could be attributed to these assets but is an estimation of original cost with an allowance for wear and tear (depreciation) into their existing condition and age.

Additionally, the Company's Geothermal Projects in Germany reflect Europe's emphasis on green baseload energy and will benefit from the support of the German Renewable Energy Sources Act and federal funding initiatives. These projects highlight the Company's commitment to sustainable energy production and alignment with the EU's renewable energy objectives.

The Company has conditionally raised Gross Proceeds from then Fundraise of £2.1 million, from which Placing Proceeds of £1,620k through the Placing Agreement resulting in the issuance of 13,499,994 Placing Shares. The Placing is not underwritten but all New Ordinary Shares that have been placed are subject only to Admission upon which the Placing Shares are issued to placees on a Delivery versus Payment (DvP) basis.

The Company has a conditional agreement to receive £441k from the Subscription Agreements, the Subscription Proceeds of £441k have been received as of the date of this Document with the issuance of 3,677,000 Subscription Shares concurrent with the Placing Shares on the first day of trading.

The Placing and Subscription Shares will attach one corresponding Investor Warrants to subscribe for each Ordinary Shares issued to investors participating in the Placing and Subscription at a rate of one Investor Warrant for every 1 shares subscribed, each warrant giving the right to subscribe for one Ordinary Share at the Placing Price for a 9-month exercise period from the date of Admission. The total Investor Warrants to be issued conditional on Admission are 17,176,994.

The Group's existing cash balance of approximately £460k, when aggregated with the Gross Proceeds of the Fundraise equate in aggregate to approximately £2.5 million and will be used for:

- IPO outstanding Admission expenses (approximately £350,000) (albeit total IPO expenses pertaining to Admission equate to £1.1 million).
- Renewal of the three German licences commencing the preliminary exploration of the licence areas for geothermal resources and (approximately £800,000).
- General working capital for the Group (approximately £1,350,000)

Admission to trading will grant the Company greater access to capital markets, enhancing its ability to secure additional financing to support growth in the renewable Energy sector and with its WtE and geothermal energy projects, thereby contributing to long-term shareholder value.

The Directors believe that Admission will:

- Enable further development and expansion of both its main strategic Finnish Plant and its secondary German geothermal project licences;
- provide the Group with access to a supportive investor base and facilitate the raising of additional capital for future growth; and
- enhance the Group's profile in international markets, aiding in the incentivisation and retention of key management and employees.

There are no interests, including any conflicting interests, known to the Company that are material to the Company or the Admission.

PART 2

RISK FACTORS

Investment in the Company and the Ordinary Shares carries a significant degree of risk, including risks in relation to the Group's business strategy, operations in the energy sector, future further financing, legal and regulatory risks, internal control risks, environmental, social and governance risks, potential conflicts of interest, risks relating to taxation and risks relating to the Ordinary Shares.

Prospective investors should note that the risks relating to the Group, the energy sector in which it operates and the Ordinary Shares (summarised in the section of this Document headed "Summary") are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Ordinary Shares. However, as the risks which the Group faces relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in the section of this Document headed "Summary" but also, among other things, the additional risks and uncertainties described below.

The risks referred to below are those risks the Company and the Directors consider to be the most material risks relating to the Group. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Group's business, financial condition, results of operations or prospects. Investors should review this Document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Group could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, investors could lose all or part of their investment.

(i) Risks relating to the Finnish Kaipola Plant and its related operational viability

Commencement of production at Kaipola Plant and customer concentration risk

The most significant and material risk factor facing the Company is the commencement of production and development of its combined heat and power plant in Finland.

The Kaipola Plant has never operated as a commercial stand-alone business in the past since it was part of a larger plant and so the Company's current business model for the Kaipola Plant is untested. The Plant requires a constant supply of biomass fuel in order to maintain its operational viability. The Company has a contract with a biofuel supplier of wood pellets but there is risk that it may not be able to supply the material of the type and in the quantity that the Company requires on an on-going basis. Any material break in the supply of this biofuel would force the Kaipola Plant to suspend operations and revenues will be reduced significantly below those currently anticipated.

Cindrigo's production is contingent on the commercial operation of a buyer of the heat produced e.g. a pellet factory in Kaipola. Kaipolan has entered into two contracts with two potential pellet factory operators to supply heat and steam. The supply of heat under each of them is contingent on the counterparty commencing operations.

The first agreement is with Suomen Uusiopelletti OY ("Suomen"). Suomen's pellet factory has not been developed to date and is dependent on the completion of its equipment purchase and its own financing arrangements. Suomen have not yet produced evidence of either the purchase of the required equipment or the availability of funding to develop the proposed pellet factory. These factors are of concern to Cindrigo. Supply by Kaipola under the Suomen contract would commence on the start of production of Suomen's operations at the Kaipola pellet mill. The total production of heat which the buyer is stated in the contract as intending to utilize is 22MW in 2025-2026, 44MW in 2026-2027 and 66MW in 2027-2028 (but there are no legally binding commitments to take (or supply) those amounts although, if Suomen does commence production the Company would seek to enter into an agreement to make the minimum commitments mutually legally binding). Kaipolan will charge Suomen the sum of €70 per MWh of heat for an initial period

of 6 months, although the contract provides that the price will be based on a 10 per cent. discount from the six-month average for the HELEN price index with some adjustment factor to compensate or incentivise for volumes and thus could be lower than €70 after that point. Consequently, there is currently no binding obligation on Suomen to purchase heat.

The second agreement is with a Finnish company, Fuelwood Oy ("Fuelwood"). Whilst supply under this agreement also commences only on the start of production by Fuelwood which in practice means that is conditional on Fuelwood raising the necessary finance and developing a pellet factory, Cindrigo has been told by the prospective management team that Fuelwood are well advanced with their funding arrangements and anticipate closing its funding during Q4 2025 which would allow commencement of commercial activities in December 2025. The contract stipulates that Fuelwood will use its best endeavours to construct its factory as soon as reasonably possible. Supply under the will commence for an initial period of 5 years from the date on which Fuelwood commences commercial operations at the pellet factory. Thereafter the contract will continue until terminated by either party giving not less than 12 months' notice of termination to the other. Subject to satisfying the conditions described above, Kaipolan is obliged to sell and Fuelwood is obliged to buy during 2026 a minimum of 25MW of steam and during 2027 and thereafter a minimum of 47MW per 12-month period. The price of the steam is to be further negotiated but is estimated to be €60 per MWh. There is a mechanism in the contract to adjust the price in line with the HELEN average price adjustment. The contract also provides for Kaipolan to sell electricity to Fuelwood at a price of Nord Pool prices plus 10 per cent. The obligation on Fuelwood to purchase steam is currently conditional.

Fuelwood has agreed in principle with the Landlord of the Kaipola Estate to take a lease of premises on the Kaipola Estate from which to operate its proposed pellet factory and has also sourced the required equipment and plant for its proposed pellet factory. These arrangements would allow Fuelwood to commence commercial operations by December 2025, with heat being sold to Fuelwood by the Kaipola Plant. Discussions are on-going regarding the possibility of Kaipolan entering into a management agreement with Fuelwood whereby it would provide management services in connection with the set up and initial operations of the factory.

Accordingly, whilst the two off-take contracts with Fuelwood OY and Suomen Uusiopelletti OY are binding, they are subject to, as aforesaid material conditions and are therefore in practical terms to be regarded as an intention to purchase heat.

The uncertainties around each of these contracts places a significant risk on the Company's business as well as heavily increasing the revenue concentration risk for the Cindrigo Group. Whilst verbal discussions are on-going with Suomen it is anticipated that the agreement with Fuelwood will become unconditional before Suomen are able to proceed and Kaipolan will deal with whichever off-taker is first to be ready to proceed. It is highly unlikely that both these operators would be in production at the same time.

Such reliance on either of these customers significantly increases the revenue concentration risk for the Cindrigo Group.

Potential off-takers are not limited to potential pellet manufacturers. Alternative customers for the heat and energy produced by the Kaipola Plant could include, for example, the producers of biogas fuel, providing power and cooling facilities to the operators of a data centre or the provision of drying facilities for plastic drying to the manufacturers of cement, and other customers requiring steam or heat for their businesses. Once heat production has commenced the Kaipola Plant will also produce power which could be sold to the Finnish national grid through Nord Pool.

It will not be possible to operate the Plant until a heat/steam customer(s) is/are operational as the Plant needs to operate above a fixed capacity to make it economically viable. Whilst the Plant is in contracted production, it will also produce electricity which can be sold to the Finnish national grid at the spot market price at the time of sale, it cannot be guaranteed to provide the same expected revenues as those from contracted customers, it will make a valuable contribution to the profitability of the Plant. Delays in starting commercial operations at the Plant and a slower than planned increase in electricity generation could negatively impact the cash flow of the Group causing other activities to be postponed or cancelled.

Finally, the Kaipola Plant requires a minimum production level of circa 35 per cent., which is circa 40MW of heat and power combined to make it financially and operationally viable and it also needs a continuous

supply of the biomass material, which is incinerated in the Plant, the quality of which is stipulated by existing permits.

Unforeseen maintenance and repair costs

The Kaipola Plant was constructed in 1991 and a major upgrade to the boiler took place in 2006. The usual life of an energy plant is dependent on the continued maintaining investments to keep plant fully functioning and since the Plant has already been operating for many years there could be increased unforeseen costs of maintenance and necessary repair costs which may reduce the output of the Kaipola Plant or force it to close down temporarily with adverse consequences on the Group's cash-flow.

The Plant ceased operations in January 2023, following the closure of the surrounding paper mill in April 2021 and the subsequent operation of the Plant by Kaipola Recycling Oy came to an end. The long standstill may have caused repair need e.g. some frozen pipes and corrosion on the turbine steam path, boiler pipes, etc. The Plant has undergone significant repair and replacement work after the purchase and are now considered to be in good working condition, but there could be areas not foreseen causing operational malfunction and thereby operational problem and/or further maintenance work and costs. Furthermore, given the bespoke nature of the majority of the equipment, machinery, property and the general plant itself, finding the correct replacement items can be both costly and time-consuming causing further production delays and unforeseen repair costs not initially budgeted for. Any such cost would need to be found from cashflow resources which could have an impact on expenditure on other parts of the business and thus have a detrimental effect on performance.

Kaipola Plant Waste Requirement

The Plant will require a constant supply of biofuel to burn in generating the heat required to produce steam for heating or to drive turbines to create power. At present the Plant is only licenced to burn biomass (e.g. forestry waste) and to operate at full capacity, a continuous supply of suitable biomass is required. There is no certainty that such a supply of biomass will be forth coming and the failure to provide such continuous supply, or at financially viable price, would have an adverse effect on the operation and profitability of the Plant, hence the contribution the Kaipola Plant is expected to make to the Group's cash flow may reduce and there may be less cash available to finance the Group's other proposed activities. It would be possible to enhance the Kaipola Plant, with minor adjustments, to allow it to burn alternative waste in conjunction with current biomass feedstock, however this would require new permits and investments. This development would only be considered if it was clear that adequate waste fuel was available and permits for burning such would be granted. The Directors do not intend to vary the type of waste incinerated from solely biomass but may consider a change in future if circumstances around availability of biomass change and if technology changes could affect the Company's future financial and operational prospects.

Trading Continuity

The Kaipola Plant will have to operate at a continuous minimum output which is circa 40MW or 35 per cent. of capacity. Whilst the Company is confident that Kaipolan will be able to sell its electricity and heat produced to their potential customer's either Fuelwood or Suomen, and/or national grid, this energy is less than the heat energy produced when operating on a minimum level.

Accordingly, it is important to have off take agreements for the additional heat/steam produced, which then is dependent upon the purchasers of such heat successfully starting and carrying on their business in the Kaipola industry area. The Kaipola Plant currently has a contract with two alternative off-takers in respect of heat, with further off-takers currently being sought. Current contracted off-takers are not operational, and in final phase of financing, targeting a buildup of their plant aiming for operation at the end of 2025. If the current contracted off-taker's business was to delay its operational start or failed to begin with, and thus unable to accept the contractually obliged heat, the operation of the Kaipola Plant would have to be suspended until new heat off-taker/ customer(s) have been established with adverse consequences on the cash flow of the Group and funds available for the Group's other projects. In such a case, the Company will consider installing and integrating pellet production and/or other related business to utilise the heat produced, which could increase cost and timing for bringing the Plant up to full capacity and thus affect performance.

Fire Risk

Risk of spontaneous combustion when large volumes of wood waste/fuel are stored which can create gases that can ignite and start fires within the Kaipola Plant and surrounding area, which can lead to temporary or longer shutdowns at high costs, in addition to the fact that the Plant operates at very high temperatures. Such risk could have a significant impact on production and increase costs and reduce cash flows.

(ii) Risks relating to the German Geothermal Projects

Early-Stage of Development

The Company's interests in the German geothermal project consist of project licences in respect of three areas in the Rhine Valley. Whilst these areas are considered to have plentiful geothermal resources of the type required to sustain a geothermal energy plant with over 40 such wells already drilled successfully in that region, the Company's projects are at the early exploration stage and no drilling has taken place and no geothermal resources are guaranteed. Although the Company considers it unlikely, it is possible that no viable geothermal resources may be found in the Company's project areas after substantial amounts have been spent on exploratory drilling. The Company may not be able to recover the amounts invested (*which is circa €10 million per well drilled, albeit the Company has no immediate plans to invest in exploratory drilling at this time and the Company may be able to take out insurance to substantively cover costs of drilling*) if insufficient geothermal water temperature or pressure is discovered in the licence areas. Ultimately this could lead to the abandonment of the project concerned.

German Government Regulations

The projects identified by the Group are in a highly regulated sector both in respect of production and environmentally. To be able to drill deep geothermal wells requires numerous licences and permits which are in the gift of the national and local administration. The German HoldCo has sub-licensed exploration licences (*Aufsuchungserlaubnisse*) for three deep geothermal projects, issued on the basis of section 7 of the German Federal Mining Act (*Bundesberggesetz – "BBergG"*). For one license (Eich) an extension for 1 year has been granted, and the other two licenses are expiring during Q4 2025 but the Company has committed funds of circa £0.8 million as illustrated within the Use of Proceeds per page 11 for these renewals and minor initial exploration work which will be completed within the pursuing 12 months from Admission, in accordance with the German licence renewal process. Exploitation activities require additional permits, including exploitation licenses (*Gewinnungsbewilligung*) and operation plan approvals (*Zulassung von Hauptbetriebsplänen*). The Company does not have any exploitation permits nor does it have any related operation plan approvals for such exploitation permits. During the term of an exploration licence a work programme regarding type, scope and purpose of prospection has to be fulfilled. If this work programme is not fulfilled the exploration licence may not be prolonged or even revoked.

The exploitation license (*Gewinnungsbewilligung*) pursuant to section 8 BBergG allows the extraction of geothermal resources for exploitation purposes, but it does not permit any specific mining activities such as drilling and testing of wells. Therefore, one or more additional operation plan approvals (*Zulassung von Betriebsplänen*) are required. The exploration license does not automatically convert into an exploitation license. Thus, the license holder must apply for an exploitation license separately. In addition to the exploitation licence further approval have to be obtained to carry out mining activities. Any prospection and exploitation activity may only be carried out on the basis of one or more approved operation plan(s) pursuant to sections 50 to 57d BBergG.

The German government which has a longstanding policy of supporting the geothermal sector, but unpredictable governmental action, interference or obstruction is still a risk that cannot be discounted. Environmental law is becoming increasingly influential in the sectors in which the Group operates, and the demand of regulatory rules is likely to increase and there is no guarantee that the Group will be able to operate in compliance with such requirements without considerable expenditure or structuring operations in a way that adversely affects the profitability of the business.

Degeneration, Drilling and Seismic Risk

The Company has not yet undertaken any drilling in any of the Company's three German geothermal licence areas. However, this would not be possible in any event without an exploitation licence and an approved operation plan. Drilling is not proposed until sometime after the licences are renewed. Until drilling starts

and results are assessed, there is no guarantee that there is sufficient geothermal energy resource in any of the licence areas to sustain a geothermal energy plant.

The economic life of a geothermal power project is typically more than 30 years. For the entire period, the availability of steam/brine has to be guaranteed. Ordinarily, the steam pressure and/or well yields may decline slightly before stabilising. Potentially, all geothermal fields can degenerate significantly by way of a decline in pressure or reduction in well yield, adverse fluid chemistry change or incursion by cooler fluids. Together or alone, if these factors occur, either additional capital investment will be required to make-up for the steam/brine decline and this may as a result increase operational costs thus affecting performance.

A deep geothermal well is usually between 500m and 4,000m deep and whilst the Group will undertake all available investigations to assess the suitability of a drilling site it is possible, depending on ground conditions, that when drilling the first test well drilling may be affected by unforeseen geological issues which increase the cost of the drilling or potentially prevent continued drilling. Depending on the area where drilling takes place, there is a risk, of varying magnitude depending on location, that such drilling could trigger seismic events such as earthquakes and landslides. Fires and explosions are also risks associated with geothermal operations. It is also possible that geothermal water may not reach the temperatures or pressures that are required to generate power or provide heat.

There is also a risk that no geothermal water is found at all following a drilling process which could cost about €10 million per well (however no expenses in relation thereto will occur until after the Working Capital Period). In such circumstance all the front-loaded development cost could be lost with no viable project going forward.

Albeit a dry well would have a materially adverse effect on the future trading and development of the Group. Whilst initially geothermal water may be at temperatures which are suitable for power and heat production it is possible that with the passage of time such temperatures may fall and impact the operation and profitability of the Company. Any degrading, seismic damage or loss of any geothermal site will increase costs and/or reduce the potentially revenue generating resources of the Company impacting cash flows and funds available for investment in other projects and the overall profitability and viability of the Company's business. The Company's actual drilling activities are not in the short-term plans, it is after additional preparatory research and planning producing a Drill plan that need approval from authorities, why this is a more medium to long-term strategic costs and activities.

Reliance on Industry Participants and Availability of Partners

The Company will rely on third party industry participants, and other suppliers, contractors and joint venture parties in executing its business strategy and financing its operations. As a result, the Company may be exposed to third party credit risk and delays through its contractual arrangements with its current or future suppliers, contractors and joint venture parties. In the event that such entities fail to meet their contractual obligations to the Company or to the relevant special purpose vehicles, such failures could have a material adverse effect on the Company and its ability to implement its business strategy and operations. In addition, the Company may be unable to exert influence over the strategic decisions made in respect of properties that are subject to such contractual arrangements.

Until the Group has been able to grow its business and in particular until cash flow is generated it is likely that the Group will seek joint venture partners to undertake expensive clean energy projects. The Group has already entered into a framework agreement with Kaishan Group ("Kaishan") which will provide engineering, construction and equipment on extended terms. Under the framework agreement Kaishan has been awarded preferred partner status and been granted a right of first refusal and a right to match on all requests for services and equipment by the Group.

The Framework agreement as mentioned above sets out an offer and tendering process. There is a risk that the process set out in the agreement may affect the willingness of other providers to offer terms to the Company. There is also a risk that Kaishan will decide not to participate in a particular, or any, request for services or equipment before or after the Company invites Kaishan's participation. It is also possible that other joint venture partners will not be available on acceptable terms or at all. The non-availability of joint venture partners or alternative funders will restrict the extent and speed of the expansion of the Group's business.

Uncertainty as to the availability and terms of finance for German Projects

The German Projects that the Group seeks to undertake demand substantial funding prior to such projects become revenue producing. The Directors estimate that a deep level geothermal project will require in excess of €30 million development finance to take a project to commercial operation a new waste to energy project requiring over €100 million to commence commercial operation. Work on development of any one of the German Projects would commence as and when the Company would have such funds available and that would be outside the Working Capital Period. From its inception the Group has not been operational and thereby not cash generative which has had an adverse impact on its ability to raise development funding. The Group has been financed principally by debt finance provided by the Group's largest shareholder, Danir. To progress its German Projects, the Group will need to secure substantial development funding. There is no guarantee that such funding will be secured or that Danir will continue to provide finance to the Group and or not provide the considerable development finance that the Company will require for its German Projects. Without such funding the Group will not be able to implement its proposed development and exploration of the geothermal plant production to exploit any resources discovered may have to be delayed scaled-back of cancelled altogether if sufficient funding cannot be obtained.

(iii) Risks relating to the Group's Operations

Licences, Permits and Consents

The Kaipola Plant is currently restricted in what fuel it may use, which is biomass (forestry/wood waste) only. New permits will be required to allow the use of alternative fuel, e.g. commercial waste for the Plant, and there is no guarantee that these will be granted or that there will be a sufficient supply of waste to burn if a permit is granted. The Company has no current plans to use alternative biofuel, but it may be considered in the future if circumstances and technology changes.

The Company will have limited control over the nature and timing of the grant of such approvals and, therefore the timing of completion of such projects. The Company's interests in contracts with governments and government bodies to explore and develop projects will be subject to specific requirements and obligations. If the Company fails to satisfy such requirements and obligations and there is a material breach of such contracts, such contracts could, under certain circumstances, be terminated. The termination of any of the Company's contracts granting rights in respect of projects would have a material adverse effect on the Company, including the Company's financial condition.

The Company's geothermal operations are dependent on the extension of the licences for the three potential exploration areas in the Upper Rhine Valley which otherwise expire during Q4 2025 (the cost of licence renewal is circa €300k per project). Applications have been submitted and subject to compliance with an agreed work plan the Mining Authorities have indicated that extensions of at least 12 months will be granted. The development and operation of the planned projects will be subject to further approvals of governmental authorities. The construction and operations of the Company's projects will require licences and permits from various governmental authorities including land use rights, water extraction, formal/contractual grid connection approval, project approvals, health and safety approvals, permits from municipal authorities, building permits, impacted operational licences for electricity generation, waste processing and heat generation although renewable energy is attractive to such authorities.

The lack any of licence, permit or consent required for the current or proposed activities and development of the Group will restrict or delay those activities which may reduce cash flow or add additional costs to the Group's operations of activities have to be suspended whilst the necessary licence, permit or consent is acquired but costs are not able to also be suspended.

Environmental Regulation and Risks

The Company's operations will be subject to government regulation and operations that may be affected from time to time in varying degrees, by political and ecologically driven developments and restrictions, price controls, tax increases and pollution controls. Extensive national, state and local environmental laws and regulations in foreign jurisdictions are anticipated to affect nearly all of the operations of the Company. These laws and regulations set various standards regulating certain aspects of health and environmental quality provide for penalties and other liabilities for the violation of such standards and establish in certain circumstances obligations to remediate current and former facilities and locations where operations are or were conducted. In addition, special provisions may be appropriate or required in environmentally sensitive

areas of operation. Any changes to environmental regulations or restrictions could increase the cost of identifying, developing or operating an affected site or even prevent its development altogether resulting in additional costs for the Company, reduced profitability of the site and hence reduce revenues available for investment in other projects and hence affect the overall profitability of the Company.

Key Personnel

The Group relies on its key personnel and relationships, particularly:

Lars Guldstrand (CEO)

Dag Andresen (CFO)

Ishtiaq Ahmad (Central Europe Rep)

Snorri Einarsson (CTO)

Riku Ryödi (Managing Director of Kaipolan)

The Group's business may be adversely affected if it loses the services of any of these people or fails to attract, retain and develop additional appropriately skilled employees and/or if there is not proper segregation of duties and the loss of one or more of these persons may adversely affect the Company. The Company will be dependent upon the continued support and involvement of a number of key management personnel and outside contractors. Investors must be willing to rely to a significant extent on management's discretion and judgment, as well as the expertise and competence of outside contractors. The Group does not have in place formal programs for succession and training of management. The loss of key personnel, contractors or consultants, if not replaced by persons with the same skills or other attributes, could adversely affect the Company's business, results of operations and financial condition.

Whilst the Group would be able to recruit operational staff for the Kaipola Plant the current staff have extensive experience of the Plant having operated it under a previous owner. It would be difficult to locate operational staff with similar experience of the Kaipola Plant. The loss of established consultants and staff could adversely affect the operation of the Kaipola Plant and the development of the Group.

The Company may have difficulty recruiting and retaining employees.

Recruiting and retaining qualified personnel will be critical to the Company's success. The number of persons skilled in the acquisition, development and operation of WtE projects and geothermal power facilities is limited and competition for such persons is intense. As the Company's business activity grows, the Company will require additional key financial, administrative and engineering personnel as well as additional operations staff. There is no assurance that the Company will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company is not successful in attracting, training and retaining qualified personnel, the efficiency of its operations could be impaired, which could have an adverse impact on its results of operations and financial condition.

(iv) Risks relating to the Group's Financial Condition

On-going Finance

The cash requirements for the German Projects are substantial and will require circa €30 million to take each project to commercial operation (*this is however outside the Working Capital Period*). Substantial funds will need to be raised to commence commercial operations on the German Projects. The ability to secure such funds will be influenced by operating performance of the Group's other business units, in particular the Kaipola Plant, and the state of capital markets at the time the funds are required and the proposed exploration and geothermal plant production to exploit any resources discovered may have to be delayed scaled-back or cancelled altogether if sources of cash within the Group yield less than projected and/or sufficient third party funding cannot be obtained. Such delay, scale-back or cancellation will inhibit the Company's future cash flows and performance generally.

Cost of Debt

The Company has two separate loan outstandings from its largest shareholder, Danir AB, consisting of (i) an amount outstanding of circa £6.8 million (as it will be following the issue of 50,000,011 Ordinary Shares by way of conversion of £7,599k of the debt on Admission) from the amalgamation of various pre-existing loans, plus (ii) an additional Bridge Loan Facility for £2.5 million which was signed on 16 May 2025, which

amounts carry interest at a fixed rate of 3 per cent. and 5 per cent. respectively. The Company's funding arrangements in respect of its planned projects are very likely to include debt funding that will involve the payment of interest on what are likely to be large sums borrowed. Interest rates may affect the scale and speed with which the Company is able to advance its business in the future and thereby affect the viability of the Group's projects. There can be no assurance that the Company will be successful in its efforts to arrange additional financing on terms satisfactory to the Company or at all.

Furthermore, the £2.5 million Bridge Loan (as mentioned above) has no equity conversion right and whilst the loan is repayable in full at end of the 19-month loan facility term being 16 December 2026, the Company has received email confirmation from the Chairman of Danir AB that should there be insufficient funds to pay principle and interest when repayment is due at the end of loan term, the total outstanding Bridge Loan Facility will be extended into 17 December 2026 and onwards continuing to accrue interest until repaid in full. For the avoidance of doubt, in such circumstances, the principal loan and compounded interest will continue to accrue as normal from the 17 December 2026 onwards until the loan is paid off in full with no stipulated long-stop date. The loan will not be repayable on demand both during the 19-month term and during any subsequent extension period.

Furthermore, refinancing the existing Danir debt of £6.8 million (as mentioned above) plus the additional Bridge Loan Facility compounded with the accumulated accrued interest on all outstanding debt may become too substantial for the Company to meet its short term obligations should the Kaipola Plant not commence commercial operations, outside of the Working Capital Period.

A large portion of the debt funding has been provided through subscriptions for Convertible Loan Notes, the Company has assumed that the principal and interest will be converted to shares by Danir, but this will not be possible unless Danir reduces its stake in the Company (or additional shares are issued to other investors) so that they hold less than 30 per cent. after the conversion in order to avoid the need to make an offer for the shares they do not hold pursuant to Rule 9 of the UK Takeover Code to which the Company is subject. Danir is restricted from disposing of any of its shares for 12 months after Admission by the Lock-in Agreement it has entered into and can only dispose of up to 10 per cent. of its shares in the following 12 months so, as Danir would have to dispose of some of its existing shares in order to acquire any more from a conversion of loan notes, they will not be able to convert their loan notes for some time. If repayment in cash were demanded, it could impose a significant strain on the Group's cash flow. Despite these measures, the existence of the Danir debt may still hinder the process of raising additional finance.

From time to time, the Company may enter into transactions to acquire assets or the shares of other corporations. These transactions may be financed partially or wholly with debt, which may temporarily increase the Company's debt levels above industry norms.

Liquidity Risk

Without in any way qualifying the statement that, in the opinion of the Company and taking into account the Net Proceeds of the Placing and Subscription, as well as existing cash reserves, the working capital available to the Group is sufficient for the Group's present requirements, that is for at least the next 12 months from the date of this Document, the Company's ability to meet any debt obligations and reduce its level of indebtedness will depend on the performance of its subsidiaries which could be affected by the operational performance of its Kaipola Plant, general economic conditions and other factors which may be beyond the control of the Company. The Company may therefore be required to seek additional and alternative sources of finance after the period covered by the working capital statement in order to service any debt and provide working capital in the longer term, by way of further borrowings or equity financing. Factors that will affect its ability to raise cash through an offering of securities or a refinancing of any debt will depend on financial market conditions, the value of its assets and performance of its business at the time the Company shall require capital. If the Company does not have sufficient funds, it will seek to raise money from alternative sources and/or to negotiate a rescheduling of its borrowings or arrange new financing. Should it be unsuccessful, it might have to sell significant assets in order to meet its obligations and any such sale could have a material adverse effect on the Company's ability to continue to advance its business development strategy.

It should also be noted that if the Company fails to find an off-taker who can meet the minimum capacity requirements of the Kaipola Plant outside of the Working Capital Period, the Company will have to raise

additional funds either through debt or equity instruments in order to support working capital in respect of its operations at the Plant and for the business as whole.

Debt Levels and Additional Capital Requirements

Any debt facilities that are advanced in connection with the Company's projects are expected to be guaranteed by the Company, to the extent that it is not directly obligated to the lender. The obligations incurred or guaranteed by the Company with respect to any debt financings are expected to be secured by the assets of the Company and its applicable subsidiaries. Additional borrowings may, at any time, increase the Company's debt levels above industry standards and therefore preclude or reduce the Company's ability to obtain new debt for other activities. The level of the Company's indebtedness from time to time could impair the ability of the Company to obtain additional financing in the future on a timely basis to take advantage of business opportunities that may arise and adversely affect the ability of the Group to develop in accordance with its current business plan and delay such development or force proposed activities to be scaled-back or cancelled completely.

Potential negative operating cash flow

If operational full scale combined Heat and Power start of the 110MW Kaipola Plant was significantly delayed or was heavily underperforming (outside of the Working Capital Period), the Group's potential cash flow reserves would be severely compromised, and the Company would need to raise additional capital if the Plant were to cease or substantially reduce operations for an extended period of time. Although the Company currently has sufficient resources for present working capital purposes and for a period anticipated to be long enough to enable it to obtain additional financing for the longer-term development of the Company's business strategy, the failure to raise capital and/or achieve profitability and positive operating cash flows could have a material adverse effect on the Company's financial condition and results of operations.

Fluctuations in Foreign Currency Exchange Rates

Fluctuation in the Euro and US Dollar against the Pound Sterling may cause a negative impact on the revenue and cost incurred by the Group. When cash generative, the Group will receive income in Euros whilst some of the costs of the Group will be payable in Sterling or the US Dollar.

The price received by the Company may be affected in a positive or negative manner by fluctuations in the exchange rate of the Euro against other currencies in which business of the Company is transacted. In recent years, the Euro has fluctuated in value against a number of the world's currencies. Variations in exchange rates have the effect of impacting the stated value of electricity, contract prices and/or production revenue. Material changes in the value of the Euro can have a significant impact on the Company and accordingly any changes in future European currency exchange rates could impact the future value of the Company's reserves and production revenues as determined by independent evaluators.

Foreign Exchange Hedging Risks

The Company does not maintain a defined foreign exchange hedging programme and, as of the date hereof, the Company is not a party to any foreign exchange hedging agreements and has not been a party to any such agreements in the past three years. It may determine it appropriate from time to time to enter into derivative financial instruments to reduce its exposure to exchange rate fluctuations. The terms of these derivative instruments may limit the benefit of changes in currency value which are otherwise favourable to the Company and may result in financial or opportunity loss due to counterparty risks associated with these contracts. Utilisation of derivative financial instruments may introduce increased volatility into the Company's reported net earnings (losses) and does not eliminate the risk that the Company may sustain losses as a result of foreign currency fluctuations. The Group has not to date entered into any foreign exchange hedging agreements and thus remains at risk from currency fluctuations. The Group has taken the view that the currency risk is lower than the cost of hedging agreements. Agreed energy power or supply purchase contracts, biomass supplier contracts and off take agreements are on the other hand matched and hedged with same duration to minimize currency risk.

(v) Risks relating to the Ordinary Shares

Share trading Risk

The Group's wish to obtain a listing for its shares is to have better access to capital market and increased confidence in future capital raise for development projects, but also to provide a market to allow Shareholders to trade their shares. However, even if the share capital of the Company is admitted to trading on the Main Market of the London Stock Exchange there is no certainty that a market will develop or be sustained. The price of shares following a listing may vary both upwards and downwards depending on numerous market factors some related to the Group and others to the general economy and the economy of countries in which the Group operates. It may be impossible for Shareholders to sell their shares at or above the opening price or at all. Without an active market in the Company's securities, investment in Ordinary Shares may be less attractive and the use of equity elements in future funding structures may be restricted.

Additionally, the Company made an open offer to Shareholders in October/November 2024 which resulted in the issue of 59,271,431 new Ordinary Shares at an issue price of £0.06 per share. The price was set at this level to give other Shareholders the opportunity to bring their proportionate holdings back to the levels they had been before a series of share issues by the Company. The issue price was heavily discounted from the likely market value, in so far as such could be determined for an unlisted company, and was well below the expected price on Admission, being £0.12. It is possible that some Shareholders who subscribed for shares in the 2024 open offer may decide to dispose of the shares immediately after Admission to liquidate their paper profit.

If Shareholders together holding a significant proportion of the Company's ordinary issued share capital were to try to sell their shares in this way it could result in a disorderly market for the Company's shares and cause volatility and downward pressure on the share price. To mitigate this risk, the Company asked all the Shareholders who were not already required to agree to certain restrictions on the disposal of their shares and to agree to a three-month lock-in starting from Admission during which time the consenting Shareholders could not dispose of any of their shares or any interest in their shares. Shareholders holding an aggregate of up to 130,000,000 Ordinary Shares agreed to lock-up their shares for the three-month post-Admission period and entered into formal lock-in agreements with the Company, the Sponsor and the Broker, subject to normal exceptions for takeover offers and financial hardship.

Furthermore, it is noted that there will be a significant number of ordinary shares which will not be subject to a 3 months lock-in from admission (pursuant to the **Investor Loyalty Warrant** agreement as noted above and further detailed per Part 15 Section 4) and that some of these shares may be held by shareholders who had initially acquired the shares in 2024 at £0.06 per share and may decide to liquidate their equity holding in Cindrigo once listed, to take profit if their shares trade over the initial purchase price of £0.06.

Risk of dilution on exercise of conversion or subscription rights by lenders

Existing holders of loan notes and warrants have rights to convert into or subscribe for, shares in the Company at conversion/subscription prices possibly below the share price at the time for exercise. A substantial number of loan notes and warrants will remain unconverted or unexercised at Admission and which, if exercised would increase the issued ordinary share capital by up to a further 162,938,912 Ordinary Shares.

An issue of shares following the exercise of conversion and/or subscription rights on terms such as those of the pre-existing loan notes and warrants and the Danir loan notes and loan will have a dilutive effect on the holdings of other Shareholders and may lead to a fall in the Company's share price if a large amount of new shares are issued at a substantial discount to the trading price at the time.

It is likely that the terms of future debt funding will include a right for the lender(s) to convert their loans, and possibly to subscribe for further equity in the Company at a discount to the price at which the Company's shares are then trading which could further dilute the holdings of existing Shareholders at the time.

Dividend payments on the Ordinary Shares are not guaranteed

To the extent that the Company intends to pay dividends on the Ordinary Shares, it will pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate (in the case of interim dividends) or is recommended by the Board and approved by Shareholders (in the case of final dividends) and in accordance with applicable laws. The declaration, payment and amount of any future dividends, of

the Company are subject to the discretion of the Shareholders or, in the case of interim dividends to the discretion of the Directors, and will depend upon, amongst other things, the Company's earnings, financial position, cash requirements, availability of profits (including the ability of any Subsidiary of the Company from time to time to pay a dividend in accordance with the laws applicable to it), as well as provisions for relevant laws or generally accepted accounting principles from time to time. Although the Board intends to pay dividends to Shareholders in the future there can be no assurance that the Company will declare and pay, or have the ability to declare and pay, any dividends in the future.

The proposed listing of the Ordinary Shares in the Equity Shares (Commercial Companies) category of the Official List

Application will be made for the Ordinary Shares to be admitted to a listing in the Equity Shares (Commercial Companies) category of the Official List at London Stock Exchange ("LSE"). A listing in this category subjects the Company to enhanced regulatory obligations under the UKLR, which are more extensive than those previously applicable to issuers in the Standard Segment or the Equity Shares (Transition) category. These additional obligations include higher corporate governance standards and stricter disclosure requirements.

The Equity Shares (Commercial Companies) category provides the Company with eligibility for potential inclusion in FTSE indices, which could enhance the liquidity and valuation of the Ordinary Shares. However, the key criteria for including a security in an index also includes listing on a recognised exchange but also a company's market capitalisation, its free float, liquidity, financial viability, domicile and incorporation and corporate governance compliance and it could take some time for the Company to satisfy these requirements, or it may never do so. Failure to comply with the heightened requirements of the Commercial Companies listing category, including public hands and continuing obligations, could result in the Company's securities being suspended or delisted, which would adversely affect liquidity and Shareholder value.

Shareholders should note that the Company will also be subject to ongoing obligations to comply with the UKLR, the Prospectus Regulation Rules, and the Disclosure Guidance and Transparency Rules (DTRs).

The Company has established and is committed to maintaining adequate procedures, systems, and controls to ensure compliance with the regulatory obligations applicable to the Equity Shares (Commercial Companies) category. These obligations may result in additional legal, accounting, and administrative costs. Failure to comply with these obligations could lead to sanctions, financial penalties, reputational damage, and, in severe cases, the cancellation of the Company's listing.

The FCA has stated that it will monitor compliance with the Equity Shares (Commercial Companies) category requirements. Companies must continuously meet these obligations, and failure to do so, including maintaining sufficient shares in public hands, could result in the cancellation of the Company's listing.

Investors may not be able to realise returns on their investment in the Ordinary Shares within a period that they would consider to be reasonable

Investments in the Ordinary Shares may be relatively illiquid. There may be infrequent trading in the Ordinary Shares on the Main Market and any such trading may be subject to volatile Ordinary Share price movements. The share price of publicly traded companies can be highly volatile and subject to wide fluctuations in response to a variety of factors including the performance of the Company's operations, currency fluctuations, legislative or regulatory changes (including changes in the tax regime in the jurisdiction in which the Company has an interest), additions or departures of key personnel at the Company and adverse press, newspaper and other media reports. The market price and value of the Ordinary Shares may accordingly fluctuate because of matters specific to the Company and matters that affect all listed securities.

Shareholders in jurisdictions outside of the United Kingdom may not be able to participate in future equity offerings.

The Articles provide for pre-emption rights to be granted to Shareholders in the Company, unless such rights are disapplied by a Shareholder resolution. However, securities laws of certain jurisdictions may restrict the Company's ability to allow participation by Shareholders in future offerings. In particular, Shareholders in the United States may not be entitled to exercise these rights, unless either the Ordinary Shares and any other securities that are offered and sold are registered under the Securities Act, or the Ordinary Shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Company cannot assure prospective investors that any

exemption from such overseas securities law requirements would be available to enable US or other Shareholders to exercise their pre-emption rights or, if available, that the Company will use any such exemption.

(vi) Risks relating to Taxation

Changes in tax status of the Company and taxation legislation or its interpretation may affect the Company's ability to provide returns to Shareholders and/or alter the tax obligations of Shareholders

Any statements about the taxation of the Company or in relation to tax and concerning the taxation of investors in Ordinary Shares are based on current tax law and practice which is subject to change. The taxation of an investment in the Company will depend on the specific circumstances of the relevant investor.

The nature and amount of tax which members of the Group are expected to pay, and the reliefs expected to be available are each dependent upon various assumptions, any one of which may change, and which would, if so changed, affect the nature and amount of tax payable and reliefs available.

Any change in tax law or practice, the tax status of members of the Group or the tax applicable to the holding of Ordinary Shares could increase the amount of tax payable by the Group, affect the value of the assets held by the Group, affect the Company's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders.

Prospective investors are urged to consult their tax advisers with respect to, their particular tax situations and the tax effects of an investment in the Company.

PART 3

CONSEQUENCES OF LISTING IN THE EQUITY SHARES (COMMERCIAL COMPANIES) CATEGORY

Overview of Listing Category

The Company has applied for Admission of its Ordinary Shares to the Equity Shares (Commercial Companies) category of the Official List of the FCA and to trading on the Main Market of the London Stock Exchange category pursuant to Chapter 5 of the UK Listing Rules (“UKLR”). This listing subjects the Company to specific regulatory frameworks and ongoing obligations designed to uphold market integrity and protect investors. The Ordinary Shares will also be admitted to trading on the Main Market of the London Stock Exchange

Key Regulatory Obligations

Upon Admission, the Company will be required to comply with the obligations under the UKLR, the Disclosure Guidance and Transparency Rules (DTRs), and the UK Market Abuse Regulation (“UK MAR”) including but not limited to the following:

- **Sponsors** (UKLR 4): The Company must appoint a sponsor in certain circumstances, including when submitting a prospectus, requesting a rule modification, waiver, or substitution under UKLR 7 or 8, seeking FCA guidance on the application of certain of the Listing Rules, or entering into certain related party transactions or a transaction that could or does constitute a Reverse Takeover. The sponsor ensures regulatory compliance and must be FCA-approved.
- **Corporate Governance** (UKLR 6): The Company must provide a statement in its annual report detailing how it has applied with the principles set out in the UK Corporate Governance Code and whether it has complied with the Code. If the Company has not complied with certain aspects of the Code, it must provide a clear explanation of the reasons for non-compliance.
- **Significant Transactions and Reverse Takeovers** (UKLR 7): The Company is required to disclose transactions outside the ordinary course of business that meet or exceed 25 per cent. in the class tests (“significant transactions”). While, other than in the case of a Reverse Takeover, prior shareholder approval or the publication of a circular is not required before entering into a significant transaction, the Company must provide enhanced disclosure via announcements containing prescribed information.
- **Related Party Transactions** (UKLR 8): Any transactions with related parties, such as directors or substantial shareholders, which reach 5 per cent. or more under the class tests must be conducted transparently. The Company must obtain Board approval, exclude conflicted directors, secure confirmation from a sponsor that the transaction is a fair and reasonable one, and publish an announcement containing certain information relating to the transaction.
- **Disclosure Obligations** (DTRs and MAR) (DTR 4): The Company must promptly disclose inside information that could affect the share price and publish annual and half-yearly financial reports, ensuring transparency and informed decision-making by investors.

Potential Risks and Implications

Investors should be aware of the following potential risks associated with the Company’s listing:

Regulatory Compliance: Failure to adhere to the ongoing obligations may result in sanctions or fines by the FCA, which could adversely affect the Company’s reputation and financial standing.

Reverse Takeovers: In the event of a Reverse Takeover, the Company’s listing will be cancelled, and it must reapply for Admission to the Official List. There is no assurance that re-admission will be granted, which could impact the liquidity and marketability of the Company’s shares.

Index Inclusion: Admission to the Equity Shares (Commercial Companies) category does not guarantee inclusion in major indices such as the FTSE. Inclusion depends on additional criteria, including market capitalisation and liquidity. Failure to meet these criteria may limit the Company’s visibility and attractiveness to certain institutional investors.

It should be noted that the FCA has stated that it will monitor compliance with the Equity Shares (Commercial Companies) category requirements. Companies must continuously meet these obligations, and failure to do so, including maintaining sufficient shares in public hands, could result in the cancellation of the Company’s listing.

PART 4

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In deciding whether or not to invest in Ordinary Shares prospective investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under the FSMA, the Prospectus Rules, Listing Rules and Disclosure Guidance and Transparency Rules, neither the delivery of this Document nor any investment made as a result of this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective investors must not treat the contents of this Document or any subsequent communications from the Company, the Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The Part headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the investor. In particular, investors must read sub-section of the Summary section in Part 1 headed "What are the key risks that are specific to the issuer?" together with the risks set out in Part 2, headed "Risk Factors" beginning on page 12 of this Document.

This Document is being furnished by the Company in connection with an offering exempt from registration under the Securities Act solely to enable prospective investors to consider an investment in the Ordinary Shares. Any reproduction or distribution of this Document, in whole or in part, and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the Ordinary Shares hereby is prohibited.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this Document are required by the Company and the Directors, to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of, this Document under the laws and regulations of any territory in connection with any applications for Ordinary Shares including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Company nor the Directors accept any responsibility for any violation of any of these restrictions by any person.

In relation to each Member State of the European Economic Area (each a "Relevant State"), no Ordinary Shares have been offered or will be offered in connection with Admission to the public in that Relevant State prior to the publication of a prospectus in relation to the Ordinary Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the Ordinary Shares may be offered to the public in that Relevant State at any time:

- (a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation); or
- (c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Ordinary Shares shall require the Company to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to the Ordinary Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Ordinary Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Ordinary Shares, and the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, Australia, Canada or Japan or to any national, resident or citizen of Australia, Canada or Japan.

The Ordinary Shares have not been approved or disapproved by the SEC, any federal or state securities commission in the United States or any other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Ordinary Shares or confirmed the accuracy or determined the adequacy of the information contained in this Document. Any representation to the contrary is a criminal offence in the United States.

Investors may be required to bear the financial risk of an investment in the Ordinary Shares for an indefinite period. Prospective investors are also notified that the Company may be classified as a passive foreign investment company for United States federal income tax purposes. If the Company is so classified, the Company may, but is not obliged to, provide to U.S. holders of Ordinary Shares the information that would be necessary in order for such persons to make a qualified electing fund election with respect to the Ordinary Shares for any year in which the Company is a passive foreign investment company.

The Company is not subject to any regulation in Guernsey by the Guernsey Financial Services Commission. In particular the Company is not required to comply with the Prospectus Rules 2008 of Guernsey in relation to the distribution of this Document.

Available information

The Company is not subject to the reporting requirements of section 13 or 15(d) of the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). For so long as any Ordinary Shares are “restricted securities” within the meaning of Rule 144(a)(3) of the Securities Act, the Company will, during any period in which it is neither subject to section 13 or 15(d) of the Exchange Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide, upon written request, to Shareholders and any owner of a beneficial interest in Ordinary Shares or any prospective purchaser designated by such holder or owner, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Data protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- (a) verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- (b) carrying out the business of the Company and the administering of interests in the Company;
- (c) meeting the legal, regulatory, reporting and/or financial obligations of the Company in the United Kingdom or elsewhere; and

- (d) disclosing personal data to other functionaries of, or advisers to, the Company to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- (a) disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- (b) transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Investment considerations

In making an investment decision, investors must rely on their own examination, analysis and enquiry of the Company, this Document and the terms of Admission, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Company's objectives will be achieved.

It should be remembered that the price of the Ordinary Shares and any income from such Ordinary Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Memorandum of Incorporation of the Company and the Articles, which investors should review.

Forward-looking statements

This Document includes statements that are, or may be deemed to be, "forward-looking statements". In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and include statements regarding the intentions, beliefs or current expectations of the Company and the Board concerning, among other things: (i) the Group's strategy, plans and future financial and operating performance, capital resources, prospects, capital appreciation of the Ordinary Shares and dividends. By their nature, forward-looking statements involve risks and

uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performances. The Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document. In addition, even if the Company's actual performance, results of operations, financial condition, distributions to Shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company's ability to implement effective growth strategies for the Group's business;
- the Company's ability to ascertain the merits or risks of the operations of the Enlarged Group's business;
- changes in economic conditions generally (and specifically in the UK market);
- impairments in the value of the Group's assets;
- the Company's ability to deploy its working capital on a timely basis;
- the availability and cost of equity or debt capital which may be required after the period covered by the working capital statement contained in section 9 of Part 15 of this Document;
- currency exchange rate fluctuations, as well as the success of the Company's hedging strategies in relation to such fluctuations (if such strategies are in fact used); and
- legislative and/or regulatory changes, including changes in taxation regimes.

Investors should carefully review the "Risk Factors" in Part 2 of this Document for a discussion of additional factors that could cause the Company's actual results to differ materially, before making an investment decision.

Any forward-looking statements in this Document reflect the Company's, or as appropriate, the Directors' current views with respect to future events and are subject to these and other risks, uncertainties and assumptions relating to the Group's future business, results of operations, financial conditions and growth strategy.

Forward-looking statements contained in this Document apply only as at the date of this Document and do not in any way qualify the working capital statement contained in section 9 of Part 15 (*Additional Information*). Subject to any obligations under UK Listing Rules, the UK Market Abuse Regulation, the Disclosure Guidance and Transparency Rules and the Prospectus Regulation Rules, the Company undertakes no obligation publicly to update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

Market and industry data

Where information contained in this Document has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Such information has not been audited or independently verified. Where third party data have been used in this Document, the source of such information has been identified.

Presentation of financial information

The Group's audited consolidated financial statements have been published for the three years ended 31 December 2022, 2023 and 2024 as well as the unaudited interims for the 6-months ended 30 June 2025 (which will be made available after Admission) are available from the Company's website at <https://www.cindrigo.com/investor-relations/financial-reports/>.

The historical financial information for the Group has been prepared in accordance with IFRS as adopted by the European Union and relates to the Group's financial performance and position for the three financial

years ended 31 December 2022, 2023, and 2024 (audited) as well as the unaudited interims for the 6-months ended 30 June 2025.

Cindrigo Energy Limited (“CEL”) was acquired by the Company on 30 July 2021. In order to acquire Cindrigo, CEL immediately transferred its assets, consisting of only cash and the intercompany receivable and excluding the shares in Cindrigo, to Cindrigo and Cindrigo assumed the liability to repay a loan from Danir. All assets transferred remain in Cindrigo. CEL transferred the shares in Cindrigo to the Company by way of a dividend *in specie*. An application was then made for the voluntary dissolution of CEL, and it was dissolved on 3 December 2021. Consequently, as Cindrigo Energy was acquired only as an interim step in the intended acquisition of Cindrigo and no longer forms part of the Group as at 31 December 2021, no historical financial information relating to CEL is contained in this Document.

At the date of this Document the Company holds a direct 100 per cent. shareholding in Cindrigo, and Cindrigo Geothermal Ltd and all business take place through one of these companies. Historical financial information for the years ended 31 December 2022, 2023, and 2024 as well as the unaudited interims for the 6-months ended 30 June 2025 in respect of the Group are prepared on a consolidated basis.

Kaipolan was acquired on 9 April 2024 and thus its financial results for the period from acquisition to 31 December 2024 have been included in the Company’s consolidated audited results for the year ended 2024. Because Kaipolan has not been part of the Group for the entire 3-year period, the historical financial information on Kaipolan for the period from incorporation on 25 March 2022 to 31 December 2022 and the year ended 31 December 2023 presented in Part 12 of this Document is included as necessary information with respect to Article 18 of the PR Regulation. The financial information for those two periods relates to previous business operations undertaken by Kaipolan and does not show the combined heat and power plant as a consolidated operation and therefore does not reflect the new business strategy which is proposed by the Company.

The historical financial information for Kaipolan has been prepared in accordance with IFRS as adopted by the European Union and relates to Kaipolan’s financial performance and position for the two financial years ended 31 December 2022 and 2023 (audited).

Non-financial information operating data

The non-financial operating data included in this Document has been extracted without material adjustment from the management records of the Company and is unaudited.

Third-Party Information

This Document contains information about the markets in which the Group operates and other information concerning its operations and markets as well as the jurisdictions in which it operates. Unless stated otherwise, such information is based on the Company’s assessment of several different sources, including statistics and information from external industry or market reports, market surveys, publicly available information, and commercial publications

Where information contained in this Document has been sourced from a third-party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third-party, no facts have been omitted which would render the reproduced information inaccurate or misleading. The information includes publicly available historical market data and industry expectations, including the size of the market in which the Group operates.

The material sources of third-party information, on which basis this Document has been prepared, are listed, where relevant, in this Document.

The accuracy and completeness of industry and market publications is not guaranteed and has not been verified by the Company. Market information and market statistics, by nature, are forward-looking and subject to uncertainty, could be interpreted subjectively and are not necessarily reflective of actual or future market conditions. Potential investors should be aware that the financial information, market information, forecasts and estimated market information contained in this Prospectus, or incorporated by reference into this Prospectus, do not necessarily constitute reliable indicators of the Company’s future results. The contents

of the Company's website or any third-party websites referred to herein do not constitute part of this Document.

Currency presentation

Unless otherwise indicated, all references in this Document to "UK Sterling", "British pound sterling", "sterling", "GBP", "£", or "pounds" are to the lawful currency of the U.K. The Company prepares its financial statements in pound sterling. All references to "\$", "US\$", "US Dollar" or "USD" are to the lawful currency of the United States. All references to the "€", "EUR" or "Euro" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

Exchange Rates

The books and records of the Group are maintained in GBP, the Group also has a significant volume of transactions in EUR and USD. The exchange rates used for the conversion of cost and income are the daily rates and the year-end financials in GBP have been historically converted with the year or period end rate of the relevant period into the reporting currency GBP.

The rates used for the conversion into GBP in the financial statements of the Group are in currency units per pound and are as follows:

	<i>Financial Year ended 31 December 2022</i>	<i>Financial Year ended 31 December 2023</i>	<i>Financial Year ended 31 December 2024</i>	<i>6-month interims to 30 June 2025</i>
USD \$	1.249458	1.2432	1.2515	1.3718
EUR €	1.177958	1.1495	1.2089	1.1698

Rounding

Percentages and certain amounts in this Document, including financial, statistical and operating information, have been rounded to the nearest whole number or two decimal places for ease of presentation. As a result, the figures shown as totals may not be the precise sum of the figures that precede them. In addition, certain percentages and amounts contained in this Document reflect calculations based on the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages or amounts that would be derived if the relevant calculations were based upon the rounded numbers.

International Financial Reporting Standards

As required by the Companies Law and Article 4 of the European Union IAS Regulation, the financial statements of the Group and Kaipolan are prepared in accordance with IFRS issued by International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Committee of the IASB as adopted by the European Union.

Incorporation of information by reference

No information is deemed to be incorporated into this Document by reference. The contents of the Company's website, any website mentioned in this Document, or any website directly or indirectly linked to these websites have not been verified and do not form part of this Document, and prospective investors should not rely on them.

Governing Law

Unless otherwise stated, statements made in this Document are based on the law and practice currently in force in England and Wales and are subject to changes in such laws.

Validity of Prospectus

This Document was approved as a Prospectus on 28 October 2025 and is valid for a period of one year from that date, subject to any requirement to issue a supplementary prospectus in that period pursuant to Article 23 of the UK Prospectus Regulation. This Document will therefore cease to be valid as a Prospectus no later than 27 October 2026. Should a significant new factor occur, or material mistake or inaccuracy be identified during the validity period, the Company would be required to issue a supplement in accordance with the Prospectus Regulation Rules. After the period of validity has expired, the Company is no longer under an obligation to issue such a supplement.

Definitions

A list of defined terms used in this Document is set out in “Definitions” in Part 18 at the end of this document.

PART 5

DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	ERIK “Jörgen” ANDERSSON, <i>Non-Executive Chairman</i> LARS GULDSTRAND, <i>Director & Chief Executive Officer</i> DAG ANDRESEN, <i>Director & Chief Financial Officer</i> MUSTAQ PATEL, <i>Executive Director</i> JOHAN GLENNMO, <i>Non-Executive Director</i> ALAN BOYD, <i>Independent Non-Executive Director</i> GORDON “JACK” CLIPSHAM – <i>Independent Non-Executive Director</i>
Company Secretary	Suntera (Guernsey) Limited, 1st & 2nd Floors, Elizabeth House Les Ruettes Brayes St Peter Port Guernsey, GY1 1EW
Registered office	1 st & 2 nd Floors Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW
Sponsor	Beaumont Cornish Limited, 5-10 Bolton Street London W1J 8BA
Legal Advisors to the Sponsor	Laytons LLP, Yarnwicke, 119-121 Cannon St, London EC4N 5AT
Current Auditors to the Company	Grant Thornton Limited (Channel Islands), St James Place, St James Street, St Peter Port, Guernsey GY1 2NZ
Joint Reporting Accountants to the Company and previous Auditors to the Company	Macalvins Limited 7 St John's Road, Harrow Middlesex HA1 2EY
Joint Reporting Accountants to the Company	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD
English Legal Advisors to the Company	McCarthy Denning Limited 70 Mark Lane London EC3R 7NQ
Finnish Legal Advisors to the Company	Dottir Attorneys Ltd Pohjoisesplanadi 35 Aa, 00100, Helsinki, Finland
German Legal Advisors to the Company	Watson Farley & Williams Neue Mainzer Straße 6 -10 WINX 60311 Frankfurt am Main Germany

**Guernsey Legal Advisors to
the Company**

Mourant Ozannes (Guernsey) LLP
Royal Chambers
St Julian's Avenuee
St Peter Port
Guernsey GY1 4HP
Channel Islands

UK Broker

Capital Plus Partners Limited
Fourth floor, 49 St James Street,
London SW1A 1JT

Registrars

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

Investor Relations

St. Brides Partners,
22 Bishopsgate,
City of London,
London EC2N 4BQ

Company Website

www.cindrigo.com

*Except where expressly stated to the contrary, the information on
the website of the Company does not form part of this Prospectus.*

PART 6

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Prospectus published	28 October 2025
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Admission and Commencement of dealing in Ordinary Share On the London Stock Exchange	8.00 a.m. 31 October 2025
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These dates and times are indicative only, subject to change and may be brought forward as well as moved back, in which case new dates will be announced. The times referred to above are references to the time in London, UK.

Shares in issue at the date of this Document	263,055,449
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Total Placing Shares	13,499,994
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Total Subscription Shares	3,677,000
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Total Fundraising Shares	17,176,994
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Danir CLN Conversion Shares	50,000,011
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Other CLN Conversion Shares	2,923,011
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Total CLN Conversion Shares	52,923,022
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Introducer Shares	759,442
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Expected Enlarged Ordinary Share Capital immediately on Admission	333,914,907
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Percentage of Enlarged Ordinary Share Capital represented by the Fundraising Shares	5.14%
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Percentage of Enlarged Ordinary Share Capital represented by total CLN Conversion Shares	15.85%
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Total number of Options	35,219,630
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Total number of Broker Warrants	674,999
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Total number of BCL Warrants	1,666,666
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Investor Warrants	17,176,994
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Loyalty Warrants	13,000,000
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Outstanding Danir AB CLNs	91,818,339
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Outstanding Other CLNs	3,297,879
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Unissued Offer Shares	84,405
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Total number of Dilutive Instruments	162,938,912
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Fully Diluted Ordinary Share Capital	496,853,819
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Percentage of Fully Diluted Ordinary Share Capital represented by total options and warrants	32.79%
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Gross Proceeds receivable by the Company	£2,061,239
Estimated Outstanding Placing and Admission transaction costs (incl. VAT)	£350k
Estimated Net Proceeds receivable by the Company	£1,711k
Expected market capitalisation of the Company on Admission at the Placing Price	£40.07m

Dealing Codes

ISIN	GG00BM9CCP98
LEI	213800T424TYEZ5PLE75
Ticker	CINH
SEDOL	BM9CCP9

PART 7

THE BUSINESS

Investors should read this Part 7 “The Business” in conjunction with the more detailed information contained in this Document, including the financial and other information referred to in. Part 11 – “Historical Financial Information of the Company”.

1. Introduction

The Company is the ultimate holding company of:

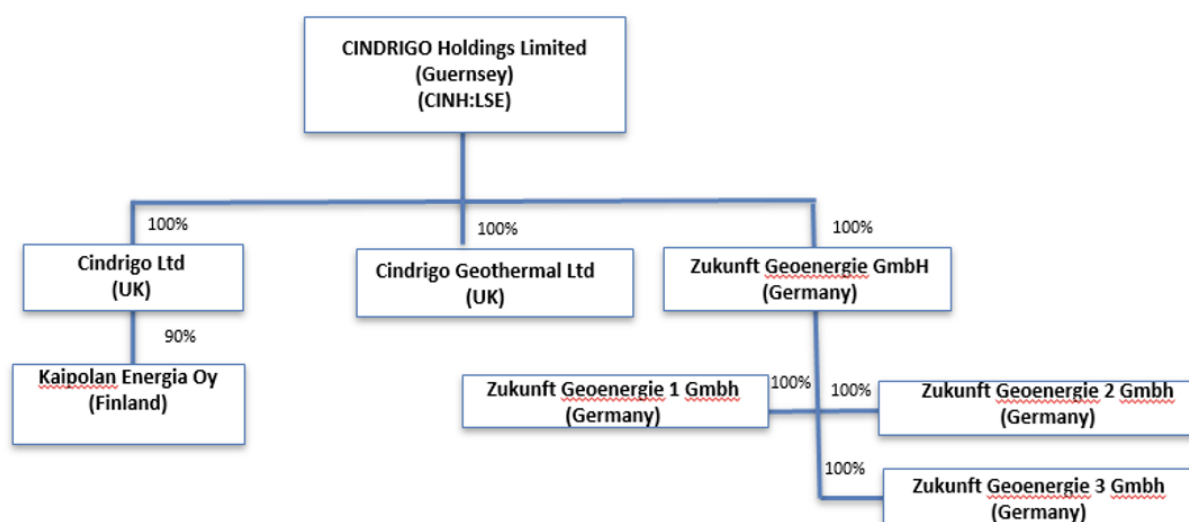
- (a) Kaipolan Energia Oy (“Kaipolan”) (incorporated in Finland) (90 per cent. owned)
- (b) Cindrigo Geothermal Limited (“CGEO UK”) (incorporated in England and Wales) (100 per cent. owned)
- (c) Cindrigo Ltd (“Cindrigo”) (incorporated in England and Wales) (100 per cent. owned)
- (d) Zukunft Geo Energie GmbH (“ZGE”) (incorporated in Germany) (100 per cent. owned)
- (e) Zukunft Geo Energie 1 GmbH (incorporated in Germany) (100 per cent. owned by ZGE)
- (f) Zukunft Geo Energie 2 GmbH (incorporated in Germany) (100 per cent. owned by ZGE)
- (g) Zukunft Geo Energie 3 GmbH (incorporated in Germany) (100 per cent. owned by ZGE)

(together, the “Group”).

The Group carries on business as a developer and intends to operate renewable energy generation projects. Currently, the Group owns a 90 per cent. stake in a fully constructed 110MW WtE heat and power plant in Kaipola, Finland, through Kaipolan. Additionally, Cindrigo Geothermal Limited has entered into the Investment Agreement in respect of acquiring an 85 per cent. interest in Zukunft Geoenergie GmbH (“ZGG”) and relating to the development of three geothermal projects in the Upper Rhine Valley in Germany.

Historically, the Group focused on plans to develop WtE plants in Ukraine, but those developments have been suspended and ceased following the Russian invasion of Ukraine.

The current structure of the Group is as follows:



2. History of the Company

The Company was incorporated in Guernsey on 24 November 2014 as Challenger Acquisitions Limited and was intended to be a special purpose acquisition company looking for acquisitions in the entertainment and leisure sectors.

The Company's shares were admitted to the standard listing segment of the Official List and to trading on the London Stock Exchange's Main Market Standard Segment on 19 February 2015.

The Company initially decided to concentrate on the development of "Big Wheel" attractions and consequently invested in Big Wheel projects in both Dallas and New York and acquired an engineering and design specialist in the field, Starneth Holdings BV ("Starneth").

None of these projects were successful, and, with the Company struggling to meet its running costs, the Company ended its involvement with the projects, disposed of its interest in Starneth, and reverted to being a shell company seeking suitable takeover targets.

3. The Acquisition of Cindrigo Energy Limited ("CEL") and Cindrigo and assumption of CEL's assets and liabilities

In the summer of 2020, the then Directors of the Company approached the directors of CEL, a Canadian company and proposed the Reverse Take Over ("RTO") acquisition of CEL by the Company by means of a British Columbia court-approved Plan of Arrangement and using Ordinary Shares of the Company as the consideration. The RTO would have resulted in the existing shareholders of CEL holding circa 96.5 per cent. of the enlarged capital of the Company. On 11 August 2020 the Company signed a non-binding letter of intent (the "**RTO Letter of Intent**") setting out the proposed terms of the RTO. In accordance with the Listing Rules the proposed RTO was announced to the Market and the FCA was asked to suspend the Company's listing and accordingly the Company's listing was suspended on 18 August 2020 pending a further announcement and the publication of a prospectus or an announcement that the RTO was not proceeding further. At this time the directors of Challenger resigned, and new directors were appointed at the suggestion of CEL.

In pursuance of the RTO, on 31 August 2020 an offer (the "**Offer**") was sent by the Company to certain shareholders of CEL offering to acquire shares in Cindrigo that those shareholders would have obtained on conclusion of a Plan of Arrangement of CEL pursuant to the *British Columbia Business Corporations Act 2002* ("**BCBCA 2002**"). The Plan was being proposed in order to, *inter alia*, effect the RTO.

4. Current Projects

The Company's approach is to continue to look for potential investments in the renewable energy sector, initially in WtE and geothermal generation projects.

4.1. Kaipola, Finland

In April 2024, the Group acquired 100 per cent. of Kaipolan, which holds a 50-year lease of the land, buildings and equipment (the "Lease") required to operate a 110 MW Waste to Energy (WtE) plant for incinerating wood-waste producing Combined Heat and Power (CHP). The Plant was constructed as being the energy provider as a part of a major papermill development undertaken by UPM-Kymmene Oyj ("UPM") in Kaipola.

UPM is a substantial Finnish company in the forestry and paper sector. Kaipola Green Port OY (the Landlord under the lease), acquired the whole industrial site, including the Plant, when UPM closed its papermill operations in Kaipola, and the WtE plant then ceased production in 2023. The land, the buildings the Plant and equipment comprising the Plant are held by Kaipolan under the Lease a 50-year lease with Kaipola Green Port OY. Investigations by the Company illustrated that the Plant could be brought back into commercial production for a relatively small repair investment, of circa no more than €3 million.

Since the date of acquisition in April 2024, the Company has undertaken the necessary repairs and renewal for considerably less than the estimated €3 million and has spent circa €2.07 million to date. This figure includes the full cost of repair and maintenance, both the works of repair and replacement equipment and the cost for the internal staff. The Company secured €1.5 million financing to support the initial phase of the repair and maintenance work required to prepare for operational start of the Plant, from its principal Shareholder Danir, which subsequently acquired a 10 per cent. holding in Kaipolan. The Company currently owns 90 per cent. of Kaipolan.

Subsequently, Kaipolan has carried out all the required maintenance and renewal which has replaced worn out items, refurbished existing equipment and machinery, brought the generation system back into operation, prepared a business plan for the long-term operation of the Plant, started small scale commercial sales of heat for several weeks during December 2024 and established a reliable source of biofuel feedstock. The Company will then subsequently gradually increase heat production and add electricity production, which in due course could be sold to the Finnish power grid and other customers.

This transformation of the Kaipola Plant from deteriorating and depreciating asset (upon initial purchase in April 2024) to a productive and potentially revenue generating plant for which the Directors estimate that the assets held under the Lease, the 110MW Plant and all other related buildings and assets, can be attributed a depreciated replacement cost value in the region of €80 million to €120 million.

The Chairman, CEO and CFO of the Company have in the past all been involved in the management of entities which have undertaken construction of waste to energy (WtE) projects. Furthermore, the Company has considerable experience having previously been involved in the development and operation of WtE plants in the city of Kyiv in Ukraine. This project was a joint venture with China Energy, an experienced world leader in the development of energy plants including in the WtE sector.

As such, the Board considers that it has reasonable experience in assessing potential valuations of WtE plants. Using this experience and evaluating the time the Plant has been in operation, combined with a continuous high-quality maintenance from previous owner, and the upgrades done to date by the Company to get it to operational readiness stage, the Directors estimated a fair value of the Kaipola Plant and associated equipment to be in the circa €100 million magnitude, incorporating a 20 per cent. valuation variance. As such and as stipulated above the Kaipola Plant valuation is in a range of €80 million – €120 million.

It is emphasised however that the Directors valuation of the Plant is not an indication of any sales value that could be attributed to these assets but is an estimation of the current value of the Plant with an allowance for wear and tear (depreciation) into the existing condition and age.

Kaipolan proposes to operate the Kaipola Plant in order to produce heat and electricity. Heat/steam is required by customers in close proximity to the Plant. The Directors intend to utilise the existing piping to industrial customers, the Kaipola Industry site and the Village of Kaipola;. The maximum output of the Plant is 110 MW of which 25 MW electrical power and 85MW steam/heat.

The Lease allows Kaipolan to connect to the local and national power grid to enable it to sell electrical power. The heat will primarily be sold to local industry with a potential off-take agreements already in place in respect of 22MW in year one increasing to 44MW in the second year. Additionally, during winter, heat could be supplied to a small degree to the local industry area and neighbouring village of Kaipola if terms can be agreed.

The Lease is for a term of 50-years from 1 March 2024 (expiring 28 February 2074) with the Landlord being a Finnish company, Kaipola Green Port Oy (the “Landlord”). The land buildings plant and equipment covered by the Lease is situated in the Central Finland Region, specifically within the municipality of Jämsä. Kaipolan’ will use the Plant to produce heat for the entire estate subject to agreement on price, it will also seek to sell electricity produced at the Plant to the external network, and the national grid in Finland. Kaipolan is also responsible for the water treatment on the estate of which the Plant forms part (the “Estate” or the “Kaipola Estate”) and the maintenance of the necessary equipment.

The Landlord owns the freehold of the Estate. The Lease grants Kaipolan the right to use parts of the Estate for storing, sorting and handling the Plant’s fuels. The Lease grants Kaipolan the right to such connections to the local and national energy suppliers as the landlord has negotiated. The Landlord charges a connection fee of €12,000 per MW. The Company is responsible for water treatment on the Estate but is entitled to charge for such water according to the consumption, but it has to agree tariffs with users as prices are not imposed by the Lease. The monthly rent payable under the Lease is a fixed €30,000 whilst the Plant is operating at up to 50 per cent. of its maximum capacity. If the Plant is operating at more than 50 per cent. of its maximum capacity, then the monthly rent will be increased

to a maximum rent of €70,000 per month in total. The rent between 50 per cent. of capacity and full capacity will be increased on a *pro rata* basis.

The rent under the Lease is linked to the Building Cost-Index (year 2000 =100) in Finland. The last index published on the date of grant is used as the base index, which is compared with the index for October of each year. The first review will take place on 1 January 2027. The Lease is a full repairing lease, and the Company is responsible for properly storing and managing any hazardous waste, obtaining necessary permits, and preventing environmental harm. It must promptly inform the Landlord of any incidents causing emissions or contamination and ensure the leased area remains free of litter, cleaning it if necessary pursuant to the relevant the Waste Act. The Company is responsible for obtaining any license or permit required for the operation of the Plant and must only use the Plant in compliance with such licence(s). In the event of the Landlord wishing to dispose of its interest in the Plant, the Lease gives Kaipolan a right of pre-emption against third parties (which may not be enforceable under Finnish law). The Lease cannot be assigned without the Landlord's written consent. The Landlord has a right to re-enter the Plant in the event that the Company cease operation of the Plant for a continuous period of 18 months. The Lease is subject to the Act on the Letting of Business Premises (482/1995). Disputes are to be settled in accordance with the arbitration rules of the Finland Chamber of Commerce.

The Company has recruited a highly skilled management and operating team in Finland to manage the Kaipola Plant. Kaipolan currently has 7 employees and 3 consultants. It is likely on the upscale to full functionality there will be recruitment of an additional 10 employees, to secure a full 3-shift operation. Most of the team members were previously employed at the Kaipola Plant during the time that UPM operated it and therefore have an excellent understanding of it.

Various repair and maintenance work have been completed (including thorough renovation of boiler room pipework), and the Plant is now in good working condition ready for the commencement of commercial operations. Commencement of commercial operation will require some final installations and trimming, which all are prepared and planned to be made in conjunction with the start. Such commencement is dependent on when the primary industry customer for heat from the Kaipola Plant completes its installations and commences commercial operation of its business which is anticipated during Q4 2025. Furthermore, all necessary licences are in place for the Kaipola Plant to commence operations.

The Kaipola Plant requires a minimum production level of circa 35 per cent., which is circa 40MW of heat and power combined to make it financially and operationally viable and it also needs a continuous supply of the biomass material, which is incinerated in the Plant, the quality of which is stipulated by existing permits. Kaipolan has entered into an agreement in respect of the supply to it of biomass for 100,000 MW of biofuel in the form of pellets at a price of €19 per MW for the first burning season, with an option to increase the total amount supplied by a further 100,000 MW. It is possible that in the future, the Plant could be improved to allow it to burn a wider range of waste, although such changes would require new environmental permits.

Kaipola Plant will have two energy outputs and thus two sales revenue streams.

- I. Heat (Steam) generation: is likely to be piped to industrial customers located at the Kaipola industry site and to residential customers in the town of Kaipola nearby – all the piping is already in place and owned by the Plant. Under the agreement with Fuelwood, in 2026 the Plant would supply a minimum of 25MW, rising to 47MW in 2027, at an expected price of €60 / MWh (*albeit this price may fluctuate as it is based on underlying energy prices*), with more off-takers being sought after.
- II. Electricity generation: is likely to be sold to local businesses on the Kaipola industry site and the national grid through Nord Pool, a leading power trading company across Europe. Base case assumption is that of an average achieved price from Nord Pool of €45 per MWh, based on latest prevailing market prices. The price for electricity is variable according to seasonality, and the ultimate demand for power, and priced according to the spot market price.

When plant is operating the Heat and Power are both produced simultaneously, with an output ratio of approximately 77 per cent. Heat and 23 per cent. Power. The key driver for operation is to secure

Heat Off taker since heat is the basis and electricity is produced in parallel and the off-take for electricity is secured through Nord Pool. For every MW Heat plant will produce circa 30 per cent. Power based on the 77/23 per cent. ratio, as noted above. If the Plant would operate at full 110 MW capacity, then 85MW of heat and 25MW of electricity would be produced. Clearly, the achieved increased volume off-take from these energy sources is a key sales revenue driver and of course the price for electricity which are variable according to seasonality, alternative, competing energy source providers and the ultimate demand for power.

4.2 **Kaipola Plant Development Plan**

The Company's key objective is to commence operations at the Kaipola Plant as soon as possible. In December 2024, Kaipolan started limited heating production, primarily for validating the functionality of the piping for high pressure steam, to prepare for a full-scale start-up of large-scale combined Heat/Steam and Power. As part of this production (during December 2024) excess heat produced was delivered and sold to businesses of the surrounding Kaipola Estate to heat their premises. Such operation was to validate that the Plant systems functioned and could be operational quickly and as an extra benefit provided some cash inflow from the excess heat during the period of such operation.

In the first six months post Admission, the Company's immediate business plan will be to start the production of combined Heat and power from the 110MW Plant, the start is dependent on having sufficient off-take of heat. The Plant needs to run at minimum of ca 35-40MW i.e. ca 25MW heat, since 30 per cent. electricity is always additionally produced.

Discussions have taken place with prospective factory operators. and agreements signed with two potential operators. One agreement is with Suomen Uusiopelletti OY ("Suomen"), an Estonian company whose commencement plan for its proposed new pellet factory has been delayed. Suomen has provided no evidence of funding being available to acquire the required plant and machinery for its proposed factory nor for the development of the factory itself. A second agreement has been signed with Fuelwood Oy, a new Finnish company which is proposing to operate a pellet factory. Its plan is also subject to funding but the Company has been told by the prospective management team that Fuelwood is well advanced in securing the required funding for not only its required plant and equipment, which has been sourced, but also for the development of its factory on land at the Kaipola Estate, in respect of which a lease has been agreed in principle.

Supply under the Suomen contract will commence on the start of production of Suomen's operations at the Kaipola pellet mill. The total production of heat which the contract with Suomen states that it intends to utilize is 22MW in 2025-2026, 44MW in 2026-2027 and 66MW in 2027-2028 (but there are no legally binding commitments to take (or supply) those amounts although, if Suomen does commence production the Company would seek to enter into an agreement to make the minimum commitments mutually legally binding). Kaipolan would charge Suomen the sum of €70 per MWh of heat for the initial 6 months, although the contract provides that thereafter the price will be based on the six-month average for the HELEN price index less a discount of 10 per cent. and with some adjustment factor to compensate or incentivise for volumes. Consequently, there is currently no binding obligation on Suomen to purchase heat.

Accordingly, whilst the two off-take contracts with Fuelwood OY and Suomen Uusiopelletti OY are binding, supply under them is subject to, as aforesaid material conditions and are therefore in practical terms to be regarded as an intention to purchase heat. Additionally, it is highly unlikely that both these operators would be in production at the same time since, and therefore should be viewed as alternatives.

The terms of the agreement with Fuelwood are materially the same as those agreed by Suomen. Should Fuelwood commence operations, the Fuelwood contract provides that Kaipolan is obliged to sell and Fuelwood is obliged to buy 25MW in 2026, expanding to 47MW in 2027 and thereafter. Electricity would also be produced and sold. The contract is for a term of 5 years from the commencement of operations at Fuelwood's pellet factory. After the end of the Initial Term, the agreement will continue in force until terminated by either party giving the other party at least 12 months written notice of termination to expire on an anniversary of the agreement. The heat will likely initially be sold at an expected price of €60 per MWh and the price will be adjusted annually in accordance with the Helen Index. The Helen Index is a market-based electricity price index that reflects the cost

of energy in the Finnish energy market. The monthly prices are reported by the leading Finnish energy operator Helen OY. The contract also provides for Kaipolan to sell electricity to Fuelwood at a price of Nord Pool prices plus 10 per cent. The Suomen contract and the Fuelwood contract are summarised in the Material Contracts section of Additional Information in Part 15 of this Prospectus.

On the assumption of supply of 22MW heat during a full year (the lowest volume of the two contracts), the Plant will subsequently produce 30 per cent. Electricity as noted above, i.e. circa 7MW. At an average heat price of €40 – €55 per MWh (large variation over the year and all dependent on market spot price), this would equate to a basic €10 million revenue target from heat, plus some €2 million revenue from the circa 7MW Electricity produced in parallel, assuming a circa €40 per MWh. When operating there will, in addition to core heat production for pellet factory, also be a few MW heat available for other related activities. During the Winter period the Plant may, in addition, produce some 10-15MW which could be used for heating the Green Port industry area and the Village of Kaipola. Electricity can be easily sold through the Finnish national grid NordPool, that is for electricity not first sold to the local businesses within the Green Port industry-area at slightly higher prices than what would be to the national grid/NordPool.

As such, the Company will be able to generate revenue and profit from the operation of the Kaipola, given the above, for which it holds the Lease to operate. However, the Company has no right to sell the assets underlying the Lease and therefore the estimation of the value of the Kaipola Plant may not correlate to the value that the Company may realise in connection with its proposed operations under the Lease.

The Company has followed the proposed development of the Suomen factory but believes that Fuelwood's factory on the Estate ("the Fuelwood Factory") will be ready for operation before that of Suomen. The Company believes that only one plant will come into operation, rather than both. Fuelwood have verbally informed the Company that it anticipates closing the required initial funding during Q4 2025 and intends to commence operations at its factory in Kaipola during December 2025. On commencement of commercial operations at the factory, Fuelwood will purchase Heat/Steam from Kaipolan on the terms of the Fuelwood Agreement. Fuelwood have informed the Company that it has agreed in principle to take a lease of buildings at the Kaipola Estate from Kaipola Green Port in which to develop the Fuelwood Factory, and identified and sourced the equipment required for the factory which will be acquired following the closing of their initial funding, which is anticipated to be during Q4 2025.

Alternative off-takers could include wood chip and biogas producers which would require heat (there is demand for Biogas within Finland) Such discussions are also ongoing, but more for coming years or longer term.

There are also opportunities to sell both power and heat / cooling (converted heat) to different type of business which the Company is exploring, this also in line with the wishes of the landlord of the Estate to attract additional business tenants to the industrial area.

The Plant start up repair and maintenance work, at the cost of ca €2 million, is in large now finished and ready to start production as soon as sufficient off-takers are in place ready to receive the heat produced. There will likely be further minor repairs in the future. When a date for the pellet producer's installation is clear and they are ready to take the heat, approximately one month before, Kaipolan intends to finalise some minor work on the Plant, recruit a circa 10 additional staff and purchase additional chemicals etc. at the cost of some €50,000. Thereafter, Kaipolan will be able to start up the Plant within 7-14 days, the start cost each time started is around €150,000, which is why the Company wants to have certainty for an on-going off-taker before starting.

From an operating perspective, Kaipolan need to secure the fuel to the Plant, which is Biomass wood/forestry waste. The company have contract with Limerick Trading Ou for ca 200,000 MWh, which is around half of its required annual volume under a 40MW operation. Biomass is contracted at the price €19 per MWh for the first 100,000 MWh and the second 100,000 MWh at a market price decided 2 months before delivery. Kaipolan have paid a prepayment of €2 per MWh for the first 100,000 MWh. which will be deduct and Kaipolan will pay out the balance of €17 per MWh for the first 100,000 MWh. Fuel prices are currently going down in Finland, which the Directors believe is due to warm weather, strong increase in electrical boilers which is creating an over-supply of Wood waste, so the Company

does not foresee any problem securing necessary volumes, also at prices in line within or possibly even lower than the initial €19 per MWh as in Limerick contract.

On the basis that Fuelwood commence operations before the end of Q4 2025, the Directors estimate the Plant will have stable operating base of some 30 per cent. of the Plant's capacity (this assumes c. 25MW Heat and c.8MW electricity, plus extra energy sold during winter period to the industrial operators on the Estate and the Kaipola Village) going into 2026. During 2027 onwards, energy sales could potentially increase assuming to 47MW sales of Heat/Steam to the Fuelwood Factory and c. 15MW electricity sold to the grid/Nordpool. Kaipolan is then expected to have a stable production and revenue from both electricity and heat sales during subsequent years. In the longer term it is anticipated that sales to the Fuelwood Factory, will increase and/or additional heat/steam off takers identified, with the aim of reaching close to full 110 MW production capacity with 85MW heat and 25MW electricity split in three to four years.

Once commercial operations commence Management's focus will, in addition to trying to bring additional local heating customers, seeking environmental approval to restructuring the fuel mix and thereby reducing costs and further improving margins. The long-term lease structure provides operational stability, aligning with both Finland's renewable energy objectives and broader EU requirements.

Cindrigo does not have any direct competition within the immediate geographic area of Finland. However, as Finland generates nearly all of its electricity from fossil free sources – primarily nuclear, renewable, and waste to energy, projects such as the Kaipola Plant are highly desirable and encouraged by the Finnish government.

4.3 **Geothermal Projects in Germany**

Germany has a history of using geothermal energy for heating and power. The Federal Government of Germany has published a key issues paper outlining strategies for targeting 10 TWh of geothermal output from medium-depth and deep resources by 2030. This effectively increases the current feed-in to heating grid from geothermal by tenfold. Thus, the Government aims to add at least 100 additional geothermal projects by 2030, connect them to heating networks, and make geothermal energy usable in residential buildings, neighbourhoods, and industrial processes¹.

There are 42 operational deep geothermal energy projects in Germany – 24 in Bavaria, 6 in North Rhine-Westphalia, 3 in Baden-Württemberg, 3 in Mecklenburg-Western Pomerania, 3 in Rhineland Palatinate, 2 in Brandenburg and 1 in Hesse. These account for 408 MWth heat and 55 MWh electrical capacity. There are 4 other projects under construction and 8 classified as research projects.²

The German Renewable Energy Sources Act 2021 (EEG) provides a stable and transparent support framework for electricity generation from geothermal resources. Under the EEG, electricity generated using geothermal energy benefits from a feed-in tariff of €0.252 per megawatt hour, guaranteed for 20 years. Heat tariffs typically range from €45 to €60 per megawatt hour under 10- to 12-year contracts (which may be extended), commonly agreed with municipalities, industrial users, and greenhouse operators.

German federal and regional government are strongly supportive of Geothermal development. Government supports heat projects with up to 40 per cent. Capex recovery (BEW Subsidy), which is significant and eases capital expenditure concerns for earlier stage companies such as Cindrigo. Furthermore, new legislation to provide development loans up to 25 million are currently under consideration at German state and federal level.

1 BMWK «Bundesministerium für Wirtschaft und Klimaschutz (The Federal Ministry for Economic Affairs and Climate Action)

2 <https://www.geothermie.de/aktuelles/presse/pressemitteilungen-2025> and <https://www.bayern-innovativ.de/en/emagazine/energy-construction/detail/new-map-on-deep-geothermal-energy-online/>

3 KFW and Munich Re in collaboration with Federal Ministry BMWK https://www.munichre.com/content/dam/munichre/contentlounge/website-pieces/documents/MunichRe-Geothermal-Factsheet.pdf/_jcr_content/renditions/original./MunichRe-Geothermal-Factsheet.pdf

Geothermal drilling is costly with up front capital outlay of at least €10million per well. If inadequate or no hot water is found deep underground, the money is wasted. This initial drilling exploration and related financial risk is what in many cases, is restricting investments for geothermal projects, which is why German support programmes such as BEW Subsidy are in place. German federal development bank *KfW Group* and insurance company *Munich Re Group* have announced a joint loan program to help hedge exploration risks and support further geothermal development in Germany³. The Directors intend to take advantage of this arrangement but there is no guarantee that this will be available to the Group.

Framework Agreement with Kaishan

On 3 April 2023 CGEO UK entered into a framework agreement with Kaishan a company incorporated in Singapore (the “Kaishan Agreement”). Kaishan is a member of the worldwide Kaishan Group which in addition to owning and operate its own geothermal plants also manufactures materials used in the construction of geothermal power plants and provides parts of or full turn-key Engineering Procurement and Construction (“EPC”) services regarding the construction and Operational & Maintenance (“O&M”) services of such plants. The Kaishan Agreement gives Kaishan the opportunity to provide defined services to CGEO in connection with the development of geothermal energy plants. The framework agreement remains in place and provides for Kaishan to supply plant and equipment required under an EPC contract for geothermal projects undertaken by the Group that they decide to participate in (with deferred payment terms providing for deferred payment for the initial plants built of circa 70 per cent. of build costs above ground six months after the commercial operation date of the relevant plant), after initial plants indicated a continued deferred payment; but final terms have not yet been agreed.

4.3.1 Geothermal Fields:

The Company have acquired 85 per cent. ownership in three geothermal development licences (which all have development rights) relating to licence areas in the vicinity of Eich, Worms and Weinheim. The 3 licenses are located in the states of Baden-Württemberg and Rheinland-Pfalz. The licenced areas are part of the greater Upper Rhine Graben (URG) thrust belt, which is a mature, producing field, with > 400 oil & gas and 24 deep geothermal wells already drilled in the URG region. Recent discoveries of 200 degrees celsius water (4000 meters deep) at the Graben-Neudorf geothermal project and commissioning of lithium extraction optimization plant (LEOP) in Landau, 50km southwest of the Worms licence area, has further substantiated high geothermal and lithium prospects of the whole region.

Because of Germany’s history of onshore and offshore drilling, there is a strong existing service and supply chain eco-system. Many large drilling and service companies are operating and engaged in oil/gas and geothermal drilling activities. German manufacturers produce drilling rigs, auxiliary equipment, casing and plant equipment for needs in Germany and elsewhere.

Using a probabilistic distribution approach of various resource parameters coupled with a Monte Carlo simulation (a computational technique used to model and analyse complex systems or processes by running multiple simulations with random inputs) using various parameters like rock density, rock porosity, reservoir temperature, flow rate, area, and thickness that helps to quantify oil/gas/water reservoir) to estimate the energy-in-place in the reservoir, there is an estimated combined (heat & power) resource potential for the concession areas of circa 400 MW. Production wells to be drilled to a maximum depth of 4000 m, and the reservoir section expected to start between 3200-4000 m deep with temperatures comprised between 160°C and 180°C and flow rate of 80-90 l/s. This hot water or steam is brought to the surface through the production well and used to generate heat and/or electricity. Re-injection wells, on the other hand, will be drilled to return the cooled water back into the earth after the energy has been extracted from it. Additionally, it is possible for lithium to be extracted from brine water through a separate lithium extraction unit.

Each of the Company’s geothermal projects are planned to be developed in a similar way taking some 2.5 – 3 years for each project. Parts of the Projects can be developed in parallel, but each phase of the Projects are some 6 months after each other, i.e. some 4 years for all 3 licenses to be in operation. Total net investment for each project for the first phase during 2.5 – 3-year

period is approximately €30 million (after a BEW Subsidy). Subsequently, Phase 2 and 3 would mainly be financed internally or through state funding/loans schemes.

The Company does not expect to complete any production work on any of the German projects, as set out in the development plan below, within the Working Capital Period and until such time when sufficient funding is secured. Any expenditure within the 12 months from Admission will be in connection with licence renewals and planning and preparatory work for drilling plans and permit applications.

4.3.2 Development Plan (Phase 1 - Processes / Work Streams):

(a) Preparatory Phase

The preparatory phase, once initiated, (being after the Working Capital Period) will take 12-18 months and cost circa €1 – 1.5 million per project.

Project Management: The Company in conjunction with its local partner ZGG, has in-house expertise for effective project management of sub-surface technical studies, drilling works and surface facilities installation. Additionally, external suppliers will be engaged at various stages of the projects as and when required for various technical reports. For drilling operations management, the Company will evaluate various local suppliers and have in addition, a historical cooperation with Icelandic geothermal drilling company, North Tech Drilling. The Company has a framework agreement for surface facility with Kaishan Group as the preferred cost-effective EPC partner to the Company within Europe.

License Management: The Eich-Hamm license has been extended and the Worms and Weinheim license extension are expected to follow shortly. Work is in progress to meet statutory requirements for extensions to allow the Company to conduct sequential drilling programs under each of the three licenses and enter production phase. Once issued, it is expected that the production phase license will be valid for 20 years from granting and further extendable if the fields continue to be commercially productive. Additional technical and administrative permits from local and state authorities will be required for drilling, plant construction and modification.

Customers and Stakeholder Management: At an early stage it's important to agree preliminary agreements for heat and power sales with off-takers in all licensed areas. All three projects have advanced discussions with off-takers and partners both municipalities and industry, to purchase heat from the projects.

The Company will also engage with communities and other stakeholders to buy-in support for projects and address concerns of neighbouring communities and local administration. Efforts will be made to maximize project benefits to local communities in terms of job creation, economic benefits and sustainable energy solutions. Most important stakeholders are of course the Off takers, but also landowners as they have the right to lease or refuse land for wells/plants. Therefore, they will be engaged in a transparent manner. However, the area has a long history of oil/gas exploration with more than 400 wells and 24 deep geothermal wells in the license region⁴. The Directors believe that, given the region's long history of subsurface activity, local landowners generally understand the nature of geothermal operations and are cooperative, supported by the availability of economic incentives compared to agricultural land use. In certain areas, land is owned by state or municipal entities, which can further facilitate access and project management.

Funding for the initial drilling programmes are planned to come from primarily debt financing and/or Grants and State Funding/Subsidy possibly also to a degree equity financing. Cindrigo's local partner ZGG has received an offer for state funding at the preparatory stage, a BEW subsidy at development/production stage, up to €1 million each for two projects. An application in respect of the third is in preparation. If government backed Development Financing loans become available, it is anticipated that applications for such loans will be made in respect of the three proposed projects. Drilling risk insurance will be sought prior to the commencement of drilling.

4 <https://www.tiefengeothermie.de/> (data source referred in ZGW Technical Presentation- 24 deep geothermal wells)

Preparatory Work Plan: The Company proposal involves re-processing and interpretation of the existing 2D/3D seismic data. Undertaking environmental ground studies for the protection of the environment, conducting hydro chemical, seismological/earthquakes studies of the licence area the development of sub-surface models and identification of drillable prospects. Timely implementation of the work plan is important for the extension of licenses and applications for future permits e.g. Drilling permit.

(b) Drilling Programme:

The Drilling Programme (following the 12–18-month preparatory phase as noted above) will take a further 9-12 month per site at a cost of €20 million per site. Any drilling programme will be outside the Working Capital Period.

Access roads and well pads to be prepared prior to drilling operation on each of the three licence locations. The drilling program is expected to operate in sequence and 6 wells (3 production wells and, 3 Re-injection Wells) will be drilled in total at the three license locations using one drilling rig. First doublet/Plant (1 producer, 1 re-injector) is planned to be drilled at the first site during the circa 9 months starting from late-2026. After drilling and well completion rig will be mobilized and drill doublet to second and thereafter to the third site. Estimated cost of drilling each well is expected to be circa 10 million Euro (dependent on depth and local geological conditions).

Conversion to Production License: On-time completion of drilling is important for timely conversion to Production license. Reserve study reports to be submitted to authorities with updated subsurface reservoir model at the appropriate time. Based on wells testing results/studies state government grants production license. Extraction license permits full scale development (wells/plants) within boundaries of license area.

(c) Plant Construction and Production:

Plant on-surface development will take circa another 6 months per Plant and each Plant will have a total cost of circa €50 million (any plant construction and production will be outside the Working Capital Period) where of circa €20 million being subsidised under the Governments BEW programme, resulting in a net cost of circa €30 million, of which circa €20 million during sub surface work (drilling etc) and circa €30 million to EPC contractor for on-surface work (construction of plant, connections to grid etc.)The EPC contractor is paid circa €10 million during project work time and circa €20 million due will be deferred until 6 months after Commercial Operations Date ("COD"), and circa € 20 million in BEW subsidy should be received after COD, covering the payment of the deferred payment to EPC Contractor.

Planning, design and engineering for surface heat processing plants for three license sites. Procurement and fabrication of plant equipment i.e. main components and auxiliary equipment. Site civil works and erection/installation of plant equipment and connection to off-taker. Drilling is estimated to start in 2026 and plant construction for first licence area is planned to start in 2027 with a COD early 2028, followed by the other two sites.

Total net cost of Phase 1 of the heat plants will be circa 30 million euros for each plant.

Each plant assumed to generate ca 30MW in Phase 1, Combined production from three plants/sites is estimated to be around 85-90 MWh in Phase 1.

(d) Development Plan (Phase 2)

Phase 2 will include geothermal power to be generated from all Plants and be provided to the national grid as a priority as per the Renewable Energy Act because of its baseload nature in contrast to the wind and solar power. The procurement and installation of power turbines for electricity generation, commissioning of new power turbines and connection to off-take to the national grid network for commercial output, with feed-in tariff for electricity generated by geothermal based on the German Renewable Energy Sources Act (EEG) of €25.20 per kilowatt hour for 20 years.

Phase 2 also includes planning for additional on-site lithium extraction, design, engineering and commissioning and commencement of commercial production / sales of lithium to external refining unit for further processing to battery grade lithium. Lithium batteries are in high demand in, *inter alia*, the German auto sector.

A further €15-20 million investment for each Plant is estimated to be required for Phase 2 which is planned to be financed from internal earnings, grants, state funding and/or borrowing. Any plant development plan both phase 2 and 3, are outside the Working Capital Period.

(e) Development Plan (Phase 3)

Further field development is anticipated with the drilling of additional wells on the 3 license sites. A preliminary assessment suggests that each site could initially be expanded with 2-3 more production wells each that is an additional 7 doublets/Plants (production and re-injection wells) to be drilled on the sites based on the performance of existing wells, plants and commercial output. Enhancement of production capacities for heat, power and lithium is planned for longer field life and consistent revenue streams. All new developments will be financed internally and through state funding, grants and/or loans.

Timeline for the additional wells (producer and reinjection) is anticipated as in Phase 1 but with shorter and lower costs for the preparatory phase (I), and possible synergies in the plant construction phase (III)

A preliminary assessment indicates possible capacity of up to circa 300MW from the 3 sites combined.

5. Licenses, Permits and Consents

5.1 Finland

Operating the Power Plant requires an environmental permit under the Environmental Protection Act (527/2014, the "EPA"). The environmental permit is the main permit required for operation of the Power Plant.

Kaipola has permits concerning operating the Power Plant using solid fuels and oil in accordance with the permits and their permit conditions. The permits, currently held by Kaipola Green Port Oy, are in the process of being transferred to Kaipolan.

Water abstraction requires a permit in accordance with the Finnish Water Act (587/2011). Based on the Revocation Decision, the water abstraction permit (no. LSSAVI/86/04.09/2010, 14.10.2010) has been transferred to Kaipola Green Port Oy in connection with the acquisition of the factory property. The Company may perform operations requiring a permit in accordance with the Water Act and will obtain the necessary permit at the appropriate time.

Under the EPA the new operator shall notify the supervisory authority, if the operator of activities is subject to permit changes.

A special permit from the Finnish Ministry of Defence is needed for acquiring real property under the Act on Transfers of Real Estate Requiring Special Permission (470/2019) if the purchaser is 1) a legal entity domiciled outside the EU or EEA or 2) a legal entity domiciled in the EU/EEA, but in which an entity specified in point 1) holds at least 10 per cent. of the total voting rights in a limited liability company or has equivalent actual influence in another entity or business. This may be relevant if the Company is planning on purchasing real property.

Typically, the operator of a large-scale powerplant owns the operation property or the property is leased by virtue of a land lease agreement. This for instance enables using the land and related assets as a collateral for external financing. In this case the Company is leasing the Power Plant and related equipment by virtue of long-term business premises lease agreement.

Mandatory terms of the Act on Letting of the Business Premises (482/1995,)(“LBA”) include the following:

- If the building comprising the leased premises or the shares entitling to the possession of the premises are transferred or otherwise come under new ownership, *the lease remains binding* on the new owner *if the tenant has taken possession of the premises before the transfer*.
- The LBA limits the landlord’s possibilities for terminating the contract. However, the accepted grounds for termination are still several and a landlord can for instance terminate a lease due to a material breach of the tenant.
- The buyer can terminate a lease agreement in case of forced auction of a real property due to bankruptcy of the property owner if the leasehold have not been explicitly maintained in connection with the forced auction.
- Other mandatory terms of the LBA relate to the use, condition, and maintenance of the business premises, compensation for damages relating termination and limitation to the advance collection of rent. This list is not exhaustive.

5.2 **Germany**

The licences held by ZGG, sub-licences to the German HoldCo comprise exploration licences (*Aufsuchungserlaubnisse*) for three deep geothermal projects, issued on the basis of section 7 of the German Federal Mining Act (*Bundesberggesetz* – “**BBergG**”). In general, an exploration license grants the permit holder the exclusive right for the exploration of the underground of a specified area with regard to a specified resource, in the present case the Licenses refer to:

- Weinheim Licence: Geothermal heat/brine and lithium.
- Eich-Hamm Licence: Geothermal heat and lithium.
- Worms Licence: Geothermal heat and lithium.

The German HoldCo is sub-licensing each of the exploration licenses to separate SPV’s, one for each area where the future work will be done for each project. ZZG Eich GmbH for Eich-Hamm project, ZGG Weinheim for Weinheim project and ZZZ Worms for Worms project. Projects and SPV are managed from German HoldCo where Cindrigo have majority on Board and Management.

Exploitation activities require additional permits, including exploitation licenses (*Gewinnungsbewilligung*) and operation plan approvals (*Zulassung von Hauptbetriebsplänen*), as set out in further detail below).

During the term of an exploration licence a work programme regarding type, scope and purpose of prospecting has to be fulfilled. If this work programme is not fulfilled the exploration licence may not be prolonged or even revoked.

Licences may be prolonged if the prospection area could not be sufficiently explored during this time and the license holder demonstrates that he does not block the license areas but continues following a systematic development of the relevant license.

The maximum term of an exploration license is five years (section 16 paragraph 4 BBergG). The Licences have a maximum term:

- Eich-Hamm Licence: Three years after the receipt of the Eich-Hamm Licence. The Eich-Hamm Licence is dated 06.09.2022. Therefore, the Eich-Hamm Licence expired in September 2025. However, the application for a 12-month extension to the term of the Eich-Hamm license authorising the Eich project has been approved by the relevant regulator until September 2026.
- Worms Licence: Three years after the receipt of the Worms Licence. The Worms Licence is dated 23.11.2022. Therefore, the Worms Licence is to expire end of November/start of December 2025.
- Weinheim Licence: expiration date 30 November 2025.

However, the BBergG provides for the option to prolong exploration licenses.

Pursuant to the terms of the Investment Agreement, ZGG at the cost of the Company is responsible to progress an extension of the term of each licences. The Eich-Hamm license has been extended and the Worms and Weinheim license extension are expected to follow shortly.

The exploitation license (*Gewinnungsbewilligung*) pursuant to section 8 BBergG allows the extraction of geothermal resources for exploitation purposes, but it does not permit any specific mining activities such as drilling and testing of wells. Therefore, one or more additional operation plan approvals (*Zulassung von Betriebsplaenen*) are required.

The exploration license does not automatically convert into an exploitation license. Thus, the license holder must apply for an exploitation license separately.

The applicant has a statutory claim for the issuance of an exploitation license and the competent mining authority must issue (without discretion) the exploitation license, provided that the applicant demonstrates within his application the following:

- a specification of the resource to be explored (as set out above);
- a specification of the places where the resource was found (position, depth) in a location plan;
- a specification of the proposed production area in a location plan;
- evidence that the discovered minable resources can in fact be recovered, considering their position and quality;
- a time schedule;
- work programme regarding technical execution, underground and surface facilities;
- reliability of the applicant (mining law itself does not define “reliability” but there is a definition in general administrative law. According to that, a licence shall generally not be granted to a person if facts indicate that such person lacks the subjective qualities to comply with the obligations under mining law. Past breaches of relevant rules or commitment of criminal offences may indicate that the applicant lacks reliability. The competent authority has a certain margin of judgment regarding how it will assess the reliability);
- evidence of sufficient financial capacity (e.g. financial and bank statements);
- efficient and well-planned prospection of public and mineral resources is not impeded;
- mineral resources that have to be protected in the public interest are not at risk;
- no overriding public interest such as interests of nature and landscape protection, regional planning and traffic matters preclude exploration in the proposed area.

In addition to the exploitation licence further approval have to be obtained to carry out mining activities. Any prospection and exploitation activity may only be carried out on the basis of one or more approved operation plan(s) pursuant to sections 50 to 57d BBergG.

An operation plan is drawn up by the applicant and has to be submitted to the mining authority for approval. The approved operation plan(s) then grant(s) the holder the exclusive right to carry out mining activities and to acquire the geothermal resources in the assigned area.

The BBergG identifies different types of operation plans:

- main operation plan (*Hauptbetriebsplan*);
- special operation plan (*Sonderbetriebsplan*);
- framework operation plan (*Rahmenbetriebsplan*);
- closure operation plan (*Abschlussbetriebsplan*);
- joint operation plan (*gemeinschaftlicher Betriebsplan*).

It is possible for a different company to the Licensor (e.g. the SPVs) to obtain the exploitation licence provided that the applicant proves to the mining authority that he is entitled to apply for the exploitation

license within the area which is subject to an (exclusive) exploration license. In practice, the applicant has to provide a respective confirmation of the exploration license holder.

Under German (mining) law it is possible to allow third parties to make use of an exploration license on a contractual basis. Therefore, the intended approach under the Investment Agreement which foresees the conclusion of a usage agreement between license holder and the individual SPVs is in line with German law.

The Usage Agreements provides for a maximum term of ten years. This should be sufficient to obtain an exploitation license within such period. Despite the contractual agreement for the usage of an exploration license does not require prior consent of the mining authority (different to the situation in case of an intended transfer of a license), it is common practice to notify the mining authority accordingly after conclusion of such agreement.

The Company has entered into rental and service agreement with Blitztart Services GmbH effective from 20 August 2025 to provide administrative services to the companies including taxation registration services without the right of physical use of the offices.

6. Brief history of CEL prior to the RTO.

Cindrigo Energy Limited ("CEL"), was a business based in British Columbia, Canada. It's initial business proposition was to work in a JV with China Energy on the development of WtE plants in developing countries addressing the environmental problems and increasing energy needs including Ukraine (and, therein, the cities of Kyiv and Odessa in particular). These proposed developments had been progressed through a previously wholly owned Subsidiary which has now been dissolved.

CEL at the time had circa 400 shareholders most of whom had been involved in the project from its inception. The directors of Cindrigo wanted to acquire a listing for its shares on an accredited stock exchange and were advised to start with an OTC listing in the United States could eventually lead to a listing on NASDAQ. To progress such a listing, Cindrigo Inc was incorporated in the State of Delaware in the United States of America, and Cindrigo Inc and Cindrigo undertook a share exchange whereby the Shareholders of Cindrigo became the shareholders of Cindrigo Inc. Subsequently it was decided that a more straight-forward listing could be obtained in Canada on one of the trading platforms, and on 1 April 2019, Cindrigo Inc was migrated to British Columbia in Canada under the name Cindrigo Energy Limited (CEL) with the registered office of the Company being in Vancouver BC.

Whilst a listing in Canada on the Canadian Securities Exchange was being progressed the directors of CEL were approached by the directors of the Company and the RTO was proposed. The directors of CEL held the view that a London listing on the Main Market of the LSE was more attractive than a listing in Canada on one of the smaller exchanges and so abandoned the Canadian listing-process and entered into the letter of intent with the Company on 11 August 2020.

The records of CEL needed to be regularised by CEL undertaking a Plan of Arrangement (the "**Plan**") under the BCBCA 2002, which required the approval of the shareholders of CEL by Special Resolution as well as by the Supreme Court of British Columbia. The approval of the Plan was a condition of the Offer. The Plan was approved as required by the shareholders and by the Supreme Court of British Columbia, but subsequently a feature of the Plan which could be detrimental to CEL was identified and the Plan was not implemented, and the Offer was allowed to lapse.

In the meantime, CEL undertook an open offer (the "**CEL Open Offer**") to its shareholders which raised £2,093,920. Following completion of the CEL Open Offer the Company undertook the acquisition of CEL pursuant to a New Plan of Arrangement pursuant to which the Company issued 0.875 of a new Ordinary Share for each share held in the capital of CEL. On completion the shareholders of CEL held circa 96.5 per cent. of the enlarged issued share capital of the Company. The RTO was completed on 30 July 2021, and on 4 August 2021 the name of the Company was changed to Cindrigo Holdings Limited. On 6 August 2021, CEL and the Cindrigo entered into an assumption and assignment agreement (the "**Assumption Agreement**") whereby the assets and liabilities of CEL, other than its shares in Cindrigo, were assumed by Cindrigo, and on the same day the shares held by CEL in Cindrigo were transferred by CEL to the Company by way of a distribution in specie. CEL was dissolved on 3 December 2021.

7. Previous Listing

On the announcement of the RTO Letter of Intent the Company's listing was suspended by the FCA in accordance with the Listing Rules. On Completion of the RTO on 30 July 2021 the listing of the Company's shares on the Official List and the Main Market of the LSE should have been cancelled in accordance with the Listing Rules, but, after discussions with the FCA, the listing was maintained as readmission was expected to take place relatively quickly. The listing was maintained until 31 May 2024 when at the request of the Company the listing was cancelled. The Company believed that the business of the Company had developed considerably and that the prospectus going through the approval process with the FCA needed to be updated to a major degree so that the cancellation of the current listing was appropriate, and admission would be sought again as soon as possible.

8. The WtE and Geothermal Heat and Power sectors

Review of the Geothermal Power Market

The following information is drawn from a number of public sources considered by the Company to be reliable and from the Directors' own knowledge and research.

Geothermal energy is defined as energy in the form of heat stored beneath the surface of the Earth. This heat comes from deep inside the Earth. The Earth is composed of three main layers: the crust, the mantle, and the core. Heat constantly flows from the core to the surface. Temperatures are at their hottest at the centre of the Earth, which is around 5,000 °C, and decrease towards the ground surface. On average, the temperature increases by about 25°C for every kilometre of depth. This difference in temperatures drives the flow of geothermal energy.⁵

Geothermal technologies can be broadly divided between:

- (a) power generation (hydrothermal and Enhanced Geothermal Systems ("EGS"));
- (b) direct use (district heating and cooling and other uses); and
- (c) shallow geothermal energy (Ground Source Heat Pumps ("GSHP"), and Underground/Aquifer Thermal Energy Storage and Green Houses, ("UTES/ATES").

Geothermal energy resources are often divided into two categories, shallow and deep. Shallow is 10-500 meters and deep requires drilling of wells deeper than 500m. Shallow geothermal energy provides an efficient low-cost, and environmentally friendly solution for heating and cooling buildings, as well as for use in greenhouses. Deep geothermal enables high-output, industrial-scale energy, but requires significant investment and subsurface risk management.

Different methods are used to extract the energy, and it can have different uses. Geothermal energy can be used in a wide range of applications including space heating (and cooling), industry, agriculture and for electricity generation. The optimal range for most modern geothermal heating systems, is 70-120 °C, it is then providing efficient heat transfer, comfortable space heating, and being compatible with the standard across Europe (e.g. Germany, France) for district heating networks and low-temperature radiators/floor heating.

Higher temperatures, preferably well over 100 °C, would generally be more suitable for electricity generation,² a minimum temperature for Power Plants is ~100°C, but ideal temperature for efficient power is ≥ 150°C, and pressure must match fluid enthalpy, typically 4–20 bar, depending on depth and reservoir permeability. In some unique cases a power plant can operate with fluid temperatures as low as 70–100°C, using a low-boiling-point working fluid like isobutane or ammonia-water mixtures. In such cases it is a very low MW of heat extracted, and plant is highly sensitive to flow rate and reinjection temperature, and plants financial return is marginal without subsidies or unique site characteristics.

Geothermal wells depths are depending on the reservoir properties where the geothermal fluid is contained in the hot porous rock. Geothermal fluid, mainly brine, is the heat medium that transports the heat from the reservoir to the surface for electric power generation or direct use purposes. Energy generated in this way is deemed "baseload green energy" (stable output 24 hours, 7 days a week) and may attract premium pricing in certain markets due to its decarbonising impact.

5 [https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/754566/EPRS_BRI\(2023\)754566_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/BRIE/2023/754566/EPRS_BRI(2023)754566_EN.pdf)

Power/heat sales from geothermal plants are structured for the long term, typically for 10 to 15 years, or, in exceptional circumstances, for 20 years or more with feed-in tariffs (“FIT”) or power purchase agreements with national utilities, grid operators and power companies.

Geothermal energy has one of the lowest levelized costs (average cost of power production over the life of a power plant) of any power supply, according to the US Department of Energy. Geothermal energy, unlike other nuclear, gas or other forms of thermal generation, provides baseload power without fuel costs.⁶

Geothermal power plants have one of the smallest environmental footprints for land use and CO₂ production, e.g. geothermal footprint for producing 1 GWh is 5 per cent. of the land need compared to wind, and 10 per cent. compared to Solar, i.e. having a very small impact on land use. These power plants can harness geothermal energy on both large and small scales, the industry is expanding, and its infrastructure is long-lasting.

With current technology, geothermal power plants are limited by geology and are only built in appropriate locations. Geothermal plants can also have high upfront costs compared to other renewables such as solar and wind. The vast majority of capital risk is on the front-end, including exploration risk, drilling risk, and power facility construction risk. However, once operational, geothermal power plants provide a highly reliable, consistent, and long-term baseload energy source with minimal operational costs and a small environmental footprint.

Construction cost per MW may look high for geothermal energy but adjusting for its 24/7 stable operation (capacity factor) will the cost per produced MW be among the lowest energy producers.⁷

Table: Sorted Investment Cost per MW, Capacity Factor, Net Cost Adjusted for Capacity Factor, and Average Net Cost

Energy Type	Investment Cost (€ '000/ MW)	Capacity Factor (%)	Net Cost Adjusted for Capacity Factor (€ '000/ MW)	Average Net Cost Adjusted for Capacity Factor (€ / MW)
Natural Gas (Combined Cycle)	€0,7 – €1.5	60% – 80%	€0.9 – €2	€1.4 million
Biomass	€2 – €4	75% – 90%	€2.67 – €5.33	€4.0 million
Geothermal	€2.5 – €5	70% – 90%	€2.78 – €5.56	€4.2 million
Wind (Onshore)	€1 – €2.5	25% – 40%	€2.5 – €10	€6.3 million
Hydropower (Large Scale)	€1.5 – €5	40% – 60%	€2.5 – €12.5	€7.5 million
Nuclear	€6 – €9	85% – 90%	€7.06 – €10.59	€8.8 million
Solar PV	€0.8 – €2.5	15% – 25%	€3.2 – €16.67	€9.9 million
Wind (Offshore)	€3 – €6	35% – 50%	€6 – €17.14	€11.1 million

The EU’s 2030 and 2050 climate change targets – supports research and development in geothermal technologies, funding projects on both direct use of heat and the use of extracted heat to generate electricity. EU support also focuses on reducing costs in exploration and drilling, because geothermal installations have high capital costs.

As at the end of 2023, there were 143 geothermal power plants in operation in Europe, corresponding to 3.5 GWe of installed capacity. Most of the installed capacity in Europe is located in two non-EU countries, namely, Turkey (1.7 GWe) and Iceland (0.799 GWe). Only 1 GWe is installed in the EU, and this is almost exclusively based in Italy (0.9 GWe), but with growing initiatives in many markets, Germany in particular.⁸

6 <https://www.iea.org/data-and-statistics/charts/levelised-cost-of-electricity-of-geothermal-and-other-low-emissions-dispatchable-technologies-in-the-announced-pledges-scenario-2035>

7 Sources: Investment costs and capacity factors are based on data from the International Energy Agency (IEA), IRENA, World Bank, industry reports, and academic studies. Costs reflect global averages and may vary by location and project specifics. The net cost adjusts for energy production efficiency across technologies.

8 <https://www.egec.org/media-publications/egec-releases-the-2023-geothermal-market-report/>

According to the World Energy Assessment, geothermal energy has the highest potential of renewables, capable of harnessing up to an estimated 5,000 EJ/year, compared to 1,575EJ/year for solar- and 540EJ/year for wind energy.⁴

As a result of demand for renewable energy following the COP26 conference, and even more so currently given the situation in Ukraine and the need for new clean baseload energy, the Company believes that the geothermal sector is set for major growth which presents numerous opportunities for the development of the industry and therefore for the Company. By entering the sector at this stage, the Company hopes to be able to benefit from new technology and innovation.

The highest premium power prices within the geothermal sector are paid in Germany (in many cases over €0.25 per kWh). Germany needs to replace an ageing fossil fuel power infrastructure, and the Company believe that geothermal will play a vital role in that process.

Strategic Importance of Kaipola for the Company

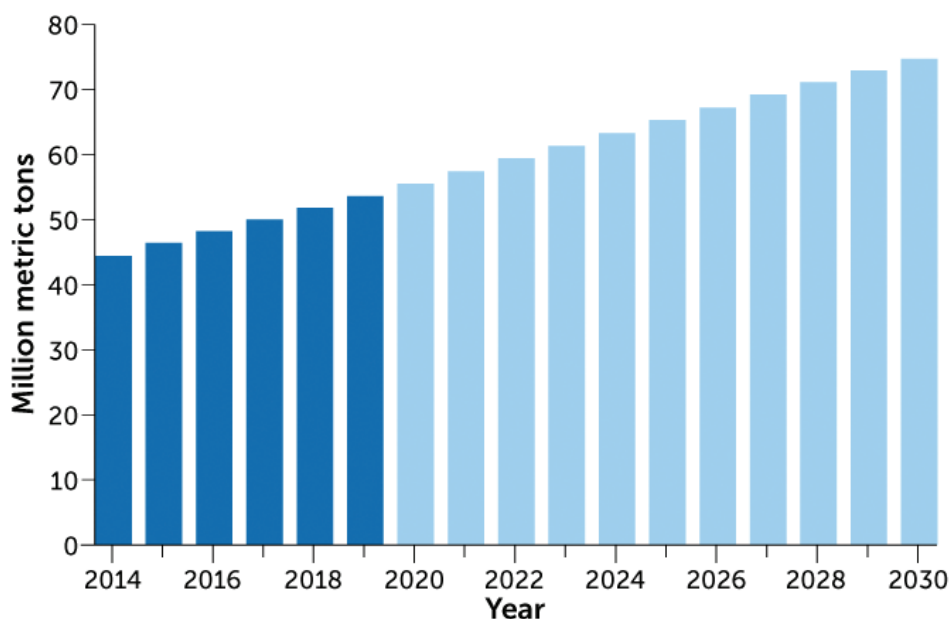
The Company's emphasis on the Kaipola WtE Plant (and its Geothermal Projects in Germany) reflects a clear shift towards projects with immediate generation and revenue potential and promising growth prospects. The Kaipola acquisition will not only generate early income but also strengthen the Company's renewable energy portfolio. The Kaipola Plant is poised to be a cornerstone in the Company's long-term strategy, providing both significant revenue and Cash Flow in the coming years, and also strengthening the Company's position in any future financing discussions for the German Geothermal projects and Group.

By adopting WtE and biomass technologies, which produce electricity, heat, and even fuels from waste, the Kaipola facility embodies the Company's commitment to sustainable energy solutions. This acquisition complements the Company's strategy to expand within the renewable energy sector, supporting scalable, low-risk projects that contribute to green energy production and align with the EU's environmental objectives.

Review of the Waste-to-Energy (WtE) Market

The WtE market addresses two critical needs: sustainable waste management and renewable energy generation. Many types of waste can be used in a WtE process through combustion, some examples could be agricultural or forestry waste, paper waste, municipal solid waste or sewage sludge. The Company's WtE plant in Finland is primarily using wood/forestry waste in its process. WtE facilities have become increasingly essential infrastructure in Europe, where waste management issues are rising due to higher production and accumulation rates across many countries.

Globally, over 600 WtE facilities incinerate around 130 million tonnes of municipal solid waste ("MSW") annually, generating electricity, heat for district heating, and valuable metals for recycling. Since 1995, the WtE sector has grown significantly, driven by increasing MSW volumes and the demand for sustainable waste disposal solutions. WtE facilities now operate in over 35 countries, ranging from large economies like China to smaller nations such as Bermuda, with substantial growth in Asia.



Source: Science News, "Annual e-waste projected to reach 75 million metric tons by 2030,"

The Company and the WtE Market Strategy

The Company has strategically realigned its portfolio to prioritise high-value, lower-risk renewable energy generation projects with significant growth potential. The Company is now focusing on projects that can potentially promise stability and scalable returns, such as its 110 MW Waste-to-Energy (WtE) plant in Kaipola, Finland, and three geothermal projects in Germany (one of the most supportive Governments in Europe for geothermal, and solid country governance and credit rating). This pivot allows the Company to secure immediate revenue streams while solidifying its position within the renewable energy sector and the Company intends to continue to evaluate other complementary opportunities.

The acquisition of a 50-year lease on the Kaipola Plant underscores the Company's dedication to the growing WtE market. Initially built by UPM as part of its paper mill complex, the Kaipola Plant will serve as a core asset in the Company's energy portfolio. Kaipolan have made a thorough repair, maintenance and upgrade of the Plant and is ready to start the combined large-scale Combined Heat and Power production awaiting the Pellet factory commencement of operation.

The Kaipola Plant

The Kaipola Plant is a 110 MW combined heat and power generation (CHP) facility in Finland, generating 25 MW of electricity and 85 MW of steam at full capacity, solidifying its position as a key asset in the Company's sustainable energy portfolio. Originally part of UPM paper mill operations, Kaipola is now operated by Kaipolan Energia under a lease from Kaipola Green Port OY, which acquired the industrial site when UPM ceased operations. The Plant, is anticipated to be a critical renewable energy source for local communities and industries, delivering heating and also electricity to the national grid.

Economic and Environmental Impact

The Kaipola Plant is expected to increase output of both electricity and heat during 2026, with planned and expected continued increase in 2027 and onwards. Agreements to sell the heat produced are signed with two alternative industrial off-take customers who both have expressed interest for starting operation in Kaipola. The location would only allow for one of the potential off-takers to start operation, dependent who would first secure funding and set up of the factory. Kaipolan have secured Agreement with both the alternative off-takers and have similar volume and price for the heat to be sold for both the alterative off-takers with an initial demand of 22-25 MW of heat, expected to increase to 44-47 MW in 2026, at a price of €70-60/MWh, supporting a stable restart. District heating and electricity demand underline anticipated returns on investment within several years. The long-term lease structure provides operational stability, aligning with both Finland's renewable energy objectives and broader EU environmental directives.

The Company's Position in the WtE Market

The Company is well-positioned to leverage growth in the WtE sector through its Kaipola facility, which serves as a key asset in its renewable energy strategy. By focusing on Kaipola as part of a broader green economy initiative, The Company aligns with Finland's regulatory framework and EU incentives, securing a stable revenue base from rising demand for clean energy and sustainable waste management.

The Kaipola facility, is poised to become a crucial energy source for local industries and communities, promoting economic and environmental benefits. As The Company continues to develop this project, Kaipola's success is expected to enhance both energy recovery and economic resilience, reinforcing the company's commitment to sustainable infrastructure and renewable energy product.

The operation of the Plant is dependent upon a continuous supply of the biomass material, which is incinerated in the Kaipola Plant, the quality of which is stipulated by existing permits. It is possible that in the future, the Plant could be altered to allow it to burn a wider range of waste, although such changes would require new environmental permits.

Brief description of German Geothermal Market

EU Support

The EU has a long-term goal of reaching net zero greenhouse gas emissions by 2050 as well as an intermediate target of their reduction by 55 per cent. compared to 1990-levels by 2030. To meet the EU's energy and climate targets for 2030, EU Member States have established a 10-year integrated national energy and climate plan covering from 2021 to 2030.⁹

The European Union (EU) supports research and development of the geothermal technologies and sector with funding of projects on both direct use of heat and the use of extracted heat to generate electricity, through an array of activities based on two major policy initiatives: the European Green Deal and the SET-Plan.

For geothermal power, support schemes at EU or national level include feed-in tariffs, feed-in premiums, subsidies, loans, tenders, quota systems, net-metering and tax regulation. For geothermal heating and cooling (including GSHP), subsidies, loans, quota systems, tax regulation and price-based mechanisms are available. European Climate Infrastructure and Environment Executive Agency (CINEA) have launched various programmes e.g. Horizon Europe, NER 300 programme and European structural and investment funds. Cindrigo can also access direct project financing through loan and Grants from several institutions including World Bank (WB) and European investment bank (EIB).¹⁰

Germany

The more established geothermal resources in Germany are located in the North German sedimentary basin, the Molasse Basin in southern Germany and along the Rhine Graben. Germany does not possess high enthalpy (>250°C) temperature steam reservoirs like Italy and Turkey. Nevertheless, the country's geothermal resource has proven to have attractive both temperatures and pressure and played a role in Germany's energy supply in recent years. The typical temperature for recent geothermal wells in Germany during the last 3-4 years falls within the **70°C to 150°C** range. Recent geothermal drilling projects in Germany have indeed encountered temperatures approaching or exceeding 200°C, particularly in the Upper Rhine Graben region

Germany's Renewable Energy Sources Act 2021/23¹¹

In December 2020, Germany's ruling coalition agreed on modifications to its legislative framework for energy production which led to the passing of the 2021 Renewable Energy Sources Act. The changes created the legal basis for continuing the country's long-term expansion of renewable energy with a goal of producing 65 per cent. of its electricity from clean energy sources by 2030 and carbon neutral by 2050. The Act was amended in December 2022 with stricter target of 80 per cent. renewable energy by 2030.

9 <https://cordis.europa.eu/article/id/415743-geothermal-energy-a-new-and-viable-alternative-source-to-help-achieve-climate-ambitions>

10 https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal_en <https://etip-geothermal.eu/>

11 <https://www.bundesregierung.de/breg-en/news/amendment-of-the-renewables-act-2060448>

For the first time, the law now provides for annual monitoring. This can be used to make adjustments to policy if necessary.

The Company's Geothermal Interests

Geothermal power is prioritized for its large-scale, stable baseload energy, crucial for grid stability and replacing fossil fuels. Increased energy demands and challenging climate targets, set after COP26 and intensified by the Ukraine crisis, have elevated baseload and geothermal importance for energy independence. Large geothermal license areas allow reduction of other non-environmental baseload energy plants, e.g. fossil plants, and diversification with solar and direct-use applications. Geothermal energy plants small footprint and clean output, producing only water vapor, result in minimal environmental impact and broad public acceptance.¹²

The Company's initial investment in the geothermal sector was in Croatia as described above, in Section 8 of Part 7. After its withdrawal from the Croatian market the Company decided to pursue projects in Central Europe, in particularly in Germany.

Operating Environment in the German Geothermal Sector

Approximately 497.3 billion kilowatt hours of electricity was produced in Germany in 2024, 57.1 per cent. of which came from renewable energy sources. "Green electricity" was generated mainly from wind (27.9 per cent.), photovoltaics (11.0 per cent.) and biomass (8.0 per cent.).

For a number of decades, Germany has been a leading player in developing renewable energy technologies for a carbon-neutral future, however much of its own energy power plant is still based on fossil fuels. Germany's renewable electricity generation has increased significantly over the last decade, with wind power the most important source.

Germany is known for having well developed legal structures and support mechanism but still geothermal energy application is low as compare to other renewable sources. However, the German Renewable Energy Sources Act ("EEG") (see below) now provides for long-term support for electricity generation using geothermal resources both in terms of the feed-in tariff for geothermal power set at 25-euro cents per kilowatt-hour (kWh), and the duration of the supply contracts (a 20-year term).

Additionally – and this is crucial for mitigating the substantial upfront investment capex – in the drilling and construction costs associated with delivering geothermal energy, German Federal funding is available under the "Bundesförderung für effiziente Wärmenetze" (BEW) scheme, translated as: "Federal funding for efficient heating networks". This is a subsidy programme for geothermal district heating and may cover up to 40 per cent. of construction capital expenditure for heat production facilities.¹³

Moreover, German federal development bank KfW and insurance company Munich Re have announced a joint loan programme to help hedge exploration risks and support further geothermal development in Germany. KfW also is planning a geothermal energy development loan guarantee scheme that will seamlessly follow on from BEW funding for, among other things, feasibility studies prior to drilling. The mechanism combines financing with risk protection. The loan from the federal funding is expected to be repayable and provides for debt relief of up to 100 percent of the bank loan for the drilling if no or only partial discovery is made.

The German Geothermal Landscape¹⁴

According to the European Geothermal Energy Council, the geothermal electricity market is now entering a new development phase, with many plants scheduled to commence operation over the next 5-7 years. The latest count in Europe indicates that 43 projects are already developed with another 140 under investigation, or at the development stage.

Germany is expanding its geothermal energy sector under Geothermie für die Wärmewende Programme, with plans to implement at least 100 additional geothermal projects to reach 10 TWh/year by 2030, as

12 <https://www.un.org/en/climatechange/cop26>

13 https://www.bafa.de/DE/Energie/Energieeffizienz/Waermenetze/Effiziente_Waermenetze/effiziente_waermenetze_node.html

14 <https://www.bmwk.de/Redaktion/DE/Pressemitteilungen/2022/11/20221111-geothermie-fuer-die-waermewende.html>

outlined in a key issues paper from the Federal Government. The Leibniz Institute for Applied Geophysics estimates that Germany has the potential to increase deep geothermal energy production from the current 1.2-terawatt hours of heat per year to 100 TWh per year by 2050.

There is significant scope in Germany for expanding electricity supply and district heating and cooling using geothermal power.

The Company's Geothermal Projects

On 26 April 2024, the Company announced the proposed acquisition of stakes in three new geothermal energy projects from Zukunft Geowärme GmbH (ZGG), a German geothermal project developer. These projects, situated in the renowned geothermal region of the Upper Rhine Graben (URG), represent a strategic entry into a geothermal market that is viewed by the Company as being a very promising market in Europe. These German geothermal interests will, for the near future, be the focus of the Company's move into geothermal power.

Recent high temperature discovery (200°C at 4000m) in the nearby Graben-Neudorf field (south of Mannheim) illustrated the potential of the Upper Rhine Graben (URG) area for geothermal development.

Successful on-site extraction of lithium chloride from geothermal brine from Landau field (URG) and opening of downstream Central Lithium Electrolysis Optimisation Plant (CLEOP) in an Industrial Park in Höchst, Frankfurt will enhance the profitability of the developments and will help to meet demand of local EV batteries manufacturers.

Success of first on-going Eavor Loop Geretsried project in Germany will also have significant impact on geothermal industry particularly in areas with crystalline basement rocks.

All three of the Company's planned projects are located in 'hot' geothermal areas, located directly within the Upper Rhine Graben thrust belt.



The intention is to develop each project in two phases, an initial, Phase I development will require a net investment of circa. €30 million per project with a target capacity of circa. 30 MW per project, thereafter further

expansion based on technical output, with a combined target installed capacity exceeding 300 MW. Capacity includes both geothermal power and heat generation, and potentially also Lithium production in addition.

The German Federal and Regional government are strongly supportive of geothermal development with all heat projects eligible for a Bundesförderung für effiziente Wärmenetze (BEW) subsidy which can amount to up to 40 per cent. of the capital cost of the projects. Additionally, legislation in progress is expected to introduce development loans of up to €25 million from KfW bank (who are a state investment and development bank) for terms of up to 30 years and risk insurance coverage in the event of a “dry hole” at the drilling stage.

The Group plan to utilise the framework agreement that has been entered into with Kaishan and have Kaishan to fulfil the role of full turnkey EPC Contractor for each of these three projects. It is hoped that the EPC Contract will provide for 70 per cent. of the costs of the relevant project to be deferred until six months after the COD of each project.

The Company's Geothermal Projects Subsidiaries:

The Company has four German subsidiaries. Snorri Einarsson and Ishtiaq Ahmad have been appointed as managing Directors of all 4 companies. As yet ZGG have chosen not to exercise their right under the Shareholders Agreement to appoint one managing director of each company.

The companies are:

i. **Zukunft Geoenergie GmbH** – Reg. No. HRB303139

Current shareholder Cindrigo Holdings Limited 100 per cent.

Transfers are in process transferring 21,250 ordinary shares of €1.00 each (85 per cent. of the issued share capital) to Cindrigo Geothermal Limited, and 3,750 ordinary shares of €1.00 each (15 per cent. of the issued share capital) to ZGG such transfers to be made at par value.

ii. **Zukunft Geoenergie 1 GmbH** – Reg. No. HRB303134

Shareholder: Zukunft Geoenergie GmbH 25,000 ordinary shares of €1.00 each (100 per cent. of the issued share capital)

iii. **Zukunft Geoenergie 2 GmbH** – Reg. No. HRB303139

Shareholder : Zukunft Geoenergie GmbH 25,000 ordinary shares of €1.00 each (100 per cent. of the issued share capital)

iv. **Zukunft Geoenergie 3 GmbH** – Reg.No.303151.

Shareholder : Zukunft Geoenergie GmbH 25,000 ordinary shares of €1.00 each (100 per cent. of the issued share capital).

The registered office of each of the companies is at:- Gesschaftsanschrift, Maximilian 17 c/o Blitzstart Services GmbH 80333 Munchen

PART 8

OPERATING AND FINANCIAL REVIEW, CAPITALISATION AND INDEBTEDNESS

1. Operating and Financial Review of the Group

The following operating and financial review contains financial information of the Group as at and for the years ended 31 December 2022, 2023 and 2024 as well as the unaudited interims for the 6-months ending 30 June 2025. The principal activity of the Company has been to act as a holding company of the Group. The consolidated financial information of the Group for the periods and as at the dates presented reflect the acquisitions and disposals discussed in the Key Development section in this Part 8, in each case with relevant assets then being fully consolidated into the consolidated financial information of the Group. As a result, the periods prior to the acquisition in the financial information may not be directly comparable with the Group Financial Information presented in this Prospectus.

The following section should be read in conjunction with the Operating and Financial Review of the Kaipolan, in addition to Part 7 and Part 12 as well as with the consolidated financial statements and the related notes thereto of the Company and the financial statements of Kaipolan included elsewhere in this Prospectus.

The consolidated financial information referred to in this Part 8 has been prepared in accordance with IFRS as adopted by the United Kingdom and, unless otherwise stated, has been extracted without material adjustment from Sections (A) and (C) of Part 11 and Part 12 (Statutory Financial Information).

This discussion contains forward-looking statements that, while based on assumptions the Directors consider reasonable, are subject to risks and uncertainties outlined in Part 2 “Risk factors” of this Document that could cause actual events or conditions to differ materially from those expressed or implied. Forward-looking statements contained in this discussion apply only as of the date of this Document and do not in any way qualify the working capital statement contained in Section 9 of Part 15.

Overview

The Company was incorporated on 24 November 2014 in Guernsey as an investment vehicle for leisure ventures. After those ventures were unsuccessful, the Company had been looking for suitable projects and believed renewable energy as an attractive sector in which to focus its development. On 30 July 2021, the Company completed a Reverse Takeover to acquire CEL and its wholly owned Subsidiary, Cindrigo. These companies were part of a group company pursuing renewable energy projects.

The mission of Cindrigo Group is to develop and operate renewable energy projects. To achieve this, the Group has assembled a highly experienced Board of Directors, along with consultants and advisers, who have fostered strong relationships with investors.

Key Developments

The Company acquired an option in November 2021 to acquire the entire issued share capital of Energy Co-invest Global Corp. (“ECG”), a renewable energy developer based in Canada with geothermal opportunities and assets primarily in Iceland and Croatia. This option was exercised in March 2022 after the Russian invasion of Ukraine, when Company had to suspend and cease all its Ukrainian WtE projects pursued in cooperation with its previous partner China Energy.

In April 2024, the Group successfully acquired 100 per cent. of Kaipolan, (Danir AB now owns 10 per cent.) which holds a 50-year lease of a 110 MW heat and energy plant in Kaipola, Finland. The Group secured an additional €1.5 million from its principal Shareholder, Danir which subsequently acquired a 10 per cent. holding in Kaipolan from the Company. This funding supported the repair and maintenance work required to prepare for an operational start of the Plant, as explained above. Kaipolan initiated small scale heat production during December 2024, to tenants of the industrial park where it is located, which was only for a few weeks and is planning to restart capacity expansion during 2025 and thereafter. This remains the Group principal focus of business operations.

In March 2024, the Group abandoned the Slatina 3 Project in Croatia a potential geothermal power project in Slatina in northern Croatia for which an exploration licence (initially valid until October 2023) (the “Slatina

3 Licence”) had been issued in respect of a potential 20MW geothermal power plant (“Slatina 3”). due to licensing issues and management’s concerns regarding the support from the Croatian Hydrocarbon Agency and Government. The Company operated its business in Croatia through Dravacel Energetika d.o.o. (“Dravacel”), a Croatian company and a 90 per cent. Subsidiary of the Company (with the 10 per cent. retained by the vendor when the Company acquired Dravacel withdrew from Slatina 3 after the Croatian Hydrocarbon Agency denied an extension for the exploration license, despite a £5 million investment, leading to a suspension of further investment. The investment has been written off in the unaudited consolidated interim statement prepared of the Group in June 2024 and the asset in its entirety is currently being liquidated, reflecting the Company’s decision to discontinue its involvement in the project.

Dravacel is currently subject to the bankruptcy procedure in Croatia after it was referred to that procedure by a director of Dravacel pursuant to a legal requirement where salaries of employees had not been paid (of which there are three). The bankruptcy procedure was formally opened on 20 November 2024 and a bankruptcy curator has been appointed by the court. The Company has submitted a claim in the bankruptcy of €1,271,504 and Cindrigo Limited has submitted a claim for €3,740,852. Two of the three unpaid employees submitted claims for €40,006 and €11,945 but the employee with the smaller claim requested and receive a smaller payment from the State Bankruptcy Fund and so the Croatian State has subrogated rights and a claim for the full amount of the unpaid salary due to that employee. If the land over which the Slatina 3 Licence is sold, the Company believes it will raise around €200,000 to be divided between the creditors. It is not possible to say at this stage how long the bankruptcy procedure will take to complete.

The Company recently has acquired 85 per cent. of a new German company which has development rights in respect of three geothermal licenses in Germany’s Upper Rhine Valley. Significant expenditure is limited pending the extension of the terms of the licences. Application for such extensions are in hand. The German Renewable Energy Sources Act (“EEG”) offers a stable and transparent support scheme for electricity generation using geothermal resources, with a feed-in tariff for geothermal power of 25-euro cents per kilowatt-hour (kWh) during a 20-year term. Additionally, German federal funding is available under the “Bundesförderung für effiziente Wärmenetze” (“BEW”), a subsidy program for geothermal district heating that covers up to 40 per cent. of construction capital expenditure for heat production facilities. The details of the Germany project can be found in Part 7 – “The Business” section of this Document.

The Group intends to fund its current projects through equity and debt, in collaboration with a financing and development partner and/or possibly through a potential joint venture structure. Investments in later-stage assets are likely to include alternative financing with an element of debt-to-equity gearing,

The Company aims to enhance operational efficiency and maximise shareholder value in furthering the Kaipola project, being its main strategic focus as well as its subsidiary geothermal licence projects.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December 2024, 2023 and 2022 and unaudited interims to 30 June 2025

	<i>Audited Year ended 31 December 2022 £'000</i>	<i>Audited Year ended 31 December 2023 (As restated) £'000</i>	<i>Audited Year ended 31 December 2024 £'000</i>	<i>Unaudited interims to 30 June 2025 £'000</i>
Continuing operations				
Revenue	–	–	85	–
Costs of material	–	–	(5)	(90)
Administrative expenses	(1,780)	(1,651)	(3,280)	(1,891)
Other operating income	10	226	–	99
Depreciation and amortisation	–	–	(93)	(105)
Impairment of financial assets	–	(2,057)	(5,488)	–
Operating loss	(1,770)	(3,482)	(8,781)	(1,987)
Finance costs	(97)	(280)	(2,676)	(461)
Finance income	–	–	–	40
Loss before tax	(1,867)	(3,762)	(11,457)	(2,408)
Tax	–	–	(3)	–
Loss for the year	(1,867)	(3,762)	(11,460)	(2,408)
Loss in associate	(603)	–	–	–
Loss attributable to non-controlling interest	3	15	473	99
Loss attributable to owners of the parent	(2,467)	(3,747)	(10,987)	(2,309)
Exchange differences on translating foreign operations	–	–	(9)	(148)
Other comprehensive income for the year, net of tax	(2,467)	(3,747)	(10,996)	(2,457)
Loss per share expressed in pence per share:				
Basic	(0.017)	(0.026)	(0.051)	(0.095)
Diluted	–	–	(0.029)	(0.056)

Revenue

Revenue is generated from the operations of the Kaipola Plant, which has been in operation for a very short duration. It should be noted that whilst Kaipolan was consolidated with effect from its acquisition date 9 April 2024 substantially all the trading results for Kaipolan in 2024 occurred beyond that date and are thus reflected in the December 2024 Cindrigo Accounts.

The commercial operations from the Kaipola Plant are expected to commence during Q4 2025, focusing on the generation of electricity and heat, shifting the company's business model from firewood sales to renewable energy production. For the year ended 31 December 2024, revenue was generated by Kaipolan from the sale of heat following the acquisition which only occurred briefly during the month of December 2024. There was no revenue recorded during the first six months of 2025.

Other income

In 2023, other income includes amount recovered from Biogasprom AB. In 2019, In order to facilitate the payment of the purchase price and complete the acquisition of Alternatyva Ultra LLC, the Company had made a payment of €1,440,000 to Biogasprom AB and funds were transferred to Latvian bank account of ABL Trade Ltd. ("ABL"). ABL was in liquidation process of being wound up and as amount recoverable was undeterminable, the company had fully written of the amount in 2019 and 2020 accounts.

During the 6 months to June 2025, there was £99k recognised as a discount received on early payment of the deferred consideration relating to the acquisition of subsidiary Kaipola. No other income was received in the comparative period June 2024.

Costs of Materials

The costs of materials are primarily related to minor purchases made by the newly acquired subsidiary, Kaipolan. This includes expenditures for wood and other similar materials.

Administrative/other expenses

	30 June 2025 £'000	31 December 2024 £'000	31 December 2023 £'000	31 December 2022 £'000
Consulting fees	403	889	826	536
Consultant bonus	–	775	–	–
Share Option expense	228	674	–	–
Legal and professional fees	401	352	286	445
Travelling	105	140	172	266
IR, Communication and Marketing	77	103	–	–
Audit, Accountancy and other related services	–	118	113	48
Other Administrative cost	71	90	91	140
Directors' fees	50	65	84	77
Wages and Social security	242	29	58	11
IT Software and Consumables	–	–	–	21
Irrecoverable Balances Written Off	–	–	–	236
Foreign exchange (gain) / loss	–	(17)	21	–
Loss on parent's settlement of ex-subsidiary debt.	–	62	–	–
Project Costs for Kaipola and Germany	314	–	–	–
Total administrative expenses	1,891	3,280	1,651	1,780

Major cost drivers in administrative expenses are:

- *Consulting fees:*

The increase in consulting fees in 2024 is primarily attributable to the hiring of a new Financial Controller and a £5K mid-year increase in the CEO's remuneration. The consulting fees for June 2025 are in line with comparative period and roughly half of 2024 fees.

Primary increase in consulting fees in 2023 to £826K from previous year £536K mainly due to

- CTO and Central Europe development – Fees of £191K, previously recorded under legal fees, were reclassified here for a more accurate representation of expenses.
- Financial consulting services – Payments towards financial consulting to £170K in 2023, compared to £60K in 2022.

- *Consultant bonus*

The consultant bonus includes a once-off payment to key personnel and was settled through a share issue. A significant portion of the shares was issued to Jorgen Andersson (Chairman) in lieu of £230k, and to Lars Guldstrand (CEO) via the company, IMM, in lieu of £450k.

- *Share Option Expense*

The company has operated a share-based payment scheme for senior management and key consultants. During the year, a provision was recorded in the profit and loss in accordance with IFRS 2 – Share-based Payment. Under this scheme, options have been granted to key consultants, with a maximum term ending on 1 January 2027.

- *Legal and professional*

The increase in legal and professional fees in 2024 is primarily due to higher costs associated with the preparation and review of the prospectus. The variance between 2023 and 2022 is attributed to the reclassification of payments for the Chief Technical Officer ("CTO"), Central Europe Development ("CED"), and the Legal and Compliance Officer, as it was determined that the nature of these services more accurately reflects consultancy work. The June 2025 costs Includes £364K of listing-related legal and professional services period the 6 month period, and was significantly up on the comparative period.

- *Project Costs for Kaipola and Germany*

Kaipola-related Expenses: These costs relate to Kaipola in 2025. In 2024, when the plant was under repair, expenses were minimal and capitalised as development expenditure of £283k.

German Planning and Development: These expenses relate to services for the Group's German geothermal projects of £31k. As the project SPVs were not then incorporated, invoices were paid by Cindrigo Limited and recorded in its profit and loss, with costs to be recharged once the SPVs are formed

There were no comparative period costs.

Impairment of financial assets

The impairments recorded during the respective periods are as follows:

	30 June 2025 £'000	31 December 2024 £'000	31 December 2023 As restated £'000	31 December 2022 £'000
Dravacel – loss on de-recognition	–	1,184	–	–
Dravacel – Intercompany receivable	–	4,329	–	–
Dravacel – Investment	–	(25)	–	–
ECG – Intercompany receivable	–	–	1,214	–
ECG – Debts to be repaid by parent	–	–	504	–
ECG – Investment	–	–	120	–
TCB – OU Investor	–	–	219	–
Total	–	5,488	2,057	–

In 2024, the Group recognised a total charge of £5.5 million relating primarily to the de-recognition of its investment and intercompany receivables in Dravacel, following the loss of control over the subsidiary. This includes a £1,184k loss on derecognition and £4,329k written off in intercompany receivables.

During the year-ended 31 December 2023, the Company sold its wholly owned subsidiary ECG for a nominal consideration and the investment and intercompany receivable were written off as they deemed not recoverable ECG had certain loans that were due for repayment, which the Group have now agreed to settle. Also, in 2023, a loan receivable of £219K from TCB Investors OU, the vendor of ECG, was written off as irrecoverable by the Company. For the period ended 30 June 2024, the Group has made the decision to abandon the Slatina 3 Project in Croatia due to ongoing licensing issues. As a result, an impairment has been recognised for the asset under construction.

There were no impairment cost during the interim period 30 June 2025.

Finance costs

The below table shows the split of interest expenses:

	30 June 2025 £'000	31 December 2024 £'000	31 December 2023 As restated £'000	31 December 2022 £'000
Danir loan – Interest	273	658	252	24
Loan Arrangement Fees	–	1,553	–	–
Fair Value Loss on Loan Restructuring	–	288	–	–
Interest Expense on Lease arrangements	143	112	–	–
Other Loans – Interest	45	65	28	73
Total	461	2,676	280	97

- In 2022, interest was charged on additional loans of £2,270k received during the year.
- In 2023, further funds of £2,804k were borrowed from Danir to support the development of the Croatia project.
- In 2024, new loans totalling £4,012k were received from Danir. The increase in Danir loan interest expense is primarily due to these new borrowings. In October 2024, the loan structure was reorganised into two main instruments, resulting in a fair value adjustment of £288k.
- Additionally, lease liabilities were recognised in 2024 for the Kaipola plant in accordance with IFRS, with related interest costs charged to the profit and loss account.
- An amount of £1,553k was recognised as arrangement fees paid to Danir in 2024, reflecting the transfer of a 10 per cent. equity interest in Kaipolan as part of the financing agreement.
- Interest on other loans increased in 2024 primarily due to interest expenses on two loans originally owed by ECG, which the parent company assumed and agreed to settle.

Other loans include accrued interest on \$295.6k borrowed from a group of arm's length parties, along with related interest expenses. Additionally, they include interest on two other loans for which the parent company assumed liability on behalf of ECG, which has since been disposed of.

During the period ending June 2025, accrued interest on loans from Danir was in line with comparative period, however interest expense on lease arrangements has increased on comparative period given the Kaipola lease agreement signed during the 2024.

Finance income

Finance income relates to gains recognised on the convertible loan derivative liability, which has since been restructured. June 2025 Finance income of £40k arose from loan notes originally issued in 2018 by Cindrigo Inc. (later renamed Cindrigo Energy Limited), subsequently acquired by the Group.

Tax expense

The 2024 tax expense includes an accrual of £3k related to Kaipolan's profit. No other group companies have generated profits, and therefore no additional tax provisions have been recorded. There were no other tax changes for other periods in question.

Loss attributable to non-controlling interest

The Group holds a 90 per cent. interest in both Dravacel and Kaipolan, and therefore 10 per cent. of each entity's losses are attributable to non-controlling interests. The Group lost control of Dravacel on 20 November 2024. Kaipolan was acquired in April 2024.

Past performance and future objectives

In reference to past performance, the Company has successfully aligned its actions with its long-term objectives. Through strategic corporate staffing, it has effectively reduced administrative costs. Furthermore, steps have been taken to settle loans through share issuances. Looking ahead, the Company plans to explore more favourable opportunities in Germany, where the region's highly suitable geology for geothermal development, combined with federal government support for project costs, offers a promising avenue for future growth.

Key Performance Indicators ("KPI") and Non-IFRS financial information

Financial KPI overview:

<i>Measures</i>	<i>Description</i>	<i>2025</i>	<i>2024</i>	<i>2023</i>	<i>2022</i>
Access to Favourable Financing	Total capital raised via debt and equity financing. Access to Favourable Financing the Company has successfully secured funding on favourable terms, primarily from its major shareholder, Danir AB. Additional capital has also been raised through share issuances to support business growth. Loans from Danir AB offer advantageous terms, such as rolled-up interest with payment due at maturity and a convertible debt option, providing flexibility and potential benefits for future capital structure adjustments.	Debt – £2,600k Equity – £3,400k	Debt – £4,012k	Debt – £2,804K	Debt – £2,270K
Cost efficiency	Total Administrative cost spent The Company has successfully reduced administrative and fixed costs over the past year. This ongoing cost-efficiency effort reflects a commitment to streamlined operations and resource management.	£1,891k is largely in line with comparative period, with slight increases due to Operational costs in Kaipola and Germany which weren't incurred in previous periods	The increase to £3,280K mainly reflects £775K in share-settled bonuses, a £674K share option accrual, and higher legal fees related to the prospectus.	£1,651K (7 per cent. reduction compared to 2022)	£1,780K (2 per cent. reduced compared to 2021)

Additional KPIs for Future Performance:

- *Energy revenue*

The Group's newly acquired subsidiary, Kaipolan, holds a long-term lease over the Kaipola Plant. The subsidiary has already secured a contract with a buyer for the supply of heat, providing a stable revenue stream once operations commence. This reflects the Group's focus on leveraging its renewable energy assets effectively.

- *Rising Energy Prices*

Increased global demand and supply chain disruptions have driven up prices for oil, gas, and electricity, boosting revenues.

- *Operational Efficiency*

Advances in technology and streamlined operations and fuel mix have improved production efficiency, reducing costs and increasing profit margins.

- *Project Development and Pipeline*

The Company is actively expanding into new markets and diversifying its project portfolio. With agreements to develop three locations in Germany, this strategic expansion enables the company to capitalise on emerging opportunities and strengthen its presence in international markets.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024, 2023 and 2022

	Unaudited as at 30 June 2025 £'000	Audited As at 31 December 2024 £'000	Audited As at 31 December 2023 (As restated) £'000	Audited As at 31 December 2022 (As restated) £'000
Non-current assets				
Property, plant and equipment	869	688	2,144	622
Right-of-use assets	4,334	4,378	–	–
Intangible assets	15,381	15,533	–	227
Financial Assets	72	–	–	–
Current assets				
Trade and receivables	483	413	1,041	402
Cash	1,273	375	172	690
Inventories	163	163	–	–
Total assets	<u>22,575</u>	<u>21,550</u>	<u>3,357</u>	<u>1,941</u>
Equity				
Called up share capital	41,216	38,360	22,583	22,581
Shares Subscription Reserve	43	1,356	15	15
Equity component of convertible loan notes	3,700	3,700	2,381	2,029
Equity Share Option reserve	903	674	–	–
Retained earnings	(43,445)	(41,136)	(29,928)	(27,380)
CTD (Currency translation difference)	(157)	(9)	–	–
Non-controlling interest	1,433	1,532	36	51
Total equity	<u>3,693</u>	<u>4,477</u>	<u>(4,913)</u>	<u>(2,704)</u>
Non- Current liabilities				
Lease liabilities	4,543	4,551	–	–
Borrowings	13,411	10,590	–	–
Liabilities				
Trade payables	625	1,525	603	213
Borrowings	285	390	7,667	4,432
Lease liabilities	15	14	–	–
Tax liability	3	3	–	–
Total liabilities	<u>3,444</u>	<u>17,073</u>	<u>8,270</u>	<u>4,645</u>
Total equity and liabilities	<u>928</u>	<u>21,550</u>	<u>3,357</u>	<u>1,941</u>

Property, plant and equipment

	<i>Land £'000</i>	<i>Assets under construction £'000</i>	<i>Machinery and equipment £'000</i>	<i>Furniture and other movables £'000</i>	<i>Development/ Upgrade Cost £'000</i>	<i>Total £'000</i>
At 31 December 2022	622	–	–	–	–	622
Foreign exchange differences	(10)	–	–	–	–	(10)
Reclassification from intangible assets		227	–	–	–	227
Additions		1,305	–	–	–	1,305
At 31 December 2023	612	1,532	–	–		2,144
Additions	–	2,915	73	2	632	3,622
Disposal	(612)	–	–	–	–	(612)
Depreciation	–	–	(19)	–	–	(19)
Asset Impairment	–	(4,447)	–	–	–	(4,447)
At 31 December 2024	–	–	54	2	632	688
Additions			242			242
Disposal						
Depreciation			(29)		(32)	61
At 30 June 2025	–	–	267	2	600	869

Land was acquired as part of new acquisition Dravacel, in June 2022, land is in Croatia and has license to construct GEFL energy site. Dravacel's principal project was the Slatina 3 Project, which was suspended during the year due to licensing issues. Specifically, the extension for the exploration license was denied, preventing the project from progressing further. As a result, the company was placed into liquidation, and the Group lost control of Dravacel on 20 November 2024.

Assets under construction related entirely to the development costs of the Slatina 3 project. During the current year, due to the suspension of the project and the associated uncertainty, an impairment charge was recognised to write down the carrying value of these assets.

Machinery and equipment and Furniture and other movables are assets held by the newly acquired subsidiary, Kaipolan. During the 2024 year and 2025 interim period, additional costs were incurred relating to plant improvements and enhancements to operational infrastructure.

Development/Upgrade Costs represent capitalised expenses related to plant improvements at Kaipolan.

Right to use leased asset

	<i>Right to use leased asset £'000</i>
GROSS CARRYING AMOUNT	
As at 1 January 2024	–
Additions	4,452
Disposal	–
At 31 December 2024	4,452
DEPRECIATION	
As at 1 January 2024	–
Depreciation	(74)
At 31 December 2024	(74)
Carrying amount 31 December 2024	4,378

The right-of-use asset represents leased assets acquired upon the acquisition of the Kaipola Plant, recognized in accordance with International Financial Reporting Standards (IFRS) 16 – Leases. These assets have been capitalized at their present value of lease payments at the acquisition date. Right-of-use assets are depreciated on straight line basis, over the lease term.

There was £44,000 in depreciation during the 6 months ending 30 June 2025, meaning a carrying amount of £4,334k.

Lease liabilities

Lease liabilities are presented in the consolidated statement of financial position as follows:

	<i>Amount £'000</i>
As at 1 January 2024	–
Add : Lease additions (PV of future payments)	4,452
Add : Accretion of interest	113
Less : Lease payment (o/s creditors)	(100)
Add : Pre-operation lease payment capitalised	100
At 31 December 2024	4,565
Current	14
Non-current	4,551
	<i>30 Jun 2025</i>
	<i>£'000</i>
Opening balance	4,565
Add : Lease additions (PV of future payments)	
Add : Accretion of interest	143
Less : Lease payment(O/s creditors)	(150)
Add : Pre-operation lease payment capitalised	
Closing balance	4,558

The Company's subsidiary, Kaipolan Energia Oy, had entered into a lease (the "Lease") in respect of the Kaipola Plant prior to its acquisition by the Company, with a lease term of 50 years. Lease liabilities are initially measured at the present value of fixed lease payments due over the lease term, discounted using the incremental borrowing rate as at the acquisition date. Under the Lease, a fixed rent of €30,000 per month is payable up to 50 per cent. of the Kaipola Plant's output, with a potential additional variable rent of up to €70,000 per month depending on performance above 50 per cent. output. For the calculation of the right-of-use asset and lease liability, only the fixed €30,000 monthly rent has been considered, and not the variable portion, as it is contingent upon future output levels. Variable lease payments are expensed in the period they are incurred. Lease rental payments commence on 1 September 2024.

Intangible assets

	<i>Goodwill £'000</i>
GROSS CARRYING AMOUNT	
As at 1 January 2024	–
Additions	15,533
Disposal	–
At 31 December 2024	15,533

There was £152k of foreign exchange translation losses during the interim period to 30 June 2025, resulting in a final carrying value of £15,381k.

Goodwill has been recognised on the acquisition of subsidiary Kaipolan in accordance with IFRS. Goodwill represents the excess of the cost of acquisition over the fair value of identifiable net assets acquired at the acquisition date. The calculation of the goodwill is detailed below:

	Amount in €'000	Exchange rate	Amount in £'000
Consideration paid			
– Shares	15,000	1.1739	12,778
– Cash (paid in 45 days after Completion)	100	1.1800	84
– Deferred cash payment on commencement of operation	3,850	1.1739	3,280
– Reduction (As per updated agreement due to early payment)	(733)	1.1976	(612)
Total consideration paid (A)	18,217		15,530
Add: Fair value of identifiable net liabilities (B)			
– Other creditors (Tax payments)	4	1.1739	3
Add : Non-controlling interest at acquisition(C)			
– Non-controlling interest (10 per cent.)	–	1.1739	–
Goodwill on acquisition (A-B-C) (Note 12)	18,221		15,533

The exchange rate used for conversions is based on HMRC's average monthly rates, while actual payments were converted using the exchange rate on the transaction date.

For the purposes of assessing the impairment of goodwill related to the Kaipola Plant, the Group has determined the recoverable amount using the fair value less costs of disposal (FVLCD) method. Management have determined that the estimated fair market value of the plant's underlying assets and operations and is higher than the carrying amount of the related goodwill in the Group's financial statements.

Trade and other receivables

As at 30 June 2025, the balance primarily includes £106k trade receivables, £167k advance payment on stock and £85k advance payment in respect of the creation of German companies and related investment in share capital.

As at 31 December 2024, the balance primarily includes £105k receivable for Kaipolan's current year income, £167k advance for stock purchases, £66k in VAT refunds, and other debtors amounting to £75k.

As at 31 December 2023, the balance mainly comprised of a bank guarantee in relation to the Slatina 3 exploration license of £115k, £197k for intercompany recharges and a VAT receivable of £31k.

As at 31 December 2023, the Company sold ECG for a nominal consideration and the investment in ECG of £120k was written off as irrecoverable. Also, in 2023, a loan receivable of £219k from TCB Investors OU, the vendor of ECG, was written off as irrecoverable by the Company.

Cash

These balances represent cash held in banks in the UK, Finland and Croatia. See Consolidated Statement of Cash Flows below, for details on cash movements.

Inventories

Inventories are held by the subsidiary Kaipola and have been recognised as an expense in profit or loss within cost of sales. The Group has not recorded any write-downs of inventories during the reporting period.

Called up share capital and retained earnings

Current Share Capital

<i>Issued and fully paid</i>	<i>Number of shares</i>	<i>Share capital account £'000</i>
Opening balance (Restated)	142,041,530	22,583
– Share issue, Kaipola acquisition	13,636,364	12,778
At 30 Jun 2024	155,677,894	35,361
– Share issue, open offer	59,271,431	3,556
– Transaction costs, Placing fees		(557)
At 31 Dec 2024	214,949,325	38,360
– Share issue, open offer	48,022,790	2,880
– Transaction costs, Placing fees		(24)
At 30 Jun 2025	262,972,115	41,216

Previous Share Capital movements

<i>Issued and fully paid</i>	<i>Number of shares</i>	<i>Share capital account £'000</i>
At 31 December 2022	142,041,530	12,038
Add : Adjustment (Note 5(b) to FS)	–	10,543
At 1 January 2023 (Restated)	142,041,530	22,581
Add : Adjustment	–	2
At 31 December 2023	142,041,530	22,583
Shares issued and fully paid during the year		
– Share issue, Kaipola acquisition	13,636,364	12,778
– Share issue, open offer	59,271,431	3,556
	72,907,795	16,334
Transaction costs related to share issues		
– Placing fees		(557)
At 31 December 2024	214,949,325	38,260

During the 2024 year, the Group issued a total of 72,907,795 ordinary shares, increasing share capital by £16,334k, as detailed below:

- On 24 May 2024, 13,636,364 shares were issued and registered in connection with the acquisition of Kaipola, at an issue price of €1.10 (£0.937) per share.
- In addition, 59,271,431 shares were issued under an open offer to existing shareholders, which remained open from 3 October to 15 November 2024, at an issue price of £0.06 per share.

SHARES SUBSCRIPTION RESERVE

As at 31 December 2024, the Group had received cash of £1,341k in respect of share subscriptions. The corresponding 22,356,651 ordinary shares were issued subsequent to the year-end.

The amount received was recorded within the Share Subscription Reserve as at the 2024 reporting date, following the formal issuance of the shares during interim period to June 2025, £1,313k of the reserve has been transferred to Share Capital.

Equity component of convertible instruments

The equity component represents the portion of proceeds from convertible loan instruments that have been classified as equity, in accordance with IAS 32 Financial Instruments: Presentation. This amount relates to the conversion feature of the loan, which grants the holder the right to convert the loan into a fixed number of the Company's ordinary shares. The equity component is recognised separately from the liability component and is not remeasured after initial recognition.

Equity Share Option reserve

Share Based payment

As at 30 June 2025, the Group operated a share-based payment scheme for senior management and key consultants engaged by the Group. Under this programme, options have been granted to key consultants, with a maximum term ending on **1 January 2027**.

Upon vesting, each option entitles the holder to acquire one ordinary share at an exercise price of **£0.05**.

The scheme is accounted for as an equity-settled share-based payment in accordance with IFRS 2. The fair value of the services received is measured by reference to the fair value of the options granted, and is recognised over the vesting period through equity, with a corresponding charge to the income statement. During the 2024 year, the Group recognised a total expense of £674k in profit or loss in respect of share-based payment arrangements, in accordance with IFRS 2 *Share-based Payment*.

Share options and weighted average exercise prices are as follows for the reporting

	<i>Number of shares</i>	<i>Weighted average exercise price per share</i>
Outstanding at 1 January 2024	–	–
Granted	18,075,000	0.05
Forfeited	–	–
Exercised	–	–
Outstanding at 31 December 2024	18,075,000	0.05
Exercisable at 31 December 2024	6,875,000	0.05

The fair value of the options granted was determined based on the price offered in the Group's open offer to all existing shareholders, which was open from 3 October 2024.

No options were exercised in 2024 nor during the 6 months to 30 June 2025.

During the 2025, the Company recognised an expense relating to equity-settled share options granted to employees, directors, and consultants. The fair value of the share options is being amortised over the vesting period in accordance with IFRS 2 Share-Based Payment.

Reconciliation to Share Option Reserve:

	<i>Amount £'000</i>
Opening balance	674
Add : Expense recognized in the year	229
Less: Lapsed/forfeited options	–
30 June 2025	903

Trade payables

As at 30 June 2025, payables comprise mainly of £427k trade payables related to Kaipola and £106k accrued expenses.

As at 31 December 2024, payables primarily comprise the deferred consideration related to the Kaipolan acquisition, with an outstanding balance of £1,035k.

Payable as at 31 December 2023 mainly increased due to supplier balance owed by Dravacel of £328K (December 2022: £16K).

Borrowings

These balances comprise Convertible Loan Notes and loans from Danir and other lenders, together with any accumulated interest and foreign exchange movements. No capital or interest payments have been made to date. Short-term borrowings increased mainly due to a £2.5 million Bridge Loan Facility from Danir. Whilst the loan is repayable in full at end of the 19-month loan facility term being 16 December 2026, the Company has received email confirmation from the Chairman of Danir AB that should there be insufficient funds to pay principle and interest when repayment is due at the end of loan term, the total outstanding Bridge Loan Facility will be extended into 17 December 2026 and onwards, continuing to accrue interest until repaid in full. For the avoidance of doubt, in such circumstances, the principal loan and compounded interest will continue to accrue as normal from the 17 December 2026 onwards until the loan is paid off in full with no stipulated long-stop date. The loan will not be repayable on demand both during the 19-month term and during any subsequent extension period.

	<i>As at</i> <i>30 Jun 2025</i> <i>£'000</i>	<i>As at</i> <i>30 Jun 2024</i> <i>£'000</i> <i>(Restated)</i>	<i>As at</i> <i>31 Dec 2024</i> <i>£'000</i>
Current			
Loan notes	285	11,264	–
Other loans	–	856	390
	<u>285</u>	<u>12,120</u>	<u>390</u>
Non-current			
Loan notes	13,411	–	10,590
Total	<u>13,696</u>	<u>12,120</u>	<u>10,980</u>

During the year ended 31 December 2024, the Group undertook a loan restructuring exercise whereby multiple existing loan agreements were consolidated into a single loan facility. As a result of this restructuring, the repayment terms were renegotiated, and the maturity date of the consolidated loan now falls beyond 12 months from the reporting date. Accordingly, the outstanding balance of the restructured loan has been classified as a non-current liability as at 31 December 2024 and 30 June 2025, whereas in the prior period, the individual loan balances were classified as current. Detailed breakdown and details of loan notes are as follows.

Table 1 – Loan notes (Debt components)

	Note	1	2	3	4	5	6	Non-current			9	10	11	12	13	14A	14B	Current			Total
								Note	Note	Note								Note	Note	Note	
								7	8									15	16		
Balance as at 1 December 2024	691	484	423	1,025	933	790	849	527	367	754	-	-	-	-	-	-	-	-	-	-	6,843
Issue of Note																					
Finance Charge	17	12	11	26	24	19	21	21	9	18	2,757	1,255	26	23							4,012
FX gain/loss											57										329
																					80
Balance as at 30 June 2024	708	496	434	1,051	957	809	870	548	376	772	2,940	1,304	-	-	-	-	-	-	-	-	11,264
Finance Charge	17	12	10	26	24	9	11	10	5	10	71	31	61	(28)		10	23				329
FX gain/loss											(64)					(38)					(130)
Fair Value Gain/Loss on Derecog.						(2)	692	(12)	40	86	10	(16)									798
Restructuring of Loan (Note 12)						(816)		(546)			(2,885)	(1,291)	5,538								0
Restructuring of Loan (Note 13)							(1,573)		(421)	(868)	(72)					1,361	1,573				0
Equity Component of Conv. Loan															(1,564)		(107)				(1,671)
Balance as at 31 December 2024	725	508	444	1,076	980	-	-	-	-	-	-	-	-	-	4,035	1,333	1,489	-	-	-	10,590
Finance Charge	18	13	11	27	25										126	21	47	16	7		311
FX gain/loss																17					17
New Loan																		2,500	278		2,778
Balance as at 30 June 2025	743	521	455	1,103	1,005	-	-	-	-	-	-	-	-	-	4,161	1,371	1,536	2,516	285		13,696

Table 2 – Summary of Convertible Loan Note Terms

<i>Note Ref</i>	<i>Instrument Name / Series</i>	<i>Investor / Party</i>	<i>Principal</i>	<i>Issue Date</i>	<i>Maturity</i>	<i>Effective Interest Rate</i>	<i>Coupon rate</i>	<i>Convertible?</i>	<i>Conversion Price</i>
Note 1*	Series 2 (unsecured, zero-coupon, convertible and transferable loan notes)	Yang Jun	£1,000,000	30 Jul 2021	30 Jul 2031	5%	NA	Yes	£0.5458
Note 2*	Series 1 (unsecured, zero-coupon, convertible and transferable loan notes)	YA II PN, Ltd	£700,000	30 Jul 2021	30 Jul 2031	5%	NA	Yes	£0.6417
Note 3*	Series 3 (unsecured, zero-coupon, convertible and transferable loan notes)	Danir AB	£612,260	30 Jul 2021	30 Jul 2031	5%	NA	Yes	£0.10
Note 4*	Series 4 (unsecured, zero-coupon, convertible and transferable loan notes)	Danir AB	£1,575,000	22 Oct 2021	22 Oct 2031	5%	NA	Yes	£0.10
Note 5*	Nil Coupon Convertible Loan notes 2031	Danir AB	£3,800,900	9 Dec 2022	9 Dec 2032	5%	NA	Yes	£0.15
Note 6,8,11 and 12	Loans 6, 8, 11, and 12, as presented in Table 1 above, were merged under a new subscription agreement prior to 31 Dec 2024, as detailed in Note 13.	Danir AB	–	–	–	–	–	–	–
	Notes 7, 9, 10, and 11, including £72k of outstanding interest, were consolidated into Loan 14 under a revised agreement prior to 31 Dec 2024, as detailed in Note 13.	Danir AB	–	–	–	–	–	–	–
Note 13	Subscription agreement to subscribe 92,298,539 shares in exchange of loans	Danir AB	£5,537,912	3 Oct 2024	16 May 2035	6.27%	3%	Yes	£0.06
Note 14A	New Loan agreement 16 May 2025	Danir AB	€1,586,700	3 Oct 2024	31 Dec 2026	NA	3%	No	–
Note 14B	New Loan agreement 16 May 2025	Danir AB	£1,573,519	3 Oct 2024	31 Dec 2026	6.27%	3%	Yes	£0.70
Note 15	Bridge Loan Facility 16 May 2025	Danir AB	£2,500,000	16 May 2025	16 December 2026 or as soon as Cindriago's Financial positional allows	NA	5%	No	–
Note 16	£306,599 unlisted, unsecured, 5 per cent. convertible and transferable loan notes 2027	Various lenders	£278,297	31 Jan 2025	a. Cash payment – 31 Dec 2027 b. Conversion to shares – Any time after Oct 2025	NA	5%	Yes	At the higher of £0.75 per share or a 25% discount to the 30-day VWAP.

*The Series 2 convertible loan notes were purportedly entered into on 30 July 2021. While the Company has been unable to locate the executed versions of these notes, to the best of the knowledge, information and belief of the Directors, the executed notes were in substantially the terms described above.

*The Series 1 convertible loan notes were purportedly entered into on 30 July 2021. While the Company has been unable to locate the executed versions of these notes, to the best of the knowledge, information and belief of the Directors, the executed notes were in substantially the terms described above.

*The Series 3 convertible loan notes were purportedly entered into on 30 July 2021. While the Company has been unable to locate the executed versions of these notes, to the best of the knowledge, information and belief of the Directors, the executed notes were in substantially the terms described above.

*The Series 4 convertible loan notes were purportedly entered into on 22 October 2021. While the Company has been unable to locate the executed versions of these notes, to the best of the knowledge, information and belief of the Directors, the executed notes were in substantially the terms described above.

*The Deed of Termination and Loan Agreement and Subscription Agreement was purportedly entered into on 9 December 2022. While the Company has been unable to locate the executed versions of this agreement, to the best of the knowledge, information and belief of the Directors, the agreement was in substantially the terms described above.

Further details and terms of the loans, interest rates and repayments can be found in Part 7 – “The Business” section of this document under the funding subsection.

Taxation

The tax liability represents the accrued amount for taxes payable in relation to Kaipola profits. Other group companies are currently in a loss-making position; therefore, no additional tax provisions have been included.

Further information on taxation with regards to the Ordinary Shares and the effect on the Company's Guernsey domicile is set out in Part 15 of this Document.

Dividend Policy

The Company has not declared any dividend to date. The Directors recognise the importance of dividends to investors and, as the Group's business matures, the Board will regularly review the desirability of paying dividends. However, following Admission, income generated by the Group is likely to be re-invested into the Group's business. In view of this, it is unlikely that the Board will recommend a dividend in the early years following Admission.

There are no fixed dates for dividend payments by the Company and, should the Company be in a position to declare a dividend in the future, it will consider it at that time. No dividends have been declared in respect of the period covered by the historical financial information.

Insurance

The Company plans to put professional indemnity insurance in place across the Group as the business develops.

The Group will also put in place individual company insurance coverage, including employee benefits, travel insurance, general liability, property and building, and inventory insurance at the appropriate time.

For each project, specific professional indemnity insurance and extended liability insurance will be put in place to cover compulsory and commercially prudent to insure.

Contingent liability

As part of the share purchase agreement (“SPA”), CL is obligated to pay an additional amount to Amtroy OU (“SPA Seller”), if Kaipolan's profits exceed €7,400k. If the average EBITDA of Kaipolan over the first five-year period from the commercial operation date during a rolling 12-month period is more than €12,300k then the full earn out in the sum of €3,850k shall be paid to the SPA Seller within 28 days of the date on which the Auditors certify the average EBITDA of business. If the average EBITDA of Kaipolan over the first five-year period from the commercial operation date during a rolling 12-month period is between €7,400k and €12,300k then a *pro rata* earn out shall be payable.

On 16 October 2024, CL and Amtroy agreed to amend the SPA so that some of the Deferred Consideration may partially be paid in advance at CL's discretion. In the event of an early payment of €750k of the deferred payment, it will reduce the deferred payment by an additional €500k and the same amount will be added to the maximum payable under the earn-out. In the event of an early payment of €1,500k of the deferred payment, the deferred payment will be reduced by an additional €850k and such amount shall be added to the maximum payable under the earn-out. If the advance payment is between €750k and €1,500k, the reduction of the deferred payment will be adjusted in a linear manner to the actual amount of the advance payment, and such amount will increase the maximum payable under the earn-out.

The earn-out, to the extent it becomes payable, shall be settled through a combination of cash and equity. Specifically, one-third (1/3) of the total amount will be paid in cash, while the remaining balance will be settled through the issue of new shares in Cindrigo Holdings Limited at a price equal to a 15 per cent. discount to the volume-weighted average price (VWAP) of Cindrigo Holdings Limited shares as at the date the average EBITDA is certified by the auditors.

This payment is contingent on future profits, and the exact amount is dependent on the extent to which profits exceed the specified limit. As of the balance sheet date, it is not certain whether this threshold will be met, and the potential liability has not been recognised in the financial statements. Kaipola will continue to monitor its financial performance and assess the likelihood and amount of any potential payment under this earn-out condition.

Liquidity and future planning

For financing future projects and ensuring liquidity, the Company will consider the following strategies:

- **Loan Repayment:** The Company has a structured loan repayment schedule and is considering the option to offset loans and accrued interest through the issuance of shares.
- **Working Capital Management:** To optimise working capital, the Company will focus on strategic budget planning to reduce corporate cost.
- **Cash flow forecasting:** The Company will regularly review cash flow forecasts to ensure sufficient liquidity for future projects, allowing for timely adjustments to meet financial obligations.

Financial ratios

Some year-end financial ratios calculated are as follows:

	<i>31 December</i>	<i>31 December</i>	<i>31 December</i>
	<i>2024</i>	<i>2023</i>	<i>2022</i>
Current Ratio	0.49	0.15	0.24
Debt-to-Equity Ratio	2.45	(1.56)	(1.64)
Loss per share (£)	(0.051)	(0.026)	(0.017)

The Company's current ratio improved from 0.15 in 2023 to 0.49 at 31 December 2024, indicating enhanced short-term liquidity. This positive movement reflects the Company's efforts to strengthen its working capital position.

The debt-to-equity ratio has also shown significant improvement, rising from a negative (1.64) in 2022 to (1.56) in 2023, and further to a positive 2.45 in 2024. This shift demonstrates the Company's progress in restructuring its capital base

Additionally, the Company has raised additional capital through issuance of shares, with the subscription period for shareholders open until November 15, 2024. This initiative is expected to significantly strengthen the Company's capital structure, balance equity more effectively, and facilitate the settlement of short-term debts through equity. These steps will further position the Company for future financial stability and growth.

CONSOLIDATED STATEMENT OF CASH FLOWS

	<i>Unaudited interims to 30 June 2025 £'000</i>	<i>Audited Year ended 31 December 2024 £'000</i>	<i>Audited Year ended 31 December 2023 As restated £'000</i>	<i>Audited Year ended 31 December 2022 £'000</i>
Operating activities				
Loss before tax	(2,408)	(11,457)	(3,747)	(2,467)
Adjustments for:				
Non-cash adjustment	597	9,656	2,320	38
(Increase)/decrease in inventories	(163)	(163)		
Decrease/(Increase) in receivables	75	630	(639)	461
(Decrease)/Increase payables	27	(39)	49	112
Net cash flows from operating activities	(1,870)	(1,373)	(2,017)	(1,856)
Investing activities				
Acquisition of subsidiary	(866)	(1,117)	–	(622)
Fixed asset investment – assets under construction	(242)	(3,622)	(1,305)	(227)
Net cash flows from investing activities	(1,108)	(4,739)	(1,305)	(849)
Financing activities				
Proceeds from borrowings	2,500	4,012	2,804	2,270
Proceeds from issue of shares (net of placing fees)	1,543	2,368	–	–
Loan repayments	(77)	(65)	–	(612)
Other movements in equity	(90)	–	–	175
Net cash flows from financing activities	3,876	6,315	2,804	1,833
Net (increase) / decrease in cash	898	203	(518)	(872)
Cash at beginning of period	375	172	690	1,562
Cash at end of period	1,273	375	172	690

Years ended 31 December 2024, 2023, and 2022,

Key cash flow movements

(i) Operating Activities:

Losses for period to June 2025, primarily relating to administrative expenses increased by £997k compared to June 2024, mainly due to:

- £297k rise in administrative, legal, and professional fees, largely driven by costs related to the proposed stock market listing.
- £228k expense recognised in respect of the share-based option scheme, which was introduced in H2 2024.
- £575k increase in operational costs linked to Kaipola plant repair and maintenance. The plant, acquired in April 2024, required limited expenditure in the comparative period.

Losses for December 2024 have increased primarily due to a rise in administrative expenses. The increase in administrative expenses is mainly attributed to key components, including a consultancy bonus payment of £775k and a share option expense of £674k. Additionally, finance costs have risen due to an increased loan amount received during the year and the corresponding interest payments. The impairment charge of £5,488k has been recognized, which primarily includes the impairment of the investment in a subsidiary that has been derecognized due to the loss of control in the current year. This impairment is recorded after the administrative expenses and finance costs.

Losses for December 2023 increased primarily due to an impairment of £2,057. Administrative expenses decreased by £129k, majorly due to reduced legal and professional fees, and other income of £226k was received, representing a recovery of amounts previously written off.

(ii) *Investing Activities:*

During 2024, the primary cash outflow was directed toward fixed asset investments—specifically, assets under construction—and capital expenditures for Slatina 3.

In 2024, the Company acquired Kaipola, and cash consideration paid for this acquisition is total consideration of £1,117k. During June 2025 interim period, there were further acquisition costs relating to Kaipola during 2025 6 month period as well as other fixed asset capitalisation expenditure incurred during the period.

(iii) *Financing Activities*

During 2024, this primarily involved borrowed funds received from Danir were used to support the development of Slatina 3 in Croatia and the acquisition of Kaipola.

In 2024, the proceeds from the share issue are presented net of placing fees.

During 2025 period, the £2,500 proceeds from borrowings was the Danir “Bridge Loan Facility” received during the period and £1.6 million in proceeds from issuance of shares during the period.

2. Operating and Financial Review of Kaipolan

The following operating and financial review contains financial information of Kaipolan for the years ended 31 December 2022 and 2023. It should be noted that whilst Kaipolan was consolidated within the Cindrigo Accounts with effect from its acquisition date of 9 April 2024, substantially all the trading results for Kaipolan in 2024 occurred beyond that date and are thus reflected in the December 2024 Cindrigo Accounts and accordingly Kaipolan is covered in respect of 2024 in the operating and financial review of the Group set out above. It should also be noted that the historical business of Kaipolan is different from the way it will operate going forward. The Kaipola Plant has never operated as a stand-alone business before with previous revenue generated solely by the sale of firewood which is not the Company’s ongoing business plan. Comparisons between the historical performance and the way the Kaipola Plant is intended to be operated going forward are therefore of limited value.

The following section should be read in conjunction with the section entitled “Historical Financial Information and Accountants’ Report on Kaipolan” and “Operating and Financial Review of the Group”. The financial information referred to has been prepared in accordance with IFRS as adopted by the European Union and, unless otherwise stated, has been extracted without material adjustment from Section B of Part 12 (Historical Financial Information and Accountants’ Report on Kaipolan).

This discussion contains forward-looking statements that, while based on assumptions the Directors consider reasonable, are subject to risks and uncertainties that could cause actual events or conditions to differ materially from those expressed or implied. Forward-looking statements contained in this discussion apply only as of the date of this document and do not in any way qualify the working capital statement.

Overview

Kaipolan was founded 25 March 2022. It is a limited company registered in Finland, and its main business was of the sale of firewood before entering into the lease of the Kaipola WtE plant.

In April 2024, The Company, the Group’s wholly owned subsidiary, acquired a 100 per cent. stake in Kaipolan and subsequently transferred 10 per cent. to Danir as a loan arrangement fee. Kaipolan holds a 50-year lease for the Kaipola Plant, where all repairs required have been completed. The commercial operations are expected to commence during Q4 2025, focusing on the generation of electricity and heat, shifting the company’s business model from firewood sales to renewable energy production. The periods presented include data from both before and after Cindrigo’s acquisition to reflect the subsidiary’s historical performance.

Financial Performance

STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December 2023 & the period from 25 March 2022 to 31 December 2022

	<i>Audited</i> <i>Year ended</i> <i>31 December 2023</i> £	<i>Audited</i> <i>25 March 2022</i> <i>(incorporation) to</i> <i>31 December 2022</i> £
Continuing operations		
Revenue	6,760	2,177
Cost of sales	(2,187)	2,055
Gross profit/(loss)	4,573	4,232
Depreciation according to Plan	–	–
Administrative expenses	(3,977)	(4,861)
Operating profit/(loss)	596	(629)
Finance costs	–	–
Finance income	–	–
Profit/(Loss) before tax	596	(629)
Tax expense	–	–
Profit/(Loss) for the year	596	(629)
Exchange differences on translation of financial statements	–	–
Other comprehensive income for the year	596	(629)
Loss per share:		
Basic	6	(6)

Revenue for the years ended 31 December 2022 and 2023 was derived from the sale of firewood prior to the Company's acquisition of Kaipola.

Cost of Sales (CoS) for the year was minimal, primarily comprising minor item purchases.

Administrative expenses include vehicle fuel costs, computer-related expenses, and primarily accounting and legal fees.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2023 and 31 December 2022

	<i>Audited as at 31 December 2023 £</i>	<i>Audited as at 31 December 2022 £</i>
Non-current assets		
Development expenses	–	–
Property, plant and equipment	2,921	5,005
Long-Term Deposits	–	–
Current assets		
Inventories	10,032	4,854
Inventory Advance Payments	–	–
Trade receivable	291	191
Other receivables	–	–
Prepayment and accrued income	–	–
Cash and cash equivalents	3,015	3,406
Total assets	<u>16,259</u>	<u>13,456</u>
Equity		
Share capital	–	–
Retained earnings	(33)	(629)
CTD (Currency translation difference)	–	–
Total equity	<u>(33)</u>	<u>(629)</u>
Non-current liabilities		
Amounts owed to group undertakings	–	–
Liabilities		
Trade payable	16,292	14,085
Other creditors	–	–
Accrual and deferred income	–	–
Total liabilities	<u>16,292</u>	<u>14,085</u>
Total equity and liabilities	<u>16,259</u>	<u>13,456</u>

Translation of Financial Statements from EUR to GBP for the period endings

The financial statements have been translated from the functional currency of EUR to the presentational currency of GBP. The exchange rate at the spot rate as of 31 December 2023 and 2022 as published by HMRC. Income statement have been translated using the average EUR:GBP average exchange rate. Any exchange differences arising from this translation have been recognised in equity.

Development expenses

Development expenses for the year have been fully capitalised, including plant improvement costs and repairs. No amortisation has been charged for the current year.

Long-Term Deposits

Long-term deposits represent amounts placed with third parties that are not expected to be recovered within 12 months from the reporting date.

Inventories

For December 2023, Inventories consist of wood bags.

Inventory Advance Payments

Inventory advance payments have been made to secure firewood at fixed prices.

Other receivables

Other receivables include VAT refunds due.

Amounts owed to group undertakings

Amounts owed to group undertakings represent loan financing provided by the parent for plant repairs. These are long-term liabilities, payable on the third anniversary of the loan.

Cash Flow Analysis

The following summarises cash flows for the years ended 31 December 2023 and the period from 25 March 2022 to 31 December 2022.

	<i>Audited Year ended 31 December 2023 £</i>	<i>Audited 25 March 2022 (incorporation) to 31 December 2022 £</i>
Cash flows from operating activities		
Profit	596	(629)
<i>Adjustments for:</i>		
F/X on translation	–	–
Depreciation	2,083	3,887
Increase in trade and other payables	108	809
Increase in trade and other receivables	(100)	(191)
Decrease/(increase) in inventories	(5,178)	(4,854)
Net cash flows from operating activities	(2,340)	(978)
Investing activities		
(Purchase)/sale of tangible fixed assets	–	(8,892)
Net cash used in investing activities	–	(8,892)
Financing activities		
Loans received from Parent	–	–
Amount brought in/withdrawn by directors	1,949	13,276
Net cash used in financing activities	1,949	13,276
Net increase in cash and cash equivalents	(391)	3,406
Cash and cash equivalents at beginning of period	3,406	–
Cash and cash equivalents and end of period	3,015	3,406

Operating activities

During the previous years (2022 and 2023), the Company's operations primarily focused on the sale of firewood, which resulted in lower operating cash outflows.

Investing activity

Development and repair and other equipment purchase cost are capitalised.

Financing activity

Mainly the amount from the immediate parent, The Company, to finance repair work on the Kaipola Plant.

Liquidity and future financing

For any future funding needs or operational support, Kaipolan's immediate parent, the Company, will provide planned assistance as needed, ensuring continuity and stability.

Dividend Policy

The Company has not declared any dividend to date. The Directors recognise the importance of dividends to investors and, as the Company's business matures, the Board will regularly review the desirability of paying dividends. However, following Admission, income generated by the Company is likely to be re-invested into the Company's business. In view of this, it is unlikely that the Board will recommend a dividend in the early years following Admission.

There are no fixed dates for dividend payments by the Company and, should the Company be in a position to declare a dividend in the future, it will consider it at that time. No dividends have been declared in respect of the period covered by the historical financial information.

Insurance

The Company plans to put necessary insurance in place as the business develops. It is the Company's intention to put in place individual company insurance coverage, including employee benefits, travel insurance, general liability, property and building, and inventory insurance at the appropriate time. For each project, specific professional indemnity insurance and extended liability insurance will be put in place to cover compulsory risks and risks it is commercially prudent to insure.

Financial Forecasts for the Group

The Company has reconsidered the basis upon which the profit forecasts were prepared and now regards the profit forecasts made in during October 2024 to no longer be valid due to internal and external factors having affected the business since the dates the forecasts were made.

The previous and now invalid Financial Forecasts included:

- Revenue Projections for the Kaipola Plant
- Commencement of Operations for Kaipola Plant
- Cost of Sales pertaining to biofuel consumption which was directly linked to Revenue Projections of the Kaipola plant
- EBITDA for the Kaipola
- Revenue Projections for German Geothermal projects
- Capital Expenditure and Operating Expenditure of German Projects

These were not taken into account as part of the financial forecasts made in October 2024 given uncertainty over various internal and external factors as outlined below, meaning that the actual profits or losses would likely be materially different from those forecasted.

These changes in relation to exclusion and invalidity of the profit forecasts are:

1. A later start of limited operations at the Kaipola Plant which are not in any case having a material impact on operating results;
2. The uncertainty as to when commercial operations will commence at the Kaipola Plant which at the time of making the initial profit forecasts was dependent on contracting a third-party offtake customer (a 3rd party off-taker has now subsequently been found) and as a result delayed its operational start of its process factory in the Kaipola complex. In addition, the Kaipola Plant in its current state requires having a constant biofuel feedstock contract agreement in place with an identified supplier, which has only very recently been updated and agreed;
3. The significant changes in energy and fuel prices, due to the uncertainties on energy prices globally and sanctions on Russia;

4. The longer timetable for the approval of extended licenses which extensions have yet to be granted and establishment of the Company's German geothermal projects resulting in changes to the assumptions and estimates that were made in the profit forecasts. The German projects have been delayed mostly related to the extension of timing for the latest capital raise, which was impacting the time for negotiation and closing the deal and joint venture in Germany. The delay has impacted the start date of these projects' development activities, and thereby also the capacity for drilling suppliers causing potential delay in the Commercial Operational Date start.

Accordingly, the Company has determined to withdraw the profit forecasts as they are no longer valid and has no present intention of making any new ones for the foreseeable future.

3. Capitalisation and indebtedness

Capitalisation

The following tables shows the Group's capitalisation as at 31 August 2025 and has been extracted without material adjustment from unaudited management information and accounting books and records of the Group as at 31 August 2025:

	<i>As at 31 August 2025 £'000 (unaudited)</i>
Total current debt:	
– Guaranteed	–
– Secured ⁽¹⁾	15
– Unguaranteed/unsecured	264
Total non-current debt (excluding current portion of long-term debt):	
– Guaranteed	–
– Secured ⁽¹⁾	4,541
– Unguaranteed/unsecured ⁽²⁾	13,432
Total	<u>18,252</u>
Shareholder's equity	
– Share capital	41,216
– Legal reserves	–
– Other reserves ⁽³⁾	4,645
Total capitalisation	<u>64,113</u>

Notes:

- (1) Secured current debt comprises the principal portion of the Group's lease liability related to the Kaipola Plant that is due within 12 months from the reporting date of 31 August 2025, amounting to £15k. Secured non-current debt represents the principal portion of the lease liability due after more than 12 months from that date, totalling £4,541k.
- (2) Unguaranteed/unsecured non-current debt (excluding current portion of long-term debt) consists £10,895k in convertible loan notes issued to Danir AB and a private investor, as well as £2,500k drawdown under the Bridge Loan Facility from Danir AB on 16 May 2025, which accrues interest (£37k for the three months to 31 August 2025) at 5 per cent. and is repayable by 19-month loan term or as soon as Cindrigo's Financial position allows.
- (3) Other reserves comprise the equity component on convertible loan notes (£3,700k), share-based payment reserves (£903k) and share subscription (£42k) reserves.

Indebtedness

The following sets out the indebtedness of the Group as at 31 August 2025 and has been extracted without material adjustment from the unaudited management information and accounting books and records of the Group as at 31 August 2025.

	As at 31 August 2025 £'000 (unaudited)
A. Cash	681
B. Cash equivalents	–
C. Other current financial assets	–
D. Liquidity (A + B + C)	681
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	264
F. Current portion of non-current financial debt	15
G. Current financial indebtedness (E + F)	279
H. Net current financial indebtedness (G – D)	402
I. Non-current financial debt (excl. current portion and debt instruments) ⁽¹⁾	7,078
J. Debt instruments ⁽²⁾	10,895
K. Non-current trade and other payables	–
L. Non-current financial indebtedness (I + J + K)	17,973
M. Total financial indebtedness	17,571

Notes:

(1) Current portion of non-current financial debt consists of the principal portion of the Group's lease liability related to the Kaipolan Plant that is due within 12 months from the reporting date of 31 August 2025, amounting to £15k. Non-current financial debt (excluding current portion and debt instruments) includes a £4,541k lease liability representing the principal amount due after more than 12 months from the reporting date and £2,500k drawdown under the Bridge Loan Facility from Danir AB, which accrues interest (£37k for the three months to 31 August 2025) at 5% and is repayable within 19-month loan term or as soon as Cindrigo's Financial position allows.

(2) Debt instruments consist of convertible loan notes amounting £10,895k, which include a right to conversion.

As at 31 August 2025, the Group had no material indirect or contingent indebtedness.

Since 31 August 2025, there have been no material changes in the capitalisation and indebtedness of the Group. Subsequent to that date of this Document, and conditional upon Admission, the following events are expected to occur:

- a. On Admission, shares will be issued in an aggregate of 2,923,011 Ordinary Shares: 1,090,856 @ £0.6417 per Ordinary Share and 1,832,155 @ £0.5458 per Ordinary Share on conversion of loan notes. This will further increase the share capital figure by £1,700,000 and reduce the equity component of convertible instruments figure by the same amount.
- b. At Admission, 759,442 new Ordinary Shares will be issued at £0.0198 per share to the introducer of the Acquisition.
- c. At Admission, the Company will issue 50,000,011 New Ordinary Shares to Danir AB pursuant to a part conversion of Danir's Convertible Loan Notes which amount in total to £7,599,490 and are convertible at an average blended conversion price of circa 15.2 pence per share. However, conversion is limited to such number of shares as do not bring Danir's holding of Ordinary Shares to more than 29 per cent. at the time of conversion to avoid the holder being required to make a mandatory takeover offer under the Takeover Code or Guernsey law the conversion does not breach this threshold.
- d. Conditional on Admission, Placing Shares of 13,499,994 at £0.12 per Ordinary Share will be issued for an amount equal to £1,620k in total. Settlement will be done on a DvP basis on Admission.
- e. Conditional on Admission, the Company will issue 3,677,000 new Ordinary Shares at £0.12 per Ordinary Shares for an amount equal to £441k in total pursuant to the Subscription Agreements.
- f. On 24 October 2025, the Company subdivided and redesignated each of its then issued ordinary shares of £2.667609 each into one ordinary share of 1p each in the capital of the Company and one deferred share of £2.657609 in the capital of the Company.

PART 9

THE ORDINARY SHARES, PLACING, SUBSCRIPTION AND ADMISSION

1. Description of the Ordinary Shares

The Ordinary Shares are constituted in accordance with the laws of Guernsey.

The Ordinary Shares have a nominal value of £0.01 per share, denominated in pounds sterling and, at the date of this Document there are 263,055,449 Ordinary Shares in issue and 262,972,115 Deferred Shares in issue. The only shares subject to Admission are Ordinary Shares. The rights attaching to the Deferred Shares are set out in paragraph 2.2.3 (mm) of Part 15.

On Admission, the Company will issue and allot:

- 50,000,011 Danir CLN Conversion Shares;
- 2,923,011 Other CLN Conversion Shares;
- 759,442 Introducer Shares;
- 13,499,994 Placing Shares;
- 3,677,000 Subscription Shares.

In accordance with UKLR 5.5.2 (1), the Company and the Directors have ensured that on Admission the Company shall have sufficient shares in public hands (10 per cent.) as defined in the UKLR excluding any Ordinary Shares held by persons to which UKLR.5.5.3R applies.

2. Admission, Dealings and CREST

Application will be made for the immediate admission of the Enlarged Ordinary Share Capital comprising the 263,055,449 existing Ordinary Shares, the 52,923,022 Total CLN Conversion Shares, 759,442 Introducer Shares, Subscription Shares 3,677,000 and 13,499,994 Placing Shares to listing on the Equity Shares (Commercial Companies) category on of the Official List and to trading on the London Stock Exchange's Main Market ("Admission"). It is expected that Admission will become effective and that unconditional dealings in the Ordinary Shares will commence at 8.00 a.m. GMT on 31 October 2025. The Ordinary Shares will not be listed on any other regulated market.

When admitted to trading, the Ordinary Shares will have an ISIN of GG00BM9CCP98.

3. Rights Attaching to the Ordinary Shares

The rights attaching to the Ordinary Shares are uniform in all respects with the other issued Ordinary Shares and all of the Ordinary Shares will form a single class for all purposes.

4. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. The Company has applied for the Ordinary Shares to be admitted to CREST with effect from Admission and it is expected that the Ordinary Shares will be admitted with effect from that time. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST system if any Shareholder so wishes.

CREST is a voluntary system and Shareholders who wish to receive and retain certificates for their Ordinary Shares will be able to do so. A holder of Ordinary Shares may elect to hold Ordinary Shares in uncertificated form, if such Shareholder is a system-member (as defined in the Regulations) in relation to CREST.

5. Selling Restrictions

The Ordinary Shares will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the US and may not be taken up, offered, sold, resold, transferred, delivered or distributed, directly or indirectly, within, into or in the US.

6. Transferability, Pre-emption, Redemption and Conversion

The Company's Ordinary Shares, consisting of both the existing and the new Ordinary Shares are freely transferable, there are no restrictions on transfer and there are no rights of pre-emption in respect of transfers of issued Ordinary Shares.

The Ordinary Shares are not redeemable and have no rights of conversion into any other securities.

7. Placing

The Company has conditionally raised approximately £1,620k (before expenses) through the issue of 13,499,994 Placing Shares at the Placing Price of £0.12 per share. Further details are included in Part 9 of this Document. The Placing is conditional on Admission occurring and becoming effective by 8.00 a.m. London time on, or prior to, 31 October 2025 (or such later date as may be agreed by Capital Plus, the Company and Beaumont Cornish, but in any event no later than 31 October 2025) and the Placing not having been terminated by the Broker (and / or the Company) pursuant to the terms of the Placing Agreement. The Placing is not underwritten.

The Placing Shares will attach one corresponding Investor Warrants to subscribe for each Ordinary Shares issued to investors participating in the Placing at a rate of one Investor Warrant for every one shares subscribed, each warrant giving the right to subscribe for one Ordinary Share at the Placing Price for a 9-month exercise period from the date of Admission.

The rights attaching to the Placing Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes.

Immediately following Admission, it is expected that in excess of 10 per cent. of the Ordinary Shares will be held in public hands (within the meaning of paragraph 5.5.3R of the UK Listing Rules).

On Admission, the Enlarged Group is expected to have a market capitalisation of approximately £40.07 million based on the Placing Price.

8. Subscription Agreements

A separate Subscription Agreements for a total of £441k at a price of 12p per new Ordinary Share was agreed on 2 October 2025 between the Company and 13 investors, the completion of which is conditional on Admission. The subscription proceeds of £441k have been received as of the date of this Document with the issuance of 3,677,000 Subscription Shares concurrent with the Placing Shares on the first day of trading.

The Subscription Shares will attach one corresponding Investor Warrants to subscribe for each Ordinary Shares issued to investors participating in the Subscription at a rate of one Investor Warrant for every one shares subscribed, each warrant giving the right to subscribe for one Ordinary Share at the Placing Price for a 9-month exercise period from the date of Admission.

9. Bridge Loan Facility

The Company has also agreed a Bridge Loan Facility with Danir AB to the amount of £2.5 million, with funds being received on the 16 May 2025, the same date of the signed agreement. The terms of the agreement are as follows:

- It will be a 19-month loan, signed and dated on 16 May 2025,
- At an arm's length interest rate of 5 per cent. p.a.,
- Whilst the loan is repayable in full at end of the 19-month loan facility term being 16 December 2026, the Company has received email confirmation from the Chairman of Danir AB that should there be

insufficient funds to pay principle and interest when repayment is due at the end of loan term, the total outstanding Bridge Loan Facility will be extended into 17 December 2026 and onwards, continuing to accrue interest until repaid in full. For the avoidance of doubt, in such circumstances, the principal loan and compounded interest will continue to accrue as normal from the 17 December 2026 onwards until the loan is paid off in full with no stipulated long-stop date. The loan will not be repayable on demand both during the 19-month term and during any subsequent extension period.

- The agreement will not have any equity conversion rights for the lender Danir AB.

10. Former funding arrangements for the Group

10.1 **Danir Convertible Loan Notes**

The Company's largest Shareholder, Danir, has over the years has provided debt finance to the Company to support the Group. Since 2021, Danir has made loans available to the Company with varying repayment dates, arrangement fees and interest rates and subscribed for CLNs convertible into Ordinary Shares with different conversion rates, interest rates and repayment dates. Loans had also been made in Euros or Swedish Krona to the Company. In 2022, the then existing loans were consolidated into a new loan. However, Danir continued to supply debt finance on varying terms. In late 2024 the Company and Danir agreed to consolidate all the existing loans and to enter into a subscription and loan consolidation agreement pursuant to which Danir would (i) subscribe £5,537,912.34 for new loan notes convertible into a maximum of 92,298,539 new Ordinary Shares and (ii) consolidate and restructure loans of €3,474,922.80 into a two new loans. The agreement was signed on 16 May 2025 and the notional subscription monies and new loan were used to repay or replace the following loans together with accrued interest.

Date of Loan	Original Loan	Outstanding Amount (including fees) (£)	Accrued Interest
22 October 2022	£1,000,000	£1,575,000	
2 September 2022	SEK 18,000,000	£3,800,900	
9 December 2022	£750,000	£750,000	£65,625
20 September 2023	£515,000	£515,000	£30,900
14 May 2023	€1,200,000	£1,573,519	
16 October 2023	€500,000	£420,345	
27 November 2023	€1,000,000	£868,800	
15 January 2024	€3,300,000	£2,757,333	£206,801
16 April 2024	€1,500,000	£1,255,071	£41,836
1 October 2024	€2,786,700	£2,934,914	

The new reconstructed loan of €3,474,922.80 is split into Loan A and Loan B and bears interest at the rate of three per cent. per annum. Interest is rolled up and repaid together with the principal on 31 December 2026. As part of the conversion of Loan Notes by Danir Loan B will be converted into share at a conversion price of £0.70 per share.

The loan notes cannot be converted if the shareholding of Danir AB would ever exceed 29.9 per cent. of the issued ordinary share capital of the Company at any moment in time.

10.2 **Short-term working capital loans from Spånan AB**

The short-term working capital loans of £408,422 from Spånan AB, which was a liability of ECG (a past Subsidiary of Cindrigo) was assumed by the Company and due for repayment in December 2022. These were refinanced by new convertible loans from the Company in the same amounts. The term of the loans was 24 months with an interest rate payable of 12 per cent. per annum. The loan was partly repaid through the issuance of 7.749 million Ordinary Shares at £0.06 per share. The remaining balance of SEK 1 million was paid on 5 June 2025.

10.3 **CEL Open Offer**

In addition to the debt finance described above, shortly before completion of the RTO in 2021, CEL made the CEL Open Offer to its Shareholders on a one for seven basis at 10 pence per share and this Open Offer raised £2,093,920 which remained with Cindrigo on completion of the RTO and was used as working capital for the Company following completion of the RTO.

10.4 **2024 Open Offer**

The 2024 Open Offer was made to Shareholders on 3 October 2024, with shares priced at £0.06 each. A total of £6,897,717 was raised from Shareholders other than Danir, whereof £4,538,064 in cash and £2,359,652 of debt and liabilities reduction. In addition, Danir subscribed for Convertible Loan Notes with a value of £5,537,912 (as mentioned above) and the subscription proceeds were applied to repay amounts owing to Danir.

11. **Reasons for Listing**

Admission to listing and trading is expected to grant the Company greater access to capital markets, enhancing its ability to secure additional financing to support growth in the renewable Energy sector and with its WtE and geothermal energy projects, thereby contributing to long-term shareholder value.

The Company previously had a standard listing on the Official List. The Company has appointed brokers in London and considers London an optimal listing destination given its close access to sources of finance and excellent transport links to the regions where the Group operates.

The Directors believe that Admission will:

- Enable further development and expansion of both its main strategic Finnish Plant and its secondary German geothermal project licences;
- provide the Group with access to a supportive investor base and facilitate the raising of additional capital for future growth; and
- enhance the Group's profile in international markets, aiding in the incentivisation and retention of key management and employees.

12. **Total Cash Reserves**

The existing cash resources of £460k and the Gross Proceeds from the Fundraise of £2.06 million with £1,620k of Placing Proceeds and £441k of Subscription Proceeds provides the Company with sufficient funds to meet its working capital requirements that is for at least 12 months from the date of this Document.

13. **Extraordinary General Meeting**

The Company held an extraordinary general meeting on 24 October 2025 at which resolutions were passed to:

1. Grant the Directors the authority (i) to allot shares pursuant to the open offer of the Company carried out in 2024; (ii) to issue the Placing Shares, the Subscription Shares and to issue warrants to investors, Shareholders and advisers; (iii) to grant employees, consultants or Directors of the Company or its subsidiaries rights to subscribe for shares by way of options; (iv) to issue shares in connection with an acquisition; and (v) a general authority for the Directors to issue up to 10 per cent. of the Company's issued ordinary share capital (the "Issues");
2. Waive existing Shareholders' pre-emption rights in respect of the Issues;
3. (a) Amend the Company's Articles to provide for the terms of a new class of deferred shares with no right to vote or to receive a dividend but only a right to receive the sum of one penny in aggregate as a class on a winding-up of the Company where the total value of assets to be delivered to Shareholders exceeds £300,000,000; and (b) to sub-divide Ordinary Shares of £2.667609 in the capital of the Company into one Ordinary Share of £0.01 each with the same rights as the pre-divide Ordinary Shares and one deferred share of £2.657609 with the rights referred to above; and

4. Ratify all actions and proceedings taken by the Directors in the allotment and issue of shares in the Company and the grant of rights to subscribe for or to convert any security into shares of the Company.

Resolution 1 was passed as an Ordinary Resolution and resolution 2, 3 and 4 were passed as Special Resolutions. After the passing of the resolutions the Company has the authority to issue shares and warrants in accordance with the matters referred to in this Prospectus.

14. Use of Proceeds

The Company has conditionally raised Gross Proceeds of £2.06 million through the Placing and Subscription together the ("Fundraising"). The Enlarged Group's existing cash balance of approximately £460k, when aggregated with the combined with Gross Proceeds of the Fundraising, equate to circa total £2.5 million and will be used to:

- Outstanding IPO Admission costs and expenses (approximately £350,000) (albeit total IPO expenses pertaining to Admission equate to £1.1 million);
- General working capital for the Group (approximately £800,000);
- Renewal of the three German licences for the commencement of the preliminary exploration of the licence areas for geothermal resources (approximately £1,350,000).

PART 10

MANAGEMENT AND CORPORATE GOVERNANCE

1. Management

1.1 Directors

The following table sets out the names, positions and ages of the Directors of the Company and the date on which they were appointed:

<i>Name</i>	<i>Age</i>	<i>Position</i>	<i>Appointed</i>
Jörgen Andersson	79	<i>Non-Executive Chairman</i>	1 October 2020
Lars Guldstrand	68	<i>Chief Executive Officer</i>	31 August 2020
Dag Andresen	61	<i>Chief Financial Officer</i>	1 January 2021
Mustaq Patel	53	<i>Executive Director</i>	31 August 2020
Johan Glennmo	51	<i>Non-Executive Director</i>	28 March 2024
Alan Boyd	74	<i>Independent Non-Executive Director</i>	28 June 2024
Jack Clipsham	66	<i>Independent Non-Executive Director</i>	15 April 2024

The biographies of each of the Directors are set out below. Details of the terms on which each Director is engaged by the Company and, where relevant, Cindrigo are set out in section 11 of Part 15 on pages 287-290.

Jörgen Andersson (Non-Executive Chairman), aged 79

Jörgen Andersson has a broad background and knowledge of the energy sector from a business and a state policy perspective.

Prior to joining the board of CEL, where he served as its Chairman, Jörgen Andersson served as chairman of Vattenfall AB, a multinational power company owned by the Government of Sweden and was a board member of Sydkraft, now a subsidiary of the European electric utility company, E.ON SE which is traded on the Frankfurt Stock Exchange. Between 1976 and 1994, he served as mayor of Halmstads City and was a member of the Swedish government (Energy/Interior) from 1994 to 1999.

Lars Guldstrand (Chief Executive Officer), aged 68

Lars Guldstrand has wide-ranging executive and international investment experience in the energy, technology, telecom, and media sectors. During his career, he has held executive positions in several private and public companies across Europe, the United States, the Middle East, and Africa. He is currently Chairman of Bergasols Stiftelse.

Lars Guldstrand started his career in his family business between 1978-1992, thereafter, during 1992-1998 with Telia as CEO Din Del AB, Exec VP Marketing & Business Development for TeleMedia Group, CEO for Local Touch Co (USA), TeleMedia North America LLC (USA) and Telia InfoMedia International (Sweden & USA). Between 1998-2003 he was CEO of Eniro AB (publ) and, between 2004-2007, he was Chairman Monetar Pensionsförvaltning AB (Sweden), Paynova AB (publ) (Sweden), European Directories/Maquiere Capital Scandinavia (Denmark) and Deputy Chairman Golden Pages (Israel). Between 2007-2013 he was CEO of KMW Renewable AB (Sweden), Chairman GKL Growth Capital AB (Sweden), Director Auriant Mining AB (publ) (Sweden) & Director Amari Mining (South Africa). Lars Guldstrand holds a Master of Business Administration from California Coast University.

Dag Andresen (Chief Financial Officer), aged 61

Dag Andresen has gained extensive corporate and banking experience and held various executive positions in this sector since 1996. Previous roles include Group CFO and First Senior Executive Vice President of Vattenfall (Sweden) and Executive Vice President & CFO at Vestas Wind Systems A/S (Denmark). He was also previously Head of Nordea Bank Business Area Transaction and Finance Banking and Group Chief Audit Executive. Dag Andresen was a director of CEL from its establishment to its dissolution.

Mustaq Patel (Executive Director), aged 53

Mustaq Patel has served as a Director of the Company since August 2020 and as a director of Cindrigo since it was established. He is currently Cindrigo's Managing Director and was previously President of CEL from January 2018 to April 2019.

Mustaq Patel is currently also serving as a Director of Fitzrovia Consultancy Ltd (since 2016). During the period from 2009 to 2015, Mustaq Patel served as the Head of Corporate and Legal Affairs of Jumar Holdings Ltd and its UK subsidiary, Petromir Ltd. Mustaq. Patel has a background in mergers and acquisitions and has acted for clients, including Hewlett Packard, Compaq, Ford Motor Company, Hutchinson Whampoa, Rank Organisation, Airbus and the Royal Bank of Scotland. He spent two years working for the Government of Brunei in the recovery and restructuring of assets for the Brunei Investment Agency. He has also served as an advisor to the World Health Organisation. Mustaq Patel has a Business Studies Degree and CPE Legal Exams from University of West London.

Johan Glennmo (Non-Executive Director), aged 51

Johan Glennmo brings over 25 years of leadership experience in technology, business development, and entrepreneurship. He currently serves as Chairman of Danir, a position he has held since 2021. Danir, an entrepreneurial company owned by the Dan Olofsson family, is dedicated to developing its businesses and contributing to society through long-term commitment and community involvement.

Previously, Johan Glennmo was President of Danir from 2012 to 2021 and served as Vice President from 2006 to 2012. Before joining Danir, he held various leadership roles at Epsilon AB, including Vice President and Corporate Manager, where he oversaw multiple subsidiaries and managed IT operations.

Johan Glennmo began his career as a systems engineer at Teleca Exallon AB and later took on roles in sales, marketing, and technical support within the IT sector. His expertise spans technology development, systems integration, and corporate strategy.

He holds a Bachelor of Science in Business Economics and Computer Science from the University of Tampa.

Johan Glennmo is or has been a director at over 30 companies, including Cindrigo Holdings Limited, Sigma AB, and Danir Aktiebolag, among others. His extensive portfolio spans sectors such as technology, energy, property, and sports management, showcasing his wide-ranging experience and leadership across a diverse set of industries.

Alan Boyd (Independent Non-Executive Director), aged 74

Alan Boyd has over 45 years of experience in technology, media, and intellectual property, excelling in startup, high-growth, and publicly listed companies across Europe, America, Australia, and Asia.

As the 32nd employee at Microsoft and its first Manager of Product Development, reporting directly to Bill Gates, Alan Boyd managed the development and played a key role in creating and launching flagship products like Microsoft Office, MS-DOS, Word, Excel, and Windows. He founded Microsoft's Acquisitions Group and established the company's Product Marketing structure, which contributed to Microsoft's long-term global market dominance.

After leaving Microsoft in 1986, Alan Boyd went on to invest in infrastructure and technology companies globally, whilst also advising government agencies including in the USA and China. As an advisor to the US Treasury Department, he acted as an Expert Witness in a number of court cases, using his extensive knowledge to provide a valuation of companies that held substantial Intellectual Properties and Assets. He became a technology advisor to China's State Council and co-founded several companies, including St Banks International Group and Smartcity Investments, focusing on smart city and technology development in Asia.

Alan Boyd has held non-executive director roles in Information Technology, Artificial Intelligence, CleanTech, and Financial Services sectors in the UK, USA, Australia, and China. He is currently the Founder and Chairman of Metadventures Global, a venture capital firm focused on WEB3 technologies.

Jack Clipsham (Independent Non-Executive Director), aged 66

Jack is a corporate finance specialist with over 35 years of experience, across a wide variety of business sectors, in both Advisory (Strategic Development, M&A, raising debt and private equity, MBOs) and Transaction Services (pre-acquisition/investment due diligence, pre-lend reviews) and he has acted on over 40 Capital Market IPOs as Reporting Accountant, often assisting the companies to prepare for their IPO.

He has built successful teams for BDO, Mazars (as Head of Corporate Finance AsiaPac, based in Hong Kong), and Kreston Reeves, during which time he was also founder and Chair of the Kreston International Network, Corporate Finance Group. He is currently Senior Consultant to K3 Advantage, part of the K3 Group. In addition, he has acted as Group CFO of a Malaysian founded and funded Med-Tech business and as NED and Chair of the Audit Committee for Totally Plc, an AiM Listed Healthcare Group.

1.2 **Senior Managers**

The following individuals are considered to be key persons and have a key role in the Company's future development plans:

Ishtiaq Ahmad – Head of Region Central Europe

Ishtiaq oversees all operational activities for Cindrigo in Central Europe. He is a seasoned oil and gas executive, has seamlessly transitioned to geothermal energy, leveraging over 20 years of fieldwork and operational expertise in closely related sectors. His career began as a field operations coordinator and quickly advanced to senior roles, including supervisory and managerial positions with top management interactions. As E&P Director (Operations) at MOL Group, he oversaw subsidiaries across 11 countries, managing large-scale field development projects exceeding 500 MMBOE and contributing to E&P strategy. From 2001 to 2012, Ishtiaq was Operations/Projects Manager at LASMO/Eni, leading major projects such as a 3D Seismic Survey (1,000 km²), 12 wells with 11 discoveries, a 200 km pipeline network, and 600 MMSCFD gas processing facilities. Ishtiaq holds an MBA in Oil & Gas Management and an MSc in Petroleum Engineering from RGU, a leading institution in Aberdeen, Europe's petroleum capital. Ishtiaq was a director Dravacel at the time it entered into the bankruptcy process in Croatia.

Snorri Einarsson – Chief Technical Officer

As CTO, Snorri drives the Company's technical strategy and project development, with over 15 years of geothermal engineering experience, he began his career in 2007 at Mannvit, Iceland's largest engineering firm, and has been committed to geothermal energy ever since. He joined GEG's predecessor companies in 2012, playing a key role in the development of geothermal power plants and related projects. Snorri holds a degree in Mechanical and Energy Engineering from Reykjavik University and has a background in Marine Engineering.

Riku Ryödi – Managing Director of Kaipolan Energia Oy

Riku is a seasoned entrepreneur and business leader with extensive experience in technology, energy, and finance. As the CEO of multiple companies, including Kaipola Energia Oy and Tilisi Oy. With a Master's degree in telecommunications and a history of founding and managing successful ventures, Riku excels in building strong teams, fostering partnerships, and navigating complex industries.

Lassi Hietanen, Head of Technical and Operations, Kaipolan Energia Oy

Lassi is a highly experienced engineer with over four decades of expertise in materials science, fuels, and industrial energy systems. He has held senior roles in research, product development, and technical advisory capacities, including a ten-year tenure at VTT Technical Research Centre of Finland Ltd.

Lassi has also contributed to major energy projects with UPM, Valmet, Pöyry, Afry, and various regional energy companies. His career has consistently focused on the advancement of biofuels, waste-to-energy solutions, and the implementation of large-scale fuel transitions within industrial power generation. In addition to his corporate work, he has played an active role in shaping national energy policy, advising on regulatory frameworks for sustainable energy in Finland.

He holds a degree in Engineering from the Technical University of Helsinki, with a specialisation in materials and fuel technology.

2. Corporate Governance

a. Board of Directors

The Board currently comprises of three executive and four non-executive directors. The Company considers the non-executive directors to be independent other than Johan Glennmo who is also chairman of Danir, the Company's largest Shareholder. Jörgen Andersson was a shareholder in CEL and transferred his shares in CEL to the Company and is now a Shareholder in the Company, but this is not considered as affecting his independence. Johan Glennmo and Alan Boyd hold only a small number of shares in the Company and some non-performance related options, as detailed in Part 15.

Any directors appointed to the Board by the Directors, and the existing directors, will be subject to re-election by the Shareholders at the annual meeting of the Shareholders every 3 years. The composition of the Board will be reviewed regularly to ensure the Board has the appropriate mix of expertise and experience. The Board is responsible for the corporate governance of the Company and has developed policies to ensure that an appropriate level of corporate governance is in place. The Company's corporate governance system is reviewed regularly by the Board to ensure it fulfils the needs of Shareholders.

The primary duty of the Directors is to act in the best interests of the Company and its Shareholders. The Board will also address issues relating to internal control and the Company's approach to risk management and accordingly the Company has adopted an anti-corruption and bribery policy.

In assessing the composition of the Board, the Directors have had regard to the following principles:

- (i) the Chairman should, if possible, be an independent non-executive Director;
- (ii) the Board should include at least two independent non-executive directors, increasing where additional expertise is considered desirable in certain areas, or to ensure a smooth transition between outgoing and incoming non-executive directors; and
- (iii) the Board should comprise directors with an appropriate range of qualifications and expertise.

The Company believes that given its existing size, the fact that the Board includes four non-executive directors, will assist the Company's effort in promoting a culture of openness and debate and constructive relations between its Directors. However, the Board does not meet the UK Corporate Governance Code recommendation that at least half of the Board, excluding the chair, comprise independent non-executive directors.

b. Listing Principles

As a company which will have a listing in the Equity Shares (Commercial Companies) listing category, the Board will take appropriate steps to ensure that the Company complies with the Listing Principles as set out in Chapter 2 of the UKLR.

c. Meetings

The Company will hold timely Board meetings as issues arise which require the attention of the Board and will meet not less than four times per year. The Board is responsible for the management of the business of the Company, setting the strategic direction of the Company and establishing the policies of the Company. It is the Directors' responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company, on behalf of the Shareholders, to whom they are accountable.

d. UK Corporate Governance Code

As a company which will have a listing in the Equity Shares (Commercial Companies) category, the Company is required to comply with the provisions of the UK Corporate Governance Code published by the Financial Reporting Council. The Directors are committed to maintaining high standards of corporate governance and have, so far as is practicable given the Company's size and nature, adopted

and complies with (and will continue to comply with) the UK Corporate Governance Code on a comply or explain basis.

The Company will, to the extent practicable for a company of its size and nature, follow the UK Corporate Governance Code (the “**Code**”), and has established Remuneration and Audit & Risk Committees each with their own terms of reference, the members of which include the independent non-executive Directors as set out in section 3 below. The Company will also establish a Nomination Committee in the future.

The Board reviews the effectiveness of the Company’s system of internal controls in line with the requirements of the Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliances and risk management. The Company has necessary procedures in place. The Directors acknowledge their responsibility for the Company’s system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company. A risk assessment for each project is carried out by the Directors before making any commitments.

The Company has adopted a corporate governance statement which can be reviewed in full on its website.

The Company has a share dealing code that is compliant with the UK Market Abuse Regulation.

The Company also has a formal anti-bribery and corruption policy.

e. **Committees and Terms of Reference**

f. **Audit & Risk Committee**

The Audit & Risk Committee is comprised of Jack Clipsham (as chairman of the committee), and Alan Boyd.

The Audit & Risk Committee is required to review the integrity of the financial results of the Company expressed in the annual report and accounts and other relevant public announcements of the Company. The Audit & Risk Committee is also required to challenge both the external auditors and the management of the Company. It will also consider the engagement of auditors including tendering and the approval of non-audit services.

The Audit & Risk Committee will review and report to the Board on any significant reporting issues, estimates and judgements made in connection with the preparation of the Company’s financial statements. The Audit & Risk Committee also has a key role in the oversight of the effectiveness of the risk management and internal control systems of the Company.

The committee oversees the Company’s financial reporting and internal control, and provides a formal reporting link with the external auditors. The ultimate responsibility for reviewing and approving the Annual Report and Accounts and the half-yearly reports remains with the Board.

Main Responsibilities

This committee will be responsible for the functions recommended by the UK Corporate Governance Code including:

- The Committee shall monitor, in discussion with the auditors, the integrity of the financial statements of the Company and the Group including its annual and half yearly reports and any formal announcements relating to the Company’s financial performance, reviewing significant financial reporting judgements contained in them.
- The Committee shall keep under review the adequacy and effectiveness of the Group’s internal financial controls and internal control and risk management systems; and review and approve the statements to be included in the annual report concerning internal controls and risk management.
- The Committee shall review and challenge where necessary:

- o the consistency of, and any changes to, significant accounting policies both on a year-on-year basis and across the Company/Group;
 - o the methods used to account for significant or unusual transactions where different approaches are possible;
 - o whether the Company has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
 - o the clarity and completeness of disclosure in the Company's/Group's financial reports and the context in which statements are made; and
 - o all material information presented with the financial statements, such as the business review and the corporate governance statements relating to the audit and to risk management.
- The Committee shall consider and make recommendations to the Board, to be put to Shareholders for approval at the AGM, in relation to the appointment, re-appointment and removal of the Company's external auditor.
 - The Committee shall develop and implement policy on the supply of non-audit services by the external auditor to avoid any threat to auditor objectivity and independence, taking into account any relevant ethical guidance on the matter. The Committee shall review the adequacy and security of the Group's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The Committee shall ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action; review the Group's procedures for detecting fraud and review the Group's systems and controls for the prevention of bribery and receive reports on non-compliance.
 - The Committee shall consider and make recommendations to the Board, to be put to Shareholders for approval at the AGM, in relation to the appointment, re-appointment and removal of the Company's external auditor; ensure that at least once every ten years the audit services contract is put out to tender to enable the Committee to compare the quality and effectiveness of the services provided by the incumbent auditor with those of other audit firms; and in respect of such tender oversee the selection process and ensure that all tendering firms have such access as is necessary to information and individuals during the duration of the tendering process and if an auditor resigns, investigate the issues leading to this and decide whether any action is required.
 - o oversee the relationship with the external auditor including (but not limited to):
 - making recommendations on their remuneration, whether fees for audit or non-audit services and that the level of fees is appropriate to enable an adequate audit to be conducted;
 - approving their terms of engagement, including any engagement letter issued at the start of each audit and the scope of the audit;
 - assessing annually their independence and objectivity taking into account relevant jurisdictions' professional and regulatory requirements and the relationship with the auditor as a whole, including the provision of any non-audit services;
 - satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the auditor and the Company (other than in the ordinary course of business);
 - agreeing with the Board a policy on the employment of former employees of the Group's auditor, then monitoring the implementation of this policy;
 - monitoring the auditor's compliance with relevant ethical and professional guidance on the rotation of audit partners, the level of fees paid by the Company compared to the overall fee income of the firm, office and partner and other related requirements;
 - assessing annually their qualifications, expertise and resources and the effectiveness of the audit process which shall include a report from the external auditor on their own internal quality procedures; and
 - seeking to ensure co-ordination with the activities of the internal audit function.

- o meet regularly with the external auditor, including once at the planning stage before the audit and once after the audit at the reporting stage. The Committee shall meet the external auditor at least once a year without management being present, to discuss the auditor's remit and any issues arising from the audit;
- o review and approve the annual audit plan and ensure that it is consistent with the scope of the audit engagement;
- o review the findings of the audit with the external auditor. This shall include but not be limited to, the following:
 - a discussion of any major issues which arose during the audit;
 - any accounting and audit judgements;
 - levels of errors identified during the audit; and
 - a review of the effectiveness of the audit.
- The Committee shall also:
 - o review any representation letter(s) requested by the external auditor before they are signed by management;
 - o review the management letter and management's response to the auditor's findings and recommendations; and
 - o develop and implement a policy on the supply of non-audit services by the external auditor, taking into account any relevant ethical guidance on the matter.

Governance

The Board requires that at least one member of the Audit Committee has recent and relevant financial experience. Mr Clipsham and Mr Boyd have senior management experience covering all business areas, including finance. As a result, the Board is satisfied that the Audit Committee has recent and relevant financial experience.

External Auditor

The Company's external auditors are Grant Thornton Limited (Channel Islands), who took over from Macalvins Limited in December 2024. The external auditors have unrestricted access to the Audit Committee Chairman. The Committee is satisfied that Grant Thornton Limited (Channel Islands) has adequate policies and safeguards in place to ensure that auditor objectivity and independence are maintained. The external auditors report to the Audit Committee annually on their independence from the Company.

The Audit & Risk Committee will closely monitor the level of audit and non-audit services provided to the Company. In the year ended 31 December 2023, neither Grant Thornton Limited nor Macalvins provided any non-audit services to the Company.

Having assessed the performance objectivity and independence of the Auditors, the Committee will be recommending the reappointment of Grant Thornton Limited (Channel Islands) as auditors to the Company at the next annual general meeting.

g. Financial Reporting Procedures

The accounting function of the Group are outsourced to Global Infosys, a multinational outsourcing firm. The Company has a contract with Global Infosys who supply its monthly bookkeeping and management accounts. The finance team is managed by Dag Andresen (Chief Financial Officer) and Jyoti Tanna (Financial Controller). Both of these individuals have extensive experience of IFRS and the production of consolidated financial information under IFRS and LSE requirements.

The Company has set in place the following deadlines/review processes for the production of financial information:

(i) *Monthly management accounts:*

- Management accounts will be prepared monthly, and first review is done by senior accountant and financial controller (within 15 days of each month end) and reviewed by the Board (within 5 days of receipt). The Board will use them to determine the financial performance of the business and to monitor cash flows and working capital requirements. Any variations of, whichever is higher between 10 per cent. or £100,000, from the WCM or the revised budget will be investigated by the Board who will then take appropriate action.
- The monthly management accounts together with supporting reports will be sent electronically to all Board Members within two days of completion.
- The Board will place reliance on a set of reports to monitor the performance of the Group. These reports have been reviewed and are comprised of:
 - monthly management accounts for each Subsidiary (which include the information listed below)
 - Detailed profit and loss account with comments on major variances
 - Detailed balance sheet accounts, related comments
 - Consolidation spreadsheet for group
 - Creditor payable commentary
 - Notes and comments on monthly figures.
 - Key KPIs that help manage and track the financial stability and performance of group
 - Working capital and liquidity ratios to ensure the Company's short-term financial health and positive working capital
 - Current Ratio to ensure the Company's ability to cover short-term liabilities.
 - Tracking operating losses will give insight on how well Company is managing business activities
 - Major cost variance to identify areas where overspending is occurring and provide corrective actions.
 - Non-financial KPIs include tracking the progress of obtaining necessary licenses and regulatory approvals, ensuring compliance with industry standards. It also involves monitoring key project milestones and timelines to ensure projects stay on track. Additionally, engaging with prospective customers, nurturing relationships, and developing strategic partnerships and alliances are vital for long-term growth and future opportunities.
- The Group's management accounts will be prepared monthly by the accounting team, reviewed by the financial controller under the CFO supervision comprise the following items:
 - profit and loss account, balance sheet and cash flow statements, bank reconciliations, details of revenue earned to debtors, prepaid income and cash, purchase ledger, capital expenditure and fixed asset register, schedule of expenses, details of other creditors and accruals, Subsidiary ledger reconciliations, a payroll summary and, on a quarterly basis, information relating to the annual budget and any budget reforecast.
 - a commentary, prepared by the Finance Controller, providing an overview of the results for the month and the year to date and including details of any major variances from the budget forecast and any new economic or operational information that might affect future financial performance.
 - The financial and non-financial KPIs such as cash flow variance, and other variances against forecasts.

(ii) *Interim consolidated financial statements:*

- The Company is required to produce interim consolidated accounts within three months of period end (30 June). The Finance Controller is responsible for preparing the Interim

consolidated financial statements in compliance with the relevant accounting provisions and standards governed by the Financial Reporting Council ("FRC").

- The interim balance sheet and YTD income statements will be completed and reviewed by the end of the month following half period end. The management accounts will form the basis for the preparation of the Interim accounts.
- The financial controller will prepare consolidated interim financial statements and a consolidation pack within 5 working days of receipt of completed management information schedules from the components of the Group. The Financial Controller will be responsible for preparing the management report, directors' report, accounting policies and notes to the financial statements. Where adjustments are required to finalise the Interim financial statements, a full reconciliation between the financial statements and the management accounts will be prepared and presented to the Board and the Audit Committee.
- The Interim financial statements will be distributed to the Board for review within 30 working days of the period end.
- The financial controller will share the interim financial statements with the Company auditors at least 10 working days before the filing deadline (although interim financial information is not generally audited).
- The CFO will prepare statements based on the draft Interims and will circulate the draft accounts and statements to the Sponsor for comment.
- Once the Interims have been finalised they will be approved by the Board and the Sponsor and will then be submitted to RNS for public release.

(iii) *Year-end consolidated financial statements:*

- The Company is required to produce annual audited consolidated accounts within four months of year-end (31 December). The Finance Controller is responsible for preparing the Group's Annual financial statements in compliance with the relevant accounting provisions and standards governed by the Financial Reporting Council ("FRC").
- The management accounts will form the basis for the preparation of the Annual accounts. The year-end balance sheets and YTD income statements will be completed and reviewed by 31 January.
- The Financial Controller will prepare consolidated year-end financial statements and a consolidation pack within 10 working days of receipt of completed management information schedules from the components of the Group. The Financial Controller will be responsible for preparing the management report, directors' report, reports of the committees of the Board accounting policies and notes to the financial statements.
- Annual financial statements will be prepared and ready for external audit within 60 working days of the year end, after listing. However, for the current year, as it is a transition phase with the appointed auditor, an 80-day timeline is being considered.
- The Auditors are responsible for auditing the Company's Annual financial statements. The annual audit is expected to take three to four weeks following the preparation of the Annual financial statements.
- The consolidated financial statements will then be distributed to the Audit Committee for review following the completion of the audit. On approval by the Audit Committee the audited annual financial statements will be submitted to the Board for consideration and particularly reviewed by the CFO, the CEO and the Chief Legal Officer. The financial controller will present updated financial statements for the Board to review within 5 working days of receiving feedback from the named individuals.
- Once the audited accounts and statements have been finalised, they will be approved by the Board and will be submitted by the Board to RIS for public release.

The Company's CFO has an extensive background in finance and who has acted as finance director, chief investment officer and chief executive at a number of companies. The CFO possesses extensive experience in the reporting requirements of IFRS and listed companies. See more in his biography above.

The Company Financial Controller has worked extensively on IFRS companies and has experience in preparing consolidated financial statements.

h. **Remuneration Committee**

The remuneration committee is comprised of independent non-executive director Alan Boyd (acting as chairman of the committee), Jack Clipsham and Non-Executive Chairman Jörgen Andersson.

The committee will meet at least once a year and otherwise as required or as may be requested by any member of the Committee. The committee will have the following key duties:

- determine and agree with the Board the framework or broad policy for the remuneration of the Company's chairman, chief executive, the Executive Directors, the Chief Legal Officer and such other members of the executive management as it is designated to consider. The remuneration of non-executive directors shall be a matter for the Board, or where required by the articles of association, the shareholders. No director or manager shall be involved in any decisions as to their own remuneration;
- in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the UK Corporate Governance Code (the "Code") and associated guidance. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- recommend and monitor the level and structure of remuneration for senior management;
- review the on-going appropriateness and relevance of the remuneration policy at least annually;
- within the terms of the agreed policy and in consultation with the chairman and/or chief executive, as appropriate, determine the total individual remuneration package of the chairman, each executive director, Chief Legal Officer and other designated senior executives including bonuses, incentive payments and share options or other share awards;
- keep abreast of external remuneration trends and market conditions To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary, within any budgetary restraints imposed by the Board;
- be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- review the design of all share incentive plans for approval by the Board and Shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to Executive Directors, Chief Legal Officer and other designated senior executives and the performance targets to be used;
- review the pension arrangements for each executive director and other designated senior executives;
- ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised and;
- agree the policy for authorising claims for expenses from the Directors.

Statement of the Company's policy on Directors' remuneration

The Company's policy is to maintain levels of remuneration so as to attract, motivate, and retain Directors and senior executives of the quality required to run the Company successfully highest calibre who can contribute their experience to successfully deliver industry leading performance with the Company's operations long-term strategy. The remuneration package for Executive Directors comprises, or will comprise, base fees and share incentive arrangements. The remuneration package for non-executive Directors shall be determined within any limits set in the Company's articles of association. The remuneration package for non-executive Directors comprises, or will comprise base fees and share acquisition arrangements.

A meaningful proportion of executive and senior managements' remuneration is, or will be, structured so as to link rewards to corporate and individual performance, align their interests with those of Shareholders and to incentivise them to perform at the highest levels. The Remuneration Committee considers remuneration policy and the employment terms and remuneration of the Directors and makes recommendations to the Board on the overall remuneration packages for the Directors.

The Company has established a share option scheme for those making a significant contribution to the Company. This has initially been limited Options up to a maximum of 20,000,000 Ordinary Shares in the capital of the Company. The Board may adjust the plan at anytime.

Service Agreements and Letters of Appointment

All of the service contracts with Directors are on an evergreen basis, subject to termination provisions. The appointment of Directors is subject to termination upon three months' notice, subsequent to the 1st year anniversary from Admission. A letter of appointment in respect of each director sets out their duties and responsibilities as a director of the Company. The Letters of Appointment include an obligation to comply with the Company's policies and statutory duties and for the director to exercise his powers as a director having regard to the relevant obligations under prevailing law and regulation and, specifically, the Listing Rules, the UK Market Abuse Regulation, the Prospectus Rules and the Disclosure Guidance and Transparency Rules in addition, in respect of the Executive Directors, to the service agreement with their respective service companies through which their services are provided.

i. Nomination Committee

Currently, due to the size of the Company, there is no Nomination Committee. Nominations are currently considered by the whole Board. The Directors anticipate that a Nomination Committee will be established in the future when the size of the Company justifies it.

The Nomination Committee will review the composition and balance of the Board and senior management on a regular basis to ensure that the Board and senior management have the right structure, skills and experience in place for the effective management of the Company's business and are expected to meet twice a year.

j. UK MAR Compliance & Disclosure Committee

The Company has taken care to ensure that, since the replacement of the former Challenger Acquisitions board in 2020, timely announcements have been made of transactions that could constitute insider information and other developments in the Issuer's business and proposals. The control and disclosure of inside information has largely been the remit of the CEO and the Chief Legal Officer but, as part of the review of the Issuer's systems and controls, a more formal structure to ensure and monitor compliance with the DTRs and UK MAR is now considered to be appropriate.

The Board of the Company has established a new Board committee to be known as the UK MAR Compliance & Disclosure Committee. It is intended that this Committee will formalise the process that has been followed to date in respect of the identification and management of inside information and ensuring timely disclosure or, where appropriate, providing a formal mechanism for making and recording any decision to delay disclosure, determining when the reasons for the any delay no longer justify the delay and making appropriate notifications to the FCA when an announcement is made.

MAR Compliance Committee will comprise Lars Guldstrand (CEO), Dag Andresen (CFO), Jörgen Andersson, (non-executive chairman) and Mark Taylor, (Chief Legal Officer), will be invited to sit in on the meetings. The CEO will take the position as Chairman of the MAR Compliance Committee. This appointment will be kept under review as the Company develops and in light of any future non-executive Board appointments. The committee will have the following key duties:

- Ensuring that procedures, resources, and controls are in place to ensure compliance with the UK Listing Rules, Disclosure Guidance and Transparency Rules (DTRs), and MAR and that they are operating effectively.
- Reviewing the Company's MAR Insider List.

- Ensuring each Board meeting includes a discussion of compliance matters, in particular, a briefing from the Executive Directors and any issues raised with the Sponsor or legal advisers. These discussions should be minuted and made available to the Sponsor on request.
- Ensuring that the Executive Directors are communicating as necessary with the Company's Sponsor regarding ongoing compliance with the UKLR and in relation to proposed or potential transactions.
- Ensuring that advice received from the Sponsor or legal advisers is recorded and taken into account in decision-making.
- Ensuring that all Regulatory News Service (RNS) announcements have been verified by the Company's legal advisers and approved by the Sponsor before publication.
- Monitoring public statements and press coverage to ensure that price-sensitive information is not disclosed outside of regulatory channels.
- Investigating any unusual or substantial movement in the Company's share price and escalating concerns appropriately.
- Ensuring that the Sponsor is provided with financial and operational updates on a timely basis.
- Ensuring that the Sponsor is informed of any proposed Board changes and that all necessary disclosures are made in line with the Listing Rules and DTRs.
- Assessing whether Executive Directors are aware of their UKLR and MAR responsibilities, and arranging training where necessary.
- Ensuring that the Sponsor is maintaining regular contact with the Company. If this is not the case, the Committee should escalate concerns as appropriate.
- Circulating updates to the UKLR, DTRs, or MAR to the Board.
- Holding formal meetings at least every six months to review compliance with regulatory requirements, documenting these meetings, and sending copies to the Sponsor.
- Escalating and discussing any actual or potential compliance issues with the Sponsor immediately.
- Overseeing any investigation by the Financial Conduct Authority (FCA) or London Stock Exchange into the Company's regulatory compliance.
- Approving a statement on UKLR and MAR compliance for inclusion in the Company's interim and annual reports.
- Raising and discussing with the Sponsor or issuing notifications where required under DTRs and MAR regarding:
 - Any director dealings in the Company's shares.
 - Any significant shareholder movements (above or below a 3 per cent. threshold) requiring disclosure under DTR 5.
 - The resignation, dismissal, or appointment of a director.
 - Any change in the Company's accounting reference date, registered office, or legal name.
 - Any material change in trading performance, financial condition, or deviation from profit forecasts.
 - Any decision to issue shares in lieu of cash payments.
 - Any admission of the Company's shares to another exchange or trading platform.
 - Any significant transactions requiring disclosure under the UKLR (Class 1 or Class 2 transactions).
 - Any material corporate developments that could impact the market perception of the Company.

k. **Anti-Bribery Committee**

From Admission, the Anti-Bribery Committee will be adopted. The board of directors has overall responsibility for ensuring this policy complies with the Company's legal and ethical obligations, and that all those under its control comply with it. The Company's Chief Legal Officer has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness and dealing with any queries on its interpretation. Management at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy and are given adequate and regular training on it.

The committee will have the following key duties:

- To identify areas of particular risks for the business in particular in high-risk jurisdictions throughout the world.
- Conduct a comprehensive Group-wide risk assessment.
- Monitor the Company's anti-corruption policies and procedures, especially taking into consideration corporate hospitality, donations and facilitation payments.
- Conduct due diligence on all "associated persons", especially third parties in high-risk jurisdictions or sectors.
- Adopt a robust anti-corruption stance at the highest level, including making a public statement of the Group's zero tolerance to corruption both internally and externally.
- Make arrangements for extensive training and monitoring of staff in key risk areas involving establishing disciplinary mechanisms
- To make sure that it is unacceptable for the Directors to:
 - give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
 - accept a payment, gift or hospitality from a third party that you know or suspect is offered with the expectation that it will provide a business advantage for them or anyone else in return;
 - accept or offer hospitality that is unduly lavish or extravagant under the circumstances;
 - offer or accept a gift to or from government officials or representatives, or politicians or political parties;
 - threaten or retaliate against another worker who has refused to commit a bribery offence or who has raised concerns under this policy; or
 - engage in any other activity that might lead to a breach of this policy.

l. **Internal controls**

The Board recognises the need for effective internal controls. Appropriate internal controls and segregation of duties are in place to guard against fraud, particularly in respect of the processes and procedures for cash and other payments, and the receipt of undeclared revenues from external sources. Internal controls in operation at the Group including

- Monthly management accounts (see Section 4)
- Controls over invoices
- Controls over cheque payments
- No petty cash balances will be held at any time
- Control over bank transfers
- Employees – From Admission, payments to the Directors for their remuneration will be processed monthly by the Financial Controller and approved by CEO. Payments to the Directors will be made by electronic transfer whenever possible.
- Assets and liabilities – Any decisions relating to the assets/investments of the Group will be made at the Board level

- Decisions regarding the accounting policies of the Group will be routinely by the CFO and finance team, with more significant decisions being made by CEO and Board.
- Annually, the Directors prepares a Working Capital Model, ("the WCM") that forecasts monthly costs through to end of 12 to 18 months. As such, the WCM represents the Board approved budgets for the financial year ended. Any material deviations, whichever is higher between 10 per cent. or £100,000, from this approved budget must be discussed by the Board and with the Sponsor.

Risk Assessment

The Board will follow the ICAEW's guidance for Directors on internal controls which recommends what the Board should consider when reviewing and further developing an effective system of internal controls.

The Board has taken into account the relevant provisions of the UK Corporate Governance Code in formulating the systems and procedures in operation for the Group. The Board is aware of the need to conduct regular risk assessments to identify any deficiencies in the controls currently operating over all aspects of the Company. The Board will conduct a formal risk assessment on an annual basis but will also report by exception on any material changes during the year.

Internal Audit

The Board does not intend to establish a separate Internal Audit function given the current size and stage of development of the business. Any material concerns raised in management letters or reports received from the Auditors will be considered, along with Management's response, by the Audit Committee and reported to the Board.

Related Party Transactions

The Company will engage with its Sponsor to discuss any proposed related party transaction exceeding 5 per cent. of any one of the class tests before proceeding with the transaction.

Following the Sponsor's agreement, the Company will promptly announce all related party transactions that exceed 5 per cent. of any of the class tests. As part of the announcement, the independent directors, having consulted with the Sponsor, will confirm that the transaction terms are fair and reasonable in so far as Shareholders are concerned.

Additionally, all related party transactions exceeding 0.25 per cent. of the class tests will be disclosed in the Company's published financial statements. These thresholds may be applied cumulatively concerning the same related party(ies).

The Audit Committee will be provided with details of any proposed related party transactions as they arise. It will review and approve the terms and conditions of such transactions before they are entered into, ensuring compliance with the UK Listing Rules. Committee members involved in approving related party transactions will exclude any directors considered to be a related party to the transaction under review.

Significant Transaction Complexity

The Company has established procedures to ensure that transactions involving significant complexity are effectively measured, recorded, and reported. These procedures operate, or are capable of operating, by (i) Board Reporting; (ii) Financial Instrument Management (iii) Commitments and Contingencies Reporting (iv) Exception Management; (v) Outsourced Arrangements Oversight; (vi) External Expert Consultation; (vii) Regulatory and Legal Due Diligence for New Acquisition; and (viii) Other Key Regulatory Compliance Areas including compliance with IFRS, adherence to corporate governance requirements, monitoring and fulfilling obligations in respect of interim reporting or any timely reporting required by the laws, and any other such matter related regulatory and compliance areas are informed by financial controller to CFO and CEO for further discussion with Board.

m. **Company Secretary**

The Company Secretary is responsible for compliance with the Company's disclosure obligations including those pursuant to the UK Market Abuse Regulation, the Disclosure Guidance and Transparency Rules (DTR 4, DTR 5 and DTR 6) and the UK Listing Rules. The Board and Committees ensure that the Company Secretary is kept informed of all matters that may trigger a disclosure obligation in a timely manner so the Company complies fully with its obligations.

n. **Memorandum and Articles**

The Memorandum and the Articles on Admission are appropriate for a company listed in Equity Shares (Commercial Companies) category. The Company is incorporated under the Companies (Guernsey) Law 2008, as amended. A summary of the provisions of the Memorandum and the Articles are set out in section 7 of Part 15. Potential investors should read the Memorandum and Articles in full and any potential investors wishing to have a detailed summary of the Memorandum and Articles is recommended to seek independent legal advice.

o. **Conflicts of interest**

A Director has a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company. The Senior Managers are also required by the terms of their appointment to avoid any conflict of interest. The Board has satisfied itself that there is no compromise to the independence of those Directors or Senior Manager who have appointments on the Boards of, or relationships with, companies outside the Company. The Board requires Directors and Senior Managers to declare all appointments and other situations which could result in a possible conflict of interest.

Three members of the board of Directors are non-executive and therefore will not be allocating all their time to the Company's affairs. The Chief Financial Officer does not work for the Company full-time at the present time but will become full time after Admission. Johan Glennmo is also chairman of Danir, the Company's largest shareholder. These Directors may have conflicts of interest in allocating management time among their various business activities. The Executive Directors also have certain outside interest as disclosed above. The Senior Managers have other consultancy arrangements with other companies but the Directors do not consider that these arrangements result in any of the Senior Managers having any conflict between their duties to the Company and their duties to third parties.

Director with links with other businesses, either in UK based or overseas, may have a conflict of interest between the Company's business dealings and those of the party with which the Director's has links including share allocations and payment for services.

The Company expects these and any other conflicts to be managed appropriately through the operation of the relevant provisions of the Articles, the Service Agreements and/or the Letters of Appointment, further details of which are set out in sections 7 and 11 of Part 15.

Save as disclosed above, the Directors and Senior Managers do not have any conflicts of interest or potential conflicts of interest between their duties to the Company and their private interests or other duties that they may also have.

p. **Board Performance and Evaluation**

The Company is implementing a policy of appraising Board performance annually. The Company has concluded that for a company of its current scale, an internal process administered by the Board is most appropriate at this stage

r. **Accountability**

The Board is committed to providing Shareholders with a clear assessment of the Company's position and prospects. This is achieved through the annual report and as required other periodic financial and trading statements. The Board has made appropriate arrangements for the application of risk management and internal control principles.

s. ***Diversity and inclusion***

The Company does not discriminate on the grounds of age, gender, nationality, ethnic or racial origin, non-job-related-disability, sexual orientation or marital status. The Company gives due consideration to all applications and provides training and the opportunity for career development wherever possible. The Board does not support discrimination of any form, positive or negative, and all appointments are based solely on merit.

PART 11

HISTORICAL FINANCIAL INFORMATION ON THE GROUP

SECTION (A) – ACCOUNTS FOR THE CINDRIGO GROUP – June 2025



CINDRIGO HOLDINGS LIMITED

Unaudited Interim Report for the Six-Month Period Ended 30 June 2025

GROUP INFORMATION

Directors

Jorgen Andersson (*Non-Executive Chairman*)
Lars Guldstrand (*Chief Executive Officer*)
Mustaq Patel (*Executive Director*)
Dag Andresen (*Chief Financial Officer*)
Johan Glennmo (*Non-Executive Director*)
Alan Boyd (*Non-Executive Director*)
Jack Clipsham (*Non-Executive Director*) – Appointed on 15 April 2025

Company Secretary

Suntera (Guernsey) Limited
1st & 2nd Floors
Elizabeth House
Les Ruettes Brayes
St Peter Port
Guernsey
GY1 1EW

Registered Office

1st & 2nd Floors
Elizabeth House
Les Ruettes Brayes
St Peter Port
Guernsey
GY1 1EW

Registered Number

Incorporated in Guernsey with Registered No. 59383

Solicitors

McCarthy Denning Limited
70 Mark Lane
London
EC3R 7NQ

Corporate Broker

Capital Plus Partners
Fourth Floor
49 James Street
London
SW1A 1JT

Sponsor and Financial Advisor

Beaumont Cornish Limited,
5-10 Bolton Street
London
W1J 8BA

Principal Bankers

Metro Bank Plc
1 Southampton Row
London
WC1B 5HA

Registrars

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

Chief Executives report

Update on Key Projects

Cindrigo Holdings Limited (the “Company” or “Cindrigo”) and its subsidiaries (together the “Group”) are engaged in the development and operation of renewable energy projects, focusing on waste- to-energy (“WtE”) and geothermal heat and power generation. The Group’s current principal projects are as follows:

German Geothermal Projects

On 3 March 2025, the Group entered into definitive agreements to acquire an 85 per cent. majority interest in three geothermal energy projects located in the Upper Rhine Valley, Germany. These projects – currently at the pre-development stage – are subject to licence extensions, with existing permits due to expire between September and November 2025. The Group has submitted the relevant applications and anticipates an extension of at least 12 months to facilitate further technical planning and development. Resource potential for the combined projects is estimated at circa 400MW and the development plan targeting up to 70–75 per cent. of this resource potential. An initial development target of approximately 80 MW has been identified for the three licence areas, with further assessment ongoing.

Power Generation

Kaipola Energy-from-Waste Facility

The Group, through its 90 per cent. subsidiary *Kaipolan Energia Oy* (“Kaipola”), owns a waste-to-energy (WtE) facility in Kaipola, Finland with a potential output of up to 110 MW. The facility will operate under a Combined Heat and Power (CHP) model, supplying both heat and producing electricity. Initial operations will coincide with the commissioning of an adjacent pellet production facility, scheduled before end of 2025, whereafter the facility is expected to reach steady-state operations and generate recurring revenues. An increase in overall capacity is planned during 2026, with continued increase thereafter.

New Funding

The Company has received £2.5 million pursuant to a bridge loan facility provided by Danir AB (“Danir”), its major shareholder. The loan carries an interest of 5 per cent. p.a. and repayment is due on 16 December 2026 or as soon as Cindrigo’s Financial position allows.

Board of director changes

Jack Clipsham was appointed as an additional Independent Non-Executive Directors on 15 April 2025.

Financial and Corporate Overview

The Group reported loss of £2,408k for the six-month period ended 30 June 2025 (June 2024 restated: £5,978k). The reduction of loss was primarily due to the prior year’s one-off impairment charge of £4,447k relating to the Slatina 3 Project in Croatia not reoccurring.

Administrative expenses increased by £997k compared to the prior period (see Note 12). The increase reflects:

- A £297k rise in administrative, legal and professional fees, largely driven by the costs of the proposed stock market listing
- A £228k expense for the share-based option-scheme commenced in H2 2024, was recognised in 2025
- A £575k increase in operational costs associated with the Kaipola plant repair and regular maintenance, which was acquired in April 2024 and had required limited funding during the comparative period

As at 30 June 2025, total borrowings had increased to £13,696k (31 December 2024: £10,980k), the increase being primarily due to the drawdown of a new £2,500k short-term loan from the Company’s largest

shareholder, Danir AB, to support working capital requirement. The increase also includes £311k in accrued interest, and a loan repayment of £77k during the period.

Trade and other payables reduced to £625k (31 December 2024: £1,525k), primarily due to the full settlement of deferred consideration related to the Kaipola acquisition.

The Company remains committed to securing a public listing of its ordinary shares, reflecting its expanded operational footprint and growth strategy. Concurrently, the Group's focus is on the start of commercial operations in Finland and development of the German projects. In addition, the Company are also actively exploring acquisition and project opportunities across Europe within the geothermal and wider renewable energy sectors to support long-term value creation.

Since the end of the 2024 Financial Year, the Group achieved a key strategic milestone with the acquisition of an 85 per cent. interest in three geothermal projects in Germany. Preparatory work is underway, we have incorporated three German SPV's and are seeking to extend the term of the three exploratory licences.

In Finland, the Kaipola waste-to-energy facility repair and maintenance work is now completed, and the Plant is now operationally ready. The plant will commence commercial production once the associated pellet factory in Kaipola becomes operational, which is anticipated before the end of 2025.

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

Lars Guldstrand
Chief Executive Officer

RESPONSIBILITY STATEMENT

The Directors have voluntarily prepared this Interim Report in accordance with the principles of IAS 34 – Interim Financial Reporting, and with reference to the Disclosure and Transparency Rules (DTR) of the UK Financial Conduct Authority (FCA) as best practice.

To the best of their knowledge, the Directors confirm that the Interim Report:

- 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 2025.

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 (*Executive Director*)

Dag Andresen (*Chief Financial Officer*)

Johan Glennmo (*Non-Executive Directors*)

Alan Boyd (*Non-Executive Directors*)

Jack Clipsham (*Non-Executive Directors*) from 15 April 2025

Group Secretary:

Suntera (Guernsey) Limited

By Order of the Board

Suntera (Guernsey)Limited

Company Secretary

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

		6 months to 30 Jun 2025 (unaudited) £'000	6 months to 30 Jun 2024 (unaudited, restated) Year to £'000	31 Dec 2024 (audited) £'000
	Note			
Revenue	10	–	–	85
Other income	11	99	–	–
Costs of material		(90)	(170)	(5)
Administrative expenses	12	(1,891)	(894)	(3,280)
Depreciation, amortisation and impairment		(105)	(30)	(93)
Impairment of financial assets		–	(4,447)	(5,488)
Operating loss		(1,987)	(5,541)	(8,781)
Finance costs		(461)	(437)	(2,676)
Finance income	13	40	–	–
Loss before income taxes		(2,408)	(5,978)	(11,457)
Tax expense		–	–	(3)
Loss for the period from continuing operations		(2,408)	(5,978)	(11,460)
Loss for the period attributable to				
Non-controlling interest		99	482	473
Loss attributable to owners of the parent		(2,309)	(5,496)	(10,987)
OTHER COMPREHENSIVE INCOME:				
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations (including goodwill)		(148)	–	(9)
Total comprehensive loss for the period		(2,457)	(5,496)	(10,996)
Loss per share:				
Basic	22	(0.095)	(0.037)	(0.072)
Diluted	22	(0.056)	(0.024)	(0.034)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 Jun 2025 (unaudited) £'000	As at 30 Jun 2024 (Unaudited, Restated) £'000	As at 31 Dec 2024 (audited) £'000
	Note			
Assets				
Non – current assets				
Property, plant and equipment	14	869	612	688
Right-of-use assets	15	4,334	4,422	4,378
Goodwill	16	15,381	16,145	15,533
Derivative financial assets	8d	64	–	–
Long-Term Deposits		8	–	–
		<u>20,656</u>	<u>21,179</u>	<u>20,599</u>
Total Non – current assets				
Current assets				
Cash and cash equivalents		1,273	742	375
Inventories		163	–	163
Trade and other receivables	17	483	558	413
		<u>1,919</u>	<u>1,300</u>	<u>951</u>
Total current assets				
		<u>22,575</u>	<u>22,479</u>	<u>21,550</u>
Total assets				
		<u><u>22,575</u></u>	<u><u>22,479</u></u>	<u><u>21,550</u></u>
Equity and liabilities				
Capital and reserves				
Share capital	18	41,216	35,361	38,360
Shares subscription reserve		43	15	1,356
Share option reserve		903	–	674
Equity component of convertible instruments		3,700	2,381	3,700
Foreign currency translation reserve (FCTR)		(157)	–	(9)
Accumulated deficit		(43,445)	(35,424)	(41,136)
Non-controlling Interests		1,433	(446)	1,532
		<u>3,693</u>	<u>1,887</u>	<u>4,477</u>
Total equity attributable to equity holders				
Non- Current liabilities				
Borrowings	19	13,411	–	10,590
Lease liabilities	15	4,543	4,522	4,551
		<u>17,954</u>	<u>4,522</u>	<u>15,141</u>
Current liabilities				
Borrowings	19	285	12,120	390
Trade and other payables	20	625	3,950	1,525
Derivative liability	21	–	–	–
Lease liabilities	15	15	–	14
Tax liability		3	–	3
		<u>928</u>	<u>16,070</u>	<u>1,932</u>
Total current liabilities				
		<u>22,575</u>	<u>22,479</u>	<u>21,550</u>
Total equity and liabilities				
		<u><u>22,575</u></u>	<u><u>22,479</u></u>	<u><u>21,550</u></u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £'000	Shares Subscription Reserve £'000	Equity Component of Convertible Instruments £'000	Share Option reserve £'000	Retained deficit £'000	FCTR £'000	Non- controlling Interests £'000	Total £'000
As at 1 Jan 2024 (Restated)	Note 1								
Loss for the period	7	22,583	15	2,381	–	(29,928) (5,496)	–	36 (482)	(4,913) (5,978)
Share capital raise in connection with the acquisition of a subsidiary	18	12,778							12,778
As at 30 Jun 2024 (Restated)		<u>35,361</u>	<u>15</u>	<u>2,381</u>	<u>–</u>	<u>(35,424)</u>	<u>–</u>	<u>(446)</u>	<u>1,887</u>
Loss for the period						(5,491)		9	(5,482)
Open offer share capital raise	18	2,999	1,341		674				4,340
Share-based payment charge									674
Equity Interest transferred to lender (10% of Subsidiary)									
Liquidation of subsidiary									
F/X difference on currency translation							(9)		(9)
Equity component of convertible notes				1,098					1,098
Restructuring of loan notes				221		(221)			–
Balance at 31 Dec 2024		<u>38,360</u>	<u>1,356</u>	<u>3,700</u>	<u>674</u>	<u>(41,136)</u>	<u>(9)</u>	<u>1,532</u>	<u>4,477</u>
Loss for the period						(2,309)		(99)	(2,408)
Open offer share capital raise	18	1,543							1,543
Share issued during the year		1,313	(1,313)						–
F/X difference on currency translation							(148)		(148)
Share-based payment charge for the year					229				229
Balance at 30 Jun 2025		<u>41,216</u>	<u>43</u>	<u>3,700</u>	<u>903</u>	<u>(43,445)</u>	<u>(157)</u>	<u>1,433</u>	<u>3,693</u>

Note 1 – The opening balances reflect restatements made in connection with prior period adjustments. Full details of these restatements are provided in the Group's audited consolidated financial statements for the year ended 31 December 2024.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

		30 Jun 2024	
	30 Jun 2025	(Unaudited, 31 Dec 2024	
	(Unaudited)	restated)	(audited)
	£'000	£'000	£'000
Note			
OPERATING ACTIVITIES			
Loss for the period before taxation	(2,408)	(5,978)	(11,457)
Non-cash adjustments	597	5,031	9,656
Net changes in working capital	(59)	528	428
	<u>(1,870)</u>	<u>(419)</u>	<u>(1,373)</u>
Net cash from operating activities			
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(242)	(2,938)	(3,622)
Acquisition of subsidiary (payment of deferred consideration)	(866)	(85)	(1,117)
	<u>(1,108)</u>	<u>(3,023)</u>	<u>(4,739)</u>
Net cash used in investing activities			
FINANCING ACTIVITIES			
Proceeds from issue of shares (net of placing fees)	1,543	–	2,368
Proceeds from borrowings / convertible instruments	2,500	4,012	4,012
Loan repayments	(77)	–	(65)
Lease repayments	(90)	–	–
	<u>3,876</u>	<u>4,012</u>	<u>6,315</u>
Net cash from (used in) financing activities			
Net changes in cash and cash equivalents	<u>898</u>	<u>570</u>	<u>203</u>
Cash and cash equivalent at, beginning of period	<u>375</u>	<u>172</u>	<u>172</u>
Cash and cash equivalent, at end of period	<u><u>1,273</u></u>	<u><u>742</u></u>	<u><u>375</u></u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM REPORT

1. GENERAL INFORMATION

The Group is engaged in the development and operation of renewable energy projects, with a focus on waste-to-energy ("WtE") and geothermal heat and power generation.

The Group's strategy is to be an active renewable energy developer, producer and operator, coordinating project ownership with outsourced construction and operation supported by world class partners, both sub and on- surface. Development is based on proven technology with a modular, replicable expansion.

The Company was incorporated on 24 November 2014, under Section II of the Companies (Guernsey) Law, 2008, as a company limited by shares. It is registered in Guernsey under company number 59383.

2. BASIS OF PREPARATION

The Interim Financial Statements are for the six months ended 30 June 2025 and are presented in British Pound (£), which is the functional currency of the ultimate parent company. They have been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board. They do not include all of the information required in annual financial statements in accordance with IFRS Accounting Standards, and should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024. The results for the period ended 30 June 2025 are unaudited.

3. NEW STANDARDS ADOPTED AT 1 JANUARY 2025

There are no accounting pronouncements which have become effective since 1 January 2025 that have a significant impact on the Group's interim condensed consolidated financial statements.

4. MATERIAL ACCOUNTING POLICIES

The Interim Financial Statements have been prepared in accordance with the accounting policies adopted in the Group's most recent annual financial statements for the year ended 31 December 2024.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

When preparing the Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 31 December 2024.

6. SIGNIFICANT EVENTS AND TRANSACTIONS

Management believes that the Group remains well positioned to navigate economic uncertainties and project-related challenges. This assessment is supported by the following key factors:

- The Group has projects in two jurisdictions. In Finland, the Group has a waste-to-energy (WTE) plant that is ready to commence operations, providing near-term revenue visibility. In Germany, the Group has acquired an 85 per cent. interest in a geothermal development company and is currently seeking to extend the term of the projects exploratory licences to progress toward the development phase of the projects.
- Being in the development phase, the Group does not rely on new orders for short-term liquidity.
- As at 30 June 2025, the Group has sufficient liquidity reserves to meet ongoing operational and capital expenditure needs.

Management has performed a detailed **12-month cash flow forecast**, stress-tested against downside scenarios. Based on this analysis, including the availability of financial support from shareholders and access to existing facilities, the Group expects to meet all obligations as they fall due.

Accordingly, as at 30 June 2025, the Group remains a **going concern**, supported by its capital structure and investor backing. These interim consolidated financial statements have therefore been prepared on a going concern basis.

7. RESTATEMENT OF COMPARATIVE INFORMATION (JUNE 2024)

- a. **Restatement Adjustment – June 2024:** Adjustments have been made to the originally published June 2024 interim financial statements following the audit of the Group's financial statements for the year ended 31 December 2024. These adjustments address corrections to prior period balances identified during the audit. Full details and disclosures related to these corrections are included in the December 2024 audited financial statements.
- b. **Convertible Loan Note Adjustment:** Following the correction of the opening balance of a convertible loan in the December 2024 audited accounts, a corresponding adjustment has been posted in the June 2024 interim accounts to ensure consistency. In addition, the Group had borrowed £1,444k as a short-term loan from a major shareholder. Due to a failure to repay this loan on the agreed terms, arrangement and break fees amounting to £2,357k were incurred. These fees were initially recognised in the profit and loss account in the June 2024 interim accounts. However, upon further review, it was determined that fees were unpaid and will be paid with loan hence should have been capitalised as part of the loan. A further adjustment has been made in line with the updated loan calculation presented in the audited December 2024 accounts. As a result, a previously recognised foreign exchange gain of £222k has been reversed, and interest accruals have been reduced by £153k to reflect the corrected treatment.
- c. **Kaipola Lease Discount Rate Update:** The lease liability for Kaipola was initially measured using the Group's general borrowing rate of 10 per cent., applied at the time of acquisition. In accordance with IFRS requirements, this has been updated to reflect Kaipola's specific incremental borrowing rate of 6.27 per cent. The revised calculation has been incorporated into the December 2024 audited financial statements, and the corresponding restatement has been reflected in the June 2024 interim financial statements.
- d. **Dravacel Intercompany Elimination Correction:** Dravacel Energetika d.o.o. ("Dravacel"), a 90 per cent.-owned subsidiary, was included in the Group's consolidated financial statements as at June 2024. Dravacel entered liquidation on 20 November 2024, was deconsolidated thereafter, and had no activity post-June. Following the publication of the interim accounts, profit or loss corrections were identified, including a £23k overstatement of asset additions, now adjusted. As Dravacel's capitalised assets were fully impaired during the year, this correction has been reflected in the restated June 2024 accounts. Additional expense reclassifications and adjustments have also been made.

A balance sheet correction was also required, as certain intercompany invoices had been misclassified under trade creditors, resulting in incomplete elimination of intercompany balances. These discrepancies have now been corrected in the restated interim financial statements.

- e. **Interest Accrual Correction:** Accrued interest on other loans was omitted from the originally published June 2024 interim financial statements. This has now been corrected and reflected in the restated version.
- f. **Land FX Translation Reversal – Dravacel:** In accordance with the Group's accounting policy, land assets are held at historical cost. Dravacel, a 90 per cent. subsidiary, had previously translated land balances at the closing foreign exchange rate. This has now been reversed to align with the Group's policy, and the correction has been included in the June 2024 restated financials.
- g. **Kaipola Goodwill – Pre-acquisition Losses** – A minor pre-acquisition loss of £3k relating to Kaipola was omitted when initially calculating goodwill. This adjustment has been processed in the December 2024 audited accounts and is now reflected in the restated June 2024 interim financial statements.

- h. **Cost Reallocation** – In the previously published June 2024 interim accounts, depreciation and amortisation expenses were included within “Other expenses.” These have now been reclassified and are presented separately to enhance clarity and align with the presentation in the audited financial statements.

BOX 1 – Consolidated Statement of Profit or Loss

		a. Convertible Loan Note Adjustment	b. Kaipola Lease Update	c. Dravacel Correction	d. Interest Accrual Correction	e. Cost Reallocation	Restated Jun 24
	Original Jun 24						
Costs of material	(170)						(170)
Other expenses	(3,078)	2,135		30		19	(894)
Depreciation and amortisation			(11)			(19)	(30)
Impairment of financial assets	(4,470)			23			(4,447)
Operating loss	(7,718)	2,135	(11)	53	–	–	(5,541)
Finance costs	(634)	153	72	–	(28)		(437)
Loss before income taxes	(8,352)	2,288	61	53	(28)	–	(5,978)
Tax expense							
Loss for the period	(8,352)	2,288	61	53	(28)	–	(5,978)
NCI share of loss	488		(6)				482
Total comprehensive loss	(7,864)	2,288	55	53	(28)	–	(5,496)

BOX 2 – Consolidated Statement of Financial Position (extract)

		a. Included in Dec 24 Audited Accounts	b. Convertible Loan Note Adjustment	c. Kaipola Lease Update	d. Dravacel Correction	e. Interest Accrual Correction	f. Land FX Translation Reversal	g. Kaipola Goodwill – Pre- acquisition Losses	Restated Jun 2024
	Original Jun 24								
Non – current assets									
Property, plant and equipment	3,436			(2,836)			12		612
Right-of-use assets	–			4,422					4,422
Intangible Assets	16,142							3	16,145
	19,578	–	–	1,586	–	–	12	3	21,179
Current assets									
Cash and cash equivalents	742								748
Trade and other receivables	558								558
	1,300	–	–	–	–	–	–	–	1,300
Total assets	20,878			1,586			12	3	22,479
Capital and reserves									
Share Capital account	25,268	10,093							35,361
Equity component of convertible instruments	4,350	(1,657)	(312)						2,381
Accumulated deficit	(26,495)	(11,331)	2,288	56	71	(28)	12	3	(35,424)
Shares Subscription Reserve	–	15							15
Non-controlling Interest	(506)	54		6					(446)
	2,617	(2,826)	1,976	62	71	(28)	12	3	1,887
Non-Current liabilities									
Lease liabilities	2,998			1,524					4,522
Current liabilities									
Borrowings	11,142	2,926	(1,976)			28			12,120
Trade and other payables	4,121	(100)			(71)				3,950
	18,261	2,826	(1,976)	1,524	(71)	28	–	–	20,593
Total liabilities	20,878	–	–	1,586	–	–	12	3	22,479

8. BUSINESS COMBINATIONS

German Geothermal Development Structure

During the period, the Group entered into an agreement to establish a new investment structure in Germany focused on the development of geothermal energy assets. The arrangement involved the creation of a holding entity and underlying project companies to progress three geothermal projects.

a. **Structure and Purpose**

In March 2025, the Cindrigo Geothermal Limited a 100 per cent. subsidiary of the Company entered into an investment agreement with Zukunft Geowärme GmbH ("ZGG") a company incorporated in Guernsey to establish a German holding company ("German HoldCo") for developing three geothermal projects via dedicated SPVs. Each SPV will hold exploitation rights in respect of an individual project and are wholly owned by German HoldCo.

b. **Ownership and Governance**

The new German holding company has been incorporated with 85 per cent. ownership by the Group (via its wholly owned subsidiary, Cindrigo Geothermal Limited – "CGL") and 15 per cent. by ZGG it's development partner. The geothermal licences required for these projects are held by ZGG and are due to expire between September and November 2025. Applications have been made to extend the term of the licences. The Group will maintain operational control over each project through the SPVs. A shareholders' agreement has been entered into to govern the rights and obligations of each party once the licences terms have been extended.

c. **Current Status and Accounting Treatment**

As of 30 June 2025, incorporation of the new German holding company and SPVs has been completed. No investment has yet been recognised. Once control is obtained, the Group will evaluate the transaction under IFRS 3.

d. **Call Option on ZGG Shareholding**

The Group has a call option to acquire 100 per cent. of ZGG for €600,000, exercisable during the period from the Company's Admission and for 18 months thereafter. An option fee of €75,000 (£63,857) has been paid. The option is classified as a derivative under IFRS 9 and will be measured at FVTPL. Fair value assessment has been deferred to year-end due to limited valuation inputs.

e. **Contingent Liabilities – BEW and KfW Funding Entitlements**

Under the investment agreement, milestone bonuses of up to €1 million per project are payable to ZGG's shareholder if each project secures at least €15 million of German federal funding (e.g., BEW/KfW). A *pro-rata* bonus applies for funding between €10 million to €15 million. An additional €5 million per project is payable if, post-completion, average output across all three plants meets or exceeds 22 MW. These are contingent on future events, and no liabilities are recognised as of 30 June 2025.

9. BUSINESS SEGMENTS

For the purpose of IFRS 8 Operating Segments, the Group's Chief Operating Decision Maker ("CODM") is the Board of Directors. The Board is responsible for making strategic decisions, allocating resources, and assessing performance. The Directors consider that the Group operates as a single operating segment, focused on the development and operation of renewable energy projects. As such, no additional segmental information is presented.

10. REVENUE

For the six-month period ended 30 June 2025, the Group did not generate any revenue from operations. Although the Kaipola waste-to-energy plant in Finland is operationally ready, it is currently awaiting the commencement of operations by its offtake partner, a nearby pellet manufacturing facility, which will trigger the start of energy deliveries under the existing agreement.

Revenue recognised in the year ended 31 December 2024 also related to the Kaipola plant, during a limited period of initial operations.

11. OTHER INCOME

In April 2024, the Group completed the acquisition of the issued share capital of Kaipolan Energie Oy, a Finnish company that holds the lease of the Kaipola waste-to-energy plant. As part of the purchase consideration, a portion of the total acquisition price was agreed to be settled as deferred consideration, payable at a later date under the original share purchase agreement.

Subsequent to the initial agreement, both parties agreed to amend the terms of the deferred consideration. Under the revised terms, the Group was granted a discount for early settlement. The amount representing this discount forms part of the maximum earn-out, which is disclosed in the Contingent Liabilities note. The Group made the payment within the early settlement window.

The discount has been recognised as a gain in the income statement for the period, reflecting the reduction in the liability due to the negotiated early payment terms. This gain is presented within *other income*. A summary of the deferred consideration payable, the amount actually paid, and the discount received:

<i>Description</i>	<i>Amount €'000</i>	<i>Amount £'000</i>
Amount payable	1,147	1,035
Amount Paid	(1,030)	(866)
Foreign Exchange gain	–	(70)
Discount received	117	99

12. ADMINISTRATIVE EXPENSES

		<i>30 Jun 25 £'000</i>	<i>30 Jun 24 £'000 (Restated)</i>	<i>31 Dec 24 £'000</i>
	<i>Note</i>			
Consultancy Costs	a.	403	501	1,729
Legal and professional fees	b.	401	104	352
Share option expense	c.	228	–	674
Travelling		105	80	140
IR, Communication and Marketing	d.	77	20	103
Other administrative costs		71	172	191
Wages and social security	e.	292	17	29
Project Kaipola – Operating Expenses	e.	283	–	–
Project Germany – Planning and Development cost	f.	31	–	–
Loss on parent's settlement of ex-subsidary debt	g.	–	–	62
		<u>1,891</u>	<u>894</u>	<u>3,280</u>

- a. Consultancy Costs:** One-off 2024 increase due to consultant bonus (settled in shares in H2 2024).
- b. Legal and Professional Fees:** Includes £364K of listing-related legal and professional services in June 25.
- c. Share Option Expense:** Arises from fair value accounting of options granted during H2 2024.
- d. IR, Communication and Marketing:** The increase in this category reflects higher investor relations, communication, and marketing activities as the Group advances its listing process.
- e. Kaipola-related Expenses:** These costs relate to Kaipola in 2025. In 2024, when the plant was under repair, expenses were minimal and capitalised as development expenditure.

f. Project Planning and Development: These expenses relate to services for the Group's German geothermal projects. As the project SPVs are not yet incorporated, invoices were paid by Cindrigo Limited and recorded in its profit and loss, with costs to be recharged once the SPVs are formed.

g. Debt Settlement: Reflects loss on settlement of ex-subsidary liabilities by the parent in December 24.

13. FINANCE INCOME

As disclosed in Note 19 to the financial statements (see Table 2, Note 16 for details on these convertible notes), the £40K gain relates to loan notes originally issued in 2018 by Cindrigo Inc. (later renamed Cindrigo Energy Limited), subsequently acquired by the Group. These loan notes were cancelled on 31 January 2025 and replaced with new notes. As confirmations from certain lenders were not received, the related debt has been derecognised and recognised as finance income (gain on debt extinguishment).

14. PROPERTY, PLANT AND EQUIPMENT

	<i>Land £'000</i>	<i>Assets under construction £'000</i>	<i>Machinery and equipment £'000</i>	<i>Furniture and other movables £'000</i>	<i>Development/ Upgrade cost £'000</i>	<i>Total £'000</i>
Gross carrying amount						
As at 1 Jan 2025			73	2	632	707
Additions			242			242
Disposal						
At 30 Jun 2025	–	–	315	2	632	949
Depreciation and Impairment						
As at 1 Jan 2025			(19)	–	–	(19)
Depreciation			(29)		(32)	(61)
At 30 Jun 2025	–	–	(48)	–	(32)	(80)
Carrying amount 30 Jun 25	–	–	267	2	600	869
	<i>Land £'000</i>	<i>Assets under construction £'000</i>	<i>Machinery and equipment £'000</i>	<i>Furniture and other movables £'000</i>	<i>Development/ Upgrade cost £'000</i>	<i>Total £'000</i>
Gross carrying amount						
As at 1 Jan 2024	612	1,532				2,144
Additions (See Note 7d)		2,915				2,915
Disposal						
At 30 Jun 2024	612	4,447				5,059
Depreciation and Impairment						
As at 1 Jan 2024						
Depreciation						
Impairment (See Note 7d)	–	(4,447)				(4,447)
At 30 Jun 2024	–	(4,447)				(4,447)
Carrying amount 30 Jun 24 (Restated)	612	–	–	–	–	612

	Land £'000	Assets under construction £'000	Machinery and equipment £'000	Furniture and other movables £'000	Development/ Upgrade cost £'000	Total £'000
Gross carrying amount						
As at 1 Jan 2024	612	1,532	–	–	–	2,144
Additions		2,915	73	2	632	3,622
Disposal – liquidation of subsidiary	(612)					(612)
At 31 Dec 2024	–	4,447	73	2	632	5,154
Depreciation and Impairment						
As at 1 Jan 2024	–	–	–	–	–	–
Depreciation			(19)			(19)
Impairment		(4,447)				(4,447)
At 31 Dec 2024	–	(4,447)	(19)	2	–	(4,466)
Carrying amount 31 Dec 24	–	–	54	2	632	688

15. LEASING

Right-of-use assets – Leased Plant – Reconciliation of Carrying Amounts

	30 Jun 2025 £'000	30 Jun 2024 (Restated) £'000	31 Dec 2024 £'000
Gross carrying amount			
Opening balance	4,378		
Additions		4,452	4,452
Disposal			
Closing balance	4,378	4,452	4,452
Accumulated Depreciation			
Opening balance			
Depreciation for the period	(44)	(30)	(74)
Closing balance	(44)	(30)	(74)
Net Carrying Amount	4,334	4,422	4,378

Lease liability

	30 Jun 2025 £'000	30 Jun 2024 (Restated) £'000	31 Dec 2024 £'000
Opening balance	4,565		–
Add : Lease additions (PV of future payments)		4,452	4,452
Add : Accretion of interest	143	70	113
Less : Lease payment(O/s creditors)	(150)		(100)
Add : Pre-operation lease payment capitalised			100
Closing balance	4,558	4,522	4,565

Lease liabilities are presented in the interim condensed consolidated statement of financial position within borrowings as follows:

	30 Jun 2025	30 Jun 2024 (Restated)	31 Dec 2024
	£'000	£'000	£'000
Current	15	–	14
Non-current	4,543	4,522	4,551
	<u>4,558</u>	<u>4,522</u>	<u>4,565</u>

Kaipola holds a lease over a WtE plant located in Kaipola, Finland. Kaipola entered into a 50-year lease (the “Lease”) in respect of the plant prior to its acquisition by the Group in April 2024.

The Lease is recognised in the consolidated statement of financial position as a right-of-use asset and a corresponding lease liability in accordance with IFRS 16. Under the terms of the Lease, a fixed rent of €30,000 per month is payable, covering up to 50 per cent. of the plant’s production capacity. In addition, a variable rent of up to €70,000 per month may be payable based on performance exceeding 50 per cent. output. However, for the purposes of measuring the right-of-use asset and lease liability at inception, only the fixed lease payments have been included. The variable component is excluded as it is contingent on future production levels and is therefore recognised as an expense in the period in which it is incurred.

16. GOODWILL

	30 Jun 2025	30 Jun 2024 (Restated)	31 Dec 2024
	£'000	£'000	£'000
Gross carrying amount			
Balance at beginning of period	15,533	–	–
Acquired through business combination	–	16,145	16,145
Discount adjustment	–	–	(612)
Net exchange difference	(152)	–	–
Balance at end of the period	<u>15,381</u>	<u>16,145</u>	<u>15,533</u>
Accumulated impairment			
Balance at beginning of period	–	–	–
Impairment loss recognised	–	–	–
Balance at end of the period	<u>–</u>	<u>–</u>	<u>–</u>
Carrying amount at end of the period	<u>15,381</u>	<u>16,145</u>	<u>15,533</u>

¹¹ The acquisition was completed in May 2024. Goodwill was initially recognised in the interim accounts using the exchange rate as at 30 June 2024, which is why there is no foreign exchange difference reflected for the six months ended 30 June 2024. Please also refer to Note 7(g) for details of the minor change in the goodwill figure, which has been tagged as restated in the comparative column.

No impairment testing has been performed for the goodwill balance as of 30 June 2025. The underlying project has not yet commenced operations. Specifically, the planned revenue streams are dependent on the start of operations by the pellet buyer, which has not yet occurred as of the reporting date.

Once further details regarding operational commencement and updated financial projections become available, a formal impairment assessment will be undertaken in accordance with IAS 36.

17. TRADE AND OTHER RECEIVABLES

	<i>As at</i> <i>30 Jun 2025</i> <i>£'000</i>	<i>As at</i> <i>30 Jun 2024</i> <i>£'000</i>	<i>As at</i> <i>31 Dec 2024</i> <i>£'000</i>
Prepayments and accrued income	31	42	32
Trade debtors	106	–	105
Other debtors	346	516	276
Total	<u>483</u>	<u>558</u>	<u>413</u>

18. SHARE CAPITAL

	<i>Number of shares</i>	<i>Share capital</i> <i>account</i> <i>£'000</i>
<i>Issued and fully paid</i>		
Opening balance (Restated)	142,041,530	22,583
- Share issue, Kaipola acquisition	13,636,364	12,778
At 30 Jun 2024	155,677,894	35,361
- Share issue, open offer	59,271,431	3,556
- Transaction costs, Placing fees		(557)
At 31 Dec 2024	214,949,325	38,360
- Share issue, open offer	48,022,790	2,880
- Transaction costs, Placing fees		(24)
At 30 Jun 2025	<u>262,972,115</u>	<u>41,216</u>

19. BORROWINGS

	<i>As at</i> <i>30 Jun 2025</i> <i>£'000</i>	<i>As at</i> <i>30 Jun 2024</i> <i>£'000</i> <i>(Restated)</i>	<i>As at</i> <i>31 Dec 2024</i> <i>£'000</i>
Current			
Loan notes	285	11,264	–
Other loans	–	856	390
	<u>285</u>	<u>12,120</u>	<u>390</u>
Non-current			
Loan notes	13,411	–	10,590
Total	<u>13,696</u>	<u>12,120</u>	<u>10,980</u>

During the year ended 31 December 2024, the Group undertook a loan restructuring exercise whereby multiple existing loan agreements were consolidated into a single loan facility. As a result of this restructuring, the repayment terms were renegotiated, and the maturity date of the consolidated loan now falls beyond 12 months from the reporting date. Accordingly, the outstanding balance of the restructured loan has been classified as a non-current liability as at 31 December 2024 and 30 June 2025, whereas in the prior period, the individual loan balances were classified as current. Detailed breakdown and details of loan notes are as follows.

Table 1 – Loan notes (Debt components)

	Note 1	Note 2	Note 3	Note 4	Note 5	Note 6	Non-current							Current							Total				
							Note 7	Note 8	Note 9	Note 10	Note 11	Note 12	Note 13	Note 14A	Note 14B	Note 15	Note 16								
Balance as at 1 December 2024	691	484	423	1,025	933	790	849	527	367	754	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,843
Issue of Note																									
Finance Charge	17	12	11	26	24	19	21	21	9	18	2,757	1,255	26	57	23										4,012
FX gain/loss	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	329
																									80
Balance as at 30 June 2024	708	496	434	1,051	957	809	870	548	376	772	2,940	1,304	-	-	-	-	-	-	-	-	-	-	-	-	11,264
Finance Charge	17	12	10	26	24	9	11	10	5	10	71	31	61	(28)	(64)										329
FX gain/loss																									(130)
Fair Value Gain/Loss on Derecog.						(2)	692	(12)	40	86	10	(16)													798
Restructuring of Loan (Note 12)						(816)		(546)			(2,885)	(1,291)	5,538												0
Restructuring of Loan (Note 13)							(1,573)		(421)	(868)	(72)														0
Equity Component of Conv. Loan																									(1,671)
Balance as at 31 December 2024	725	508	444	1,076	980	-	-	-	-	-	-	-	4,035	1,333	1,489	-	-	-	-	-	-	-	-	-	10,590
Finance Charge	18	13	11	27	25								126	21	47	16	311	7							311
FX gain/loss														17											17
New Loan																									2,778
Balance as at 30 June 2025	743	521	455	1,103	1,005	-	-	-	-	-	-	-	4,161	1,371	1,536	2,516	285								13,696

Table 2 – Summary of Convertible Loan Note Terms

Note Ref	Instrument Name / Series	Investor / Party	Principal	Issue Date	Maturity	Effective Interest Rate	Coupon rate	Convertible?	Conversion Price
Note 1	Series 2 (unsecured, zero-coupon, convertible and transferable loan notes)	Yang Jun	£1,000,000	30 Jul 2021	30 Jul 2031	5%	NA	Yes	£0.5458
Note 2	Series 1 (unsecured, zero-coupon, convertible and transferable loan notes)	YA II PN, Ltd	£700,000	30 Jul 2021	30 Jul 2031	5%	NA	Yes	£0.6417
Note 3	Series 3 (unsecured, zero-coupon, convertible and transferable loan notes)	Danir AB	£612,260	30 Jul 2021	30 Jul 2031	5%	NA	Yes	£0.10
Note 4	Series 4 (unsecured, zero-coupon, convertible and transferable loan notes)	Danir AB	£1,575,000	22 Oct 2021	22 Oct 2031	5%	NA	Yes	£0.10
Note 5	Nil Coupon Convertible Loan notes 2031	Danir AB	£3,800,900	9 Dec 2022	9 Dec 2032	5%	NA	Yes	£0.15
Note 6,8,11 and 12	Loans 6, 8, 11, and 12, as presented in Table 1 above, were merged under a new subscription agreement prior to 31 December 2024, as detailed in Note 13.	Danir AB	-	-	-	-	-	-	-
Note 7,9,10 and 11	Notes 7, 9, 10, and 11, including £72k of outstanding interest, were consolidated into Loan 14 under a revised agreement prior to 31 December 2024, as detailed in Note 13.	Danir AB	-	-	-	-	-	-	-
Note 13	Subscription agreement to subscribe 92,298,539 shares in exchange of loans	Danir AB	£5,537,912	3 Oct 2024	16 May 2034	6.27%	3%	Yes	£0.06
Note 14A	New Loan agreement 16 May 2025	Danir AB	€1,586,700	3 Oct 2024	31 Dec 2026	NA	3%	No	-
Note 14B	New Loan agreement 16 May 2025	Danir AB	£1,573,519	3 Oct 2024	31 Dec 2026	6.27%	3%	Yes	£0.70
Note 15	Bridge Loan Facility 16 May 2025	Danir AB	£2,500,000	16 May 2025	a. 16 December 2026 or b. As soon as Cindriago's Financial positional allows	NA	5%	No	-
Note 16	£306,599 unlisted, unsecured, 5 per cent. convertible and transferable loan notes 2027	Various lenders	£278,297	31 Jan 2025	a. Cash payment – 31 Dec 2027 b. Conversion to shares – Any time after Oct 2025	NA	5%	Yes	At the higher of £0.75 per share or a 25% discount to the 30-day VWAP.

20. TRADE AND OTHER PAYABLES

	As at 30 Jun 2025 £'000	As at 30 Jun 2024 £'000 (Restated)	As at 31 Dec 2024 £'000
Trade payable	519	470	395
Other payable	–	3,406	1,042
Accrued expense	106	74	88
Total	<u>625</u>	<u>3,950</u>	<u>1,525</u>

The major movement in Other Payables during the period relates to the deferred consideration for the acquisition of Kaipolan, which was fully settled by the end of the reporting period ended 30 June 2024. Refer to Note 11 for further details.

21. DERIVATIVE LIABILITY

	As at 30 Jun 2025 £'000
Convertible loan notes	–
Total	<u>–</u>

See Note 19 to the financial statements (Table 2, Note 16 for details on these convertible notes): The convertible loan note has no fixed conversion price and is convertible at the higher of £0.75 per share or a 25 per cent. discount to the 30-day VWAP. The instrument was assessed under the fixed-for-fixed criterion of IFRS 9, which it does not meet; accordingly, it is classified as a derivative financial liability and measured at fair value through profit or loss at the period end. Fair value is determined using a valuation model based on observable inputs. As the current share price is below the strike price at which the option is exercisable, the derivative has no intrinsic value at the reporting date. The derivative will continue to be remeasured at fair value at each reporting period and is exposed to equity price risk.

22. EARNINGS PER SHARE

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the ultimate parent company (Illustrative Corporation Ltd) as the numerator, ie no adjustments to profits were necessary during the six months ended 30 June 2025 and 30 June 2024 or the year ended 31 December 2024.

The weighted average number of shares for the purposes of the calculation of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	30 Jun 25 £'000	30 Jun 24 £'000 (Restated)	31 Dec 24 £'000
Weighted average number of shares used in basic earnings per share	243,912,120	148,859,712	152,097,735
Add : Shares to be issued			
- In respect convertible loan notes	148,350,304	57,280,702	147,979,241
- Under key management stock options	18,075,000	17,975,000	18,075,000
- To advisors	749,442	1,518,884	749,442
- Other	–	460,000	–
Weighted average number of shares used in diluted earnings per share	<u>411,086,866</u>	<u>226,094,298</u>	<u>318,901,418</u>

23. SHARE BASED PAYMENT

The Company operates a share-based payment scheme for key personnel. During the six-month period ended 30 June 2025, the Company recognised an expense in respect of the scheme in accordance with IFRS 2 Share-Based Payment. No new options were granted, no options were exercised, and no shares were issued under the scheme during the period.

Reconciliation to Share Option Reserve:

	<i>Amount £'000</i>
Opening balance	674
Add : Expense recognized in the year	229
Less: Lapsed/forfeited options	—
	<u>903</u>

24. SUBSEQUENT EVENTS

There are no subsequent events to report since 30 June 2025.

25. CONTINGENT LIABILITIES

As disclosed in the financial statements for the year ended 31 December 2024, the Group has an obligation under the Share Purchase Agreement with Amtroy OU (relating to the acquisition of the Kaipola plant) to make a potential earn-out payment contingent upon Kaipolan's financial performance. As at 30 June 2025, there have been no changes to the terms or the assessment of this arrangement. No liability has been recognised, as the outcome remains uncertain and dependent on future performance.

Further contingent liabilities relating to the new German acquisitions are disclosed in point 8(e) of these financial statements. These contingent liabilities primarily arise from earn-out and funding-related obligations associated with the geothermal projects acquired during the year.

26. NON-CASH ADJUSTMENT AND CHANGES IN WORKING CAPITAL

	<i>30 Jun 25 £'000</i>	<i>30 Jun 24 £'000 (Restated)</i>	<i>31 Dec 24 £'000</i>
Impairment of financial assets	—	4,447	5,488
Loan arrangement (Paid in shares)	—	—	1,553
Consultant bonus payments (Paid in shares)	—	—	775
Accrued finance cost	452	437	835
Share-based payment expenses	228	—	674
Fair value loss on restructured loan	—	—	287
Depreciation and amortisation	105	30	93
Gain on Debt Extinguishment	(40)	—	—
Gain on settlement of purchase consideration	(99)	—	—
Foreign exchange gains/losses	(49)	117	(49)
Total adjustment	<u>597</u>	<u>5,031</u>	<u>9,656</u>

27. RELATED PARTY TRANSACTIONS

Transactions with key management personnel

Key management of the Group are the executive members of board of directors. The following payments were made to directors or entities controlled by them during the period end:

	<i>30 Jun 2025</i>	<i>30 Jun 2024</i>	<i>31 Dec 2024</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Consultant fees	153,000	148,000	296,350
Directors Fees	44,125	51,063	85,750
Consultant Bonus	–	–	720,000
Share option expense	191,018	–	579,381
Expense reimbursement/payment	3,000	–	1,734
	<u>391,143</u>	<u>199,063</u>	<u>1,683,215</u>

28. ULTIMATE CONTROLLING PARTY

As at 30 June 2025, no one entity owns more than 50 per cent. of the issued share capital of the Company. Therefore, the Group does not have an ultimate controlling party.

SECTION (B) – AUDITED ACCOUNTS FOR THE CINDRIGO GROUP

Financial Year ended 31 December 2024

CINDRIGO HOLDINGS LIMITED

Annual Report and consolidated financial statements for the year ended 31 December 2024



GROUP INFORMATION

Directors

Jorgen Andersson (*Non-Executive Chairman*)
Lars Guldstrand (*Chief Executive Officer*)
Mustaq Patel (*Executive Director*)
Dag Andresen (*Chief Financial Officer*)
Jordan Oxley (*Independent Director*) – Resigned on 25 March 2024
Johan Glennmo (*Non-Executive Directors*) – Appointed on 25 March 2024
Alan Boyd (*Non-Executive Directors*) – Appointed on 27 June 2024
Jack Clipsham (*Non-Executive Directors*) – Appointed on 15 April 2025

Chief Legal Officer

Mark Taylor
104 Napier Court
Ranelagh Gardens
London
SW6 3XA

Registered Office

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

Registered Number

Incorporated in Guernsey with Registered No. 59383

Solicitors

McCarthy Denning Limited
70 Mark Lane
London
EC3R 7NQ

Auditors

Grant Thornton Limited
St James Place
St James Street
St Peter Port
Guernsey
GY1 2NZ

Financial Advisor and Corporate Broker

Capital Plus Partners
Fourth Floor
49 James Street
London
SW1A 1JT

Principal Bankers

Metro Bank Plc
1 Southampton Row
London
WC1B 5HA

Registrars

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

FINANCIAL REVIEW

Overview

The Cindrigo Holdings Limited (the “Company” or “Cindrigo”) and its subsidiaries (together the “Group”) reported a loss for the year ended 31 December 2024, primarily driven by administrative expenses, finance costs, and the write-off of a €5 million investment related to the Slatina 3 project in Croatia. Additionally, a small revenue was recorded from Kaipolan Energia Oy (“Kaipola”) for the year.

Loss for the year

During the year, the Group recorded a loss of £10,987k (2023 restated loss: £3,747k) and administrative expenses of £3,280k (2023: £1,651k). The increase in administrative expenses is primarily due to the key components: consultancy bonus payment of £775k and share option expense of £674k.

Impairment of financial assets of £5,488 (2023 restated: £2,057). This includes a total impairment charge of £5,567 relating to Dravacel Energetika Doo (“Dravacel”), which went into liquidation in November 2024. The impairment comprises a loss on derecognition of subsidiary of £1,184K, and impaired intercompany balances of £4,329k reflecting the full impairment of amounts due from the liquidated entity.

Finance costs for the year totalled £2,676k (2023 restated: £280k), which includes £1,553k for arrangement fees paid to Danir AB (“Danir”), representing the value of the 10 per cent. stake transfer in Kaipola as part of the loan financing arrangement. Additionally, £112k was recorded as interest on the lease liability, and £288k of losses were incurred related to the restructuring of loans with Danir, reflecting the fair value loss on the loan restructuring during the year. Loan Interest expense increased significantly from £280k in previous year to £835k in the current year primarily due to additional loans and financing activities.

Balance Sheet

As of 31 December 2024, the Group's total assets increased to £21,550k (2023: £3,357k), primarily reflecting the Kaipola acquisition and the associated recognition of goodwill (£15,533k) and right-of-use assets (£4,378k).

Total equity attributable to the equity holders of the Company increased to £4,477k (2023: £(4,913k)), reflecting the positive impact of the capital raised during the year and a successful equity offering. The Group's share capital increased to £38,360k (2023 restated: £22,583k), and the equity component of convertible instruments grew to £3,700k (2023 restated: £2,381k). Share option reserves of £674k (grants of options to employees and directors) and Share Subscription Reserve £1,356k (2023 restated – £15k) (funds received from investors for the future issue of equity shares in the Company) were also recognised.

The Group's non-current liabilities increased to £15,141k (2023: £nil), primarily due to the recognition of borrowings (£10,590k) and a lease liability (£4,551k) related to the Group's project financing and lease obligation under the Kaipola plant lease agreement. These liabilities are linked to long-term financing for the acquisition and development of renewable energy assets.

Current liabilities decreased to £1,932k (2023 restated: £8,270k), primarily due to a reduction in the Danir loan, which was restructured with changes to its loan terms, resulting in a shift from short-term to long-term liabilities. Trade and other payables increased to £1,525k (2023 restated: £603k), mainly due to the deferred consideration payable to Kaipola as a result of Cindrigo Limited's (“CL”) acquisition of Kaipola.

Cash flow

During the year, cash used in operations totalled £1,373k (2023 restated: £2,017k).

Closing cash

As at 31 December 2024, the Group held £375k (2023: £172k) in the bank accounts.

A handwritten signature in blue ink, appearing to read 'Dag Andresen', is positioned above the printed name and title.**Dag Andresen***Chief Financial Officer*

Date: 20 June 2025

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The present Board consists of Jorgen Andersson (Non-Executive Chairman), Lars Guldstrand (Chief Executive Officer), Dag Andresen (Chief Financial Officer) Mustaq Patel (Chief Commercial Officer), Johan Glennmo (Non-Executive Director), Alan Boyd (Non-Executive Director) and Jack Clipsham (Non-Executive Director). Details of the current Board are set out below.

Jorgen Andersson

Chairman

Appointed 1 October 2020

Jörgen Andersson has a broad background and knowledge of the energy sector from a business and a state policy perspective.

Prior to joining the board of Cindrigo Energy, where he served as its Chairman, Mr Andersson served as chairman of Vattenfall AB, a multinational power company owned by the Government of Sweden and was a board member of Sydkraft, now a subsidiary of the European electric utility company, E.ON SE which is traded on the Frankfurt Stock Exchange. Between 1976 and 1994, he served as mayor of Halmstads City and was a member of the Swedish government (Minister of Energy/Interior) from 1994 to 1999.

Lars Guldstrand

Chief Executive Officer

Appointed 7 September 2020

Lars Guldstrand has more than 35 years of executive and international investment experience in the energy, technology, telecom and media sectors.

During his career, Mr Guldstrand has held executive positions in a number of private and public companies in Europe, the United States, the Middle East and Africa. Mr Guldstrand is currently serving as the Chairman of Ellge Kapital I Stockholm AB and Bergasols Stiftelse.

Mr Guldstrand started his career in his family business between 1978-1992, thereafter, during 1992-1998 with Telia as CEO Din Del AB, Exec VP Marketing & Business Development for TeleMedia Group, CEO for Local Touch Co (USA), TeleMedia North America LLC (USA) and Telia InfoMedia International (Sweden & USA) (with Chairman position in many of its subsidiaries throughout in Europe (e.g. Germany, Poland, Austria, Netherlands, Denmark, Norway, Finland, Russia, Ukraine, Belarus, Estonia, Latvia, Lithuania). Between 1998-2003 he was CEO of Eniro AB (publ) and, between 2004-2007, he was Chairman Monetar Pensionsförvaltning AB (Sweden), Paynova AB (publ) (Sweden), European Directories/Maquiere Capital Scandinavia (Denmark) and Deputy Chairman Golden Pages (Israel). Between 2007-2013 he was CEO of KMW Renewable AB (Sweden), Chairman GKL Growth Capital AB (Sweden), Director Auriant Mining AB (Sweden) & Director Amari Mining (South Africa).

Dag Andresen

Chief Financial Officer

Appointed 3 November 2020

Dag Andresen has gained corporate and banking experience and held various managerial positions in this sector since 2000. Previous roles include Group CFO and First Senior Executive Vice President of Vattenfall (Sweden) and Executive Vice President & CFO at Vestas Wind Systems A/S (Denmark). He was also previously Head of Nordea Bank Business Area Transaction and Finance Banking and Group Chief Audit Executive. Mr Andresen was a director of Cindrigo Energy Limited ("CEL") from its establishment to its dissolution.

Mustaq Patel*Executive Director**Appointed 7 September 2020*

Mustaq Patel has served as a Director of the Company since September 2020 and as a director of Cindrigo Ltd since it was established. He is currently Cindrigo's Chief Commercial Officer and Director and was previously President of CEL from January 2018 to April 2019.

Mr Patel is currently also serving as a Director of Fitzrovia Consultancy Ltd (since 2016). During the period from 2009 to 2015, Mustaq Patel served as the Head of Corporate and Legal Affairs of Jumar Holdings Ltd and its UK subsidiary, Petromir Ltd. Mr Patel has a background in mergers and acquisitions and has acted for clients, including Hewlett Packard, Compaq, Ford Motor Company, Hutchinson Whampoa, Rank Organisation, Airbus and the Royal Bank of Scotland. He spent two years working for the Government of Brunei in the recovery and restructuring of assets for the Brunei Investment Agency. He has also served as an advisor to the World Health Organisation. Mr. Patel has a Business Studies Degree and CPE Legal Exams from the University of West London.

Johan Glennmo*Independent Non-Executive Director**Appointed 25 March 2024*

Johan Glennmo brings over 25 years of leadership experience in technology, business development, and entrepreneurship. He currently serves as Chairman of Danir AB, a position he has held since 2021. Danir, an entrepreneurial company (owned by the Dan Olofsson family of which Johan is a member) that is dedicated to developing its businesses and contributing to society through long-term commitment and community involvement. He holds a Bachelor of Science in Business Economics and Computer Science from the University of Tampa, where he graduated *Magna Cum Laude*.

Previously, Mr Glennmo was President of Danir from 2012 to 2021 and served as Vice President from 2006 to 2012. Before joining Danir, he held various leadership roles at Epsilon AB, including Vice President and Corporate Manager, where he oversaw multiple subsidiaries and managed IT operations. Johan Glennmo began his career as a systems engineer at Teleca Exallon AB and later took on roles in sales, marketing, and technical support within the IT sector.

Mr Glennmo is or has been a director at over 30 companies, including Cindrigo Holdings Limited, Sigma Connectivity Group AB, and Danir Development AB, among others. His extensive portfolio, showcasing his wide-ranging experience and leadership across a diverse set of industries.

Alan Boyd*Independent Non-Executive Director**Appointed 27 June 2024*

Alan Boyd has over 45 years of experience in technology, media, and intellectual property, excelling in startup, high-growth, and publicly listed companies across Europe, America, Australia, and Asia.

As the 32nd employee at Microsoft and its first Manager of Product Development, reporting directly to Bill Gates, Mr Boyd managed the development and played a key role in creating and launching flagship products like Microsoft Office, MS-DOS, Word, Excel, and Windows. He founded Microsoft's Acquisitions Group and established the company's Product Marketing structure, which contributed to Microsoft's long-term global market dominance.

After leaving Microsoft in 1986, Mr Boyd went on to invest in infrastructure and technology companies globally, whilst also advising government agencies including in the USA and China. As an advisor to the US Treasury Department, he acted as an Expert Witness in a number of court cases, using his extensive knowledge to provide a valuation of companies that held substantial Intellectual Properties and Assets. He became a technology advisor to China's State Council and co-founded several companies, including St Banks International Group and Smartcity Investments, focusing on smart city and technology development in Asia. He also advised on large-scale infrastructure projects like Singapore-Tianjin EcoCity and Gujarat International Financial TechCity.

Mr Boyd has held non-executive director roles in Information Technology, Artificial Intelligence, CleanTech, and Financial Services sectors in the UK, USA, Australia, and China. He is currently the Founder and Chairman of Metadventures Global, a venture capital firm focused on WEB3 technologies, and advises the World Smart City Forum.

Mr Boyd holds a degree from Bath University, England, and remains active in smart city and advanced technology initiatives worldwide.

Jack Clipsham

Independent Non-Executive Director

Appointed 15 April 2025

Jack is a corporate finance specialist with over 35 years of experience, across a wide variety of business sectors, in both Advisory (Strategic Development, M&A, raising debt and private equity, MBOs) and Transaction Services (pre-acquisition/investment due diligence, pre-lend reviews) and he has acted on over 40 Capital Market IPOs as Reporting Accountant, often assisting the companies to prepare for their IPO. He is currently assisting a company through an RTO and will become an NED of the Listco on its completion.

He has built successful teams for BDO, Mazars (as Head of Corporate Finance AsiaPac, based in Hong Kong), and Kreston Reeves, during which time he was also founder and Chair of the Kreston International Network, Corporate Finance Group. He is currently Senior Consultant to K3 Advantage, part of the K3 Group. In addition, he has acted as Group CFO of a Malaysian founded and funded Med-Tech business and as NED and Chair of the Audit Committee for Totally Plc, an AiM Listed Healthcare Group.

DIRECTORS' REPORT

The Directors present their report with the consolidated financial statements of the Group for the year ended 31 December 2024.

The Group's Ordinary Shares were listed on the London Stock Exchange in 2015 under a Standard Listing but subsequently the listing was cancelled. The Group is currently progressing plans to seek a new listing.

Principal Activities

Cindrigo was formed originally to undertake acquisitions in the entertainment and leisure sectors with a particular focus on the attractions sector.

The subsequent acquisition of CEL was expected to involve renewable energy projects in the Ukraine built on cooperation with China Energy and a broad Swedish expertise and experience in the waste to energy and biomass energy sector. Implementation of these expectations have been prevented by the Russian invasion of Ukraine.

The Group is currently engaged in the development and operation of renewable energy projects, focusing on waste-to-energy ("WtE") and geothermal heat and power generation. The Group's principal asset is a 90 per cent. stake in Kaipola, a 110 MW combined heat and power plant (the "Plant") located in Finland, acquired in April 2024, which is expected to commence commercial operations in 2025. This plant is projected to provide consistent baseload electricity and heat, leveraging local and national demand in Finland for sustainable energy solutions. In March 2025, Cindrigo engaged a leading internationally recognised engineering and advisory firm to prepare an expert valuation report of Kaipola. The valuation was conducted using the estimated depreciated value of the plant's underlying assets and operations, net of estimated disposal costs and concluded with a total assessed value of €84,800k.

In furthering the Group's renewable energy portfolio, on 3 March 2025, Cindrigo's subsidiary, Cindrigo Geothermal Limited ("CGL"), entered into an investment agreement in respect of three geothermal projects under assessment in the Upper Rhine Valley, Germany, a region renowned for its geothermal potential. As the investment agreement was notarised and signed in March 2025, no investments related to these projects were recognised in the consolidated financial statements as of 31 December 2024.

The Company holds an 85 per cent. interest in the geothermal licences through its wholly owned subsidiary, CGL. As the Company owns 100 per cent. of CGL, the Group effectively holds an 85 per cent. majority interest in the licences for these projects. The licences are due for renewal between September and November 2025, with existing terms set to expire between September and November 2025. Under the terms of the investment agreement, Cindrigo has agreed to provide funding to Zukunft Geothermie GmbH ("ZGG"), the licence holder, with the total contribution limited to a maximum of €900k across all three licences. ZGG is not required to pre-fund any expenses related to the renewal process, and no further material project funding from Cindrigo will be committed until the licences are successfully extended.

These efforts aim to optimise its ability to achieve growth in these markets, aligning with the Group's strategy to become a significant developer and provider in the European renewable energy sector. Through strategic acquisitions, government partnerships, and renewable technology innovations, the Group seeks to deliver sustainable growth and create long-term value for its shareholders for geothermal development (the 'Acquisition').

Review of Business in the Year

The Group's strategy is to be an active renewable energy developer, coordinating project owner with outsourced construction and operation supported by world class partners, both sub and on-surface. Development is based on proven technology with a modular, replicable expansion.

The Group's aim is to build a broad diversified portfolio of clean energy projects in various renewable energy sectors, with a special focus on the geothermal sector. The Group's aim is to have contracts in place for geothermal power plant projects with up to 200 MW of contracted capacity within a year, up to 450 MW within three years and 1000 MW by 2030, in parallel with clean energy assets in other energy sectors.

The Group has also entered into a framework agreement with Kaishan Group ("Kaishan"), an internationally recognised engineering and equipment supplier. Under this agreement, Kaishan will provide engineering, construction, and equipment on extended commercial terms. As part of the arrangement, Kaishan has been granted preferred partner status and holds both a right of first refusal and a right to match on all future requests by the Group for services and equipment. This partnership is expected to support the efficient and consistent delivery of the Group's expanding project pipeline.

Further information on the Group's operations and financial performance can be found in the Financial Review on pages 4 to 5.

Principal Risks and Uncertainties

The primary business risk is that the project financing and/or development of the Group's geothermal projects are delayed or not achieved.

Other significant and material risk is the commencement of production and development of its combined heat and power plant in Finland. The Kaipola Plant has never operated as a commercial stand-alone business, so the Group's current business model for the Kaipola Plant is untested. The Kaipola Plant currently has only one principal heat customer for the production of combined heat and power, who is in the process of constructing its factory, planned to be ready and then starting to buy heat during 2025. Such reliance on one customer does significantly increase the revenue concentration risk for the Group.

The Group's Germany geothermal operations are dependent on the extension of the licences for the three potential exploration areas in the Upper Rhine Valley which otherwise expire in September 2025 and November 2025 (the cost of licence renewal is €300k per project). The lack of any licence, permit or consent required for the current or proposed activities and development of the Group will restrict or delay those activities which may reduce cash flow. Furthermore, such delays may result in additional costs, as certain fixed or ongoing expenses may continue to be incurred even if operations are temporarily suspended.

DIRECTORS

The Directors of the Company during the year and their beneficial interest in the Ordinary shares of the Company at 31 December 2024 were as follows:

<i>Director</i>	<i>Position</i>	<i>Appointed</i>	<i>Resigned</i>	<i>Ordinary Shares</i>	<i>Options</i>
Lars Guldstrand	CEO	07/09/2020	–	14,702,845	7,500,000
Mustaq Patel	Executive Director	07/09/2020	–	2,337,469	2,150,000
Jorgen Andersson	Non-Executive Chairman	01/10/2020	–	6,980,078	2,900,000
Dag Andresen	CFO	03/11/2020	–	250,000	2,150,000
Jordan Oxley	Executive Director	01/01/2021	25/03/2024	–	–
Johan Glennmo	Non-Exec Director	25/03/2024	–	–	300,000
Alan Boyd	Non-Exec Director	27/06/2024	–	–	300,000
Jack Clipsham	Non-Exec Director	15/04/2025	–	–	–

Substantial shareholders

As at 31 December 2024, the total number of issued Ordinary Shares with voting rights in the Company were 214,949,325. An additional 22,356,651 shares issued during the year remain to be registered, with Avenir currently in the process of completing the shareholder registration and issuing these shares.

As at 15 April 2025, the Company had the following shareholdings in excess of 5 per cent. of the issued share capital:

- HSBC Global Custody Nominee (UK) Limited – 42,085,179 shares (whereof Danir AB, is the registered holder of 41,238,720 shares) (16.1 per cent.)
- Security Services Nominees Limited – 23,877,300 shares (9.1 per cent.)
- Lars Guldstrand beneficiary ownership through company – 14,702,845 (5.6 per cent.)
- Amtroy OÜ – 14,325,518 (5.5 per cent.)

Financial instruments

Details of the use of financial instruments by the Group are contained in note 18 of these consolidated financial statements.

Dividends

The Directors do not recommend the payment of a dividend for the year ended 31 December 2024. No dividend was proposed for the year ended 31 December 2023.

Going concern

The financial information has been prepared on the assumption that the Group will continue as a going concern. Under this assumption, the Group is considered to be operating for the foreseeable future, with no intention or requirement to liquidate, cease trading, or seek protection from creditors under any applicable laws or regulations.

In evaluating the appropriateness of the going concern assumption, the Directors have considered all relevant information available for the foreseeable future, and in particular for the period of at least twelve months from the date of approval of this financial information.

To preserve cash resources, the Group retains the flexibility to reduce certain costs, principally consulting fees payable to senior executives.

The Directors have prepared detailed cash flow forecasts through to June 2026. Based on these forecasts and taking into account the Group's current financial position, the Directors are confident that the Group has sufficient working capital to continue operating as a going concern for the forecast period.

Subsequent to the year end, the Group received an additional £2.5 million in funding from Danir to further support its cash flow and working capital requirements.

The Directors' objective in managing capital is 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 has been financed through a combination of equity and convertible notes. Going forward, 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.

Auditors

Macalvins Audit Limited resigned as the Group's auditor 4 February 2025, and Grant Thornton Limited was subsequently appointed. Grant Thornton Limited has expressed their willingness to continue in office, and a resolution for their reappointment will be proposed at the forthcoming Annual General Meeting.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the annual report and the consolidated financial statements in accordance with applicable law and regulations.

The Companies (Guernsey) Law, 2008 (as amended) requires the directors to prepare consolidated financial statements for each financial year. Under that law the directors have elected to prepare the consolidated financial statements in accordance with IFRS Accounting Standards ("IFRSs") as adopted by the European Union ("EU") and applicable law.

Under Companies (Guernsey) Law, 2008 (as amended), the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss for that period. In preparing these consolidated financial statements, the directors are required to:

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- Prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the consolidated financial statements comply with the Companies (Guernsey) Law, 2008 (as amended). They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

They are further responsible for ensuring that the Directors' Report and other information included in the Annual Report and Consolidated financial statements is prepared in accordance with applicable law in Guernsey.

The maintenance and integrity of the Company's website is the responsibility of the Directors.

The consolidated financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation taken as a whole.

Statement as to Disclosure of Information to Auditors

So far as each of the Directors is aware, there is no relevant audit information of which the Group's auditor is unaware, and each has taken all the steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.



Lars Guldstrand
Director & CEO

Date: 20 June 2025

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CINDRIGO HOLDINGS LIMITED

Opinion

We have audited the consolidated financial statements of Cindrigo Holdings Limited (the "Company") and its subsidiaries (together, the "Group") for the year ended 31 December 2024, which comprise the consolidated statement of comprehensive income, the consolidated statements of financial position, the consolidated statements of changes in equity, the consolidated cash flow statements, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended;
- are in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"); and
- comply with the Companies (Guernsey) Law, 2008.

Emphasis of matter – restatement of comparative information

We draw attention to Note 5 to the consolidated financial statements, which explains that certain comparative figures presented for the year ended 31 December 2023 have been restated. The restatement was made to the prior year's accounting treatment of certain loan arrangements, intercompany balances, share capital and retained earnings balances in order to bring them into line with the requirements of IFRSs as issued by the IASB. Our opinion is not modified in respect of this matter.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable law. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Guernsey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The consolidated financial statements of the Group for the year ended 31 December 2023, were audited by another auditor who expressed an unmodified opinion on those statements on 22 March 2024.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of directors for the consolidated financial statements

The directors are responsible for the preparation of the consolidated financial statements which give a true and fair view in accordance with IFRS as issued by the IASB, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

We have nothing to report in respect of the above.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Group; or
- the consolidated financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations, which to the best of our knowledge and belief, are necessary for the purposes of our audit.



Grant Thornton Limited

Chartered Accountants
St Peter Port, Guernsey

Date: 26 June 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Year ended 31 December 2024	Year ended 31 December 2023 (Restated)
	Notes	£'000	£'000
Revenue	8	85	–
Other income	9	–	226
Costs of material		(5)	
Administrative expenses	10	(3,280)	(1,651)
Depreciation, amortisation and impairment		(93)	–
Impairment of financial assets	11	(5,488)	(2,057)
Operating loss		(8,781)	(3,482)
Finance costs	22	(2,676)	(280)
Loss before income taxes		(11,457)	(3,762)
Income tax expense	26	(3)	–
Loss for the year from continuing operations		(11,460)	(3,762)
Share of loss attributable to non-controlling interest		473	15
Loss for the year		(10,987)	(3,747)
Loss per share:			
Basic from continuing operations	27	(0.051)	(0.026)
Diluted from continuing operations	27	(0.029)	–
OTHER COMPREHENSIVE INCOME:			
Items that will be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		(9)	–
Total comprehensive loss for the year		(10,996)	(3,747)

All items in the above statement are from continuing operations.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 31 December 2024 £'000	As at 31 December 2023 (Restated) £'000	As at 1 January 2023 (Restated) £'000
	Notes			
Assets				
Non-current assets				
Property, plant and equipment	13	688	2,144	622
Right-of-use assets	14	4,378	–	–
Goodwill	15	15,533	–	227
Total non-current assets		<u>20,599</u>	<u>2,144</u>	<u>849</u>
Current assets				
Cash and cash equivalents	17	375	172	690
Inventories	18	163	–	–
Trade and other receivables	19	413	1,041	402
Total current assets		<u>951</u>	<u>1,213</u>	<u>1,092</u>
Total assets		<u><u>21,550</u></u>	<u><u>3,357</u></u>	<u><u>1,941</u></u>
Equity and liabilities				
Capital and reserves				
Share Capital	16	38,360	22,583	22,581
Shares Subscription Reserve	16a	1,356	15	15
Equity Component of Convertible Instruments	20	3,700	2,381	2,029
Share Option Reserve	24	674	–	–
Retained deficit		(41,136)	(29,928)	(27,380)
Foreign currency translation reserve (FCTR)		(9)	–	–
Non-controlling Interests		1,532	36	51
Total equity attributable to equity holders		<u>4,477</u>	<u>(4,913)</u>	<u>(2,704)</u>
Non-current liabilities				
Borrowings	20	10,590	–	–
Lease liabilities	14	4,551	–	–
		<u>15,141</u>	<u>–</u>	<u>–</u>
Current liabilities				
Lease liabilities	14	14	–	–
Borrowings	20	390	7,667	4,432
Trade and other payables	23	1,525	603	213
Tax liabilities	26	3	–	–
		<u>1,932</u>	<u>8,270</u>	<u>4,645</u>
Total liabilities		<u>17,073</u>	<u>8,270</u>	<u>4,645</u>
Total equity and liabilities		<u><u>21,550</u></u>	<u><u>3,357</u></u>	<u><u>1,941</u></u>

The Consolidated Financial Statements on pages 17 to 20 were approved and authorised for issue by the Board of Directors on 20 June 2025 and signed on its behalf by:



Jorgen Andersson
Director



Lars Guldstrand
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital account £'000	Shares subscription reserve £'000	Equity component of convertible instruments £'000	Share option reserve £'000	Retained deficit £'000	FCTR £'000	Non-controlling interest £'000	Total £'000
As at 1 January 2024		22,583	15	2,381	–	(29,928)	–	36	(4,913)
Loss for the year						(10,987)		(473)	(11,460)
Open offer share capital raise		15,777	1,341		674				17,118
Share-based payment charge for the year									674
Equity Interest transferred to lender (10% of Subsidiary)									
Liquidation of subsidiary	7							1,553	1,553
F/X difference on currency translation								416	470
Equity component of convertible notes			1,098				(9)		(9)
Restructuring of loan notes			221		(221)				1,098
Balance at 31 December 2024		<u>38,360</u>	<u>1,356</u>	<u>3,700</u>	<u>674</u>	<u>(41,136)</u>	<u>(9)</u>	<u>1,532</u>	<u>4,477</u>
As at 1 January 2023		12,038	–	3,456	–	(16,270)	–	(3)	(779)
Prior period error									
Reserve correction	5	10,543	15			(10,612)		54	–
Equity component of convertible notes	5			(1,427)		(598)			(2,025)
Creditor balance corrections	5					100			100
Restated balance as at 1 January 2023		22,581	15	2,029	–	(27,380)	–	51	(2,704)
Loss for the year	(13)					(3,747)		(15)	(3,762)
Liquidation of subsidiary						1,151			1,138
F/X difference on currency translation	15					48			63
Equity component of convertible notes				352					352
Restated balance at 31 December 2023		<u>22,583</u>	<u>15</u>	<u>2,381</u>	<u>–</u>	<u>(29,928)</u>	<u>–</u>	<u>36</u>	<u>(4,913)</u>

CONSOLIDATED STATEMENT OF CASH FLOWS

		Year ended 31 December 2024	Year ended 31 December 2023 (Restated)
	Notes	£'000	£'000
Cash flow from operating activities			
Loss for the period before taxation		(11,457)	(3,747)
Non-cash adjustments	28	9,656	2,320
Operating cash flows before movements in working capital		(1,801)	(1,427)
Increase in inventories		(163)	–
Increase/(decrease) in receivables		630	(639)
(Decrease)/increase in accounts payable and accrued liabilities		(39)	49
Net cash used in operating activities		(1,373)	(2,017)
Cash flow from investing activities			
Purchase of property, plant and equipment	13	(3,622)	(1,305)
Acquisition of subsidiary	6c	(1,117)	–
Net cash outflow from investing activities		(4,739)	(1,305)
Cash flow from financing activities			
Proceeds from issue of shares (net of placing fees)	16	2,368	–
Proceeds from borrowings / convertible instruments	21	4,012	2,804
Loan repayments	21	(65)	–
Net cash inflow from financing activities		6,315	2,804
Net increase/(decrease) in cash and cash equivalents		203	(518)
Cash and cash equivalent at beginning of period		172	690
Cash and cash equivalent at end of period		375	172

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Cindrigo Holdings Limited (the “Company” or “Cindrigo”) and its subsidiaries (together the “Group”) are engaged in the development and operation of renewable energy projects, focusing on waste-to-energy (“WtE”) and geothermal heat and power generation.

The Group’s strategy is to be an active renewable energy developer, coordinating project owner with outsourced construction and operation supported by world class partners, both sub and on-surface. Development is based on proven technology with a modular, replicable expansion.

The Company was incorporated on 24 November 2014, under Section II of the Companies (Guernsey) Law, 2008, as a company limited by shares. It is registered in Guernsey under company number 59383.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards (“IFRS”) as adopted by the European Union (“EU”). The Group’s consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. They have been prepared under the assumption the Group operates on a going concern basis, which assumes the Group will be able to discharge its liabilities as they fall due.

The preparation of the consolidated financial statements in accordance with IFRS as adopted by the EU requires management to make certain critical accounting estimates and to apply judgement in selecting and applying the Group’s accounting policies. Areas involving a higher degree of judgement or complexity, as well as areas where assumptions and estimates have a significant impact on 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.

2.2 Income recognition

Revenue

Revenue represents the fair value of the consideration received or receivable for the sale of energy, including electricity and heat, in the ordinary course of the Group’s activities.

The Group identifies its performance obligations as the delivery of energy (electricity and heat) to customers. Each contract with a customer comprises a single performance obligation, as the customer simultaneously receives and consumes the benefits of the energy supplied.

The transaction price is determined based on the agreed contractual price for the energy delivered. This price reflects the volume of energy supplied during the reporting period, adjusted for any variable consideration where applicable.

Since each contract contains a single performance obligation—the delivery of energy—the entire transaction price is allocated to this performance obligation.

Revenue from the sale of energy is recognised over time, on the basis that the customer simultaneously receives and consumes the benefits as the Group performs by delivering energy. Revenue is recognised based on the volume of energy delivered during the reporting period and the agreed price per unit.

Interest income

Interest income is recognised in accordance with the terms of the intercompany loan agreement. The effective interest method is applied only where relevant, such as in cases involving discounts,

premiums, or fees. If a receivable becomes impaired, the Group reduces the carrying amount to its recoverable value — estimated based on future cash flows discounted at the original effective interest rate — and continues to recognise interest income on the unwinding of the discount where applicable.

Other income

Other income is recognized when it is probable that economic benefits will flow to the entity, and the income can be reliably measured. Income is recognized irrespective of when the cash is received or receivable.

2.3 Basis of consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiaries at 31 December 2024. All subsidiaries have a reporting date of 31 December.

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

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

The following companies are consolidated into the Group financial statements:

<i>Name of Company</i>	<i>Country of incorporation</i>	<i>Nature of Operations</i>	<i>% owned</i>	<i>Method of Consolidation</i>
Cindrigo Limited ("CL")	U.K	Cost Centre	100%	Full consolidation
Cindrigo Geothermal Limited ("CGL")	U.K	Holding Company	100%	Full consolidation
Dravacel Energetika doo ("Dravacel")	Croatia	Geothermal Energy	90%	Deconsolidated effective 20 November 2024 due to loss of control**
Kaipolan Energia Oy ("Kaipola")	Finland	Waste to Energy plant	90%	Full consolidation

During the current year, one additional subsidiary, Cindrigo Geothermal (Europe) Ltd, which was dormant, was not consolidated. The entity was liquidated during the year.

****Loss of Control – Dravacel**

Dravacel's principal project was the Slatina 3 Project, which was suspended during the year due to licensing issues. Specifically, the extension for the exploration license was denied, preventing the project from progressing further. As a result, Dravacel was placed into liquidation, and the Group lost control of Dravacel on 20 November 2024.

In accordance with IFRS 10 *Consolidated Financial Statements*, the Group has derecognised the assets, liabilities, and non-controlling interests associated with Dravacel as of the loss of control date.

Any resulting gain or loss from the derecognition has been recognised in the consolidated statement of comprehensive income.

Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is obtained and are deconsolidated from the date that control ceases.

The Group applies the acquisition method for business combinations. Intercompany transactions, balances, and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless they provide evidence of impairment.

Each subsidiary maintains its own accounting policies. Where necessary and material, adjustments are made to align the accounting policies of subsidiaries with those of the Group for consolidation purposes.

2.4 Going concern

The financial information has been prepared on the assumption that the Group will continue as a going concern. Under this assumption, the Group is considered to be operating for the foreseeable future, with no intention or requirement to liquidate, cease trading, or seek protection from creditors under any applicable laws or regulations.

In evaluating the appropriateness of the going concern assumption, the Directors have considered all relevant information available for the foreseeable future, and in particular for the period of at least twelve months from the date of approval of this financial information.

To preserve cash resources, the Group retains the flexibility to reduce certain costs, principally consulting fees payable to senior executives.

The Directors have prepared detailed cash flow forecasts through to June 2026. Based on these forecasts and taking into account the Group's current financial position, the Directors are confident that the Group has sufficient working capital to continue operating as a going concern for the forecast period.

Subsequent to the year end, the Group received an additional £2.5 million in funding from Danir to further support its cash flow and working capital requirements.

The Directors' objective in managing capital is 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 has been financed through a combination of equity and convertible notes. Going forward, 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.

2.5 New or revised Standards or Interpretations

New standards, interpretations and amendments effective from 1 January 2024

The Group has applied the following new accounting standards and amendments effective from 1 January 2024. These changes did not have a significant impact on the consolidated financial statements for the reporting period.

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants (Amendments to IAS 1)

These amendments clarify the requirements for classifying liabilities as current or non-current. Key clarifications include:

- The right to defer settlement must exist at the end of the reporting period.
- Classification is based on the existence of the right, not the likelihood of exercising it.
- The presence of an embedded derivative in a convertible liability affects classification only if the derivative is itself an equity instrument.

The amendments also introduce disclosure requirements where non-current classification depends on future covenant compliance within 12 months.

Impact: No effect on the Group's consolidated financial statements.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

These amendments clarify the measurement of lease liabilities in a sale and leaseback transaction. Specifically, they require that any gain or loss related to the retained right-of-use asset is not recognised.

Impact: No effect on the Group's consolidated financial statements.

Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

These amendments require enhanced disclosures for supplier finance arrangements to improve transparency around their effects on liabilities, cash flows, and liquidity risk. Disclosures include:

- Terms and conditions of the arrangements
- Quantitative information on related liabilities at the beginning and end of the period
- Non-cash changes in the carrying amounts of those liabilities

Impact: The Group currently has no such arrangements in place; therefore, the amendments had no impact on the consolidated financial statements.

2.6 **Standards, amendments and Interpretations to existing Standards that are not yet effective and have not been adopted early by the Group**

At the date of authorisation of these consolidated financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Group and no Interpretations have been issued that are applicable and need to be taken into consideration by the Group at either reporting date.

The directors anticipate that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

Other than IFRS 18 'Presentation and Disclosure in Financial Statements', the new Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's consolidated financial statements.

IFRS 18 sets out the requirements for the presentation and disclosure of information in the financial statements. The standard is effective from 1 January 2027, subject to local endorsement requirements.

IFRS 18 requires a statement of financial position at the beginning of the preceding period where there has been a retrospective adjustment to the accounts or reclassification of items.

Entities may use other names for the main statements, and the totals, subtotals and line items within, as long as they are labelled in a way that faithfully represents the characteristics of the items.

The statement of profit or loss and other comprehensive income, as the name suggests, presents profit and loss for the period as well as other comprehensive income. Other comprehensive income includes income and expenses not recognised in profit or loss such as revaluation surpluses. The statement of profit or loss and other comprehensive income may be presented either as one statement or a separate statement of profit or loss and statement showing other comprehensive income.

IFRS 18 includes requirements on the grouping of information in the financial statements, and guidance to determine if information should be included in the primary financial statements or disclosed in the notes.

Entities who use management-defined performance measures, as termed within the standard, must make specified disclosures in the notes. Subtotals of income and expenses used in public communications to communicate management's view of financial performance, such as adjusted operating profit, will be in scope of this requirement.

2.7 Segment Reporting

The Chief Operating Decision Maker ("CODM"), which is the Board, is of the opinion that the Group is engaged in a single segment of business, through its identification, acquisition, development, and operation of energy-related projects. The financial information used by the CODM to manage the Group presents the business as a single segment.

Segment information is measured on the same basis as that used in the preparation of the Group's Consolidated Financial Statements.

The Group receives revenues from external customers solely through its Finnish subsidiary, Kaipola, which is held through a United Kingdom subsidiary. Other than Kaipola, none of the Group's subsidiaries received revenue from external parties during the reporting period. At the year end, the Group held no non-current assets in any geographical area outside of Guernsey, the United Kingdom, and Finland.

2.8 Foreign Currency Translation

Functional and presentation currency

The consolidated financial statements are presented in Pounds Sterling ("GBP"), which is also the functional currency of the parent company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective Group entity using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currencies at the period-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at the period-end. They are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value, which are translated using the exchange rates at the date when the fair value was determined.

Foreign operations

For the purposes of consolidation, the assets and liabilities of Group entities with a functional currency other than GBP are translated into GBP at the exchange rate prevailing at the reporting date. Income and expenses are translated at the average exchange rate for the reporting period, unless exchange rates fluctuate significantly, in which case the rate at the date of the transaction is used.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated into GBP at the closing exchange rate at the reporting date.

Exchange differences arising from the translation of foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve (FCTR) within equity. On disposal of a foreign operation, the cumulative amount of such exchange differences recognised in equity relating to that operation is reclassified to profit or loss and recognised as part of the gain or loss on disposal.

2.9 Cash and cash equivalents

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents include 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.

2.10 Inventories

Inventories are initially measured at cost, which includes all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition.

Subsequently, inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as appropriate allocations of production overheads, based on normal operating capacity. The cost of ordinarily interchangeable items is determined using the first-in, first-out (FIFO) method. Net realisable value is the estimated selling price in the ordinary course of business, less any directly attributable selling expenses.

2.11 Trade and Other Receivables

Trade and Other Receivables are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue. The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

2.12 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade and other receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into one of the following categories:

- amortised cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented the Group only holds financial assets measured at amortised cost. The classification is determined by both:

- the Group's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset. All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

- *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

IFRS 9's impairment requirements apply to financial assets measured at amortised cost, including loans, trade receivables and contract assets recognised under IFRS 15. The Group applies the expected credit loss (ECL) model, which uses forward-looking information to recognise credit losses on these financial assets.

In assessing ECL's, applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category (i.e. Stage 1) while 'lifetime expected credit losses' are recognised for the second category (i.e. Stage 2).

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

2.13 **Property, plant and equipment**

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciation methods and useful lives applied vary by subsidiary, depending on the nature of operations and asset usage. Each subsidiary follows its own approved accounting policies for depreciation, which are not overridden by the holding company unless required for consolidation purposes under IFRS as adopted by EU.

Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value. The depreciation periods and rates for the principal categories of assets are as follows:

- **Construction-related assets** (e.g. assets under construction, development and upgrade costs): straight-line basis over up to 10 years
- **Tangible assets** (e.g. plant, machinery, furniture and movables): written down value method at 25 per cent., with useful lives of up to 15 year

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

2.14 **Business Combinations**

The acquisition method is used for all business combinations. The consideration transferred for the acquisition includes the fair values of:

- Assets transferred,
- Liabilities incurred,
- Equity interests issued by the Group,
- Contingent consideration arrangements, and
- Pre-existing equity interests in the subsidiary.

Identifiable assets and liabilities acquired are generally measured at fair value at the acquisition date. Non-controlling interests in the acquired entity are recognised either at fair value or the proportionate share of net identifiable assets, depending on the acquisition.

Acquisition-related costs are expensed as incurred.

The excess of consideration transferred and the fair value of any non-controlling interest over the fair value of net identifiable assets acquired is recognised as goodwill. If this excess is negative, the difference is recognised as a bargain purchase in profit or loss.

Deferred cash consideration is discounted to its present value using the Group's incremental borrowing rate.

Contingent consideration is classified as either equity or a financial liability, with changes in fair value recognised in profit or loss.

2.15 Goodwill

Goodwill is measured as described under “Business Combinations” in this document. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

2.16 Impairment of Assets

Goodwill and indefinite life intangible assets are tested annually for impairment, or more frequently if events suggest potential impairment. Other assets are tested for impairment when events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised when the asset's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal or value in use. Impaired assets (other than goodwill) are reviewed for possible reversal of impairment at each reporting date.

2.17 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.

2.18 Leases

The Group accounts for leases in accordance with IFRS 16 Leases. At the commencement date, the Group recognises a right-of-use asset and a corresponding lease liability for all lease agreements, except for short-term leases (with a lease term of 12 months or less) and leases of low-value assets.

The lease liability is initially measured at the present value of future lease payments, discounted using the Group's incremental borrowing rate or the interest rate implicit in the lease, if readily determinable. The right-of-use asset is initially measured at cost, comprising the initial amount of the lease liability, lease payments made before commencement, and any initial direct costs.

The lease term for the leased asset is 50 years. Accordingly, the right-of-use asset is amortised on a straight-line basis over the 50-year lease term, which reflects the estimated useful life of the asset.

Payments for short-term leases, low-value asset leases, and leases of assets still under construction are recognised on a straight-line basis as an expense in the income statement. These leases are disclosed separately as off-balance sheet commitments in the financial statement notes.

2.19 Borrowings

Borrowings are initially recognised at fair value, net of directly attributable transaction costs. Subsequent measurement depends on the nature of the borrowing instrument:

Non-convertible loans are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the loan. Fees paid on the establishment of loan facilities are capitalised as part of the loan to the extent that it is probable that some or all of the facility will be drawn down. Where there is no evidence of probable drawdown, such fees are recognised as prepaid costs and amortised over the term of the facility.

Convertible loans are assessed to determine whether they include an embedded derivative or qualify for split accounting. Where the conversion terms are variable and do not meet the “fixed- for-fixed” criterion, the entire instrument is classified as a financial liability at fair value through profit or loss (FVTPL), with changes in fair value recognised in profit or loss. Where the conversion option meets the fixed-for-fixed requirement, the instrument is split into a liability component (measured at amortised cost) and an equity component (representing the conversion feature), with the liability portion determined using a market interest rate for a comparable non-convertible loan.

2.20 **Employee benefits**

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees’ services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Share based payments

The fair value of equity-settled share options granted to key management personnel is recognised as a share-based payment expense, with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options at the grant date and is calculated as follows:

- **Includes:** any market performance conditions (e.g., the entity’s share price);
- **Excludes:** the impact of service and non-market performance vesting conditions (e.g., profitability, sales targets, or continued employment); and
- **Includes:** the impact of any non-vesting conditions (e.g., employee savings or shareholding requirements).

The expense is recognised over the vesting period, being the period during which all vesting conditions are expected to be satisfied. At each reporting date, the Group reviews and updates its estimate of the number of options expected to vest, based on service and non-market performance conditions. Any adjustment to original estimates is recognised in profit or loss, with a corresponding impact on equity.

The options are administered by the Board, which transfers the relevant number of shares upon exercise. Proceeds received on exercise, net of any directly attributable transaction costs, are credited directly to equity.

2.21 **Related Parties**

For the purposes of these consolidated financial statements, a party is considered to be related to the Group if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the Group or exercise significant influence over the Group in making financial and operating policy decisions, or has joint control over the Group;
- (ii) the Group and the party are subject to common control;

- (iii) the party is an associate of the Group or a joint venture in which the Group is a venture;
- (iv) the party is a member of key management personnel of the Group or the Group's parent, or a close family member of such an individual, or is an entity under the control, joint control, or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control, or significant influence of such individuals;
- (vi) the party, or any member of a group of which it is part, provides key management personnel services to the Group or its parent.

2.22 **Equity and reserves**

Share capital represents the total amount received by the Company in consideration for shares issued. This includes amounts received on the issuance of both ordinary and preference shares, net of any transaction costs directly attributable to the equity issuance.

Other components of equity include the following:

- **Equity component of convertible instruments** (such as convertible loan notes) are recognised separately within equity when the instrument includes a conversion option that meets the definition of equity. The equity component is measured at the residual amount after deducting the fair value of the liability component from the fair value of the compound instrument as a whole at initial recognition. The equity component is not subsequently remeasured. On conversion, the related equity component is transferred to share capital and share premium, as applicable. If the instrument expires or is settled without conversion, the equity component remains in equity.
- **Foreign Currency Translation reserve** comprises foreign currency translation differences arising from the translation of financial statements of the Group's foreign entities into GBP.
- **Share option reserve** represents the cumulative fair value of equity-settled share-based payments granted to employees and others providing similar services. The reserve is increased by charges for the fair value of options over the vesting period and is transferred to retained earnings when the options are exercised or lapse.

3. **CRITICAL ESTIMATES, JUDGEMENTS AND ERRORS**

When preparing the Group's consolidated financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, revenue and expenses.

The following are the judgements made by management in applying the accounting policies of the Group that have the most significant effect on these consolidated financial statements.

Significant management judgements

The following are the judgements made by management in applying the accounting policies of the Group that have the most significant effect on these consolidated financial statements.

Capitalisation of plant development cost

The Group applies judgement in determining whether costs incurred in the development or repair of plant assets meet the criteria for capitalisation as per applicable accounting standards. In the case of one plant, significant repair and upgrade activities were undertaken which were assessed to enhance the asset's future economic benefits beyond its originally assessed performance. Accordingly, these costs were capitalised as part of the plant's carrying value. Management continues to assess whether the capitalisation criteria remain valid and monitors for any indicators of impairment.

Assessment of Deferred Tax Asset Recognition

The Group has assessed the recoverability of deferred tax assets arising from deductible temporary differences and tax loss carry-forwards. Recognition of such assets requires an evaluation of the likelihood

that future taxable profits will be available against which these amounts can be utilised. The assessment also considers any legal, regulatory or economic uncertainties within the relevant tax jurisdictions.

As a result of this evaluation and given the current loss-making position and uncertainty over future taxable profits, no deferred tax assets have been recognised in the financial statements.

Significant estimates

Impairment of goodwill

The Group assesses goodwill for impairment at least annually, and whenever indicators of impairment arise. This process requires significant management judgement, estimating future cash flows, and determining discount rates.

For the current reporting period, the Group engaged an independent external party to perform a valuation of the plant assets. Based on this valuation, the recoverable amounts of the relevant amount of plant exceeded their carrying amounts, indicating that no impairment of goodwill was required.

Management has reviewed and concurred with the assumptions and methodology used in the external valuation. However, this assessment remains subject to estimation uncertainty, and any changes in key assumptions may affect future impairment conclusions.

Useful lives and residual values of depreciable assets

Management reviews its estimate of the useful lives and residual values of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment and environmental regulations that can make polluting assets to be depreciated more quickly.

Inventories

Management estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

Leases – determination of the appropriate discount rate to measure lease liabilities

The Group enters into leases with third party and as a consequence the rate implicit in the relevant lease is not readily determinable. Therefore, the Group uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available. The Group consults with its main bankers to determine what interest rate they would expect to charge the Group to borrow money to purchase a similar asset to that which is being leased. These rates are, where necessary, then adjusted to reflect the credit worthiness of the entity entering into the lease and the specific condition of the underlying leased asset. The estimated incremental borrowing rate is higher than the parent company for leases entered into by its subsidiary undertakings.

4. FINANCIAL RISK MANAGEMENT

This note explains the Group's exposure to financial risks and how these risks could affect the Group's future financial performance. Current year profit and loss information has been included where relevant to add further context.

<i>Risk</i>	<i>Exposure arising from</i>	<i>Measurement</i>	<i>Management</i>
Foreign exchange risk	Future commercial cash flows not denominated in GBP Recognised financial assets and liabilities not denominated in GBP	Cash flow forecasting Sensitivity analysis	No hedging
Credit risk	Cash and cash equivalents, trade receivables, other receivables	Aging analysis Credit ratings	Diversification of bank deposits. Monitoring credit ratings Regular follow-ups receivables
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities

Foreign exchange risk

Most of the Group's transactions are carried out in GBP. Exposures to currency exchange rates arise from the Group's borrowings, some loans are denominated in Euro (EUR) and there is one other loan which is denominated in SEK.

The Group mitigates its euro-currency exposure by maintaining a dedicated euro bank account for seamless transfers and engaging a designated agent to convert funds at competitive rates; it also executes early transfers of forecast euro inflows to match project outflows, closely monitors its net open euro position.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are disclosed below. The amounts shown are those reported to key management translated into GBP at the closing rate:

	<i>Short-term exposure</i>		<i>Long-term exposure</i>
	<i>EUR</i>	<i>SEK</i>	<i>EUR</i>
31 December 2024			
Financial assets	–	–	4,011
Financial liabilities	–	72	5,532
31 December 2023 (restated)			
Financial assets	–	–	2,865
Financial liabilities	1,727	–	2,015

The following table illustrates the impact of changes in foreign exchange rates on the Group's financial assets and liabilities, assuming all other variables remain constant. A +/- 7 per cent. change is considered for the SEK/GBP exchange rate, reflecting the average annual volatility observed in 2024. For the EUR/GBP exchange rate, a +/- 5 per cent. change is applied, consistent with the volatility observed in 2024. These percentages have been determined based on the average market fluctuations in exchange rates over the full year ended 31 December 2024. The sensitivity analysis is based on the Group's foreign currency financial instruments held at the reporting date.

If the GBP had strengthened against the EUR by 5 per cent. (2023: 10 per cent.) and SEK by 7 per cent. (2023: NA).

	<i>Profit for the year</i>		<i>Equity</i>	<i>Total</i>
	<i>EUR</i>	<i>SEK</i>	<i>EUR</i>	
31 December 2024	67	5	9	81
31 December 2023	173	–	(85)	88

If the GBP had weakened against the EUR by 5 per cent. (2023: 10 per cent.) and SEK by 7 per cent. (2023: NA).

	<i>Profit for the year</i>		<i>Equity</i>	<i>Total</i>
	<i>EUR</i>	<i>SEK</i>	<i>EUR</i>	
31 December 2024	(67)	(5)	(9)	(81)
31 December 2023	(173)	–	85	(88)

During the year, group has recorded (£17k) 2023 – (£21k) foreign-exchange related gains were recognised in profit or loss.

Interest rate risk

The Group's fixed-rate borrowings, including compound financial instruments such as interest-free convertible loans, are carried at amortised cost. While market interest rates are used in the initial measurement of such instruments to allocate between liability and equity components, they do not give rise to ongoing interest rate risk. This is because the carrying amounts and future cash flows of these instruments are not remeasured based on changes in market interest rates. Accordingly, the Group is not exposed to interest rate risk as defined under IFRS 7.

Credit risk

The credit risk is managed on a group basis based on the Group's credit risk management policies and procedures.

The Group's exposure to credit risk is primarily limited to its cash balances held in bank accounts and trade receivables. To mitigate this risk, the Group holds the majority of its cash and cash equivalents with reputable banks with strong credit profiles. Group's main cash resources are held with banks with an external rating of B. Trade receivables relate to a single customer, which concentrates credit risk but is monitored regularly to ensure recoverability.

As at the reporting date, the Group's maximum credit risk exposure corresponds to the carrying amount of cash and cash equivalents and trade receivables on the balance sheet. This represents the maximum amount that could be at risk should any counterparty fail to meet its obligations.

Liquidity Risk

Liquidity risk is that the Group might be unable to meet its obligations.

The Group currently holds cash balances to provide funding for normal trading activity. Trade and other payables are monitored as part of normal management routine.

As at 31 December 2024 all financial assets were classified at amortised cost. A maturity analysis of the Group's financial assets is as follows:

	<i>As at 31 December 2024 £'000</i>	<i>As at 31 December 2023 £'000</i>	<i>As at 31 December 2022 £'000</i>
0 to 3 months	413	1,041	402
3 to 6 months	–	–	–
6 months +	–	–	–
Total	<u>413</u>	<u>1,041</u>	<u>402</u>

As at 31 December 2024, all financial liabilities were classified at amortised cost. A maturity analysis of the Group's non-derivative financial liabilities has contractual maturities (including interest payments where applicable) as summarised below:

	<i>As at 31 December 2024 £'000</i>	<i>As at 31 December 2023 (Restated) £'000</i>	<i>As at 31 December 2022 (Restated) £'000</i>
0 to 3 months	496	603	213
3 to 6 months	1,111	–	–
6 months +	15,466	7,667	4,432
Total	<u>17,073</u>	<u>8,270</u>	<u>4,645</u>

5. RESTATEMENT OF CONSOLIDATED ANNUAL FINANCIAL STATEMENTS

During the year management identified the following matters which were incorrectly accounted for or presented in the prior periods:

a. Convertible loan notes – Adjustments:

During the year, the Group undertook a detailed review of historical convertible loan agreements and related financing instruments. This review identified several classification and measurement errors in prior periods.

In July 2021, the Group issued Series 1 and 2 convertible loan notes, including one for £1,000k and another for £700k. These were initially recorded entirely as equity upon issuance. However, it was subsequently identified that the terms granted the lender an option to receive repayment in either cash or shares. Accordingly, these instruments should have been accounted for as compound financial instruments, with a split between a liability component and an equity component. In the same month, the Group also issued Series 3 convertible loan notes amounting to £612k. These were similarly misclassified in full as equity. Following a reassessment, it was confirmed that the lender retained an option for cash repayment, thereby requiring the notes to be split between liability and equity under IAS 32. These misclassifications have now been corrected.

In October 2021, a further convertible loan of £1,575k (including the arrangement fees of £75k) was issued and similarly recognised in full as equity upon conversion. This too has been corrected in line with other and recording as compound instrument.

In December 2022, the terms of a £1.443 million loan were revised. These revised terms were not previously incorporated in the financial statements. The restated figures now appropriately reflect the financial impact of the revised agreement, in accordance with IFRS 9.

Also in December 2022, the Group received funding of £750K, which had originally been classified as a compound financial instrument. However, upon further assessment, it was concluded that the instrument lacked any equity conversion features and therefore meets the definition of a pure financial liability under IAS 32. The full amount has been reclassified as a liability. Additionally, the loan was overstated by 77k due to an error during the intercompany transfer process. Although the loan agreements were executed at the holding company level, the amount was received by the CL, the loan was incorrectly recorded in the Company's books, resulting in a mismatch.

Lastly, further adjustments were made to reflect interest accrued on these instruments in accordance with their contractual terms. In prior periods, interest expenses were not consistently accounted for. The restated financial statements now reflect the appropriate accrual of interest using the effective interest rate method.

b. Adjustments to Reserves:

The adjustment reflects the correction of following figures totalling to total £10,597k.

An amount of £10k, originally recognised in 2019 as part of Other Reserves, was incorrectly reclassified to Share Capital in a subsequent period following a change in auditors. This has now been corrected, and the amount has been reclassified back to reserves to reflect its original treatment.

In August 2020, the Company agreed to settle advisory fees amounting to (£15k) by issuing 759,442, please refer to Note 5(e) for further details.

In September 2020, the Company allotted 100,000,000 new ordinary shares of £0.01 each to holders of the Unsecured Convertible Note issued 8 June 2017 for the conversion of (£100k) of the principal value of the Notes. At the time of issuance, the nominal (face) value of the shares was not correctly recorded in the financial statements. To rectify this, the adjustment has now been processed through equity by recognising the correct nominal value within share capital, with a corresponding adjustment to reserves.

Cindrigo Energy limited (CEL), a wholly owned subsidiary acquired in July 2021, was dissolved after its investment had already been written off in the parent company's individual accounts. However, consolidation entries relating to CEL were incorrectly continued post-dissolution. A correction of (£14,037k) has been made to eliminate these residual entries, with the net effect adjusted through Retained Earnings.

Furthermore, CEL's former subsidiary, CL, became a direct subsidiary of the holding company following CEL's dissolution. As no new investment was recognised (due to no recoverable value), CL's share capital and reserves amounting to £3,422k were correctly eliminated against Retained Earnings, in accordance with IFRS guidance on common control transactions.

Dravacel was acquired in June 2022, with 90 per cent. of shares transferred for a nominal value, and €500k committed as working capital. This was recorded as an investment in the parent company. However, the acquisition was not fully accounted for under IFRS 3 in prior consolidations. A correction has now been made to eliminate Dravacel's share capital of £612k against Retained Earnings. Additionally, a Share Premium of (£450k), adjustments to correct this made in the 2023 financial statements but relating to the June 2022 acquisition. The correction has therefore been reflected retrospectively.

- c. Receipt of Funds Relating to Open Offer Pre-CEL Acquisition** – A sum of £100k was received in connection with an open offer undertaken by CEL, £50k on 18 January 2022 and £50K on 1 February 2022, which utilized CL's bank account as CEL did not have its own. These funds were initially recorded under other creditors. However, following CEL's dissolution, the funds were left unaccounted for, as they remained in the creditor balance. The reclassification ensures that the funds are accurately presented in the group's accounts.

- d. ECG Loan Liability Recognition** – A loan liability related to ECG was assumed by the Group upon its acquisition in March 2022. However, as a step in the company reorganization, the Group decided to dispose of ECG. The loan liability was agreed to be paid by the Company. At the time of transfer, the liability was not recorded in the Company's books due to an oversight. This omission has now been rectified via restatement of prior year accounts.
- e. Advisory Fees Settled by Share** – In August 2020, the Company agreed to settle advisory services amounting to £15k by issuing 759,442 ordinary shares for the services that is provide in relation to acquisition of CEL via share exchange. As at the reporting date, the shares had not yet been issued; however, a binding agreement was in place. Accordingly, the Company has recognised the amount within equity under "Shares to be issued reserve", with a corresponding charge to administrative expenses.
- f. Cumulative Opening Adjustments (from Box 1)** – This reflects the total net effect of all prior period adjustments identified in Box 1. These represent corrections of past errors that have been applied retrospectively to opening balances in accordance with applicable accounting standards (e.g., IAS 8 under IFRS).

The errors have been corrected by restating each of the affected financial statement line items for the prior periods as follows:

Box 1: Statement of financial position (extract) as at 1 January 2023

	31 December 2022	a. Correction of Convertible Loan Notes	b. Correction of Reserves	c. Receipt of Funds Related to Open Offer Prior to CEL Acquisition	e. Advisory Fees Settled by Share	Restated 1 January 2023
Equity						
Share Capital account	12,038		10,543			22,581
Equity component of convertible instruments	3,456	(1,427)				2,029
Accumulated deficit	(16,270)	(598)	(10,597)	100	(15)	(27,380)
Shares to be issued reserve					15	15
Non-controlling Interest	(3)		54			51
Total (A)	<u>(779)</u>	<u>(2,025)</u>	<u>–</u>	<u>100</u>	<u></u>	<u>(2,704)</u>
Liabilities						
Borrowings	2,407	2,025				4,432
Trade and other payables	313			(100)		213
Total (B)	<u>2,720</u>	<u>2,025</u>	<u>–</u>	<u>(100)</u>	<u></u>	<u>4,645</u>
Total equity and liabilities (A+B)	<u>1,941</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u></u>	<u>1,941</u>

Box 2: Statement of financial position (extract) as at 31 December 2023

	31 December 2023	a. Correction of Convertible Loan Notes	b. Correction of Reserves	d. Correction of Other Loans	f. Cumulative Opening Adjustments (from Box 1)	Restated 1 January 2023
Equity						
Share Capital account	12,490		(450)		10,543	22,583
Equity component of convertible instruments	4,038	(230)			(1,427)	2,381
Accumulated deficit	(18,597)	(162)	450	(509)	(11,110)	(29,928)
Shares to be issued reserve					15	15
Non-controlling Interest	(18)				54	36
Total (A)	<u>(2,087)</u>	<u>(392)</u>	<u>–</u>	<u>(509)</u>	<u>(1,925)</u>	<u>(4,913)</u>
Liabilities						
Borrowings	4,741	392		509	2,025	7,667
Trade and other payables	703				(100)	603
Total (B)	<u>5,444</u>	<u>392</u>	<u>–</u>	<u>509</u>	<u>1,925</u>	<u>8,270</u>
Total equity and liabilities (A+B)	<u>3,357</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>3,357</u>

6. BUSINESS COMBINATION

On 9 April 2024, the Group acquired a 100 per cent. interest in Kaipola, a Finnish company that holds a 50-year lease over a waste-to-energy ("WtE") plant. To finance this acquisition, the Group secured a loan facility from Danir, with 10 per cent. of the Group's interest in Kaipola transferred as an arrangement fee for the financing, immediately upon acquisition. The acquisition was part of the Group's strategy to expand its portfolio of WtE projects.

a. The details of the business combination

	Amount in €'000	Exchange rate	Amount in £'000
Consideration paid			
– Shares	15,000	1.1739	12,777
– Cash (paid in 45 days after Completion)	100	1.1800	85
– Deferred cash payment on commencement of operation	3,850	1.1739	3,280
– Reduction (As per updated agreement due to early payment)	(733)	1.1976	(612)
Total consideration paid (A)	18,217		15,530
Add: Fair value of identifiable net liabilities (B)			
– Other creditors (Tax payments)	4	1.1739	3
Add: Non-controlling interest at acquisition (C)			
– Non-controlling interest (10%)	–	1.1739	–
Goodwill on acquisition (A-B-C) (Note 15)	18,221		15,533

Goodwill is primarily attributable to growth expectations, expected future profitability and the substantial skill and expertise of Kaipola's workforce. It also reflects the strategic benefit of expanding the Group's presence in the Nordic region and strengthening its position in the waste-to-energy (WTE) sector. Goodwill has been allocated to the CGU and is not expected to be deductible for tax purposes.

Identifiable net assets The fair value of the identifiable net assets acquired amounted to net liabilities of €3k. Under Finnish GAAP, the acquired company's lease arrangement was not recognised on the balance sheet but was disclosed in the notes. In applying IFRS 3 and IFRS 16 for the Group's consolidated financial statements, a right-of-use (ROU) asset and corresponding lease liability were recognised as part of the acquisition accounting. The lease agreement commenced on 1 March 2024, with lease payments beginning on 1 September 2024. As the ROU asset and lease liability were initially recognised at equivalent amounts, their inclusion had no net impact on the fair value of the identifiable net assets acquired.

b. Consideration transferred

The acquisition cost of Kaipola was settled in shares valued at €15,000k and cash amounting to €100k. Deferred cash payment amounting to €3,850k, a portion of the deferred amount was subsequently settled early, entitling the Group to a reduction in the total payable under the agreed early payment terms. An early payment reduction/ discount of €733k was applied. The remaining balance payable in relation to the acquisition as at year-end was €1,147k. The following table outlines the details:

	<i>Amount in €'000</i>	<i>Exchange rate</i>	<i>Amount in £'000</i>
Deferred consideration fixed at the time of acquisition (A)	3,850	1.1739	3,280
Less: Early payments made			
– October 2024	950	1.2185	782
– November 2024	300	1.1997	250
Total Early cash payment paid (B)	1,250		1,032
Less: Early payment reduction (C)	733	1.1976	612
Less: Settled through share issue (D)	720	1.2000	600
Deferred consideration payable at the year end (A-B-C)	1,147		1,036

Acquisition-related costs amounting to €26k are not included as part of consideration transferred and have been recognised as an expense in the consolidated statement of profit or loss, as part of other expenses.

c. Cash paid for Kaipola acquisition

	<i>Note</i>	<i>Amount in €'000</i>	<i>Amount in £'000</i>
Consideration paid at the time of acquisition	6a	1,036	85
Deferred consideration – part payment	6b	1,250	1,032
		1,350	1,117

7. DECONSOLIDATION OF SUBSIDIARY

In November 2024, the Company lost control over its 90 per cent. subsidiary, Dravacel, and as a result, no longer had the power to govern its financial and operating policies. Accordingly, the Company derecognised the related assets, liabilities, and non-controlling interests of Dravacel from the consolidated financial statements.

a. Consideration received

The Company did not receive any consideration in the deconsolidation of Dravacel.

b. Analysis of assets and liabilities over which the Company lost control

	<i>November 2024 Amount (£)</i>
Current assets	
Deposits	110,828
PL Advances	216,585
VAT receivables	438,092
Other receivables	4,603
Noncurrent assets	
Land	612,188
Asset under construction	20,303
Current liabilities	
Suppliers balances	1,282,938
Other payables	37,572
Intercompany payables	3,790,094
Capital contribution by Parent	
Capital contribution	450,104
Net liabilities	(4,158,109)

c. Gain on deconsolidation of subsidiary

	<i>Amount £</i>
Fair value of consideration received	–
Less:	
Net liabilities deconsolidated	(4,158,109)
Non-controlling interest	415,811
Write-off of historical capital contribution	450,104
Previous year F/X difference	28,753
Gain on deconsolidation	<u>3,263,441</u>

Gain on deconsolidation of subsidiary was included in other gains and losses for the year ended.

d. Reconciliation of Gain on Deconsolidation to Net Loss Recognised

In the interim financial statements, an impairment of £4,447k was recognised to fully write off the asset under construction of the subsidiary prior to its deconsolidation.

However, for the purposes of the full-year financial statements, the write-off is considered part of the overall disposal transaction, as the asset would have otherwise been derecognised on deconsolidation.

As a result, the net economic impact of the disposal is a net loss:

	<i>Amount £</i>
Gain on deconsolidation of subsidiary (Note 7c)	(3,263,441)
Asset impairment – asset under construction	4,447,493
Net loss recognised on deconsolidation of Dravacel	<u>1,184,052</u>

8. REVENUE

	<i>31 December 2024 £'000</i>	<i>31 December 2023 £'000</i>
Sale of energy, Heat	85	–
Total	<u>85</u>	<u>–</u>

The Group's current revenue-generating plant is Kaipola. The revenue recognised during the period relates to the sale of energy from this facility.

9. OTHER INCOME

	<i>31 December 2024 £'000</i>	<i>31 December 2023 £'000</i>
Other income	–	226
Total	<u>–</u>	<u>226</u>

Other income includes amount recovered from Biogasprom AB. In 2019, to facilitate the payment of the purchase price and complete the acquisition of Alternatyva Ultra LLC, the Group had made payments of €1,440k with Biogasprom AB and funds were transferred to Latvian bank account of ABL Trade Ltd. ("ABL"). Since ABL was in liquidation process of being wound up and as amount recoverable was undeterminable, the Group had fully written of the amount in 2019 and 2020 accounts.

10. ADMINISTRATIVE EXPENSES

	31 December 2024 £'000	31 December 2023 £'000
Consulting fees	889	826
Consultant bonus	775	–
Share option expense	674	–
Legal and professional fees	352	286
IR, Communication and Marketing	103	–
Travelling	140	172
Foreign exchange (gain)/loss	(17)	21
Audit, Accountancy and related services	118	113
Other administrative costs	90	91
Directors' fees	65	84
Wages and social security	29	58
Loss on parent's settlement of ex-subsiary debt	62	–
Total	<u>3,280</u>	<u>1,651</u>

Consulting Fees

The increase in consulting fees in 2024 is mainly attributable to the appointment of a new Financial Controller and a £5k mid-year increase in the consultancy fees relating to the provisions of the services of the CEO.

Consultant Bonus

The consultant bonus relates to payments made to key personnel, which were settled through the issuance of shares. A substantial portion of this bonus was allocated to Jörgen Andersson (Non-Executive Chairman), in lieu of £230k, and to Lars Guldstrand via his company, IMM, in lieu of £450k.

Share Option Expense

The Company operates a share-based payment scheme for senior management and key consultants. In accordance with IFRS 2 – *Share-based Payment*, a corresponding expense was recognised in the profit and loss account during the year. Under the scheme, share options were granted to key consultants, with gradual vesting period until 1 January 2027.

Legal and professional

The increase in legal and professional fees in 2024 is primarily due to higher costs associated with the preparation and review of the prospectus.

Investor Relations, Communication and Marketing

The costs under this category is primarily driven by enhanced investor relations activities and marketing efforts undertaken in preparation for the Company's anticipated listing on the LSE.

11. IMPAIRMENT LOSSES

		31 December 2024 £'000	31 December 2023 £'000 (Restated)
Intercompany loans with Dravacel written off		4,329	–
Impairment loss on Dravacel Investment	7d	1,184	–
Intercompany loans write off		(25)	77
Intercompany loans with ECG written off		–	1,476
Loans assumed by Parent on ECG dissolution		–	504
Total		<u>5,488</u>	<u>2,057</u>

Dravacel, principal project, the Slatina 3 Project, was suspended during the year due to licensing issues, specifically the denial of an extension for the exploration license, which prevented further development. As a result, Dravacel was placed into liquidation, and the Group lost control of Dravacel d.o.o. on 20 November 2024.

During the year, an impairment charge of £1,184k was recorded. In addition, intercompany balances amounting to £4,329k were fully written off, representing the total amount due from the liquidated subsidiary.

As such, the financial information presented in these financial statements represents the Group's only operating segment. No further segmental information has been presented.

12. BUSINESS SEGMENTS

In accordance with IFRS 8 – *Operating Segments*, the Group has determined that the Board of Directors collectively acts as the Chief Operating Decision Maker ("CODM"). The CODM is responsible for allocating resources and assessing performance of the Group.

The Directors consider that the Group has one reportable segment, which is the identification, acquisition, development, and operation of energy-related projects. This is the sole focus of the Group's internal reporting to the CODM, who make strategic decisions based on this consolidated information.

As such, the financial information presented in these financial statements represents the Group's only operating segment. No further segmental information has been presented.

13. PROPERTY, PLANT AND EQUIPMENT

	Land £'000	Assets under construction £'000	Machinery and equipment £'000	Furniture and other movables £'000	Development/ Upgrade cost £'000	Total £'000
Gross carrying amount						
As at 1 January 2024	612	1,532	–	–	–	2,144
Additions		2,915	73	2	632	3,622
Disposal – liquidation of subsidiary	(612)					(612)
At 31 December 2024	–	4,447	73	2	632	5,154
Depreciation and Impairment						
As at 1 January 2024	–	–	–	–	–	–
Depreciation			(19)			(19)
Impairment		(4,447)				(4,447)
At 31 December 2024	–	(4,447)	(19)	2	–	(4,466)
Carrying amount						
31 December 2024	–	–	54	2	632	688

	Land £'000	Assets under construction £'000	Total £'000
Gross carrying amount			
As at 1 January 2023	622	–	622
Additions		1,305	1,305
Reclassification from intangible		227	227
F/X on translation	(10)		(10)
At 31 December 2023	612	1,532	2,144
Depreciation and Impairment	–	–	–
Carrying amount 31 December 2023	612	1,532	2,144

The Group acquired **land** in Croatia as part of the acquisition of Dravacel in June 2022. The land benefitted from a license for the construction of a GEFL energy site and was linked to Dravacel's principal development, the Slatina 3 Project. During the year, the Slatina 3 Project was suspended due to licensing issues. Specifically, an application for the extension of the exploration license was denied by the relevant authorities, which prevented the project from advancing further. As a result of this regulatory setback, Dravacel was placed into liquidation, and the Group lost control of the entity on 20 November 2024.

Assets under construction related entirely to the development costs of the Slatina 3 project held through Dravacel. During the current year, due to the suspension of the project and as a result Dravacel being placed into liquidation, and the Group losing control of Dravacel on 20 November 2024, the carrying value of these assets were derecognised.

Machinery and equipment and Furniture and other movables are assets held by the newly acquired subsidiary, Kaipola. During the year, the Group incurred additional costs relating to plant improvements and enhancements to operational infrastructure.

Development/Upgrade Costs represent capitalised expenditures incurred in connection with plant improvements and infrastructure enhancements at the Kaipola facility. These investments are intended to modernise operations, improve production efficiency, and support the Group's long-term strategic objectives.

14. LEASES

Right-of-use asset

	<i>Amount £'000</i>
Gross carrying amount	
As at 1 January 2024	–
Additions	4,452
Disposal	–
At 31 December 2024	<u>4,452</u>
DEPRECIATION	
As at 1 January 2024	–
Depreciation	(74)
At 31 December 2024	<u>(74)</u>
Carrying amount 31 December 2024	<u>4,378</u>

Lease liability

Lease liability is presented in the consolidated statement of financial position as follows:

	<i>Amount £'000</i>
As at 1 January 2024	–
Add: Lease additions (PV of future payments)	4,452
Add: Accretion of interest	113
Less: Lease payment(O/s creditors)	(100)
Add: Pre-operation lease payment capitalised	100
At 31 December 2024	<u>4,565</u>
Current	14
Non-current	<u>4,551</u>

Kaipola entered a 50 year lease (the “Lease”) of the plant prior to its acquisition by CL in April 2024. The lease is reflected in the consolidated statement of financial position as a right-of-use asset and a lease liability. Under the Lease, a fixed rent of €30k per month is payable up to 50 per cent. of the Plant’s output, with a potential additional variable rent of up to €70k per month depending on performance above 50 per cent. output. For the calculation of the right-of-use asset and lease liability, only the fixed €30 monthly rent has been considered, and not the variable portion, as it is contingent upon future output levels. Variable lease payments are expensed in the period they are incurred. Lease rental payments commence on 1 September 2024.

Total cash outflow for the Lease for the year ended 31 December 2024 is NIL, all rental payments totalling £100k (€120k), are included in payables at the year end.

The lease agreements restrict the Group’s ability to transfer, sublease, or grant rights to third parties over the leased assets or premises. Leases are generally non-cancellable, or may only be terminated upon payment of a substantial termination fee. Kaipola holds a pre-emption right against third parties if the Lessor decides to sell all or part of the properties. In such cases, the transfer price shall be based on a bank-verified binding offer made by a third party for the purchase of the leased property or a portion thereof. Any pre-emption transaction will be conducted under the same terms and conditions as the binding offer from the third party.

15. GOODWILL

Goodwill
£’000

GROSS CARRYING AMOUNT

As at 1 January 2024

—

Additions

15,533

Disposal

—

At 31 December 2024

15,533

Impairment testing

The Group tests cash-generating units (CGUs) to which goodwill has been allocated for impairment annually, or more frequently if there is an indication of impairment. Goodwill is allocated to the Kaipola CGU (the “Plant”), which is expected to benefit from the synergies of the business combination in which the goodwill was recognised.

The recoverable amount of a CGU is the higher of its fair value less costs of disposal (FVLCD) and value-in-use (VIU). The recoverable amount of the Kaipola CGU as at 31 December 2024 was determined using both valuation approaches.

Fair value less cost of disposal (FVLCD) was determined based on an independent valuation performed by a leading international valuation firm. The valuation reflects the estimated market value of the plant’s underlying assets and operations, net of estimated disposal costs.

Value-in-use (VIU) was calculated using a discounted cash flow model based on a long-term forecast approved by management. The model includes detailed cash flow projections for the initial 50-year operational forecast, reflecting the expected life of the CGU, and incorporates assumptions regarding revenue growth, margins, and capital expenditure. Cash flows beyond this period were not extrapolated given the finite life of the project. The forecasted cash flows were discounted using a rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

- Forecast period: 50 years
- Discount rate: 0 per cent.
- Terminal value: Not applied (finite life)
- Growth rate: Forecast covers full life

Calculation of the value-in-use is determined by covering a fifty-year forecast approved by the management, followed by an expected cash flows for the remaining useful lives using a discounted cash flow method. The present value of the expected cash flows of cash generating unit is determined by applying a suitable discount rate reflecting current market assessments of the time value of money.

The recoverable amount of the Kaipola CGU as at 31 December 2024 was £272,326k, which exceeds the carrying value of £15,533k. As a result, no impairment loss has been recognised.

16. SHARE CAPITAL

Issued and fully paid

	<i>Number of shares</i>	<i>Share capital account £'000</i>
At 31 December 2022	142,041,530	12,038
Add: Adjustment (Note 5(b) to FS)	–	10,543
At 1 January 2023 (Restated)	142,041,530	22,581
Add: Adjustment	–	2
At 31 December 2023	142,041,530	22,583
Shares issued and fully paid during the year		
– Share issue, Kaipola acquisition	13,636,364	12,778
– Share issue, open offer	59,271,431	3,556
	72,907,795	16,334
Transaction costs related to share issues		
– Placing fees		(557)
At 31 December 2024	214,949,325	38,360

During the year, the Group issued a total of 72,907,795 ordinary shares, increasing share capital by £16,334k, as detailed below:

- On 24 May 2024, 13,636,364 shares were issued and registered in connection with the acquisition of Kaipola, at an issue price of €1.10 (£0.937) per share.
- In addition, 59,271,431 shares were issued under an open offer to existing shareholders, which remained open from 3 October to 15 November 2024, at an issue price of £0.06 per share.

a. Shares Subscription Reserve

As at 31 December 2024, the Group had received cash of £1,341k in respect of share subscriptions. The corresponding 22,356,651 ordinary shares were issued subsequent to the year-end.

The amount received was recorded within the Share Subscription Reserve as at the reporting date, pending the formal issuance of the shares. Upon issuance after the year-end, the reserve will be transferred to Share Capital.

17. CASH AND CASH EQUIVALENTS

	<i>As at 31 December 2024 £'000</i>	<i>As at 31 December 2023 £'000</i>	<i>As at 31 December 2022 £'000</i>
Cash at bank and in hand	375	172	690
Total	375	172	690

Cash and cash equivalents comprise cash at bank and in hand, held by the Group. As at the reporting date, all cash and cash equivalents are available for use by the Group without restriction. There are no balances that are pledged, held in escrow, or otherwise subject to restriction.

18. INVENTORIES

	<i>As at 31 December 2024 £'000</i>	<i>As at 31 December 2023 £'000</i>	<i>As at 31 December 2022 £'000</i>
Raw materials and consumables	163	–	–
Total	<u>163</u>	<u>–</u>	<u>–</u>

For the year ended 31 December 2024, Inventories were recognised in profit or loss as part of cost of sales. The Group has not recorded any write-down of inventories to net realisable value during the reporting period.

19. TRADE AND OTHER RECEIVABLES

	<i>As at 31 December 2024 £'000</i>	<i>As at 31 December 2023 £'000</i>	<i>As at 31 December 2022 £'000</i>
Prepayments and accrued income	32	622	1
Trade debtors	105	22	23
Other debtors	276	397	378
Total	<u>413</u>	<u>1,041</u>	<u>402</u>

All trade and other receivables are classified as current. The net carrying amounts of these receivables are considered to be a reasonable approximation of their fair value due to their short-term nature. As at 31 December 2024, the Group has not recognised any impairment losses on trade receivables. The Group continues to monitor credit risk and applies the simplified approach under IFRS 9 Financial Instruments to measure expected credit losses, using a lifetime expected credit loss model.

20. BORROWINGS

	<i>As at 31 December 2024 £'000</i>	<i>As at 31 December 2023 (Restated) £'000</i>	<i>As at 31 December 2022 (Restated) £'000</i>
Current			
Loan notes	–	6,843	4,139
Other loans	390	824	293
Total	<u>390</u>	<u>7,667</u>	<u>4,432</u>
Non-current			
Loan notes	10,590	–	–
Other loans	–	–	–
Total	<u>10,590</u>	<u>–</u>	<u>–</u>

20.1 Details of Loan notes are as follows:

The table below summarises movements for each individual loan note (referred to as Note 1, Note 2, etc.). These references correspond to separate loan arrangements. General terms and specific details relating to each loan note are provided in the accompanying notes below the table.

Borrowings (Debt components)

Note	1	2	3	4	5	6	7	8	9	10	11	12	13	14 (Loan A)	14 (Loan B)	Total
Balance at 31 December 2022	-	-	-	-	1,398	715	-	-	-	-	-	-	-	-	-	2,113
Correction of Error (Note 5 to FS)	658	461	403	976	(509)	37	-	-	-	-	-	-	-	-	-	2,026
Adjusted Opening Balance (01 Jan 2023)	658	461	403	976	889	752	-	-	-	-	-	-	-	-	-	4,139
New Notes Issued	-	-	-	-	-	-	1,000	515	420	869	-	-	-	-	-	2,804
Equity Component of Convertible Loan	-	-	-	-	-	-	(177)	-	(57)	(118)	-	-	-	-	-	(352)
Finance Charge	33	23	20	49	44	38	26	12	4	3	-	-	-	-	-	252
Balance as at 31 December 2023	691	484	423	1,025	933	790	849	527	367	754	-	-	-	-	-	6,843
Issue of Note	-	-	-	-	-	-	-	-	-	-	2,757	1,255	-	-	-	4,012
Equity Component of Convertible Loan	-	-	-	-	-	-	-	-	-	-	-	-	(1,564)	-	(107)	(1,671)
Finance Charge	34	24	21	51	47	28	32	31	14	28	197	57	61	10	23	658
FX gain/loss	-	-	-	-	-	-	-	-	-	-	(7)	(5)	-	(38)	-	(50)
Fair Value Gain/Loss on derecognition	-	-	-	-	-	-	(2)	692	(12)	40	86	10	(16)	-	-	798
Restructuring of Loan Notes (Note 13)	-	-	-	-	-	-	(816)	(546)	-	-	(2,885)	(1,291)	5,538	-	-	0
Restructuring of Loan Notes (Note 14)	-	-	-	-	-	-	(1,573)	-	(421)	(868)	(72)	-	-	1,361	1,573	0
Balance as at 31 December 2024	725	508	444	1,076	980	-	-	-	-	-	-	-	4,035	1,333	1,489	10,590
Borrowings (Equity component)																
Balance at 31 December 2022	1,000	700	-	1,575	68	113	-	-	-	-	-	-	-	-	-	3,456
Correction of error (refer to note 5)	(614)	(430)	237	(996)	489	(113)	-	-	-	-	-	-	-	-	-	(1,427)
Balance as at 1 January 2023	386	270	237	579	557	-	-	-	-	-	-	-	-	-	-	2,029
Equity Component of Convertible Loan	-	-	-	-	-	-	177	-	57	118	-	-	-	-	-	352
Balance as at 31 December 2023	386	270	237	579	557	-	177	-	57	118	-	-	-	-	-	2,381
Equity Component of Convertible Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Equity Component of Convertible Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance moved to retained earnings due to loan restructuring	-	-	-	(177)	-	(57)	(118)	-	-	-	-	-	(352)	-	-	-
Balance as at 31 December 2024	386	270	237	579	557	0	0	0	0	0	0	0	1,608	0	107	3,700

Note 1

On 29 January 2016, the Group issued further £1,000k 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 cent. 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 per cent. 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 per cent.

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 £1 million which have been reclassified as an equity instrument under IFRS.

Note 2

The last tranche of £400k of the £1,000 funding facility announced by the Group on 13 June 2017, was drawn on 18 January 2018 and subsequently the Group issued convertible note for £400k. 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 30 day period was 20 per cent. 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 cent. 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 per cent. 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.

In August 2020, the loan notes, including all accumulated but unpaid interest, were settled by new 10-year zero coupon loan notes with a principal value of £700k which have been reclassified as an equity instrument under IFRS.

Note 3

On 30 July 2021, the Company completed the Reverse Takeover of CEL. On Completion of the RTO, Danir were entitled to 47,361,313 new ordinary shares but if these shares had been issued, Danir would have been obliged to make an offer under Rule 9 of the City Code on Takeovers and Mergers. To avoid this consequence, Danir received 41,238,718 new shares together with 6,122,595 zero coupon convertible loan notes. Series 3 unlisted, unsecured, zero-coupon, convertible and transferable loan notes 2031. Loan note has option to convert into shares at a fixed price of 10 pence per share.

Note 4

On 22 October 2021, the Group created up to £1,575k Series 4 unlisted, unsecured, zero-coupon, convertible and transferable loan notes 2031. Loan note has option to convert into share at a fixed price of 10 pence per share.

This loan, which was previously recorded entirely as equity, has been reassessed. It was concluded that the lender retained the right either to demand repayment or to convert the loan into equity. Accordingly, the loan has been restated in the prior year comparatives to reflect its correct treatment as a combined instrument.

Note 5

On 2 September 2022, the Group received a short-term loan from Danir of SEK 18,000k to bridge working capital needs in anticipation of a major subscription for shares, which ultimately did not proceed.

Following this, on 9 December 2022, the loan was renegotiated under revised terms, whereby the original loan and related arrangement fee of SEK 21,500k (£1,711k), a breaking fee of SEK 17,500k (£1,393k), and a new arrangement fee of SEK 8,750k (£696k) were consolidated into a total liability of approximately £3,801k. This amount was satisfied by the issue of loan notes convertible into 25,339,333 new ordinary shares at a conversion price of 15 pence per share. This loan is for the term of 10 year.

Note 6

Danir agreed to lend CINH £750k, on 9 December 2022 Danir subscribed for £750k of convertible loan notes. The loan notes are convertible at a 25 per cent. discount to the 30-day volume weighted average price (VWAP) of the Company's shares, subject to a minimum conversion price of £1.25 per share. Based on these terms, Danir is entitled to 600k new ordinary shares upon conversion.

The loan previously issued to Danir was initially recorded as a compound financial instrument, with the liability and equity components separated. Following further analysis, it was determined that, as the loan notes do not have a fixed conversion price for subscribing to shares, the conversion feature constitutes an embedded derivative. Accordingly, the convertible loan has been reclassified as a derivative financial liability. The financial statements for the year ended 31 December 2023 have been restated to reflect this change in accounting treatment in accordance with IFRS 9.

Further, on 3 October 2024, all outstanding loans, including this convertible loan, were restructured and consolidated under new loan terms. Details of the revised terms are set out in Note 13.

Note 7

On 26 April 2023, Danir lent CINH the sum of £1,000k through the subscription for £1,574k unlisted, unsecured 12 per cent. convertible loan notes. The loan notes are dated 14 May 2023, are interest-free, and are repayable after 48 months from the date of issue.

Initially, the loan notes included an option to convert into ordinary shares at a fixed price of 70 pence per share.

Subsequently, on 3 October 2024, the terms of this loan were restructured and consolidated with other existing facilities under a new loan agreement. Further details of the restructuring are provided in Note 14.

Note 8

On 15 September 2023, Danir lent CINH the further sum of £515k. The loan attracts interest at 8 per cent. per annum, rolled up and paid on maturity. This loan was repayable with 2 months.

Subsequently, on 3 October 2024, the terms of this loan were restructured and consolidated with other existing facilities under new loan agreements. Further details of the restructuring are provided in Note 13.

Note 9

In October 2023, a €500k interest-free loan with a 3-year term, repayable at the discretion of the borrower based on available free cash flow was received from Danir. Danir was entitled to a 10 per cent. interest in CGL which owns 90 per cent. of the Slatina 3 project. Loan is interest free.

Subsequently, on 3 October 2024, the terms of this loan were restructured and consolidated with other existing facilities under new loan agreements. Further details of the restructuring are provided in Note 14.

Note 10

In November 2024, a €1,000k interest-free loan with a 3-year term, repayable at the discretion of the borrower based on available free cash flow was received from Danir. Danir receives an additional 10 per cent. interest in the Slatina 3 Project through Cindrigo Geothermal (Slatina) Limited. However, the corresponding shares have never been issued.

Subsequently, on 3 October 2024, the terms of this loan were restructured and consolidated with other existing facilities under new loan agreements. Further details of the restructuring are provided in Note 14.

Note 11

Loan received from Danir in January 2024, a €3,300k loan with interest payable at 10 per cent. per annum, compounded and repaid with principal over 3 years. Repayment is contingent on available free cash flow. Danir's shareholding in Cindrigo Geothermal (Slatina) Limited is structured to be 49.1 per cent. However, the corresponding shares have never been issued.

Subsequently, on 3 October 2024, the terms of this loan were restructured and consolidated with other existing facilities under new loan agreements. Further details of the restructuring are provided in Note 13.

Note 12

In April 2024, primarily for Kaipola repair works, a €1,500k loan with interest payable at 10 per cent. per annum, compounded and repaid with principal over 3 years was received from Danir. Repayment is contingent on available free cash flow, and Danir receives a 10 per cent. of Kaipola as arrangement fees for this loan.

Subsequently, on 3 October 2024, the terms of this loan were restructured and consolidated with other existing facilities under new loan agreements. Further details of the restructuring are provided in Note 13.

Note 13

On 3 October 2024, the loan facility was restructured and a new loan totalling £5,538k was agreed and issued under a new loan note instrument, with a conversion price of £0.06 per share. This new instrument consolidates the loans previously detailed in Notes 6, 8, 11, and 12, together with accrued interest of £273k added to the principal amount. The new loan notes carry an interest rate of 3 per cent. per annum and are due by 16 May 2035.

Note 14

On 3 October 2024, the Group restructured its existing loan arrangements into a consolidated facility comprising two components: New Loan A of €1,584k and New Loan B of £1,574k. This new facility replaced the loans previously disclosed in Notes 7, 9, and 10, and includes €86,700 of accrued interest capitalised into the principal amount of Loan A. Both loans carry an interest rate of 3 per cent. per annum and are repayable by 31 December 2026. Loan B includes a conversion feature, giving the lender the right to convert the outstanding balance into ordinary shares of the Company at a fixed conversion price of £0.70 per share.

Other loans

On 21 October 2018, Cindrigo Inc borrowed USD 296k from a group of arm's length parties. The loans bear interest at 7 per cent. 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 of Cindrigo Inc on a Stock Exchange at a conversion price that is at a 25 per cent. discount to the 30-day volume weighted average share price. If the loans are not converted, the loans are due three years after the Cindrigo Inc's listing. Cindrigo Inc has been dissolved however Cindrigo Holdings Limited has indicated that subject to contract the original terms of the loan notes will be honoured. As at 31 December 2024, the outstanding balance was £318k (2023 – £315k)

There are two additional loans originally held by ECG, the liabilities of which were assumed by the Company. As at 31 December 2024, the outstanding balance was £72k (2023 – £509k).

21. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows:

	<i>Long-term borrowings £'000</i>	<i>Short-term borrowings £'000</i>	<i>Lease liabilities £'000</i>	<i>Total £'000</i>
1 January 2024	–	7,667	–	7,667
Cash-flows:				
– Repayment		(65)		(65)
– Proceeds		4,012		4,012
Non-cash:				
– Restructuring of Loan Notes	8,472	(8,472)	–	–
– Reclassification (prior year corrections)	3,733	(3,733)	–	–
– Liability created	–	–	4,452	4,452
– Equity Component of Convertible Loan	(1,671)	–		(1,671)
– Settled by issue of shares	–	(497)		(497)
– Fair Value Gain/Loss	–	859		859
– Finance Charge accrued	94	629	113	836
– FX gain/loss	(38)	(10)		(48)
31 December 2024	<u>10,590</u>	<u>390</u>	<u>4,565</u>	<u>15,545</u>
			<i>Short-term borrowings £'000</i>	
1 January 2023 (Restated)			<u>4,433</u>	
Cash-flows:				
– Proceeds				2,804
Non-cash:				
– Liabilities Assumed on Disposal of Subsidiary	504			
– Equity Component of Convertible Loan	(352)			
– Finance Charge accrued	279			
– FX gain/loss	(1)			
31 December 2023			<u>7,667</u>	

22. FINANCE INCOME AND COSTS

Finance costs for the reporting periods consist of the following:

	<i>31 December 2024 £'000</i>	<i>31 December 2023 (Restated) £'000</i>
Interest on convertible loan notes	658	252
Interest on other loans	65	28
Interest Expense on Lease arrangements	<u>112</u>	<u>–</u>
Total interest expense	<u>835</u>	<u>280</u>
Loan Arrangement Fees	1,553	–
Fair Value Loss on Loan Restructuring	<u>288</u>	<u>–</u>
Total finance cost	<u>2,676</u>	<u>280</u>

23. TRADE AND OTHER PAYABLES

	As at 31 December 2024 £'000	As at 31 December 2023 (Restated) £'000	As at 31 December 2022 (Restated) £'000
Trade payables	395	457	57
Accrued expenses	88	122	107
Other payables	1,042	24	49
Total	<u>1,525</u>	<u>603</u>	<u>213</u>

All amounts are short-term. The carrying values of trade and other payables are considered to be a reasonable approximation of fair value.

The increase in other payables primarily relates to the deferred consideration payable for the Kaipola acquisition, with an outstanding balance of £1,035k as at 31 December 2024 (2023: nil).

24. SHARE BASED PAYMENT

As at 31 December 2024, the Group operated a share-based payment scheme for senior management and key consultants engaged by the Group. Under this programme, options have been granted to key consultants, with a maximum term ending on 1 January 2027.

Upon vesting, each option entitles the holder to acquire one ordinary share at an exercise price of £0.05.

The scheme is accounted for as an equity-settled share-based payment in accordance with IFRS 2. The fair value of the services received is measured by reference to the fair value of the options granted, and is recognised over the vesting period through equity, with a corresponding charge to the statement of comprehensive income.

Share options and weighted average exercise prices are as follows for the reporting:

	Number of shares	Weighted average exercise price per share
Outstanding at 1 January 2024	–	–
Granted	18,075,000	0.05
Forfeited	–	–
Exercised	–	–
Outstanding at 31 December 2024	<u>18,075,000</u>	<u>0.05</u>
Exercisable at 31 December 2024	<u>6,875,000</u>	<u>0.05</u>

The fair value of the options granted was determined based on the price offered in the Group's open offer to all existing shareholders, which was open from 3 October 2024.

No options were exercised in 2024.

During the 2024, the Company recognised an expense relating to equity-settled share options granted to employees, directors, and consultants. The fair value of the share options is being amortised over the vesting period in accordance with IFRS 2 Share-Based Payment.

Reconciliation to Share Option Reserve:

Description	<i>Amount £'000</i>
Opening balance of share option reserve	–
Add: Expense recognised in the year	674
Less: Lapsed/forfeited options	–
Closing balance	<u>674</u>

25. DIRECTORS' EMOLUMENTS

The Directors were paid emoluments of £65k as directors' fees during the period under review £83k in 2023). The directors billed an additional of £276k (2023: £427k) as consultancy fees, booked under administrative expenses.

The Directors were the key management personnel of the Group.

26. TAXATION

Cindrigo Holdings Limited is a company incorporated in Guernsey and is subject to a corporate income tax rate of 0 per cent. as at 31 December 2024.

None of the Group's subsidiaries had any tax liability for the period, except for Kaipola, which recognised a current tax liability of £3k for the year ended 31 December 2024.

There are no unrecognised deferred tax assets or tax losses carried forward as at the reporting date.

27. EARNINGS PER SHARE

The calculation for earnings per share (basic and diluted) for the relevant period is based on the profit / loss after income tax attributable to equity holder for the period ending 31 December 2024 and is as follows:

31 December 2024

Loss for the year (£)	(10,987,000)
Weighted average number of shares of £2.667609 each	<u>152,097,735</u>
Loss per share basic (£)	<u>(0.072)</u>
Weighted average number of shares for dilutive calculation	<u>318,901,418</u>
Loss per share diluted (£)	<u>(0.034)</u>

31 December 2023

Loss for the year as restated (£)	(3,747,000)
Weighted average number of shares of £2.667609 each	<u>142,041,530</u>
Loss per share basic (£)	<u>(0.026)</u>
Weighted average number of shares for dilutive calculation	<u>142,041,530</u>
Loss per share diluted (£)	<u>(0.026)</u>

Basic earnings 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.

28. NON-CASH ADJUSTMENT AND CHANGES IN WORKING CAPITAL

	As at 31 December 2024 £'000	As at 31 December 2023 (Restated) £'000
Impairment of financial assets	5,488	2,057
Loan arrangement (Paid in shares)	1,553	–
Consultant bonus payments (Paid in shares)	775	–
Accrued finance cost	835	280
Share-based payment expenses	674	–
Fair value loss on restructured loan	287	–
Depreciation and amortisation	93	–
Foreign exchange gains/losses	(49)	(17)
Total adjustment	<u>9,656</u>	<u>2,320</u>

29. RELATED PARTY TRANSACTIONS

The following payments were made to directors or entities controlled by them during the current year:

Name of Director	Directors Fees	Insurance	Share option expense	Consultant Bonus	Consultant fees	Total
IMM International – Lars Guldstrand	15,000	1,734	285,818	450,000	175,000	927,552
Fitzrovia Advisory – Mustaq Patel	15,000	–	76,309	15,000	86,350	192,659
Jorgen Andersson	22,000	–	76,309	230,000	–	328,309
Dag Andresen	15,000	–	127,527	15,000	35,000	192,527
Johan Glennmo	11,250	–	6,709	5,000	–	22,959
Alan Boyd	7,500	–	6,709	5,000	–	19,209

The following payments were made to directors or entities controlled by them during the previous year:

Name of Director	Directors Fees	Short term employment benefits	Termination benefits	Consultancy fees	Total
IMM International – Lars Guldstrand	15,000	–	–	120,000	135,000
Fitzrovia Advisory – Mustaq Patel	15,000	–	–	96,000	111,000
Jorgen Andersson	22,000	–	–	–	22,000
Dag Andresen	15,000	–	–	–	15,000
Jordan Oxley	15,000	–	–	169,807	184,807
Simon Fawcett	–	–	–	41,333	41,333

As at year-end, the outstanding balance of loans received from Danir AB amounted to £10,590k (2023 restated: £6,843k). Danir AB is a related party, holding 29 per cent. of the Company's issued share capital. The loan facility includes a conversion option, allowing Danir to convert part or all of the outstanding loan into equity of the Company. During the year, the loan agreement with Danir was restructured; further details of the restructured facility are provided in Note 20 to the financial statements.

30. COMMITMENTS

The Group had not entered into any material commitments as of 31 December 2024.

31. CONTINGENT LIABILITIES

As part of the share purchase agreement ("SPA"), CL is obligated to pay an additional amount to the Amtroy OU ("SPA Seller"), if Kaipola's profits exceed €7,400k. If the average EBITDA of Kaipola over the first five-year period from the commercial operation date during a rolling 12-month period is more than €12,300k then the full earn out in the sum of €3,650k shall be paid to the SPA Seller within 28 days of the date on which the Auditors certify the average EBITDA of business. If the average EBITDA of Kaipola over the first five-year period from the commercial operation date during a rolling 12-month period is between €7,400k and €12,300k then a *pro rata* earn out shall be payable.

On 16 October 2024, CL and Amtroy agreed to amend the SPA so that some of the Deferred Consideration may partially be paid in advance at CL's discretion. In the event of an early payment of €750k of the deferred payment, it will reduce the deferred payment by an additional €500k and the same amount will be added to the maximum payable under the earn-out. In the event of an early payment of €1,500k of the deferred payment, the deferred payment will be reduced by an additional €850k and such amount shall be added to the maximum payable under the earn-out. If the advance payment is between €750k and €1,500k, the reduction of the deferred payment will be adjusted in a linear manner to the actual amount of the advance payment, and such amount will increase the maximum payable under the earn-out.

The earn-out, to the extent it becomes payable, shall be settled through a combination of cash and equity. Specifically, one-third (1/3) of the total amount will be paid in cash, while the remaining balance will be settled through the issue of new shares in Cindrigo Holdings Limited at a price equal to a 15 per cent. discount to the volume-weighted average price (VWAP) of Cindrigo Holdings Limited shares as at the date the average EBITDA is certified by the auditors.

This payment is contingent on future profits, and the exact amount is dependent on the extent to which profits exceed the specified limit. As of the balance sheet date, it is not certain whether this threshold will be met, and the potential liability has not been recognised in the financial statements. Kaipola will continue to monitor its financial performance and assess the likelihood and amount of any potential payment under this earn-out condition.

32. SUBSEQUENT EVENTS

Subsequent to the year-end, the Company received funds of £1.5 million pursuant to the open offer and additional share issuance. These funds will be used to support the Group's ongoing operations and development projects. All the monies are held in the bank account of Cindrigo Limited, as the Company does not maintain its own bank accounts.

Additionally, on 3 March 2025, the Group entered into definitive agreements for the acquisition of an 85 per cent. majority interest in three geothermal energy projects located in the Upper Rhine Valley, Germany.

Further funding of £2.5 million was received from Danir in May 2025 to support its cash flow and working capital requirements. On 15 April 2025, Jack Clipsham was appointed to the Board as a Non-Executive Director. None of these events impact the financial statements for the year ended 31 December 2024.

33. ULTIMATE CONTROLLING PARTY

As of 31 December 2024, no one entity owns more than 50 per cent. of the issued share capital. Therefore, the Group does not have an ultimate controlling party.

SECTION (C) – ACCOUNTANTS’ REPORT ON CINDRIGO GROUP – Financial Years ended 31 December 2023 and 2022

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28 October 2025

Dear Sirs

Cindrigo Group

Introduction

We report on the historic financial information set out in Section (C) of Part 11 (the “Financial Information”) of the prospectus (the “Document”) relating to Consolidated financial statements of Cindrigo Holdings Limited and its subsidiaries (“Cindrigo Group”). This covers the financial years to 31 December 2022 and 2023. This information has been prepared for inclusion in the Document dated 28 October 2025 relating to the proposed Admission to the Equity Shares (Commercial Companies) category of the Official List and to trading in the Main Market of the London Stock Exchange of Cindrigo Holdings Limited (“the Company”) and on the basis of the accounting policies set out in note 2. The report is required by Annex 1, Section 18, Item 18.3.1 of the PR Regulation and is given for the purpose of complying with that paragraph and for no other purpose.

The financial information for the years ended 31 December 2022 and 2023 has been based on the restated statutory financial statements audited by Macalvins Limited.

Responsibility

The Directors of the Company are responsible for preparing the Financial Information in accordance with IFRS as adopted by the European Union.

It is our responsibility to form an opinion on the Financial Information for the years ended 31 December 2022 and 2023 and to report our opinion to you.

Save for any responsibility arising under Annex 1, Section 1, Item 1.2 of the PR Regulation to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1, Section 1, Item 1.3 of the PR Regulation, consenting to its inclusion in the Document.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting (SIR 2000) issued by the Auditing Practices Board in the United Kingdom in respect of the 2022 and 2023 periods. Our work included an assessment of evidence relevant to the amounts and disclosures in the Financial Information. It also included an assessment of significant estimates and judgements made by those responsible for the

preparation of the Financial Information and whether the accounting policies are appropriate to the Cindrigo Group and consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Information for 2022 and 2023 periods is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the Financial Information for the years ended 31 December 2022 and 2023 gives, for the purpose of the Document dated 28 October 2025, a true and fair view of the state of affairs of Cindrigo Group as at 31 December 2022 and 2023 and of its results, cash flows and changes in equity for the period then ended in accordance with the applicable financial reporting framework and has been prepared in a form that is consistent with the accounting policies adopted by Cindrigo Group.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

Macalvins Limited

Reporting Accountants

SECTION (C) – HISTORIC FINANCIAL INFORMATION OF CINDRIGO GROUP

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME For years ended 31 December 2023 and 2022

	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2023</i> <i>(Restated)</i> <i>£'000</i>	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2022</i> <i>(Restated)</i> <i>£'000</i>
Continuing operations		
Revenue	–	–
Costs of material	–	–
Administrative expenses	(1,651)	(1,780)
Other operating income	226	10
Depreciation and amortisation	–	–
Impairment of financial assets	(2,057)	–
Operating loss	(3,482)	(1,770)
Finance costs	(280)	(97)
Finance income	–	–
Loss before tax	(3,762)	(1,867)
Tax	–	–
Loss for the year	(3,762)	(1,867)
Loss in associate	–	(603)
Loss attributable to non-controlling interest	15	3
Loss attributable to owners of the parent	(3,747)	(2,467)
Exchange differences on translating foreign operations	–	–
Other comprehensive income for the year, net of tax	(3,747)	(2,467)
Loss per share expressed in pence per share:		
Basic	(0.026)	(0.017)
Diluted	–	–

The notes form an integral part of this Historic Financial Information

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the years ended 31 December 2023 and 2022

	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2023</i> <i>(Restated)</i> <i>£'000</i>	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2022</i> <i>(Restated)</i> <i>£'000</i>
Loss for the year	<u>(3,747)</u>	<u>(2,467)</u>
Exchange differences on translating foreign operations	<u>–</u>	<u>–</u>
Other comprehensive income for the year, net of tax	<u>(3,747)</u>	<u>(2,467)</u>

The notes form an integral part of this Historic Financial Information

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2023 and 2022

	<i>Audited As at 31 December 2023 (Restated) £'000</i>	<i>Audited As at 31 December 2022 (Restated) £'000</i>
Non-current assets		
Property, plant and equipment	2,144	622
Intangible assets	–	227
Current assets		
Trade and receivables	1,041	402
Cash	172	690
Total assets	<u>3,357</u>	<u>1,941</u>
Equity		
Called up share capital	22,583	22,581
Share Subscription Reserve	15	15
Equity component of convertible loan notes	2,381	2,029
Retained earnings	(29,928)	(27,380)
Non-controlling interest	36	51
Total equity	<u>(4,913)</u>	<u>(2,704)</u>
Liabilities		
Trade payables	603	213
Borrowings	7,667	4,432
Total liabilities	<u>8,270</u>	<u>4,645</u>
Total equity and liabilities	<u>3,357</u>	<u>1,941</u>

The notes form an integral part of this Historic Financial Information

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the years ended 31 December 2023 and 2022

	Share capital £'000	Shares to be issued reserve £'000	Equity component of convertible instruments £'000	Share Option Reserve £'000	Retained earnings £'000	CTD (Currency translation difference) £'000	Non- Controlling interest £'000	Total £'000
Balance as at 1 January 2022	11,879	–	3,275	–	(13,818)	–	–	1,335
Conversion of loan notes to equity	–	–	181	–	–	–	–	181
Other movements in reserve	–	–	–	–	15	–	–	15
Other movements in equity	159	–	–	–	–	–	–	159
Amounts attributable to non-controlling interests	–	–	–	–	–	–	(3)	(3)
Loss for the year	–	–	–	–	(2,467)	–	–	(2,467)
Correction adjustments	10,543	15	(1,427)	–	(11,110)	–	54	(1,925)
Balance as at 31 December 2022	22,581	15	2,029	–	(27,380)	–	51	(2,704)
Equity component of convertible notes	–	–	352	–	–	–	–	352
ECG disposal (moved out from group)	(13)	–	–	–	1,151	–	–	1,138
Foreign exchange differences on currency conversion	15	–	–	–	48	–	–	63
Loss for the year	–	–	–	–	(3,747)	–	(15)	(3,762)
Balance as at 31 December 2023	22,583	15	2,381	–	(29,928)	–	36	(4,913)

The notes form an integral part of this Historic Financial Information

CONSOLIDATED CASH FLOW STATEMENTS
For the years ended 31 December 2023 and 2022

	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2023</i> <i>As restated</i> <i>£'000</i>	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2022</i> <i>£'000</i>
Operating activities		
Loss before tax	(3,747)	(2,467)
Adjustments for:		
Non-cash adjustment	2,320	38
(Increase)/decrease in inventories		
Decrease/(Increase) in receivables	(639)	461
(Decrease)/Increase payables	49	112
Net cash flows from operating activities	(2,017)	(1,856)
Investing activities		
Acquisition of subsidiary	–	(622)
Fixed asset investment – assets under construction	(1,305)	(227)
Net cash flows from investing activities	(1,305)	(849)
Financing activities		
Changes in borrowings	2,804	2,270
Proceeds from issue of shares (net of placing fees)	–	–
Loan repayments	–	(612)
Other movements in equity	–	175
Net cash flows from financing activities	2,804	1,833
Net decrease in cash	(518)	(872)
Cash at beginning of period	690	1,562
Cash at end of period	172	690

The notes form an integral part of this Historic Financial Information

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

For the years ended 31 December 2023 and 2022

1. General Information

Cindrigo Holdings Limited (the “Company” or “Cindrigo”) and its subsidiaries (together the “Group”) are engaged in the development and operation of renewable energy projects, focusing on waste-to-energy (“WtE”) and geothermal heat and power generation.

The Group’s strategy is to be an active renewable energy developer, coordinating project owner with outsourced construction and operation supported by world class partners, both sub and on-surface. Development is based on proven technology with a modular, replicable expansion.

The Company was incorporated on 24 November 2014, under Section II of the Companies (Guernsey) Law, 2008, as a company limited by shares. It is registered in Guernsey under company number 59383.

2. Accounting policies

Basis of preparation

(i) Compliance with IFRS

The consolidated financial statements of Cindrigo Holdings Limited (formerly Challenger Acquisitions Limited) have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (IFRS’s as adopted by the EU), issued by the International Accounting Standards Board (IASB), including interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) applicable to the companies reporting under IFRS.

(ii) Preparation of consolidated Financial Information

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

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

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.

The following companies are consolidated into the Group financial statements:

<i>Name of Company</i>	<i>Country of incorporation</i>	<i>Nature of Operations</i>	<i>% owned</i>	<i>Method of Consolidation</i>
Cindrigo Ltd	UK	Cost Centre	100%	Full consolidation
Cindrigo Geothermal Limited	UK	Holding Company	100%	Full consolidation
Dravacel Energetika doo	Croatia	Geothermal Energy	90%	Full consolidation
Cindrigo Geothermal (Europe) Limited	UK	Geothermal Energy	100%	Full consolidation

The following companies were not consolidated in the financial statements for the year ended 2023 and 2024:

<i>Name of Company</i>	<i>Country of incorporation</i>	<i>Nature of Operations</i>	<i>% owned</i>
Energy Co-Invest Global	Canada	Holding company	100%
GEG	Iceland	Geothermal Energy	48%
Kyiv Power BTS LLC	Ukraine	Holding company	99%

ECG and GEG suspended their operations and the shares in ECG were sold for a nominal consideration before year end. The investment and intercompany balance with ECG was written off.

Kyiv Power BTS LLC would have acted as the holding company for the operations to build and operate waste to energy plants in Ukraine. Given the invasion of Ukraine by the Russian Federation in February 2022 all group operations in Ukraine were suspended and the investment was fully impaired in the previous year. In the current year, the interest in Kyiv Power BTS LLC was sold for a nominal consideration.

(iii) *Going concern*

The financial information has 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, and therefore continues to adopt the going concern basis in preparing its Financial Information.

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.

(iv) *New standards, interpretations and amendments effective during the periods presented*

There were no new standards, interpretations or amendments to existing standards that became effective during the periods presented which had a material impact on the Group's consolidated financial statements.

(v) *Accounting judgements and estimates*

Judgements made by the directors, in the application of these accounting policies that have a significant effect on the Financial Information and estimates with a significant risk of material adjustment in the next year are discussed in Note 22.

Income recognition

Interest income

Interest income is recognised using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continues unwinding the discount as interest income.

Other income

Other income is recognized when it is probable that economic benefits will flow to the entity, and the income can be reliably measured. Income is recognized irrespective of when the cash is received or receivable.

Segment Reporting

For the purpose of IFRS 8, the Chief Operating Decision Maker “CODM” takes the form of the board of directors. The Directors are of the opinion that the business of the Group comprised a single activity, being the identification and acquisition of target companies or businesses in the energy sector.

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.

Foreign operations

For the purposes of consolidation, the assets and liabilities of Group entities with a functional currency other than GBP are translated into GBP at the exchange rate prevailing at the reporting date. Income and expenses are translated at the average exchange rate for the reporting period, unless exchange rates fluctuate significantly, in which case the rate at the date of the transaction is used.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated into GBP at the closing exchange rate at the reporting date.

Exchange differences arising from the translation of foreign operations are recognised in other comprehensive income and accumulated in the foreign currency translation reserve (FCTR) within equity. On disposal of a foreign operation, the cumulative amount of such exchange differences recognised in equity relating to that operation is reclassified to profit or loss and recognised as part of the gain or loss on disposal.

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.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the weighted average cost method and includes all costs of purchase, conversion, and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable selling expenses. Provisions are made for obsolete, slow-moving, or defective inventory where appropriate.

Trade and Other Receivables

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. The Group applies the simplified approach permitted by IFRS 9 to measure expected credit losses, using a lifetime expected credit loss allowance for trade receivables. Credit losses are recognised in profit or loss when there is objective evidence that the Group will not collect the full amount due

Investments and other financial assets

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those trade and other receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets are classified into one of the following categories:

- amortised cost
- fair value through profit or loss (FVTPL), or
- fair value through other comprehensive income (FVOCI).

In the periods presented the Group only holds financial assets measured at amortised cost.

The classification is determined by both:

- the Group's business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset. All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

- *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions:

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

Impairment of financial assets

IFRS 9's impairment requirements apply to financial assets measured at amortised cost, including loans, trade receivables and contract assets recognised under IFRS 15. The Group applies the expected credit loss (ECL) model, which uses forward-looking information to recognise credit losses on these financial assets.

In assessing ECL's, applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category (i.e. Stage 1) while 'lifetime expected credit losses' are recognised for the second category (i.e. Stage 2).

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings and trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The depreciation methods and useful lives applied vary by subsidiary, depending on the nature of operations and asset usage. Each subsidiary follows its own approved accounting policies for depreciation, which are not overridden by the holding company unless required for consolidation purposes under IFRS.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Business Combinations

The acquisition method is used for all business combinations. The consideration transferred for the acquisition includes the fair values of:

- Assets transferred,
- Liabilities incurred,
- Equity interests issued by the Group,

- Contingent consideration arrangements, and
- Pre-existing equity interests in the subsidiary.

Identifiable assets and liabilities acquired are generally measured at fair value at the acquisition date. Non-controlling interests in the acquired entity are recognised either at fair value or the proportionate share of net identifiable assets, depending on the acquisition.

Acquisition-related costs are expensed as incurred.

The excess of consideration transferred and the fair value of any non-controlling interest over the fair value of net identifiable assets acquired is recognised as goodwill. If this excess is negative, the difference is recognised as a bargain purchase in profit or loss.

Deferred cash consideration is discounted to its present value using the Group's incremental borrowing rate.

Contingent consideration is classified as either equity or a financial liability, with changes in fair value recognised in profit or loss.

Impairment of Assets

Goodwill and indefinite life intangible assets are tested annually for impairment, or more frequently if events suggest potential impairment. Other assets are tested for impairment when events or changes in circumstances indicate that their carrying amount may not be recoverable.

An impairment loss is recognised when the asset's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal or value in use. Impaired assets (other than goodwill) are reviewed for possible reversal of impairment at each reporting date.

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 directly attributable transaction costs. Subsequent measurement depends on the nature of the borrowing instrument:

Non-convertible loans are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the loan. Fees paid on the establishment of loan facilities are capitalised as part of the loan to the extent that it is probable that some or all of the facility will be drawn down. Where there is no evidence of probable drawdown, such fees are recognised as prepaid costs and amortised over the term of the facility.

Convertible loans are assessed to determine whether they include an embedded derivative or qualify for split accounting. Where the conversion terms are variable and do not meet the "fixed-for-fixed" criterion, the entire instrument is classified as a financial liability at fair value through profit or loss (FVTPL), with changes in fair value recognised in profit or loss. Where the conversion option meets the fixed-for-fixed requirement, the instrument is split into a liability component (measured at amortised cost) and an equity component (representing the conversion feature), with the liability portion determined using a market interest rate for a comparable non-convertible loan.

Employee benefits

Short term obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Related Parties

For the purposes of these financial statements, a party is considered to be related to the Company if:

- (i) the party has the ability, directly or indirectly, through one or more intermediaries, to control the Company or exercise significant influence over the Company in making financial and operating policy decisions or has joint control over the Company;
- (ii) the Company and the party are subject to common control;
- (iii) the party is an associate of the Company or a joint venture in which the Company is a venturer;
- (iv) the party is a member of key management personnel of the Company or the Company's parent, or a close family member of such an individual, or is an entity under the control, joint control or significant influence of such individuals;
- (v) the party is a close family member of a party referred to in (i) or is an entity under the control, joint control or significant influence of such individuals;
- (vi) the party, or any member of a group of which it is part, provides key management personnel services to the company or its parent.

Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity under share capital as a deduction, net of tax, from the proceeds.

3. Operating Segments

For the purpose of IFRS 8, the Chief Operating Decision Maker "CODM" takes the form of the board of Directors. The Directors are of the opinion that the business of the Group comprised a single activity, being the identification and acquisition of target companies or businesses in the energy sector.

4. Restatement of consolidated annual financial statements (continued)

During the year management identified the following matters which were incorrectly accounted for or presented in the prior periods:

a. Convertible loan notes – Adjustments:

During the year, the Group undertook a detailed review of historical convertible loan agreements and related financing instruments. This review identified several classification and measurement errors in prior periods.

In July 2021, the Group issued Series 1 and 2 convertible loan notes, including one for £1,000k and another for £700k. These were initially recorded entirely as equity upon issuance. However, it was subsequently identified that the terms granted the lender an option to receive repayment in either cash or shares. Accordingly, these instruments should have been accounted for as compound financial instruments, with a split between a liability component and an equity component. In the same month, the Group also issued Series 3 convertible loan notes amounting to £612k. These were similarly misclassified in full as equity. Following a reassessment, it was confirmed that the lender retained an

option for cash repayment, thereby requiring the notes to be split between liability and equity under IAS 32. These misclassifications have now been corrected.

In October 2021, a further convertible loan of £1,575k (including the arrangement fees of £75k) was issued and similarly recognised in full as equity upon conversion. This too has been corrected in line with other and recording as compound instrument.

In December 2022, the terms of a £1.443 million loan were revised. These revised terms were not previously incorporated in the financial statements. The restated figures now appropriately reflect the financial impact of the revised agreement, in accordance with IFRS 9.

Also in December 2022, the Group received funding of £750K, which had originally been classified as a compound financial instrument. However, upon further assessment, it was concluded that the instrument lacked any equity conversion features and therefore meets the definition of a pure financial liability under IAS 32. The full amount has been reclassified as a liability. Additionally, the loan was overstated by 77k due to an error during the intercompany transfer process. Although the loan agreements were executed at the holding company level, the amount was received by the CL, the loan was incorrectly recorded in the Company's books, resulting in a mismatch.

Lastly, further adjustments were made to reflect interest accrued on these instruments in accordance with their contractual terms. In prior periods, interest expenses were not consistently accounted for. The restated financial statements now reflect the appropriate accrual of interest using the effective interest rate method.

b. **Adjustments to Reserves:**

The adjustment reflects the correction of following figures totalling to total £10,597k.

An amount of £10k, originally recognised in 2019 as part of Other Reserves, was incorrectly reclassified to Share Capital in a subsequent period following a change in auditors. This has now been corrected, and the amount has been reclassified back to reserves to reflect its original treatment.

In August 2020, the Company agreed to settle advisory fees amounting to (£15k) by issuing 759,442, please refer to Note 4(e) for further details.

In September 2020, the Company allotted 100,000,000 new ordinary shares of £0.01 each to holders of the Unsecured Convertible Note issued 8 June 2017 for the conversion of (£100k) of the principal value of the Notes. At the time of issuance, the nominal (face) value of the shares was not correctly recorded in the financial statements. To rectify this, the adjustment has now been processed through equity by recognising the correct nominal value within share capital, with a corresponding adjustment to reserves.

Cindrigo Energy limited (CEL), a wholly owned subsidiary acquired in July 2021, was dissolved after its investment had already been written off in the parent company's individual accounts. However, consolidation entries relating to CEL were incorrectly continued post-dissolution. A correction of (£14,037k) has been made to eliminate these residual entries, with the net effect adjusted through Retained Earnings.

Furthermore, CEL's former subsidiary, CL, became a direct subsidiary of the holding company following CEL's dissolution. As no new investment was recognised (due to no recoverable value), CL's share capital and reserves amounting to £3,422k were correctly eliminated against Retained Earnings, in accordance with IFRS guidance on common control transactions.

Dravacel was acquired in June 2022, with 90 per cent. of shares transferred for a nominal value, and €500k committed as working capital. This was recorded as an investment in the parent company. However, the acquisition was not fully accounted for under IFRS 3 in prior consolidations. A correction has now been made to eliminate Dravacel's share capital of £612k against Retained Earnings. Additionally, a Share Premium of (£450k), adjustments to correct this made in the 2023 financial statements but relating to the June 2022 acquisition. The correction has therefore been reflected retrospectively.

- c. **Receipt of Funds Relating to Open Offer Pre-CEL Acquisition** – A sum of £100k was received in connection with an open offer undertaken by CEL, £50k on 18 January 2022 and £50K on 1 February 2022, which utilized CL's bank account as CEL did not have its own. These funds were initially recorded under other creditors. However, following CEL's dissolution, the funds were left unaccounted for, as they remained in the creditor balance. The reclassification ensures that the funds are accurately presented in the group's accounts.
- d. **ECG Loan Liability Recognition** – A loan liability related to ECG was assumed by the Group upon its acquisition in March 2022. However, following the Russian invasion of Ukraine and subsequent operational challenges, the Group decided to dispose of ECG. The loan liability was agreed to be paid by the Company. At the time of transfer, the liability was not recorded in the Company's books due to an oversight. This omission has now been rectified via restatement of prior year accounts.
- e. **Advisory Fees Settled by Share** – In August 2020, the Company agreed to settle advisory services amounting to £15k by issuing 759,442 ordinary shares for the services that is provide in relation to acquisition of CEL via share exchange. As at the reporting date, the shares had not yet been issued; however, a binding agreement was in place. Accordingly, the Company has recognised the amount within equity under "Shares Subscription Reserve", with a corresponding charge to administrative expenses.
- f. **Cumulative Opening Adjustments (from Box 1)** – This reflects the total net effect of all prior period adjustments identified in Box 1. These represent corrections of past errors that have been applied retrospectively to opening balances in accordance with applicable accounting standards (e.g., IAS 8 under IFRS).

The errors have been corrected by restating each of the affected financial statement line items for the prior periods as follows:

Box 1: Statement of financial position (extract) as at 31 December 2022

		a.	b.	c.	e.	
	31 December 2022	Correction of Convertible Loan Notes	Correction of Reserves	Receipt of Funds Related to Open Offer Prior to CEL Acquisition	Advisory Fees Settled by 31 December Share	Restated 31 December 2022
Equity						
Share Capital account	12,038		10,543			22,581
Equity component of convertible instruments	3,456	(1,427)				2,029
Accumulated deficit	(16,270)	(598)	(10,597)	100	(15)	(27,380)
Shares to be issued reserve					15	15
Non-controlling Interest	(3)		54			51
Total (A)	<u>(779)</u>	<u>(2,025)</u>	<u>–</u>	<u>100</u>	<u></u>	<u>(2,704)</u>
Liabilities						
Borrowings	2,407	2,025				4,432
Trade and other payables	313			(100)		213
Total (B)	<u>2,720</u>	<u>2,025</u>	<u>–</u>	<u>(100)</u>	<u></u>	<u>4,645</u>
Total equity and liabilities (A+B)	<u>1,941</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u></u>	<u>1,941</u>

Box 2: Statement of financial position (extract) as at 31 December 2023

	31 December 2023	a. Correction of Convertible Loan Notes	b. Correction of Reserves	d. Correction of Other Loans	f. Cumulative Opening Adjustments 31 (from Box 1)	Restated 31 December 2023
Equity						
Share Capital account	12,490		(450)		10,543	22,583
Equity component of convertible instruments	4,038	(230)			(1,427)	2,381
Accumulated deficit	(18,597)	(162)	450	(509)	(11,110)	(29,928)
Shares to be issued reserve					15	15
Non-controlling Interest	(18)				54	36
Total (A)	<u>(2,087)</u>	<u>(392)</u>	<u>–</u>	<u>(509)</u>	<u>(1,925)</u>	<u>(4,913)</u>
Liabilities						
Borrowings	4,741	392		509	2,025	7,667
Trade and other payables	703				(100)	603
Total (B)	<u>5,444</u>	<u>392</u>	<u>–</u>	<u>509</u>	<u>1,925</u>	<u>8,270</u>
Total equity and liabilities (A+B)	<u>3,357</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>3,357</u>

5. Expenses by nature

	31 December 2023 £'000	31 December 2022 £'000
Consulting fees	826	536
Legal and professional fees	286	445
Travelling	172	266
IR, Communication and Marketing	–	–
Audit, Accountancy and other related services	113	48
Other Administrative cost	91	140
Directors' fees	84	77
Wages and Social security	58	11
IT Software and Consumables	–	21
Irrecoverable Balances Written Off	–	236
Foreign exchange (gain)/loss	21	
Total administrative expenses	<u>1,651</u>	<u>1,780</u>

6. Impairment of financial assets

	31 December 2023 Restated £'000	31 December 2022 £'000
ECG – Intercompany receivable	1,214	–
ECG – Debts to be repaid by parent	504	–
ECG – Investment	120	–
TCB – OU Investor	219	–
Total	<u>2,057</u>	<u>–</u>

In 2023, the Group recognised a total charge of £2 million relating primarily to the de-recognition of its investment in ECG and intercompany receivables in ECG.

7. Auditors Remuneration

	31 December 2023 £'000	31 December 2022 £'000
Fees payable to the Company's auditor for the audit of parent company and consolidated financial statements	45	35
	<u>45</u>	<u>35</u>

8. Employee benefit expenses

	31 December 2023 £'000	31 December 2022 £'000
<i>Staff costs (including directors)</i>		
Salaries and wages	43	8
Social security contributions and similar taxes	15	3
	<u>58</u>	<u>11</u>

The average number of employees during the year was as follows:

	31 December 2023 £	31 December 2022 £
<i>Average number of employees by function</i>		
Employees	1	1
Directors	<u>6</u>	<u>6</u>

9. Loss before income tax

The loss before income tax is stated after charging:

	31 December 2023 £'000	31 December 2022 £'000
Auditors' remuneration	45	35
Foreign exchange differences	<u>(21)</u>	<u>(13)</u>

10. Income tax

Cindrigo Holdings Limited is a Guernsey Corporation subject to a corporate tax rate of nil, as of 31 December 2023.

None of the group's subsidiaries incurred any tax liabilities during the years ended 31 December 2023 and 2022. There are no unrecognised tax losses.

11. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

<i>Basic EPS</i>	<i>Loss after tax</i>	<i>Weighted average number of shares</i>	<i>Pence per share</i>
2023 (restated)	(3,747,000)	142,041,530	(0.026)
2022	(2,467,000)	142,202,476	(0.017)

12. Property, Plant and equipment

	<i>Land £'000</i>	<i>Assets under construction £'000</i>	<i>Total £'000</i>
Additions	622	–	622
At 31 December 2022	622	–	622
Foreign exchange differences	(10)	–	(10)
Reclassification from intangible assets		227	227
Additions		1,305	1,305
At 31 December 2023	612	1,532	2,144

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

Assets under construction related entirely to the development costs of the Slatina 3 project. During the current year, due to the suspension of the project and the associated uncertainty, an impairment charge was recognised to write down the carrying value of these assets.

12a. Reclassification of Intangible Asset

An intangible asset amounting to £227k, originally recorded in 2022, was reclassified in 2023 as part of Property, Plant and Equipment under “Assets under Construction.” This reflects the updated assessment of the asset’s nature and its direct association with the ongoing project development.

13. Investments

Company subsidiary undertakings

At 31 December 2023, the Company owned interests in the following subsidiary undertakings:

<i>Name</i>	<i>Holding 2023</i>	<i>Business Activity</i>	<i>Country of Incorporation</i>
Cindrigo Ltd	100%	Cost Centre	UK
Cindrigo Geothermal Limited	100%	Holding company	UK
Dravacel Energetika doo	90%	Geothermal Energy	Croatia
Cindrigo Geothermal (Europe) Limited	100%	Geothermal Energy	UK

Following companies were disposed of in the year 2023:

<i>Name</i>	<i>Holding</i>	<i>Business Activity</i>	<i>Country of Incorporation</i>
Energy Co-Invest Global	100%	Holding company	Canada
GEG	48%	Geothermal Energy	Iceland
Kyiv Power BTS LLC	99%	Holding company	Ukraine

14. Trade and other receivables

	31 December 2023	31 December 2022
	£'000	£'000
Trade debtors	22	23
Other debtors	397	39
Prepayments and accrued income	622	1
TCB Investor	–	339
	<u>1,041</u>	<u>402</u>

15. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term deposits held with banks with a A-1+ rating. The carrying value of these approximates to their fair value. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.

	31 December 2023	31 December 2022
	£'000	£'000
Bank accounts	172	690

16. Trade and other payables

	31 December 2023	31 December 2022
	Restated £'000	Restated £'000
Trade payables	457	57
Other payables	24	49
Accrued expenses	122	107
	<u>603</u>	<u>213</u>

17. Financial liabilities – borrowings

	31 December 2023	31 December 2022
	Restated £'000	Restated £'000
<i>Current liabilities</i>		
Other loans	824	293
Convertible Notes	6,843	4,139
	<u>7,667</u>	<u>4,432</u>

Convertible loan details are as follows

Note	1	2	3	4	5	6	7	8	9	10	Total
Balance at 31 December 2022	–	–	–	–	1,398	715	–	–	–	–	2,113
Correction of Error	658	461	403	976	(509)	37	–	–	–	–	2,026
Restated Opening Balance	<u>658</u>	<u>461</u>	<u>403</u>	<u>976</u>	<u>889</u>	<u>752</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>4,139</u>
New Notes Issued	–	–	–	–	–	–	1,000	515	420	869	2,804
Equity Component of											
Convertible Loan	–	–	–	–	–	–	(177)	–	(57)	(118)	(352)
Finance Charge	33	23	20	49	44	38	26	12	4	3	252
Balance as at 31 December 2023	<u>691</u>	<u>484</u>	<u>423</u>	<u>1,025</u>	<u>933</u>	<u>790</u>	<u>849</u>	<u>527</u>	<u>367</u>	<u>754</u>	<u>6,843</u>

Note 1

On 29 January 2016, the Group issued £1 million of secured convertible notes, unlisted and secured by one common unit valued at US\$1 million, with a maturity date of 30 June 2019. In August 2021, these notes, including all accumulated but unpaid interest, were settled by new 10-year zero coupon loan notes with a principal value of £1 million, reclassified as an equity instrument under IFRS.

Note 2

The last tranche of £400,000 from the £1 million funding facility announced on 13 June 2017 was drawn on 18 January 2018, resulting in an unlisted, unsecured, convertible note with a maturity date of 8 June 2019. Despite maturity, the note remained outstanding and continued accruing interest. In August 2020, the note, including all accumulated interest, was settled by new 10-year zero coupon loan notes with a principal value of £700,000, reclassified as an equity instrument under IFRS.

Note 3

On 30 July 2021, the Company completed the Reverse Takeover of CEL. On Completion of the RTO, Danir were entitled to 47,361,313 new ordinary shares but if these shares had been issued, Danir would have been obliged to make an offer under Rule 9 of the City Code on Takeovers and Mergers. To avoid this consequence, Danir received 41,238,718 new shares together with 6,122,595 zero coupon convertible loan notes. Series 3 unlisted, unsecured, zero-coupon, convertible and transferable loan notes 2031. Loan note has option to share for fixed price of 10 pence per share.

Note 4

On 22 October 2021, the Group created up to £1,575,000 Series 4 unlisted, unsecured, zero-coupon, convertible and transferable loan notes 2031. Loan note has option to share for fixed price of 10 pence per share.

This loan which was previously recorded entirely as equity, has been reassessed. Following discussions, it was concluded that the lender retained the right either to demand repayment or to convert the loan into equity. Accordingly, the loan has been restated in the prior year comparatives to reflect its correct treatment as a combined instrument.

Note 5

On 2 September 2022, the Group received a short-term loan from Danir AB of SEK 18,000,000 to bridge working capital needs in anticipation of a major subscription for shares, which ultimately did not proceed.

Following this, on 9 December 2022, the loan was renegotiated under revised terms, whereby the original loan and related arrangement fee of SEK 21,500,000 (£1,711,400), a breaking fee of SEK 17,500,000 (£1,393,000), and a new arrangement fee of SEK 8,750,000 (£696,000) were consolidated into a total liability of approximately £3,800,900. This amount was satisfied by the issue of loan notes convertible into 25,339,333 new ordinary shares at a conversion price of 15 pence per share. This loan is for the term of 10 year.

Note 6

Danir agreed to lend CINH £750,000, on 9 December 2022 Danir AB subscribed for £750,000 of convertible loan notes. The loan notes are convertible at a 25 per cent. discount to the 30-day volume weighted average price (VWAP) of the Company's shares, subject to a minimum conversion price of £1.25 per share. Based on these terms, Danir AB is entitled to 600,000 new ordinary shares upon conversion.

The loan previously issued to Danir AB was initially recorded as a compound financial instrument, with the liability and equity components separated. Following further analysis, it was determined that, as the loan notes do not have a fixed conversion price for subscribing to shares, the conversion feature constitutes an embedded derivative. Accordingly, the convertible loan has been reclassified as a derivative financial liability. The financial statements for the year ended 31 December 2023 have been restated to reflect this change in accounting treatment in accordance with IFRS 9.

Note 7

On 26 April 2023, Danir AB lent CINH the sum of £1,000,000 through the subscription for £1,573,519 unlisted, unsecured 12 per cent. convertible loan notes. The loan notes are dated 14 May 2023, are interest-free, and are repayable after 48 months from the date of issue. Initially, the loan notes included an option to convert into ordinary shares at a fixed price of 70 pence per share.

Note 8

On 15 September 2023, Danir lent CINH the further sum of £515,000. The loan is with 8 per cent. interest per annum, rolled up and paid on maturity and loan was repayable with 2 months.

Note 9

Loan received from Danir In October 2023, €500,000 interest-free loan with a 3-year term, repayable at the discretion of the borrower based on available free cash flow. Danir received a 10 per cent. interest in the Company (CGEOS) which owns 90 of the Slatina 3 project. Loan is interest free.

Note 10

Loan received from Danir in November 2023 €1,000,000 interest-free loan with a 3-year term, repayable at the discretion of the borrower based on available free cash flow. Danir receives an additional 10 per cent. interest in the Slatina 3 Project through Cindrigo Geothermal (Slatina) Limited.

Other loans

On 21 October 2018, Cindrigo Inc borrowed US\$295,600 from a group of arm's length parties. The loans bear interest at 7 per cent. 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 of Cindrigo Inc on a Stock Exchange at a conversion price that is at a 25 per cent. discount to the 30-day volume weighted average share price. If the loans are not converted, the loans are due three years after the Cindrigo Inc's listing. Cindrigo Inc has been dissolved however Cindrigo Holdings Limited has indicated that subject to contract the original terms of the loan notes will be honoured.

18. Share capital

	Number of shares	Total £'000
<i>Issued and fully paid</i>		
As at 31 December 2022	142,041,530	22,581
As at 31 December 2023	142,041,530	22,583

(a) **Share Subscription Reserve**

In August 2020, the Company agreed to settle advisory services amounting to £15k by issuing 759,442 ordinary shares for the services that is provide in relation to acquisition of CEL via share exchange. As at the reporting date, the shares had not yet been issued; however, a binding agreement was in place. Accordingly, the Company has recognised the amount within equity under "Shares Subscription Reserve", with a corresponding charge to administrative expenses.

19. Financial risk management

This note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance. Current year profit and loss information has been included where relevant to add further context.

(a) **Fair value**

All financial assets and liabilities, both current and non-current, are measured at amortised cost. There are no assets or liabilities designated at fair value through profit or loss or held for trading.

(b) **Market risk**

(i) *Foreign exchange risk*

Company's financial instruments are predominantly denominated in British Pounds (£), Euros and include a financial liability in Swedish Krona (SEK). Fluctuations in exchange rates between the Euro, British Pound, and Swedish Krona could materially impact the Company's business and the reported values of its financial instruments. The Company does not employ financial instruments or cash management strategies to mitigate the risks associated with changes in foreign currency exchange rates.

The Company's exposure to foreign currency risk at the end of December 2023, expressed in £'000, was as follows:

Currency	Assets in CCY	Assets in GBP	10% change	Liabilities in CCY	Liabilities in GBP	10% change
EUR	3,293k	2,865k	286k	4,319k	3,742k	374k
SEK	—	—	—	—	—	—

The Company's exposure to foreign currency risk at the year ended December 2022, expressed in £'000, was as follows:

Currency	Assets in CCY	Assets in GBP	10% change	Liabilities in CCY	Liabilities in GBP	10% change
USD	—	—	—	—	—	—
EUR	1k	1k	(0.1k)	—	—	—
CHF	—	—	—	—	—	—
SEK	—	—	—	18,000k	1,429k	143k

As described above, the Company is primarily exposed to changes in the EUR/GBP exchange rate. The exposure to SEK arises solely from a single loan transaction denominated in that currency. The sensitivity of profit or loss to exchange rate movements, as summarised in the table above.

(ii) *Price risk*

The Company does not hold any equity securities and therefore is not exposed to price risk.

(iii) *Interest rate risk*

The Company does not currently have financial instruments that expose the Company to significant interest rate risk as the Company does not have any debt that bears variable interest rate.

(c) **Credit risk**

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables. To limit the risk the Company's main cash resources are held with banks with a minimum external rating of A.

(d) **Liquidity risk**

The Group currently holds cash balances to provide funding for normal trading activity. Trade and other payables are monitored as part of normal management routine.

As at 31 December 2023 all financial assets were classified at fair value. A maturity analysis of the Group's financial assets is as follows:

	As at 31 December 2023 £'000	As at 31 December 2022 £'000
0 to 3 months	1,041	402
3 to 6 months	–	–
6 months +	–	–
Total	<u>1,041</u>	<u>402</u>

As at 31 December 2023 all financial liabilities were classified at amortised cost. A maturity analysis of the Group's financial liabilities based on contractual undiscounted payments is as follows:

	As at 31 December 2023 Restated £'000	As at 31 December 2022 Restated £'000
0 to 3 months	603	213
3 to 6 months	–	–
6 months +	7,667	4,432
Total	<u>8,270</u>	<u>4,645</u>

20. Related parties

During the year the following transactions took place between the Company and related parties.

Consultancy fees

	31 December 2023 £'000	31 December 2022 £'000
Fitzrovia Advisory Ltd	96,000	106,475
IMM	120,000	120,000
Treasury Core UAB	169,807	13,750
Osmosis Limited	41,333	44,000
	<u>427,140</u>	<u>284,225</u>

Amounts payable/(receivable) by the related parties are as follows:

	31 December 2023	31 December 2022
	£'000	£'000
Fitzrovia Advisory Ltd	15,000	–
IMM	–	9,000
Treasury Core UAB	7,500	–
Osmosis Limited	–	4,000
	<u>22,500</u>	<u>13,000</u>

Fitzrovia Advisory Limited is a related party as the director of Cindrigo has a material interest in the company. Transactions are completed on an arm's length basis on normal commercial terms.

IMM is a related party as the director of Cindrigo has a material interest in the company. Transactions are completed on an arm's length basis on normal commercial terms.

Dag Andresen is a related party as the director of Cindrigo has a material interest in the company. Transactions are completed on an arm's length basis on normal commercial terms.

Osmosis Limited is a related party as the director of Cindrigo has a material interest in the company. Transactions are completed on an arm's length basis on normal commercial terms.

21. Capital commitments

The Company had not entered into any material commitments as of 31 December 2023.

22. Significant accounting judgments and estimates

The preparation of consolidated 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 consolidated financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of an error and of changes to previous estimates.

Significant estimates and judgements

The areas involving significant estimates or judgements are:

- Going concern

See accounting policies (note 2) for details of the assessment made.

23. Subsequent events

After December 2023, the company withdrew from the Slatina 3 Project due to licensing issues and the denial of an extension for the exploration license. The Company has acquired Kaipolan Energia Oy subsequently which operates an 110MW heat and energy plant in Kaipola, Finland.

Additionally, the Company has signed a Term Sheet to acquire 85 per cent. of three geothermal licences in Germany's Upper Rhine Valley. These projects, supported by substantial governmental subsidies in Germany, are poised to become significant income-producing assets, replacing the recently abandoned Slatina 3 Project in Croatia, due to political licensing issues

In April 2024, the Group secured an additional €1.5 million from its principal shareholder, Danir AB ("Danir"), to support funding for the acquisition and refurbishment of the Kaipola plant (the "Plant").

PART 12

HISTORICAL FINANCIAL INFORMATION ON KAIPOLAN

Kaipolan was acquired on 9 April 2024 and thus its financial results for the period from acquisition to 31 December 2024 have been included in the Company's consolidated audited results for the year ended 2024. Because Kaipolan has not been part of the Group for the entire 3 year period, the historical financial information on Kaipolan for the period from incorporation on 25 March 2022 to 31 December 2022 and the year ended 31 December 2023 in this Part 12 is included as necessary information with respect to Article 18 of the PR Regulation.

SECTION (A) – ACCOUNTANTS' REPORT ON KAIPOLAN – Financial Periods ended 31 December 2023 and 2022

The Directors
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The Directors
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28 October 2025

Dear Sirs

Kaipolan Energia Oy

Introduction

We report on the historic financial information set out in Section (B) of Part 12 (the "Financial Information") of the prospectus (the "Document") relating to Kaipolan Energia Oy. This covers the financial period from incorporation on 25 March 2022 to 31 December 2022 and for the financial year ended 31 December 2023. This information has been prepared for inclusion in the Document dated 28 October 2025 relating to the proposed admission to the Equity Shares (Commercial Companies) category of the Official List and to trading in the Main Market of the London Stock Exchange of Cindrigo Holdings Limited ("the Company") and on the basis of the accounting policies set out in note 2. The report is required by Annex 1, Section 18, Item 18.3.1 of the PR Regulation and is given for the purpose of complying with that paragraph and for no other purpose.

The financial information for the period from incorporation on 25 March 2022 to 31 December 2022 and for the financial year ended 31 December 2023 has been based on the non-statutory financial statements audited by Macalvins Limited.

Responsibility

The Directors of the Kaipolan Energia Oy are responsible for preparing the Financial Information in accordance with IFRS as adopted by the European Union.

It is our responsibility to form an opinion on the Financial Information for the period from incorporation to 31 December 2022 and for the year ended 31 December 2023 and to report our opinion to you.

Save for any responsibility arising under Annex 1, Section 1, Item 1.2 of the PR Regulation to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1, Section 1, Item 1.3 of the PR Regulation, consenting to its inclusion in the Document.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting (SIR 2000) issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the Financial Information. It also included an assessment of significant estimates and judgements made by those responsible for the preparation of the Financial Information and whether the accounting policies are appropriate to the Kaipolan Energia Oy and consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Information for 2022 and 2023 periods is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion

In our opinion, the Financial Information gives, for the purpose of the Document dated 28 October 2025, a true and fair view of the state of affairs of Kaipolan Energia Oy as at 31 December 2022 and 31 December 2023 and of its results, cash flows and changes in equity for the period then ended in accordance with the applicable financial reporting framework and has been prepared in a form that is consistent with the accounting policies that have been adopted by company.

However, we were unable to observe physical inventory counts for the periods ends December 2022 and 2023, and alternative procedures were insufficient to verify inventory quantities. This limitation affects the extent of our audit evidence regarding inventory balances.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that this report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

Macalvins Limited

Reporting Accountants

**SECTION (B) –
HISTORIC FINANCIAL INFORMATION OF KAIPOLAN**

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023 and the Period from 25 March 2022 (Incorporation) to 31 December 2022

	<i>Audited Year ended 31 December 2023 £</i>	<i>Audited 25 March 2022 (incorporation) to 31 December 2022 £</i>
Continuing operations		
Revenue	6,760	2,177
Cost of sales	(2,187)	2,055
Gross profit/(loss)	<u>4,573</u>	<u>4,232</u>
Depreciation according to Plan	–	–
Administrative expenses	(3,977)	(4,861)
Operating profit/(loss)	<u>596</u>	<u>(629)</u>
Finance costs	–	–
Finance income	–	–
Profit/(Loss) before tax	<u>596</u>	<u>(629)</u>
Tax expense	–	–
Profit/(Loss) for the year	<u>596</u>	<u>(629)</u>
Loss per share:		
Basic	6	(6)

The notes form part of these Historic Financial statements.

STATEMENT OF OTHER COMPREHENSIVE INCOME

For year ended 31 December 2023 and the Period from 25 March 2022 (Incorporation) to 31 December 2022

	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2023</i> <i>£</i>	<i>Audited</i> <i>25 March 2022</i> <i>(incorporation) to</i> <i>31 December</i> <i>2022</i> <i>£</i>
<i>Notes</i>		
Profit/(Loss) for the year	596	(629)
Exchange differences on translation of financial statements	—	—
Total comprehensive income for the year	596	(629)

The notes form part of these Historic Financial statements.

STATEMENT OF FINANCIAL POSITION**As at 31 December 2023 and 31 December 2022**

	<i>Audited as at 31 December 2023 £</i>	<i>Audited as at 31 December 2022 £</i>
Non-current assets		
Property, plant and equipment	2,921	5,005
Current assets		
Inventories	10,032	4,854
Trade receivable	291	191
Cash and cash equivalents	3,015	3,406
Total assets	<u>16,259</u>	<u>13,456</u>
Equity		
Retained earnings	<u>(33)</u>	<u>(629)</u>
Total equity	<u>(33)</u>	<u>(629)</u>
Liabilities		
Trade payable	<u>16,292</u>	<u>14,085</u>
Total liabilities	<u>16,292</u>	<u>14,085</u>
Total equity and liabilities	<u><u>16,259</u></u>	<u><u>13,456</u></u>

The notes form part of these Historic Financial statements.

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2023 and the Period from 25 March 2022 (Incorporation) to 31 December 2022

	<i>Retained earnings</i> £	<i>Total</i> £
Total comprehensive loss	(629)	(629)
Balance as at 31 December 2022	(629)	(629)
Balance as at 1 January 2023	(629)	(629)
Total comprehensive income	596	596
Balance as at 31 December 2023	(33)	(33)

The notes form part of these Historic Financial statements.

CASH FLOW STATEMENTS

For the Year Ended 31 December 2023 and the Period from 25 March 2022 (Incorporation) to 31 December 2022

	<i>Audited</i> <i>Year ended</i> <i>31 December</i> <i>2023</i> £	<i>Audited</i> <i>25 March 2022</i> <i>(incorporation) to</i> <i>31 December</i> <i>2022</i> £
Cash flows from operating activities		
Profit	596	(629)
<i>Adjustments for:</i>		
F/X on translation	–	–
Depreciation	2,083	3,887
Increase in trade and other payables	108	809
Increase in trade and other receivables	(100)	(191)
Decrease/(increase) in inventories	(5,178)	(4,854)
Net cash flows from operating activities	(2,340)	(978)
Investing activities		
(Purchase)/sale of tangible fixed assets	–	(8,892)
Net cash used in investing activities	–	(8,892)
Financing activities		
Loans received from Parent	–	–
Amount brought in/withdrawn by directors	1,949	13,276
Net cash used in financing activities	1,949	13,276
Net increase in cash and cash equivalents	(391)	3,406
Cash and cash equivalents at beginning of period	3,406	–
Cash and cash equivalents and end of period	3,015	3,406

The notes form part of these Historic Financial statements.

NOTES TO THE FINANCIAL INFORMATION

For the years ended or the Year Ended 31 December 2023 and the Period from 25 March 2022 (Incorporation) to 31 December 2022

1. Statutory Information

Kaipolan is a private company, limited by shares, registered in Finland. The company's registered number and registered office address can be found on the Company Information page.

The functional currency of the company is the Euro (€), the local currency of Finland. The presentation currency for the financial statements is the Pound Sterling (£), as the consolidated figures for the group accounts are reported in £. See the accounting policy for foreign exchange regarding the conversion rates used.

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with international accounting standards. The financial statements have been prepared under the historical cost convention.

The company's transition date to IFRS is 25 March 2022, in accordance with IFRS 1, "First-time Adoption of International Financial Reporting Standards." The annual financial statements prepared in compliance with IFRS. As part of the transition to IFRS, the company has applied the mandatory exceptions and optional exemptions permitted by IFRS 1.

The financial statements have been prepared using the historical cost basis, except for certain financial instruments which are measured at fair value where applicable.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Cash and cash equivalents

Cash represents cash in hand and deposits held on demand with financial institutions. Cash equivalents are short-term, highly-liquid investments with original maturities of three months or less (as at their date of acquisition). Cash equivalents are readily convertible to known amounts of cash and subject to an insignificant risk of change in that cash value.

In the presentation of the Statement of Cash Flows, cash and cash equivalents also include bank overdrafts. Any such overdrafts are shown within borrowings under 'current liabilities' on the Statement of Financial Position.

Property, plant and equipment

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery – 25 per cent. on cost

As an exception to the standard depreciation practices, Finland introduced temporary measures for increased depreciation on machinery and equipment purchased between 2020 and 2023. Under these measures, companies are allowed to claim 50 per cent. depreciation on qualifying assets in the year of acquisition.

Inventories

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Trade debtors

Trade debtors are initially recognized at the amount of consideration expected to be received, which is generally the invoiced amount. They are subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are assessed for impairment at each reporting date. Receivables that are deemed to be impaired are written off, and any loss is recognized in the profit or loss.

Trade Payables

Trade payables are initially recognized at the amount of consideration to be paid in the future for goods or services received, which is generally the invoiced amount. They are subsequently measured at amortized cost using the effective interest method. Trade payables are classified as current liabilities if they are expected to be settled within one year from the reporting date. If payment is due beyond one year, they are classified as non-current liabilities.

Foreign exchange

The Company's presentation currency is Pound Sterling (£). The functional currency of the Company is Euro (€). These financial statements have been translated to the presentation currency in accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates.

Under this standard, assets and liabilities are translated using the exchange rate at the reporting date. Income, expenses, and cash flow items are translated using the exchange rates at the dates of the transactions, or an average rate for the period if it approximates the actual rates.

All translation exchange differences arising from the translation of foreign operations and other foreign currency transactions are recognized in profit or loss, rather than being reported as a separate component of other comprehensive income.

Share capital

The Company issues shares with no par value

Reserves

Retained earnings represent the accumulated profits of the Company that have not been distributed as dividends.

Retained earnings are adjusted for:

- Net Profit or Loss The profit or loss for the period as reported in the income statement.
- Dividends Paid Dividends declared and paid to shareholders.
- Transfers to Reserves Amounts transferred to other reserves as approved by the board of directors.

Going concern

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.

The management has reviewed the implications of this post-year-end event and assessed its impact on the company's ability to continue as a going concern. Based on the information currently available, the management believes that the company will be able to continue its operations and meet its financial obligations as they fall due.

Financial instruments

The following is the Company's accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI"), or at amortised cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value plus or minus transaction costs, respectively, and subsequently carried at amortised cost less any impairment. Financial instruments under this classification includes cash, receivables, due from related parties, accounts payable, accrued liabilities and loans payable.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise.

Financial assets and liabilities at FVOCI

Fair value through other comprehensive income ("FVOCI"): Financial instruments designated at FVOCI are initially recognised at fair value, net of directly attributable transaction costs, and are subsequently measured at fair value with changes in fair value recognised in other comprehensive income, net of tax. The Company does not currently have any FVOCI financial instruments.

Impairment of financial assets at amortised cost

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognised based on expected credit losses. The estimated present value of future cash flows associated with the financial assets is determined and an impairment loss is recognised for the difference between this amount and the carrying amount. The carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account. The impairment loss is recognised in profit or loss for the period.

In subsequent periods, if the amount of the impairment loss related to financial assets measured at amortised cost decreases, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment in financial assets at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

Gains and losses on derecognition are generally recognised in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss can be utilised.

3. Expenses by nature

	31 December 2023 £	25 March 2022 (incorporation) to 31 December 2022 £
COST OF SALES		
Purchases	5,137	2,290
Subcontractors	2,175	509
Freight cost of purchases	–	–
Changes in inventories	(5,125)	(4,854)
	<u>2,187</u>	<u>(2,055)</u>
ADMINISTRATIVE EXPENSES		
Advertising	–	8
Accounting and auditing	–	–
Legal fees	–	–
Travelling/fuels	250	445
Other administration expenses	1,200	500
Computer expenses	205	–
Depreciation	2,083	3,887
Foreign exchange losses	65	21
Bank charges	174	–
	<u>3,977</u>	<u>4,861</u>

4. Auditors Remuneration

	31 December 2023 £	25 March 2022 (incorporation) to 31 December 2022 £
Fees payable to the Company's auditor for the audit of parent company and consolidated financial statements	—	—
	—	—

Audits for the year-end December 2022 and 2023 were requested in August 2024. The company expects to incur audit fees of approximately £7,000 to £8,000 for the annual statutory audit. Additionally, fees related to the interim review are estimated based on actual work performed and will be finalized once billed. No audit fees were accrued for either year.

Final invoice raised for 2023 and 2022 audits in 2025 is for £13,520.

5. Employee benefit expenses

	31 December 2023 £	25 March 2022 (incorporation) to 31 December 2022 £
<i>Staff costs (including directors)</i>		
Salaries and wages	—	—
Social security contributions and similar taxes	—	—
	—	—

	31 December 2023 £	25 March 2022 (incorporation) to 31 December 2022 £
<i>Average number of employees by function</i>		
Employees	0	0
Directors	3	3

6. Loss before income tax

The loss before income tax is stated after charging:

	31 December 2023 £	25 March 2022 (incorporation) to 31 December 2022 £
Cost of inventories recognised as expense	2,187	(2,055)
Depreciation – owned assets	2,083	3,887
Foreign exchange differences	65	21

7. Income tax

No liability to tax arose for the years ended 31 December 2023 and 31 December 2022.

8. Property, Plant and equipment

	<i>Right to use – leased asset</i> £	<i>Plant and machinery</i> £	<i>Total</i> £
Additions	–	8,892	8,892
Depreciation	–	(3,887)	(3,887)
At 31 December 2022	–	5,005	5,005
Additions	–	–	–
Depreciation	–	(2,084)	(2,084)
At 31 December 2023	–	2,921	2,921

9. Inventories

	<i>31 December 2023</i> £	<i>31 December 2022</i> £
Stocks	10,032	4,854

For December 2023 and 2022 Inventories consist of wood bags.

10. Trade and other receivables

	<i>31 December 2023</i> £	<i>31 December 2022</i> £
Trade debtors	–	103
Other debtors	–	88
Prepayments and accrued income	89	–
VAT	202	–
	291	191

11. Cash and cash equivalents

Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts.

	<i>31 December 2023</i> £	<i>31 December 2022</i> £
Bank accounts	3,015	3,406

12. Trade and other payables

	31 December 2023 £	31 December 2022 £
Trade payables	647	619
Amounts owed to group undertakings	—	—
Other creditors	270	—
Directors current account	15,375	13,276
Tax account	—	190
	<u>16,292</u>	<u>14,085</u>

13. Share capital

	Number of shares	Total £
<i>Issued and fully paid</i>		
As at 31 December 2022	—	—
As at 31 December 2023	—	—

The Company issues share with no par value.

14. Related parties

During the year the following transactions took place between the Company and related parties.

	31 December 2023 £	31 December 2022 £
Taisto Ristimella	5,391	5,331
Heikki Rontti	7,341	5,331
Maire Lumiaho	2,643	2,614
	<u>15,375</u>	<u>13,276</u>

15. Ultimate controlling party

The ultimate controlling party is Cindrigo Ltd, the parent company.

PART 13

UNAUDITED PRO FORMA STATEMENT OF NET ASSETS OF THE GROUP

SECTION A

ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA STATEMENT OF NET ASSETS

The Directors
Cindrigo Holdings Limited
PO Box 186, Royal Chambers
St Julian's Avenue, St Peter Port
Guernsey
GY1 4HP



The Directors
Beaumont Cornish Limited
5-10 Bolton Street
London
W1J 8BA

28 October 2025

Dear Directors,

Cindrigo Holdings Limited ("the Company") and its subsidiaries (together the "Group")

We report on the unaudited pro forma statement of net assets as at 30 June 2025 ("the Pro Forma Financial Information") set out in Section B of Part 13 of the prospectus dated on or about 28 October 2025 (the "Prospectus").

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Responsibilities

It is the responsibility of the current directors of the Company (the "**Directors**") to prepare the Pro Forma Financial Information in accordance with Sections 1 & 2 of Annex 20 of the PR Regulation.

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 of the PR Regulation, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1, Item 1.3 of the PR Regulation, consenting to its inclusion in the Prospectus.

Basis of preparation

The Pro Forma Financial Information has been prepared on the basis described in the notes in Section B of Part 13, for illustrative purposes only, to provide information about how the Fundraising, Introducer and CLN Conversion Shares might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the year ended 31 December

2024. This report is required by Section 3 of Annex 20 of the PR Regulation and is given for the purpose of complying with that section and for no other purpose.

Basis of opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council (“**FRC**”) in the United Kingdom. We are independent of the Group, in accordance with the FRC’s ethical standard as applied to Investment Circular Reporting Engagements, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The work that we have performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company and Enlarged Group.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in other jurisdictions outside the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

PKF Littlejohn LLP
Reporting Accountant

15 Westferry Circus
Canary Wharf
London E14 4HD

SECTION B

UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF NET ASSETS OF THE GROUP

Set out below is the unaudited pro forma consolidated statement of net assets (“**Pro Forma Financial Information**”) of Cindrigo Holdings Ltd (“**the Company**”) and its subsidiaries (together, the “**Group**”) as at 30 June 2025. The Pro Forma Financial Information of the Group for the period ended 30 June 2025 has been prepared on the basis set out in the notes below and in accordance with the requirements of Annex 20 of the PR Regulation to illustrate the impact of the Fundraising, Introducer Shares and CLN Conversion Shares as if it had taken place on 30 June 2025. The Pro Forma Financial Information has been presented on the basis of the accounting policies adopted by the Company to be presented in its next financial statements.

The Pro Forma Financial Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation, and does not, therefore, represent the Group’s actual financial results. Such information may not, therefore, give a true picture of the Group’s financial results nor is it indicative of the results that may or may not be expected to be achieved in the future. The Pro Forma Financial Information is based on the Historical Financial Information of the Group as at 30 June 2025, as shown in Part 11 (Section A) of the Prospectus. No adjustments have been made to reflect trading, expenditure, or other movements subsequent to 30 June 2025, being the date of the last published financial information of the Group.

The Pro Forma Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this Prospectus and not rely solely on the summarised financial information contained in this Part.

Unaudited pro forma statement of net assets at 30 June 2025

	<i>The Group as at 30 June 2025 (£'000) (Note 1)</i>	<i>Proceeds from Fundraising, net of costs (£'000) (Note 2)</i>	<i>CLN Conversion and Introducer Shares (£'000) (Note 3)</i>	<i>Unaudited pro forma adjusted net assets of the Group on Admission (£'000)</i>
Assets				
Non-current assets				
Property, plant and equipment	869	–	–	869
Right-of-use assets	4,334	–	–	4,334
Goodwill	15,381	–	–	15,381
Derivative financial assets	64	–	–	64
Long-Term Deposits	8	–	–	8
Current assets				
Cash	1,273	1,367	–	2,640
Trade and receivables	483	–	–	483
Inventories	163	–	–	163
Total assets	<u>22,575</u>	<u>1,367</u>	<u>–</u>	<u>23,942</u>
Non-current liabilities				
Lease liabilities	4,543	–	–	4,543
Borrowings	13,411	–	(9,315)	4,096
Current Liabilities				
Trade and other payables	625	–	–	625
Lease liabilities	15	–	–	15
Borrowings	285	–	–	285
Tax liabilities	3	–	–	3
Total liabilities	<u>18,882</u>	<u>–</u>	<u>(9,315)</u>	<u>9,567</u>
Total assets less total liabilities	<u>3,693</u>	<u>1,367</u>	<u>9,315</u>	<u>14,375</u>

Notes

The pro forma statement of net assets has been prepared on the following basis:

- The unaudited net assets of the Group as at 30 June 2025 have been extracted without adjustment from the unaudited interim financial Information of the Group for the six months ended 30 June 2025 as set out in Part 11 Section A of this Prospectus.
- Adjustments have been made to reflect:
 - The £1.62 million gross proceeds from the Placing of 13,499,994 Ordinary Shares of the Company at an issue price of £0.12 per Ordinary Share;
 - The £0.44 million gross proceeds from the Subscription of 3,677,000 Ordinary Shares of the Company at an issue price of £0.12 per Ordinary Share; and
 - Transaction costs related to the Fundraising and Admission outstanding **as at 30 June 2025** estimated at £0.69 million.
- An adjustment has been made to reflect the conversion of CLN Conversion Shares and Introducer Shares included within non-current borrowings with a total principal amount of £9.3 million into 53,682,464 Ordinary Shares at a blended average conversion price of approximately £0.17. These conversions will be completed on Admission. These share issuances form part of the Enlarged Ordinary Share Capital and as outlined in Part 9 of this Prospectus;
- No adjustments have been made to reflect the trading or other transactions, other than described above of the Group since 30 June 2025.
- The pro forma statement of net assets does not constitute financial statements.

PART 14

TAXATION

1. Taxation in Guernsey

The Directors intend to conduct the Company's affairs such that, based on current law and practice of the relevant tax authorities, the Company will continue to be tax resident in Guernsey and not become resident for tax purposes in any other territory. It is therefore assumed for the purpose of the following paragraphs that the Company does not become resident in a territory other than Guernsey.

1.1 General

Under current Guernsey law, there are no capital gains, capital transfer, gift, wealth or inheritance taxes or any death or estate duties other than Ecclesiastical court fees when obtaining probate.

No document duty or stamp duty is levied in Guernsey on the issue, conversion, redemption or transfer of Ordinary Shares, other than in relation to entities that own real estate in Guernsey.

2. Guernsey tax – Company

2.1 Income tax

Under the Income Tax (Guernsey) Law 1975, as amended from 1 January 2008, the standard rate of income tax on the profits of companies regarded as resident in Guernsey or having a permanent establishment in Guernsey is zero per cent. Certain exceptions from zero tax rating apply, namely:

- Company income received from banking business as defined under section 2(2)(a) and Fourth Schedule to the Income Tax (Guernsey) Law 1975; and since 1 January 2013, income from domestic insurance business, fiduciary business (in respect of regulated activities), insurance intermediary business, insurance manager business, administration of controlled investments, provision of custody services, provision of investment management individual client services, operation of an investment exchange, compliance and other related activities and income from operating an aviation registry are subject to tax at the intermediate rate of 10 per cent.;
- Company income from trading activities regulated by the Office of the Director General of Utility Regulation (which broadly equates to companies engaged in the provision of utility services in Guernsey), the importation/supply of gas or hydrocarbon oil, large retail business carried on in Guernsey (with a taxable profit of more than £500,000), income from the business of the cultivation or use of the cannabis plant, and from the prescribed production or prescribed use of controlled drugs are subject to tax at the higher rate of 20 per cent.; and
- any income derived from the ownership of land and buildings, i.e. Property development and exploitation of land (including income from the sale of extracted materials), or rental income in Guernsey is subject to income tax at the higher rate of 20 per cent.

It is anticipated that the Company will be subject to tax at a standard rate of zero per cent.

2.2 Withholding tax

No withholding in respect of Guernsey taxation will be required on payments in respect of the Ordinary Shares to any holder of the Ordinary Shares not resident in Guernsey.

2.3 Economic Substance

The European Union Council committed to coordinate policy to fight against tax fraud and tax evasion and avoidance. The Income Tax (Substance Requirements) (Guernsey) (Amendment) Ordinance, 2018 was approved by the States of Deliberation on 28 November 2018 and provides the ability for the Policy & Resources Committee to make Regulations requiring companies carrying on, or undertaking, relevant activities to have an appropriate level of substance in Guernsey.

Therefore from 1 January 2019, Guernsey resident companies are subject to the Economic Substance legislation. These rules are in point where the Company is undertaking specific 'relevant activities'. These include banking, insurance, shipping, fund management, finance and leasing, headquartering

and distribution service centre businesses. The economic substance requirements are extended to what is described as 'Pure Equity Holding Companies' (PEHCs) and those holding Intellectual Property.

Where a Guernsey Company is carrying on a relevant activity and there is income generated from that activity in the year of charge under consideration, there needs to be sufficient substance in Guernsey to sustain that relevant activity. For each relevant activity (excluding a PEHC, where the requirements are reduced), a number of 'Core Income Generating Activities' (CIGA) have been identified. And where these CIGA are being carried on by the Company, that has to be in Guernsey.

Where that is the case, increased reporting requirements have been included in the Guernsey Company tax returns, through which the directors are required to demonstrate that the economic substance the Company has in Guernsey is adequate in the context of the relevant activity being carried on.

Failure to comply with the economic substance rules can result in financial penalties being applied with the ultimate sanction of being struck off the company registry.

The economic substance rules do not impact the rate of tax at which the company is liable to income tax in Guernsey.

The Directors must monitor the application of these rules to the Company on an annual basis when reporting to the Guernsey Revenue Service through the company tax return.

2.4 OECD Pillar Two

On 1 January 2025, the legislation to implement the OECD's Pillar Two rules became effective for Guernsey tax resident companies. These rules reflect an initiative to ensure that large multinational enterprises with a consolidated annual turnover of EUR 750 million or more (Qualifying MNEs) pay a minimum tax of 15 per cent. at a jurisdictional level, with a top-up tax levied on any low-taxed profits. Guernsey has implemented the Qualified Domestic Top-up Tax (DTT) and the Multinational Top-up Tax (MTT) for the Qualified Income Inclusion Rule, following the Globe Model Rules with some modifications.

However, the standard tax rate in Guernsey will remain at 0 per cent. (with 10 per cent. and 20 per cent. applying on certain activities as noted in para 1.2 above). The 15 per cent. minimum effective tax rate applicable under the Pillar Two Regulation will only apply to MNEs meeting the consolidated turnover threshold. Therefore, any entities in Guernsey that are part of an MNE but do not meet the threshold will not be impacted by the Pillar Two regulations. Guernsey companies that are part of an MNE group that meets the consolidated group turnover test will be liable to 15 per cent. tax in Guernsey on their profits calculated under the methodology set out in the OECD model rules, unless an exemption applies.

The Directors confirm that the Company currently does not fall within the scope of being a Qualifying MNE as the consolidated turnover is currently below EUR 750 million. As such no reporting is required or Guernsey tax payable by the Company. The Directors will continue to review the Company status on a regular basis to ensure any reporting that may become necessary is reported at the appropriate times.

3. Guernsey tax treatment of investors

3.1 Income tax

Shareholders who are not resident for income tax purposes in Guernsey are not subject to taxation in Guernsey in respect of any income or gains arising in respect of Ordinary Shares held by them.

Shareholders who are resident in Guernsey for income tax purposes will be subject to tax in Guernsey at 20 per cent. on any dividends paid on Ordinary Shares held by them or on their behalf, and will be deducted by the Company on payment of any such dividends.

Section 67 of the Income Tax Act 1975 contains a wide-ranging anti-avoidance provision. This provision targets transactions where the effect of the transaction or series of transactions is the avoidance, reduction or deferral of a tax liability. At his own discretion, the Director of the Guernsey Revenue Service will make adjustments to the tax liability to counteract the effect of the avoidance, reduction or deferral

of the tax liability. This is considered unlikely to apply in this case, particularly as far as non-Guernsey resident shareholders are concerned.

3.2 Withholding tax

No withholding in respect of Guernsey taxation will be required on payments in respect of the Ordinary Shares to any holder of the Ordinary Shares not resident in Guernsey.

4. Foreign Account Tax Compliance Act (FATCA)

On 13 December 2013 Guernsey and the US signed an Intergovernmental Agreement to Improve International Tax Compliance and to Implement FATCA (the US Agreement). As a result, the withholding tax and account closure requirements otherwise required will not apply apart from in circumstances of unresolved significant non-compliance by a financial institution

Under the terms of the US Agreement, Guernsey Financial Institutions will provide the Guernsey Director of Income Tax ("the Director") with the required information. The Director will forward that information to the Competent Authority in the US. The Guernsey legislation dealing with the implementation of the Agreements is the The Income Tax (Approved International Agreements (Implementation) (United Kingdom and The United States of America) Regulations, 2014 ("the Guernsey Regulations").

The Guernsey Regulations implementing the Agreements apply to all Guernsey Financial Institutions, regardless of whether they hold any Financial Accounts for US Specified Persons and action will be required of all Financial Institutions that maintain Financial Accounts.

Financial Institutions include Depository Institutions, Custodial Institutions, Investment Entities and Specified Insurance Companies. Companies that are managed by another Financial Institution are captured within the definition of an Investment Entity.

Non-Financial Foreign Entities (NFFE) are exempt from FATCA reporting. Companies that are listed on a recognised stock exchange and whose shares are regularly traded are included within the definition of NFFE.

The principal outcome of Guernsey's implementation of FATCA is that Financial Institutions are required to report financial information to the Guernsey Revenue Services about certain accounts held by US Specified Persons. The information reported will be exchanged annually with the US Internal Revenue Service.

The Directors will continuously review the Company's classification for FATCA reporting.

5. Common Reporting Standard (CRS)

From 1 January 2016, Guernsey committed to the adoption of the global Common Reporting Standard (CRS) as developed by the Organisation for Economic Co-Operation and Development (OECD) for legislation regarding the automatic exchange of information.

Under this standard, jurisdictions obtain financial information from their Financial Institutions and automatically exchange that information with other jurisdictions on an annual basis, in a similar manner to FATCA. The standard consists of two components: a) the CRS, which contains the reporting and due diligence rules and b) the Model CAA, which contains the detailed rules on the exchange of information. To prevent circumventing the CRS it is designed with a broad scope across three dimensions:

- The financial information to be reported with respect to reportable accounts includes all types of investment income (including interest, dividends, income from certain insurance contracts and other similar types of income) but also account balances and sales proceeds from financial assets.
- Similar for FATCA, the financial institutions that are required to report under the CRS include Depository Institutions, Custodial Institutions, Investment Entities and Specified Insurance Companies. Companies that are managed by another Financial Institution are captured within the definition of an Investment Entity.
- Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations), and the standard includes a requirement to look through passive entities to report on the individuals that ultimately control these entities.

- Similar to FACTA, Guernsey Financial Institutions will report financial information to the Guernsey Revenue Services about certain accounts held by Accounts Holders who are resident in other jurisdictions that are participating in the CRS. The information reported will be exchanged annually with the other participating jurisdictions. Globally, over 120 jurisdictions are participating in the CRS.

Non-Financial Entities (NFE) are exempt from CRS reporting. Companies that are listed on a recognised stock exchange and whose shares are regularly traded are included within the definition of Active NFE.

The Directors will continuously review the Company's classification for CRS reporting.

6. Taxation in the UK

6.1 General

The following information is based on UK tax law and His Majesty's Revenue and Customs ("HMRC") practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately. The tax legislation of an investor's Member State may have an impact on the income received from an investment in the Ordinary Shares.

Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

6.2 Dividends

Where the Company pays dividends, no UK withholding taxes are deducted at source. Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Ordinary Shares as investments, may be subject to UK income tax on the amount of dividends received from the Company. Individuals currently have a £500 per annum tax-free dividend allowance. Dividends falling within this allowance will effectively be taxed at 0 per cent. but such dividends will still count as taxable income when determining how much of the basic rate band or higher rate band has been used. Dividend receipts in excess of this amount (to the extent that they are not covered by the personal allowance of £12,570) are currently taxed (in the tax year ending 5 April 2025 and 5 April 2026) at 8.75 per cent. for basic rate taxpayers, 33.75 per cent. for higher rate taxpayers and 39.35 per cent. for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

6.3 **Disposals of Ordinary Shares**

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

UK resident individual Shareholders will be subject to capital gains tax to the extent their net gains exceed the annual exempt amount of £3,000 from 6 April 2024 after taking account of any other available reliefs, the rate of capital gains tax on disposal of Ordinary Shares by basic rate taxpayers is 18 per cent., and 24 per cent. for upper rate and additional rate taxpayers.

The corporation tax rate applicable to taxable profits is currently 25 per cent. applying to profits over £250,000. A small profits rate applies for companies with profits of £50,000 or less so that these companies pay corporation tax at 19 per cent. Companies with profits between £50,000 and £250,000 pay tax at the main rate reduced by a marginal relief providing a gradual increase in the effective corporation tax rate. The corporation tax rate thresholds are reduced where there are associated companies or periods shorter than 12 months.

6.4 **“Transactions in securities”**

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions of, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HMRC to raise tax assessments so as to cancel “tax advantages” derived from certain prescribed “transactions in securities”.

7 **Stamp Duty and Stamp Duty Reserve Tax**

The statements below are intended as a general guide to the current position. They do not apply to certain intermediaries who are not liable to stamp duty or stamp duty reserve tax or (except where stated otherwise) to persons connected with depositary arrangements or clearance services who may be liable at a higher rate.

No UK stamp duty or stamp duty reserve tax will be payable on the allotment and issue of Ordinary Shares pursuant to a Placing.

Most investors purchase existing Ordinary Shares using the CREST paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5 per cent. Where Ordinary Shares are acquired using paper (i.e. non-electronic settlement) stamp duty will become payable at 0.5 per cent. if the purchase consideration exceeds £1,000.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax positions and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

8 **Inheritance tax**

Shareholders regardless of their tax status should seek independent professional advice when considering any event which may give rise to an inheritance tax charge.

Ordinary Shares beneficially owned by an individual Shareholder will be subject to UK inheritance tax on the death of the Shareholder (even if the Shareholder is not a long-term resident in the UK); although the availability of exemptions and reliefs may mean that in some circumstances there is no actual tax liability. A lifetime transfer of assets to another individual or trust may also be subject to UK inheritance tax based on the loss of value to the donor, although again exemptions and reliefs may be relevant. Particular rules apply to gifts where the donor reserves or retains some benefit.

9 Other Jurisdictions

The Company has no present plans to apply for any certifications or registrations, or to take any other actions under the laws of any jurisdictions, which would afford relief to local investors therein from the normal tax regime otherwise applicable to an investment in Ordinary Shares.

It is therefore the responsibility of all prospective investors to inform themselves as to any income or other tax consequences arising in the jurisdictions in which they are resident or domiciled for tax purposes.

Prospective investors should note that fiscal law and practice might change. It is also the responsibility of all prospective investors to inform themselves as to any foreign exchange or other fiscal or legal restrictions, which are relevant to their circumstances in connection with the acquisition, holding or disposition of the Ordinary Shares.

The summary of UK and Guernsey taxation issues can only provide a general overview of these areas and it is not a description of all the tax considerations that may be relevant to a decision to invest in the Company. The summary of certain UK and Guernsey tax issues is based on the laws and regulations in force as of the date of this Document and may be subject to any changes in UK and Guernsey laws occurring after such date. Legal advice should be taken with regard to individual circumstances. Any person who is in any doubt as to his tax position or where he is resident, or otherwise subject to taxation, in a jurisdiction other than the UK and Guernsey, should consult his professional adviser.

PART 15

ADDITIONAL INFORMATION

Responsibility Statements

The Company and each of the Directors, whose names appear on page 32 of this Document, accept responsibility for the information contained in this Document. To the best of the knowledge of the Company and the Directors, the information contained in this Document is in accordance with the facts and this Document makes no omission likely to affect its import.

1. The Company and its Share Capital

1.1 The Company

The Company was duly incorporated and registered in Guernsey as a company limited by shares on 24 November 2014 under the Companies (Guernsey) Law, 2008, as amended, (with the previous name Challenger Acquisitions Limited) and with a registered number 59383. On 4 August 2021 the Company's name was changed to Cindrigo Holdings Limited pursuant to a resolution passed on 21 June 2021. Cindrigo Holdings Limited is both the Company's legal and commercial name.

The registered office and principal place of business of the Company are set out on page 32 of this Document.

The Company is subject to the UK Listing Rules and the Disclosure Guidance and Transparency Rules of the FCA made in accordance with section 73A of FSMA (as amended by the Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019 (SI 2019/707)).

The principal law under which the Company operates, and pursuant to which the Ordinary Shares were created, is the Companies (Guernsey) Law, 2008, as amended. The Company operates in conformity with its constitution and with the laws of Guernsey and its securities are duly authorised in accordance with the requirements of its constitution and have all necessary statutory or other consents. Application is being made for the Ordinary Shares to be admitted to a regulated market for listed securities.

The liability of the members of the Company is limited. The Company's ISIN is GG00BM9CCP98.

1.2 Share Capital

1.2.1 The issued and fully paid share capital of the Company on Admission, subsequent to EGM Resolutions being passed on 24 October 2025, is as follows:

Ordinary Shares of £0.01 each: 333,914,907
Aggregate Nominal Value: £3,339,149.07

Deferred Shares of £2.657609 each: 262,972,115
Aggregate Nominal Value: £698,877,059.60

Note: Shares in Guernsey company may be issued at a discount to their nominal value, so the aggregate nominal value is not an indication that the Company received at least that much when the shares were issued and paid-up.

1.2.2 The number of shares in issue at the date of the most recent balance sheet in the historical financial information and the number at the beginning of that year (all numbers are post-consolidation):

As at 31 December 2023	–	142,202,746
As at 30 June 2024	–	155,677,894
As at 31 December 2024	–	214,949,325

1.2.3 The following is a summary of the changes in the issued share capital of the Company in the period covered by the historical financial information:

- (a) On 1 January 2017, the Company had 21,899,076 Ordinary Shares of £0.01 each nominal value in issue;
- (b) On 6 January 2017, the Company allotted and issued 188,501 New Ordinary Shares on the conversion of £20,000 of the unsecured convertible note due 13 April 2018. A further 792,156 New Ordinary Shares were allotted and issued to the holders of a payment of interest due for the quarter ended 31 December 2016;
- (c) On 6 February 2017, the Company allotted and issued 8,323,476 New Ordinary Shares of £0.01 each on the conversion of £630,431 of the 12 per cent. unsecured Convertible Loan Notes due 6 May 2017 (issued at 8.2p per ordinary share) and £50,000 of the unsecured Convertible Loan Notes due 13 April 2018 (issued at 7.8p per ordinary share). An additional 15,536 Ordinary Shares were allotted to settle interest of £1,274 due up until the date of conversion. These Ordinary Shares were issued at a price of 8.2p per ordinary share. Applications to the UK Listing Authority and the London Stock Exchange were made for 8,339,012 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 9 February 2017;
- (d) On 28 March 2017, the convertible notes due 2 March 2017 for £500,000 were extended to 2 March 2018 principally on the same terms, but with the following changes: fixed conversion price of £0.12, accrued interest to be paid upon conversion or maturity date, at any time the Company can redeem at a 30 per cent. premium to the principal amount.
- (e) On 30 March 2017, the Company allotted and issued 8,697,927 new Ordinary Shares of £0.01 each as follows: i) 3,079,213 Ordinary Shares at 3.3p per ordinary share on the conversion of £100,000 of the 12 per cent. unsecured Convertible Loan Notes due 6 May 2017; ii) 3,543,750 Ordinary Shares at 3.2p per ordinary share on the conversion of £113,400 of the 12 per cent. Unsecured Convertible Loan notes due 6 May 2017; iii) 1,206,329 Ordinary Shares at 3.3p per ordinary share on conversion of £40,453 of the unsecured Convertible Loan Notes due 13 April 2018; iv) 79,916 Ordinary Shares at 3.3p per ordinary share to settle interest of £2,579 due up until the date of conversion; and v) 788,719 Ordinary Shares at 3.2p per ordinary share to settle interest of £25,239 due up until the date of conversion. Applications to the UK Listing Authority and the London Stock Exchange were made for 8,697,927 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 5 April 2017;
- (f) On 4 May 2017, the Company allotted and issued 1,991,839 new Ordinary Shares of £0.01 each on the conversion of £72,487 of the unsecured convertible note due 13 April 2018. A further 62,844 Ordinary Shares and 18,417 new Convertible Loan Notes due 30 June 2019 were allotted and issued to the holder of the Convertible Note 2019 in payment of interest due for the quarter ended 31 March 2017. Applications to the UK Listing Authority and the London Stock Exchange were made for 2,054,683 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 10 May 2017;
- (g) On 8 May 2017, the convertible note due 6 May 2017 was extended by agreement with the three remaining noteholders to 6 May 2018. Interest was to be paid upon conversion or on the maturity date. Otherwise, the note remained unchanged. In addition, the Convertible Loan Notes due in June and April 2018 were changed so that interest is to be paid upon conversion or on the maturity date. Otherwise, these notes remained unchanged;
- (h) On 18 May 2017, the Company received £30,000 in respect of the consideration for Convertible Loan Notes due 17 May 2018 issued to the then CEO Mark Gustafson on that date;
- (i) On 25 May 2017, the Company allotted 2,089,995 new Ordinary Shares on the conversion of £60,242 of the unsecured convertible note due 13 April 2018. Further 10,429,629 new Ordinary Shares were allotted to the holders of the unsecured convertible note due 6 May 2018 on the conversion of £281,600. Additionally, 255,608 new Ordinary Shares were allotted as interest on this note upon until the date of conversion. Further 3,571,429 new Ordinary

Shares were issued upon the conversion of £100,000 of the unsecured convertible note due 22 April 2018. Additionally, 111,155 Ordinary Shares were issued as interest on this note up until the date of conversion;

- (j) On 13 June 2017, the Company set up a new convertible note facility and received \$100,000 (£95,000 net of fees) from the issue of notes due 8 June 2019 pursuant to that facility.
- (k) On 7 July 2017, the Company allotted and issued 6,882,353 new Ordinary Shares of £0.01 each in relation to the conversion of certain convertible loan notes and a further 375,042 Ordinary Shares and 18,493 new Convertible Loan Notes due 30 June 2019 in relation to interest on Convertible Loan Notes as follows: i) 1,000,000 Ordinary Shares on the conversion of £30,000 of the unsecured convertible note held by the then Chief Executive Officer of the Company due 17 May 2018; ii) a total of 6,115,713 Ordinary Shares were allotted and issued to holders of the unsecured convertible note due 22 April 2018, comprising 5,882,353 Ordinary Shares on the conversion of £100,000 of notes and 233,360 Ordinary Shares for accumulated interest; and iii) 141,682 Ordinary Shares and 18,493 new Convertible Loan Notes were allotted and issued in relation to the unsecured convertible note due 30 June 2019, for interest for the quarter ended 30 June 2017. Applications to the UK Listing Authority and the London Stock Exchange were made for 7,257,395 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 12 July 2017;
- (l) On 2 August 2017, the Company allotted and issued 16,065,838 new Ordinary Shares of £0.01 each in relation to the conversion of certain Convertible Loan Notes and a further 490,472 Ordinary Shares in relation to interest on Convertible Loan Notes, as follows: i) a total of 5,510,282 Ordinary Shares were allotted and issued on the conversion of £53,802.39 of the unsecured convertible note due 13 April 2018; and ii) a total of 11,046,028 Ordinary Shares were allotted and issued to holders of the unsecured convertible note due 22 April 2018, comprising 10,555,556 shares on the conversion of £95,000 of notes and 490,472 Ordinary Shares for accumulated interest. Applications to the UK Listing Authority and the London Stock Exchange were made for 16,556,310 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 7 August 2017;
- (m) On 15 August 2017, the Company allotted and issued 42,192,971 new Ordinary Shares of £0.01 each in relation to the conversion of certain Convertible Loan Notes and a further 2,113,626 Ordinary Shares in relation to interest on Convertible Loan Notes, as follows: i) a total of 5,952,166 Ordinary Shares were allotted and issued on the conversion of the last £73,408.06 of the unsecured convertible note due 13 April 2018; ii) a total of 23,891,082 Ordinary Shares were allotted and issued to holders of the unsecured convertible note due 22 April 2018, comprising 22,777,778 Ordinary Shares on the conversion of the last £205,000 of notes and 1,113,304 Ordinary Shares for accumulated interest; and iii) a total of 14,463,349 Ordinary Shares were allotted and issued to holders of the unsecured convertible note due 6 May 2018, comprising 13,463,027 Ordinary Shares on the conversion of £170,000 of notes and 1,000,322 shares for accumulated interest. Applications to the UK Listing Authority and the London Stock Exchange were made for 44,306,596 ordinary shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 21 August 2017;
- (n) On 24 August 2017, the Company allotted and issued 35,833,334 new Ordinary Shares of £0.01 each in relation to the conversion of £430,000 unsecured Convertible Loan Notes due 10 June 2018 and a further 1,837,808 Ordinary Shares in relation to interest thereon. All Ordinary Shares were issued at 1.2p. Applications to the UK Listing Authority and the London Stock Exchange were made for 37,671,142 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 31 August 2017;
- (o) On 25 August 2017, the Company received £250,000 (£237,500 net of fees) from the issue of notes pursuant to the previously announced convertible note facility due 8 June 2019.
- (p) On 3 October 2017, the Company allotted and issued 17,000,000 new Ordinary Shares of £0.01 each in relation to the conversion of certain Convertible Loan Notes and a further 882,473 Ordinary Shares and 19,935 new Convertible Loan Notes due 30 June 2019 in

relation to interest on Convertible Loan Notes as follows: i) a total of 10,245,500 Ordinary Shares were allotted and issued to holders of the Unsecured Convertible Note due 8 June 2019, comprising 10,000,000 Ordinary Shares on the conversion of £100,000 of notes and 245,500 Ordinary Shares for accumulated interest; ii) a total of 7,415,700 Ordinary Shares were allotted and issued to holders of the unsecured convertible note due 10 June 2018, comprising 7,000,000 Ordinary Shares on the conversion of the last £70,000 of notes and 415,700 Ordinary Shares for accumulated interest; and iii) 221,273 Ordinary Shares and 19,935 new Convertible Loan Notes were allotted and issued in relation to the secured convertible note due 30 June 2019, for interest for the quarter ended 30 September 2017. Applications to the UK Listing Authority and the London Stock Exchange were made for 17,882,473 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 9 October 2017;

- (q) On 11 January 2018, the Company allotted and issued 478,098 Ordinary Shares and 19,829 new Convertible Loan Notes in relation to the secured convertible note due 30 June 2019, for interest for the quarter ended 31 December 2017. Applications to the UK Listing Authority and the London Stock Exchange were made for 478,098 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 17 January 2018;
- (r) On 6 March 2018, the Company allotted and issued 38,826,686 new Ordinary Shares of £0.01 each comprising 31,159,458 Ordinary Shares in relation to the conversion of certain Convertible Loan Notes and a further 7,667,228 Ordinary Shares in relation to interest on Convertible Loan Notes as follows: i) a total of 9,901,353 Ordinary Shares were allotted and issued to holders of the secured convertible note due 2 March 2018, comprising 4,166,667 Ordinary Shares on the conversion of the entire balance of £500,000 of notes and 5,734,686 Ordinary Shares for accumulated interest; ii) a total of 9,394,510 Ordinary Shares were allotted and issued to holders of the unsecured convertible note due 6 May 2018, comprising 8,242,791 Ordinary Shares on the conversion of £35,444 of notes and 1,151,719 Ordinary Shares for accumulated interest; and iii) a total of 19,530,823 Ordinary Shares were allotted and issued to holders of the unsecured convertible note due 8 June 2019, comprising 18,750,000 Ordinary Shares on the conversion of £75,000 of notes and 780,823 Ordinary Shares for accumulated interest. Applications to the UK Listing Authority and the London Stock Exchange were made for 38,826,686 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 12 March 2018;
- (s) On 30 August 2018, the Company reduced notes of £544,000. In this transaction the remaining noteholder of the original 6 May 2015 Convertible Loan Notes sold £95,000 worth of notes to another existing noteholder and transferred £544,556 worth of notes back to the Company at no cost;
- (t) On 6 September 2018, the Company allotted 47,500,000 new Ordinary Shares on the conversion of £95,000 of the remaining unsecured convertible note issued in 2015. In addition, the Company allotted 93,700 new Ordinary Shares for accumulated interest on this convertible note;
- (u) On 24 September 2019, the Company received £40,500 pursuant to a subscription agreement for 27,000,000 Ordinary Shares at 0.15p. Applications to the UK Listing Authority and the London Stock Exchange were made for 27,000,000 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 27 September 2019;
- (v) On 24 December 2019, the Company allotted and issued 19,535,676 new Ordinary Shares of £0.01 to holders of the unsecured convertible note issued 8 June 2017, comprising 16,479,895 for the conversion of £25,000 of notes and a further 3,055,781 new Ordinary Shares for accumulated interest. Applications to the UK Listing Authority and the London Stock Exchange were made for 19,535,676 Ordinary Shares to be admitted to trading on the Main Market and accordingly, these Ordinary Shares were admitted to the standard listing segment of the Official List on 6 January 2020;

- (w) On 27 May 2020 the Company issued an unsecured convertible note for £40,800 for working capital purposes. The note was convertible at a fixed price of 0.1p per ordinary share, accrues interest at 5 per cent. per annum and was due on 21 May 2021;
- (x) On 3 September 2020, the Company issued 100,000,000 shares to the holder of a convertible loan note as part conversion of those notes;
- (y) On 28 September 2020, each 266.7609 Ordinary Shares of £0.01 each were consolidated into one Ordinary Share of £2.667609 each nominal value. 31 new Ordinary Shares were issued for no consideration to “top-up” each shareholder’s holding after the consolidation to the next whole number of shares;
- (z) On 30 July 2021 the Company issued zero coupon Convertible Loan Notes 2031 with a face value of £1,000,000 convertible into 1,832,155 Ordinary Shares at £0.5458 per share to settle £1,000,000 principal amount of certain existing loan notes of the Company plus accumulated but unpaid interest outstanding prior to completion of the Acquisition;
- (aa) On 30 July 2021 the Company issued zero coupon convertible loan notes 2031 with a face value of £700,000 convertible into 1,090,856 Ordinary Shares at £0.6417 per share to settle £700,000 principal amount of certain existing loan notes of the Company plus accumulated but unpaid interest outstanding prior to completion of the Acquisition;
- (bb) On 27 September 2021, 140,449,800 new Ordinary Shares were issued as the consideration for the acquisition of the entire issued share capital of Cindrigo Energy. Convertible loan notes with a face value of £612,259.41 which convert into a maximum of 6,122,594 further Ordinary Shares on conversion in full were issued on 30 July 2021 in respect of the balance of the consideration for shares in Cindrigo Energy;
- (cc) On 27 September 2021 the Company issued 194,931 Ordinary Shares on conversion of loan notes with a principal amount of £52,000 issued in September 2020;
- (dd) On 22 October 2021, the Company issued Convertible Loan Notes with a face value of £1.575 million convertible into a maximum of 15,750,000 ordinary shares at £0.10 per share;
- (ee) On 18 March 2022, the Company issued 1,200,000 Ordinary Shares as consideration for the acquisition of the entire issued share capital of Energy Co-invest Global Corporation at £1.25 per share;
- (ff) On 24 May 2024, the Company issued 13,636,364 Ordinary Shares as part of the consideration of the entire issued share capital of Kaipolan;
- (gg) The Company raised additional capital through a further issue of Ordinary Shares, which was open for subscription from 3 October 2024 to 15 November 2024. A total of 72,638,944 Ordinary Shares were issued at £0.06 each for £4,358,336 cash consideration. A further 84,405 Ordinary Shares were allotted as part of that subscription at £0.06 each for £5,064.30 cash consideration. These have not yet been issued and it is hoped that shortly after admission they will be issued and will be admitted by way of Listing in the Equity Shares (Commercial Companies) category of the Official list and to trading on the Main Market.

Additionally, Danir subscribed for £5,537,912.34 of new convertible loan notes which are convertible at £0.06 per share and which if fully converted would convert in to 92,298,539 new ordinary shares. These notes are being partially converted at Admission as to convert them in full would require Danir to make a compulsory offer for the shares in the Company that it did not already own, pursuant to Rule 9 of the Takeover Code. Danir also entered into two new loan agreements with the Company, Loan “A” which was in the sum of €1,586,700 and does not have any right to convert the sum lent into shares in the Company. Loan “B” in the sum of £1,573,519 does have a right to convert at a fixed conversion price of £0.70 per share. The sums due under Loan “B” will be converted into 2,247,884 new ordinary as part of the exercise of conversion rights to which Danir has agreed will take place on and subject to Admission

- (hh) On Admission the Company will issue 2,923,011 new Ordinary Shares by way of conversion of the loan notes issued on 30 July 2021 on conversion of the new Convertible Loan Notes (“Other CLN Conversion Shares”) issued to settle existing notes and interest thereon on completion of the Acquisition;

- (ii) On Admission, 50,000,011 new Ordinary Shares will be issued to Danir as part of the conversion of convertible loan notes. This is out of a maximum of 182,997,073 Ordinary Shares that can be issued under the terms of the convertible loan notes issued to Danir;
- (jj) On Admission, 759,442 new Ordinary Shares will be issued at £0.0198 per share to an adviser in respect of fees for introducing (“Introducer Shares”) and structuring the Acquisition;
- (kk) On Admission, the Company will issue 3,677,000 new Ordinary Shares at £0.12 per share pursuant to the Subscription Agreements;
- (ll) On Admission, the Company will issue 13,499,994 new Ordinary Shares at £0.12 per share pursuant to the Placing Agreement; and
- (mm) On 24 October 2025, the Company subdivided and redesignated each of its then issued ordinary shares of £2.667609 each into one ordinary share of 1p each in the capital of the Company and one deferred share of £2.657609 in the capital of the Company.

The deferred shares do not confer on the holders of deferred shares any right to receive notice of, attend or vote at any general meeting of the Company or right to receive any dividend or distribution declared or made by the Company, save that on a winding up of the Company where the total value of assets to be delivered to shareholders is at least £300,000,000, the holders of deferred shares shall (in respect of such deferred shares only) be entitled to receive a total of one penny in aggregate (as a class), payment of which may be made to any holder of deferred shares on behalf of the class.

- 1.2.4 All the issued Ordinary Shares are in registered form, and capable of being held in certificated or uncertificated form. The Registrar is responsible for maintaining the share register. The ISIN of the Ordinary Shares is GG00BM9CCP98. The SEDOL number of the Ordinary Shares is BM9CCP9.
- 1.2.5 The rights attaching to the issued Ordinary Shares are uniform in all respects and all of the Ordinary Shares form a single class for all purposes. All the issued Ordinary Shares will rank in full for all dividends or other distributions hereafter declared.
- 1.2.6 The Directors are authorised under the Articles to issue an unlimited number of Ordinary Shares, subject to the rights of pre-emption and other rights set out in the Articles and resolutions passed at the Annual General Meeting and any Extraordinary General Meeting.
- 1.2.7 There are no restrictions on transfer of the Ordinary Shares.
- 1.2.8 Except as stated in this Part 15:
 - (a) the Company does not have in issue any securities not representing share capital;
 - (b) there are no outstanding convertible securities issued by the Company other than those disclosed in section 4 of this Part 15;
 - (c) no person has any preferential subscription rights for any share capital of the Company; and
 - (d) no share or loan capital of the Company is currently under option, other than described in section 4 of this Part 15 below, or agreed conditionally or unconditionally to be put under option.

1.2.9 **Extraordinary General Meeting**

The Company held an extraordinary general meeting on 24 October 2025 at which resolutions were passed to:

1. Grant the Directors the authority (i) to allot shares pursuant to the open offer of the Company carried out in 2024; (ii) to issue the Placing Shares, the Subscription Shares and to issue warrants to investors, Shareholders and advisers; (iii) to grant employees, consultants or Directors of the Company or its subsidiaries rights to subscribe for shares by way of options; (iv) to issue shares in connection with an acquisition; and (v) a general authority for the Directors to issue up to 10 per cent. of the Company’s issued ordinary share capital (the “**Issues**”);
2. Waive existing Shareholders’ pre-emption rights in respect of the Issues;

3. (a) Amend the Company's articles to provide for the terms of a new class of deferred shares with no right to vote or to receive a dividend but only a right to receive the sum of one penny in aggregate as a class on a winding-up of the Company where the total value of assets to be delivered to Shareholders exceeds £300,000,000; and (b) to sub-divide Ordinary Shares of £2.667609 in the capital of the Company into one Ordinary Share of £0.01 each with the same rights as the pre-divide ordinary shares and one deferred share of £2.657609 with the rights referred to above; and
4. Ratify all actions and proceedings taken by the Directors in the allotment and issue of shares in the Company and the grant of rights to subscribe for or to convert any security into shares of the Company.

Resolution 1 was passed as an Ordinary Resolution and resolution 2, 3 and 4 were passed as Special Resolutions. After the passing of the resolutions the Company has the authority to issue shares and warrants in accordance with the matters referred to in this Prospectus.

2. Substantial Shareholders

Save for the interests of the Directors, which are set out in section 5 below, as at 26 October 2025, being the latest practicable date prior to publication of this Document, the Directors are aware of the following holdings of Ordinary Shares which on Admission will represent more than 5 per cent. of the nominal value of the Company's share capital and their respective holdings on exercise of all options and warrants and conversion of all convertible loan notes currently in issue:

Shareholder	Number of Ordinary Shares- prior to Admission	Percentage of Issued Ordinary Share Capital	Number of Ordinary Shares on Admission	Percentage of Issued Ordinary Share Capital on Admission	Number of Ordinary Shares assuming full exercise of Options, Warrants and	Percentage of diluted Issued Ordinary Share Capital assuming full exercise of Options, Warrants and
					Convertible Securities and issue of the Unissued Offer Shares	Convertible Securities and issue of the Unissued Offer Shares
Danir	41,238,720	15.68%	91,238,731	27.32%	183,057,070	36.84%
Lars Guldstrand	17,892,615	6.80%	17,892,615	5.36%	30,042,006	6.05%

Except for the holdings of the Directors, as detailed in the section below, and the holdings stated above, the Directors are not aware of any persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company.

Any person who is directly or indirectly interested in 5 per cent. or more of the Company's issued ordinary share capital, will be required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.

Those interested, directly or indirectly, in 5 per cent. or more of the issued ordinary share capital of the Company do not now, and, following Admission, will not, have different voting rights from other holders of Ordinary Shares.

3. Options, Warrants and Convertible Securities

Options

Under the share option scheme, options have been granted to individuals who have made "Key Contributions" to the Company. The exercise price for these options is set at 5 pence per share. To date, a total of 35,219,630 options has been granted under the scheme.

Warrants

Following Admission, the Company will issue warrants to subscribe for an aggregate of 3,297,879 Ordinary Shares to the holders of new Convertible Loan Notes issued by the Company on completion of the Acquisition of the shares in Cindrigo Energy as part of the settlement of the Company's obligations pursuant to earlier loan notes, in addition to the shares to be issued to such noteholders on conversion of the new notes on Admission. The warrants will be exercisable at a price of £0.2729 per Ordinary Share for a period of 18 months following Admission.

On Admission BCL is to be issued warrants to subscribe for such number of Ordinary shares so as to equal £200,000 at the Placing Price in connection with admission, exercisable in whole or in part for five years commencing from Admission, which equates to 1,666,666 warrants at an exercise price of 12p per warrant.

Immediately on Admission, the Company is to grant Capital Plus warrants to subscribe for such number of Ordinary Shares so as to equal 5 per cent. of the gross aggregate value of the Placing Proceeds divided by the exercise price, which are exercisable in whole or in part at the Placing Price for 2 years from Admission, which equates to 674,999 warrants.

Investor Warrants – The Placing and Subscription Shares will attach one corresponding Investor Warrants to subscribe for each Ordinary Shares issued to investors participating in the Placing and Subscription at a rate of one Investor Warrant for every one shares subscribed for Fundraising Shares, each warrant giving the right to subscribe for one Ordinary Share at the Placing Price for a 9-month exercise period from the date of Admission. Total Investor Warrants to be issued conditional on Admission are 17,176,994.

Loyalty Warrants – Equity warrants to subscribe for Ordinary Shares to be issued to existing Shareholders who agreed to and comply with a voluntary lock-in of their shares for three months following Admission, awarded at a rate of one Loyalty Warrant for every 10 Ordinary Shares held by a Shareholder prior to Admission, each warrant giving the right to subscribe for one Ordinary Share at 20 pence, with an exercise period of 3 to 6 months from Admission. Total Loyalty Warrants to be issued conditional on Admission are 13,000,000.

Convertible Securities and Loans

Certain lenders to Cindrigo Inc (later Cindrigo Energy Limited) had loans totalling £278,297 outstanding that were to be paid or converted on the admission to trading of the shares of CEL to trading on a recognised investment exchange. Such an admission will not now take place as CEL has been dissolved. The Company has agreed to honour the obligation of CEL and has issued 278,297 unsecured Convertible Loan Notes at a conversion price of a minimum £0.75 per Ordinary Share and if greater a price equal to a 25 per cent. discount to 30-day VWAP of an Ordinary Share per Ordinary Share, each note having a principal value of £1 therefore equating to the total outstanding of £278,297 as above.

In May 2025, the Company entered into a subscription and loan consolidation agreement with Danir to settle a debt of £5,537,912.34 and part of the interest accrued on the debt. As part of this agreement, some of the loans were determined and replaced with new loan notes in the amount of the debt which were issued with a conversion price of £0.06 per note. Upon conversion, these loan notes will result in Danir having 92,298,539 new Ordinary Shares. The notes cannot be converted if the conversion would result in Danir holding more than 29.9 per cent. of the voting rights in the Company and be required to make an offer pursuant to Rule 9 of the Takeover Code and/or Guernsey law.

As such on and immediately following Admission 50,000,011 Danir convertible loan notes will be issued as new Ordinary Shares. The total outstanding Danir loan notes following this exercise will be 91,818,339.

All other convertible securities of the Company will have their conversion rights exercised by the Company on Admission. This will result in:

1. £1,000,000 principal value of notes being converted into 1,832,155 new Ordinary Shares at a price of £0.5458 per Ordinary Share, and
2. £700,000 principal value of notes being converted into 1,090,856 new Ordinary Shares at a price of £0.6417 per Ordinary Share,
3. 759,442 new Ordinary Shares issued at a price of £0.0198 per Ordinary Share equating to a conversion value of £91,133

The total issued ordinary share capital of the Company (i) on the date of this Prospectus; (ii) on Admission; and (iii) on a fully diluted basis (if all of the Unissued Offer Shares are issued and all warrants, convertible securities or other rights to new shares are exercised or converted) and the number of shares represented by warrants, Convertible Loan Notes and other rights is shown in the table below:

	<i>On the date of this Prospectus</i>		<i>On Admission</i>		<i>On a Fully-Diluted Basis</i>	
	<i>Number</i>	<i>% of Fully Diluted</i>	<i>Number</i>	<i>% of Fully Diluted</i>	<i>Number</i>	<i>% of Fully Diluted</i>
Issued Ordinary Share Capital	263,055,449	52.94%	333,914,907	67.21%	496,853,819	100%
Shares represented by convertible loan notes or loans	146,350,660	29.46%	95,116,218	19.41%	–	–
Shares represented by warrants	67,738,289	13.63%	67,738,289	13.63%	–	–
Other rights to shares (inc. options)	35,219,630	7.09%	35,219,630	7.09%	–	–

4. Directors' Interests and Remuneration

Interests in Ordinary Shares

The interests of the Directors and their connected persons in the ordinary share capital of the Company, on Admission, all of which are beneficial, are as follows:

<i>Name</i>	<i>Prior to Admission</i>		<i>On Admission</i>		<i>On Full Dilution</i>	
	<i>No. of Ordinary Shares beneficially owned, controlled or directed, directly or indirectly</i>	<i>Percentage of Issued Ordinary Share Capital prior to Admission</i>	<i>No. of Ordinary Shares beneficially owned, controlled or directed, directly or indirectly</i>	<i>Percentage of Issued Ordinary Share Capital on Admission</i>	<i>No. of Ordinary Shares under option beneficially owned, controlled or directed, directly or indirectly</i>	<i>Percentage of diluted Issued Ordinary Share Capital assuming full exercise of Options, Warrants and Convertible Securities and issue of the Unissued Offer Shares</i>
<i>Directors</i>						
Lars Guldstrand	17,892,615	6.80%	17,892,615	5.36%	30,042,006	6.05%
Jorgen Anderson	6,980,078	2.65%	6,980,078	2.09%	10,710,326	2.16%
Mustaq Patel	2,337,469	0.89%	2,337,469	0.70%	6,023,429	1.21%
Dag Andresen	662,593	0.25%	662,593	0.20%	5,635,438	1.13%
Johan Glennmo	83,334	0.03%	83,334	0.02%	881,483	0.18%
Alan Boyd	83,334	0.03%	83,334	0.02%	881,483	0.18%
Jack Clipsham	0	0%	0	0%	498,149	0.10%

5. Remuneration in 2024

The remuneration paid to directors of the Company in the last full financial year of the Company is as follows:

<i>Name of Director/ Manager</i>	<i>Director's Fee</i>	<i>Short term employee benefits</i>	<i>Post- employment benefits</i>	<i>Share Option expense</i>	<i>Consultant Bonus</i>	<i>Consultancy Fee</i>	<i>Total £</i>
Lars Guldstrand:							
<i>Personally</i>							
<i>IMM</i>							
2024	£15,000	£1,734		£285,818	£450,000	£175,000	£927,552
Jorgen Anderson:							
<i>Personally</i>							
2024	£22,000			£76,309	£230,000		£328,309
Mustaq Patel:							
<i>Personally</i>							
<i>Fitzrovia Advisory Ltd</i>							
2024	£15,000			£76,309	£15,000	£86,350	£192,659
Dag Andresen:							
<i>Personally</i>							
2024	£15,000			£127,527	£15,000	£35,000	£192,527
Simon Fawcett:							
<i>Personally</i>	–					£41,333	£41,333
<i>Osmosis Limited</i>							
2024	N/A					N/A	N/A
Resigned	–						
Jordan Oxley:							
<i>Personally</i>							
<i>Treasury Core UAB</i>	£15,000						£15,000
2024	N/A					N/A	N/A
Resigned	–						
Johan Glennmo:							
2024	£11,250			£6,709	£5,000		£22,959
Alan Boyd:							
2024	£7,500			£6,709	£5,000		£19,209
Jack Clipsham:							
2024	–						

No amount was set aside by the Company or Cindrigo to provide for pension, retirement or similar benefits.

6. Memorandum of Incorporation

The Company's Memorandum of Incorporation is silent on its objects. Accordingly, the Company's objects are unlimited.

7. Articles of Incorporation

The Articles contain, *inter alia*, the following provisions;

7.1 **Share Capital, modification of rights and transferability**

- i. there are no rights of pre-emption in respect of transfers of issued Ordinary Shares;
- ii. in order to transfer Ordinary Shares, the instrument of transfer of any such shares must be in any usual or common form or in such other form as may be approved by the Directors and must be executed by or on behalf of the transferor and, if the shares are not fully paid, by or on behalf of the transferee. The Articles contain no restrictions on the free transferability of fully paid shares, provided that the transfer is in respect of only one class of share and is accompanied by the share certificate and any other evidence of title required by the Directors and that the provisions in the Articles relating to the deposit of instruments for transfer have been complied with;
- iii. there are no statutory rights of pre-emption in respect of the allotment of new shares in the Company. However certain pre-emption rights have been incorporated into the Articles as is

permitted under Guernsey law. These rights have been disapplied pursuant to the resolutions passed at an Extraordinary General Meeting (“**EGM**”) of the Company on 24 October 2025 in respect of the allotment of Equity Securities (as that term is defined in the Articles) to such persons, in such amounts and on such terms as the Board may determine from time to time in connection with the issues of Equity Securities up to an aggregate nominal amount as specified in the relevant resolutions passed at the EGM.

On the basis that the above authorities shall expire at the conclusion of the earlier of the next annual general meeting of the Company or 24 January 2027, save that the Company shall be entitled to make an offer or agreement which would or might require Equity Securities to be allotted pursuant to those authorities before the expiry of its power to do so, and the Directors shall be entitled to allot the Equity Securities pursuant to any such offer or agreement after that expiry date.

- iv. the Ordinary Shares confer upon their holders the right to participate in any profits which the Company may from time to time determine to distribute in respect of any financial period;
- v. subject to the provisions of the Companies Law, (which provides that the terms of any contract under which the Company will or may become entitled or obliged to purchase its own shares are authorised by Ordinary Resolution of the Company in a General Meeting before the Company enters into such a contract), the Company may purchase any of its own shares, by way of market purchase or otherwise and make a payment in respect of the purchase of its shares out of its distributable profits, the proceeds of a fresh issue of shares or otherwise;
- vi. all or any of the rights or privileges attached to any class or shares in the Company may be varied or abrogated with the consent in writing of the holders of three-fourths in nominal value of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. At every such separate general meeting the quorum is two persons holding or representing by proxy one-tenth of the issued shares of that class; and
- vii. the Company may make arrangements for any class of its shares to be issued in uncertificated form and in accordance with and subject as provided in The Uncertificated Securities Regulations 2001 and transfer of title of those shares shall be effected by means of a relevant system in the manner provided for and subject as provided for in the CREST Regulations. Shares held in certificated form may be changed to uncertificated form and those held in uncertificated form may be changed to certificated form.

7.2 **Voting**

Each Ordinary Share confers the rights to receive notice of and attend all meetings of Shareholders. Each holder of Ordinary Shares present at a general meeting in person or by proxy or by its authorised corporate representative has one vote, and, on a poll, one vote for each Ordinary Share of which he is a holder.

7.3 **Dividends**

Subject to the Companies Law, the Company may declare and pay dividends. If the share capital is divided into different classes, the Directors may declare and pay dividends on shares which confer deferred or non-deferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no dividend shall be paid on shares carrying deferred or non-preferred rights, if, at the time of payment, any preferential dividend is in arrears. The Directors may also pay at intervals settled by them any dividend payable at a fixed rate, subject to the Companies Law. Provided the Directors act in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the rightful payment of dividend on any shares having deferred or non-preferred rights.

7.4 **Distribution of assets on liquidation**

On a voluntary winding-up of the Company, the liquidator may, with the sanction of a Special Resolution of the Company and subject to the Companies Law, having realised the Company's assets and discharged the Company's liabilities, divide amongst the Shareholders *in specie* the whole or any part of the assets of the Company, or vest the whole or any part of the assets in trustees upon such trusts for the benefit of the member(s) as the liquidator shall determine.

7.5 **Indemnity**

To the extent permitted by the Companies Law, the Articles permit the Company to indemnify any Director or other officer of the Company against any liability which is incurred or suffered by him by or by reason of any act done, concurred in or omitted in the conduct of the Company's business or in the discharge of his duties.

7.6 **General meetings**

The Company must hold an annual general meeting each year in addition to any other general meetings held in the year. The Directors can call a general meeting at any time. All members who are entitled to receive notice under the Articles must be given notice.

7.7 **Directors**

Number of Directors

Unless otherwise determined by Ordinary Resolution the number of Directors shall not be subject to any maximum but shall not be less than three.

Power of Directors to appoint Directors

The Directors shall have power at any time to appoint any person as a Director to fill any casual vacancy or as an additional director.

Annual election

At each annual general meeting of the Company, one third of all Directors shall retire by rotation and may stand for re-election.

Removal of Directors

The Company may by Ordinary Resolution remove any Director before the expiry of his period of office.

A Director may also be removed if:

- (a) he ceases to be a director by virtue of any provision of the Companies Law or he becomes prohibited by law from or disqualified from being a director; or
- (b) he becomes bankrupt, suspends payment or compounds with his creditors, or is adjudged insolvent or any analogous event occurs under the laws of any jurisdiction; or
- (c) he resigns from office by written notice to the Company; or
- (d) he shall, for more than 6 consecutive months, have been absent without permission of the Board from meetings of the Board, and/or of any committee of which he is a member, held during that period and the Board resolve that his office be vacated.

Directors' fees

The amount of any fees payable to Directors shall be determined by the Board unless otherwise determined by the Company by Ordinary Resolution. The Directors are also entitled to be repaid all expenses properly and reasonably incurred by them respectively in the conduct of the Company's business or in the discharge of their duties as Directors up to an aggregate amount of £200,000.

Directors' additional benefits

The Board may provide additional benefits to any past or present Director and for any member of his family and any person who is or was dependent on him.

Borrowing powers

The Board may exercise all powers of the Company to borrow money and to mortgage or charge or otherwise grant a security interest in its undertaking, property and assets (present or future) and

uncalled capital, or any part thereof, and to issue debentures and other securities, whether outright or as security for debt, liability or obligation of the Company or any third party.

Meetings of Directors

The Directors may meet together as a Board for the transaction of business, and adjourn and otherwise regulate their meetings as they see fit.

A Director may, and the Secretary on the request of a Director shall, at any time summon a meeting of the Board.

The quorum for a Board meeting shall be fixed by the Board and unless determined at any other number shall be two Directors.

Chairman

The Board may appoint one of their number to be the chairman of the Board and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside as chairman at every meeting of the Board at which he is present. If there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting or is unable to attend a meeting, the Directors present may appoint one of their number to be chairman of that meeting.

Voting

Questions arising at any meeting of the Board shall be decided by a majority of votes.

Disclosure of interests

Every director shall disclose to the Company all interests which are required to be so disclosed by virtue of the provisions of the Companies Law. The disclosure shall be made in any manner allowed or directed by the Companies Law.

An interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.

A general notice given to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

An interested Director may not vote or be counted in a quorum in respect of any resolution of the Board or committee of the Board relating to any contract, transaction, arrangement or proposal in which he has an interest which is material interest, other than in respect of the following permitted matters:

- (a) the giving of any guarantee, security or indemnity in respect of:
 - i. money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries; or
 - ii. any obligation of the Company or any of its subsidiaries for which he has assumed responsibility under a guarantee or indemnity or by the giving of security;
- (b) where the Company (or any of its subsidiaries) is offering securities in which offer the Director is or may be entitled to participate as a holder of securities or in the underwriting or sub-underwriting of which the Director is to or may participate;
- (c) any contract, transaction, arrangement or proposal affecting any other body corporate in which he is interested (directly or indirectly and whether as an officer, shareholder, creditor or otherwise), provided that he does not to his knowledge hold an interest representing 1 per cent. or more of any class of the equity share capital of such body corporate (or through any third-party body corporate through which his interest is derived) or of the voting rights available to members of the relevant body corporate;

- (d) any act or thing done or to be done in respect of any arrangement for the benefit of the employees of the Company (or any of its subsidiaries) under which he is not accorded as a director any privilege or advantage not generally accorded to the employees to whom such arrangement relates; or
- (e) any matter connected with the purchase or maintenance for any Director of insurance against any liability.

A Director may vote (in the capacity of Director) and be counted in the quorum in respect of any resolution of the Board or a committee of the Board relating to any contract, transaction, arrangement or proposal in which he has an interest which is not a material interest or which falls within paragraph a) to e) above.

For the purpose of the Articles, an interest of a person who is connected with the Director shall be treated as an interest of the Director.

8. Working Capital

In the opinion of the Company and taking into account the Net Proceeds of the Fundraising (being the Placing and Subscription combined), the working capital available to the Group is sufficient for the Group's present requirements, that is for at least the next 12 months from the date of this Prospectus.

9. Danir Loans

Please see Part 7 for a summary of loans provided by Danir since 2021 and to the restructuring and rescheduling of amounts owed to Danir pursuant to the agreement dated 16 May 2025.

10. Further Disclosures on Directors

- 10.1 The Directors currently are, and have during the five years preceding the date of this Document been, members of the administrative, management or supervisory bodies ("**Directorships**") or partners of the following companies or partnerships:

Jorgen Andersson, Chairman

Current Directorships

Cindrigo Holdings Limited
Cindrigo Limited
Japra-Invest AB
Solleftea Forvalteren AB

Past Directorships

QV AB
Ducbill Barcelona Sweden AB
Vattenfall AB
Cindrigo Energy Ltd
Tergo Power AS

Lars Guldstrand, Chief Executive Officer

Current Directorships

Cindrigo Holdings Limited
Cindrigo Limited
Kaipolan Energia OY
Cindrigo Geothermal Ltd
Bergasols Stiftelse

Past Directorships

Cindrigo Energy Ltd
Dravacel Engergitta Ou
Ellge Kapital I Stockholm AB

Mustaq Patel, Executive Director

Current Directorships

Cindrigo Holdings Limited
Cindrigo Limited
Cindrigo Geothermal (Europe) Limited
Fitzrovia Consultancy Ltd
Cloud Health Services LLC
Migo Ltd
Migo Group Ltd

Past Directorships

HFEELS Ltd
Cindrigo Geothermal Ltd
Seven Oceans Energy Group Ltd
Seven Oceans Energy Ltd
The Other X Limited

Dag Andresen, Non-Executive Director

Current Directorships

Deepgrid Green Energy Storage Fund AB
Caven Holding AB
Cindrigo Holdings Limited
Cindrigo Limited
Vee One AB
Vee One Holding AB
Sequel Ventures AB
Eastbridge AB
Nordic Ocean Bulk Associates AB

Past Directorships

LOX AB

Johan Glennmo, Non-Executive Director

Current Directorships

Cindrigo Holdings Limited
Sigma Connectivity Group AB
Sigma AB
Aktiebolaget Boost by FC Rosengård
HUB PARK AB
Sigma Industry West AB
Sigma Industry South AB
Sigma Industry East/North AB
NocNoc AB
BrainLit AB
Sigma Technology Group AB
Danir Development AB
Danir AB
InfoTech Scandinavia AB
Danir Aktiebolag
Sigma Nexer AB
Miniguard Aktiebolag
Nexer Group AB
Danir Fastigheter Aktiebolag (*Deputy*)
Sigma Software Group Holding Ltd

Past Directorships

United Influencers Holding AB
Mikz AB
Mikz Licensing AB
United Influencers International AB
Sigma Technology Solutions Group AB
HUB Holding 2 AB
HUB PARK Solkvarteren AB
Hyllie Fabriken AB
HUB PARK Stationsstaden i Kävlinge AB
HUB PARK Hyllie AB
HUB Holding 1 AB
Sigma Connectivity AB
Radinn AB
FC Rosengård
FC Rosengård 1917
Boost by FC Rosengård

Alan Boyd, Non-Executive Director

Current Directorships

Cindrigo Holdings Limited
Mynt Exchange Ltd
Mynt Group Ltd
Superluxe Holdings Ltd
Mynt License Limited
Future of Cat Limited
Metadventures Limited
Patent Alliance Innovation Fund
Sino-Indian Technology Cluster

Past Directorships

Dual.ai Limited
Democratech Limited
Formula Equal Holdings Limited
Rich8 Technologies Limited
Rich 8 Ltd

Jack Clipsham, Non-Executive Director

Current Directorships

Cindrigo Holdings Limited

Past Directorships

Kreston Reeves LLP
Keeston Reeves Audit LLP

10.2 **Receiverships and liquidations**

Lars Guldstrand was formerly a director of Dravacel Energetika which is the subject of bankruptcy proceedings in Croatia.

- 10.3 Save as set out in Part 10, section 7 and paragraph 10.2 above, as at the date of this Document, none of the Directors:
- (a) has any unspent convictions in relation to fraudulent offences for at least the previous five years;
 - (b) has been bankrupt;
 - (c) has been a director of any company which, at that time or within 12 months after his ceasing to be a director, became bankrupt, had a receiver appointed or was liquidated (other than solvent liquidations);
 - (d) has been a partner of any partnership which, at that time or within 12 months after his ceasing to be a partner, became bankrupt, had a receiver appointed or was liquidated (other than solvent liquidations);
 - (e) has any public criticism against him by statutory or regulatory authority (including recognised professional bodies);
 - (f) has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company; or
 - (g) has any conflict of interest in performing his duties as Director of the Company.

11. Directors' Letters of Appointment, Service Agreement and/or Terms of Employment

Lars Guldstrand

I.M.M. International Management & Marketing Limited ("**IMM**"), a company registered in Malta, entered into an agreement with the Company dated 10 June 2021 with an effective commencement date of 1 January 2021. IMM agrees to provide the services that would normally be the responsibility of the chief executive officer of a company with a standard listing on the London Stock Exchange together with additional services relating to both the Company and Cindrigo as may reasonably be required. IMM agrees that the services shall be executed by Lars Guldstrand. IMM cannot replace Mr. Guldstrand with an alternative consultant without the consent of the Company. IMM agrees to procure that Mr Guldstrand will consent to being appointed as a director of the Company and any of its direct or indirect subsidiaries as required by the Company. IMM will provide the services through Lars Guldstrand who will devote 90 per cent. of his time during such hours as may be reasonably required to comply with the provisions of the agreement. IMM and Lars Gulstrand are prohibited from undertaking any activity or being involved with any other business, trade, profession or occupation which will in any way would or might constitute a conflict of interest with the Company or its subsidiaries. They are otherwise free to be engaged, concerned or have a financial interest in any other business, trade or profession or occupation. The agreement restricts solicitation or engagement of any employee of the Company during and for a period of 12 months after the termination of the agreement. The agreement continues until such time as it is terminated by the Company giving at least 6 months' written notice or by IMM giving not less than 3 months' written notice.

The Company agrees to pay IMM a sum equal to £180,000 per annum in 12 equal monthly instalments and reimburse reasonable expenses. IMM is entitled to participate in any share-based incentive scheme which the Company may establish provided such scheme does not cause IMM or Mr Guldstrand to be in an employment relationship with the Company and cease to be an independent contractor in which case the Company agrees to use all reasonable endeavours to introduce an alternative scheme in which IMM may participate to provide like benefits to the other scheme. A bonus of £30,000 is payable on the listing of the Company on a recognised investment exchange.

The agreement is governed by laws of England and Wales, and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

Dag Andresen

Until 1 November 2023 Dag Andresen was a non-executive director of the Company and on 1 November 2023 he was appointed as the Chief Financial Officer of the Company and entered into an agreement for services with the Company 17 October 2024 which had an effective date of 1 November 2023. The agreement obliges Mr Andresen to dedicate at least 25 per cent. of his working time to his duties under the contract which are to provide the services to the Company which would be undertaken by a CFO. The Company agrees to pay Mr Andresen the annual sum of £30,000.00 payable by 12 monthly instalments. The appointment subsists from 1 November 2023 until it is terminated by either party giving the other not

less than 3 months' notice. The parties agree that they will review the terms of the agreement if the Company's shares are listed on a recognised investment exchange to reflect the expanded obligations of a CFO of a listed company. There is no bonus scheme available under the Agreement but Mr Andresen is entitled to participate in the Cindrigo Holdings Share Option Plan at the discretion of the Board and subject to the rules of the Plan. A one-off bonus of £20,000 is payable on the listing of the Company on a recognised investment exchange.

The agreement is governed by the laws of England and Wales, and the parties submit to the exclusive jurisdiction of the Courts of England and Wales.

Mustaq Patel

Fitzrovia Advisory Limited ("**FAL**"), a company registered in England, entered into an agreement with the Company dated 10 June 2021 with effect from 1 January 2021. FAL agrees to provide the services that would normally be the responsibility of a chief operations officer of a company with a listing in the Equity Shares (Commercial Companies) category of the Official List and to trading in the Main Market on the London Stock Exchange together with additional services relating to both the Company and Cindrigo as may reasonably be required. FAL will provide the services through Mustaq Patel who will devote 90 per cent. of his time during such hours as may be reasonably required to comply with the provisions of the agreement. FAL cannot replace Mr. Patel with an alternative consultant without the consent of the Company. FAL will provide the services through Mr. Patel during such hours as may be reasonably required to comply with the provisions of the agreement. FAL agrees to procure that Mr Patel will consent to being appointed as a director of the Company and any of its direct or indirect subsidiaries as required by the Company. FAL and Mr. Patel are prohibited from undertaking any activity or being involved with any other business, trade, profession or occupation which might or will in any way would or might constitute a conflict of interest with the Company or its subsidiaries. They are otherwise free to be engaged, concerned or have a financial interest in any other business, trade or profession or occupation. The agreement restricts solicitation or engagement of any employee of the Company during and for a period of 12 months after the termination of the agreement. The agreement continues until such time as it is terminated by the Company giving at least 6 months' written notice or by FAL giving not less than 3 months' written notice.

The Company agrees to pay FAL a sum equal to £96,000 per annum in 12 equal monthly instalments. FAL is entitled to participate in any share-based incentive scheme which the Company may establish provided such scheme does not cause FAL or Mr Patel to be in an employment relationship with the Company and cease to be an independent contractor in which case the Company agrees to use all reasonable endeavours to introduce an alternative scheme in which FAL may participate to provide like benefits to the other scheme.

Bonuses are payable to FAL on the achievement of certain milestones based of a percentage of the annualised sum based on monthly payments to FAL in the twelve-month period prior to the date any milestone is achieved, or £96,000 in the first 12 months. A bonus of £20,000 is payable on the listing of the Company on a recognised investment exchange.

The agreement is governed by laws of England and Wales and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

Mr Patel is also entitled to a director's fee of £15,000 for serving as a director of the Company pursuant to a Letter of Appointment dated 7 September 2020.

Jorgen Andersson, Johan Glennmo, Jack Clipsham and Alan Boyd

Jorgen Andersson is a non-executive director and Chairman of the Board of Directors of the Company and has entered into a letter of appointment made the day of 7 April 2021. Mr Andersson was appointed for an initial term of 24 months from 1 January 2020. Johan Glennmo and Alan Boyd have entered into a letter of appointment as non-executive directors for an initial term of 4 years. Jack Clipsham has entered into a letter of appointment as a non-executive director for an initial term of 4 years. Mr Andersson's appointments may be terminated after the initial term by either party giving not less than one month's notice. Jack Clipsham, Alan Boyd and Johan Glenmo's appointment may be terminated after the initial term by either party giving not less than three month's prior written notice. If Jorgen Andersson acting reasonably believes that the conduct of the Board as a whole is unsatisfactory, he may resign immediately by giving written notice stating the reason for believing the Board is acting unsatisfactory. If Jack Clipsham, Alan Boyd and Johan Glenmo choose to resign they should provide an appropriate written statement to the chairperson for circulation to the Board. The Directors are obliged to comply with the provisions of the articles of association regarding a certain number of directors having to resign and stand for re-election each year. The appointment will be

terminated immediately if a director is removed from office by resolution of the Shareholders, if he is not re-elected to office or his office as a director is vacated due for reasons such as, *inter alia*, committing a material breach under the letter of appointment, him becoming prohibited by law to be a director or adjudicated bankrupt, the mental or physical incapacity of the director, or becomes unable to perform his duties satisfactorily, fraud, gross negligence or convicted of an arrestable offence.

Each director must disclose his other business interests now and in the future to the Board and the company secretary. Each director is entitled to receive an annual fee agreed with the Board to be paid quarterly in arrears. This fee will be reviewed annually. In addition, each director will also be reimbursed for any fees or expenses reasonably incurred in relation to the performance of its duties under the contract. This fee has been set at £22,000 per annum for Jorgen Anderson and £15,000 per annum for Johan Glennmo and Alan Boyd for 2024/2025 and £15,000 for Jack Clipsham for 2025. A bonus of £10,000 is payable to Jorgen Anderson and £5,000 to each of Alan Boyd, Johan Glennmo and Jack Clipsham on the listing of the Company on a recognised investment exchange.

Each director undertakes not to disclose to anyone any confidential information in relation to the Company and its business. This confidentiality undertaking continues after the termination of his appointment and upon termination, each director undertakes to deliver back to the company all confidential information he holds.

The company will provide liability insurance for all Directors.

Save as disclosed above, there are no existing or proposed service agreements between any of the Directors and the Company providing for benefits upon termination of employment.

12. Directors, Managers, Danir and Shareholder Lock-In

Each of the Directors and certain managers have agreed in an agreement between the director or manager and the Company, Beaumont Cornish and Capital Plus that he shall not, for a period of 12 months covering the Initial Period and the Second Period, without the prior written consent of the Company and Beaumont Cornish, make any Disposal of any Ordinary Shares it holds and not to make any Disposal of 90 per cent. of its Ordinary Shares during the Third Period and to effect any Disposal of the remaining 10 per cent. in the Third Period in accordance with the reasonable requirements of the Company, Beaumont Cornish and Capital Plus (and through the Company's brokers where appointed) so as to ensure an orderly market in the Ordinary Shares.

Danir has agreed in an agreement between Danir, the Company, Beaumont Cornish and Capital Plus that it shall not, for a period of 12 months covering the Initial Period and the Second Period, without the prior written consent of the Company and Beaumont Cornish, make any Disposal of any Ordinary Shares it holds and not to make any Disposal of 90 per cent. of its Ordinary Shares during the Third Period and to effect any Disposal of the remaining 10 per cent. in the Third Period in accordance with the reasonable requirements of the Company, Beaumont Cornish and Capital Plus (and through the Company's brokers where appointed) so as to ensure an orderly market in the Ordinary Shares.

In order to ensure that there would be an orderly market in the Company's securities immediately after Admission, which was a particular concern as a result of 2024 Open Offer when Ordinary Shares were issued at £0.06, which is below the expected opening trading price on Admission and was making the Fundraise more difficult, shareholders, other than the Directors and Danir, were asked in July 2025 to agree not to dispose of any Ordinary Shares for a period of three months starting on Admission. The request was made by way of a letter sent by e-mail to all. Shareholders. Of those shareholders who responded, holders of a total of up to 130 million Ordinary Shares agreed to enter into a lock-in deed with the Company, the Sponsor and the Broker.

As an incentive to agree to lock-in their shares for a short period, if a satisfactory level of acceptances of the lock-in proposal, were received, the Company indicated that it would thank those who commit to lock-in their shares for a period of 3 months from the date of Admission, by issuing a Loyalty Warrant entitling holders to subscribe for new Ordinary Shares in the Company, on the basis of one warrant share for every ten shares held, at an exercise price of £0.20 per ordinary share. The warrant would be exercisable for the period of 3 to 6 months from Admission.

Therefore, warrants to subscribe for up to 13,000,000 New Ordinary Shares new ordinary shares in aggregate will be issued to those shareholders who agreed to the lock-in as soon possible after Admission.

13. Pension Arrangements, Bonus Plan and Incentive Plan

Pension Arrangements

The Company does not have any pension plans for any of the Directors and does not pay pension amounts in relation to their remuneration. The Company has not paid any excess retirement benefits to any current or past Directors. Cindrigo provides no pension benefits for any director or employee.

Share Option Plan

On 24 June 2024 the Board of Directors of the Company approved a resolution to create the a share option plan (the “Plan”) and also approved the rules of the Plan. The maximum number of shares in respect of which options can be granted was set at 20,000,000 Ordinary Shares. The maximum number of options granted to one party is 7,500,000. The Plan states that the initial shareholder authority to allot options over 20,000,000 Ordinary Shares under the Plan was given to the Directors at the 2024 Annual General Meeting of the Company. 18,075,000 options were allotted (“**2024 Scheme**”) out of a maximum of the 20,000,000 available.

Under the Plan, options may be granted by the Company (acting through the Board of Directors) to any person or entity that makes “Key Contributions” to the Company. The exercise price of an option is 5 pence per share and the option may subsist for no more than 10 years of the creation of the Plan. If an option holder ceases to be a provider of Key Contributions to the Company such option holder shall be restricted from exercising such options whilst such circumstances continue to exist.

When granting options the Board shall be entitled to impose different vesting dates in respect of various grant of options. Options will lapse if an Option Holder attempts to transfer or encumber those Options. Options shall also lapse on a date specified in the Option for such lapse, on the date that the Option Holder become Bankrupt or is the subject of corporate insolvency proceedings, on the first anniversary of the death of the Option Holder or if the Board resolves that any performance conditions set out in the option have become wholly or partially incapable of being performed.

The Plan also provides that the Board may in its absolute discretion, notify option holders of any event which may lead to a change of control taking place in the Company (**Takeover Event**). Upon the notification of a Takeover Event, all outstanding options shall vest immediately upon such notification and shall be capable of exercise at any time prior to the completion of the relevant Takeover Event. In the event that the Takeover Event does not proceed to completion any unexercised options shall be deemed not to have vested and shall revert to the vesting rules existing prior to the notification of the Takeover Event. The condition to vesting is the continued employment by, or the continued provision of consultancy services, to the Company at the time of exercise.

On 12 September 2025 the Board approved the grant of options under the Plan over a further 17,144,630 Ordinary Shares at an exercise price of 12 pence per share (“**2025 Scheme**”) thereby exceeding the maximum number originally permitted under the Plan. The Board also approved the issue of options of a further 4,649,391 Ordinary Shares to Lars Gulstrand, thereby increasing his holding of options to options over 12,149,391 Ordinary Shares which exceeded the maximum number originally permitted under the Plan for an individual. The Plan provides that the Board can amend the terms of the Plan and although the Board did not expressly resolve to do so in relation to such grant, it could be implied that it had done so.

As part of the 24 October 2025 EGM, authority to allot options over 18,075,000 Ordinary Shares (provided that the number of options in issue at any time does not exceed 10 per cent. of the issued share capital) was granted and a further resolution was passed that would have the effect of ratifying the grants already made under the 2025 Scheme. It is anticipated that the Board will, prior to Admission, formally change the rules of the Plan to allow for the grant of an aggregate number of options (including those already granted) over 40,000,000 Ordinary Shares and the grant of an aggregate number of options (including those already granted) to an individual over 13,000,000 Ordinary Shares.

The Plan is subject to the laws of Guernsey and the parties submit to the exclusive jurisdiction of the Courts of Guernsey.

At the date of this Document the following options have been granted over at total of 18,075,000 options as part of 2024 Scheme plus 17,144,630 options as part of the 2025 Scheme. Providing a total of 35,219,630 options allotted as of the date of the Document. A breakdown of this can be seen below:

Table: Share Option Scheme for Cindrigo Executives

<i>Position</i>	<i>Name</i>	<i>Date of Grant</i>	<i>Number of Options</i>	<i>Price (per share)</i>	<i>Vesting Date</i>	<i>Vesting Conditions</i>
Chairman	Jorgen Andersson	24.06.24	1,500,000	0.05	01.10.24	Continued employment or engagement as a director or consultant
		24.06.04	1,000,000	0.05	01.06.25	
		24.06.24	400,000	0.05	01.01.27	
		12.09.25	830,248	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	3,730,248			
CEO	Lars Guldstrand (to IMM)	24.06.24	3,000,000	0.05	01.10.24	Continued employment or engagement as a director or consultant
		24.06.24	2,500,000	0.05	01.06.25	
		24.06.24	2,000,000	0.05	01.01.27	
		12.09.25	4,649,391	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	12,149,391			
CFO	Dag Andresen	24.06.24	750,000	0.05	01.10.24	Continued employment or engagement as a director or consultant
		24.06.24	700,000	0.05	01.06.25	
		24.06.24	700,000	0.05	01.01.27	
		12.09.25	2,822,845	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	4,972,845			
Head of Commercial	Mustaq Patel (to Fitzrovia Advisory)	24.06.24	750,000	0.05	01.10.24	Continued employment or engagement as a director or consultant
		24.06.24	700,000	0.05	01.06.25	
		24.06.24	700,000	0.05	01.01.27	
		12.09.25	1,535,960	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	3,685,960			
BOD	Johan Glennmo	24.06.24	150,000	0.05	01.06.25	Continued employment or engagement as a director or consultant
		24.06.24	150,000	0.05	01.01.27	
		12.09.25	498,149	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	798,149			
Head of Central Europe	Ishtiaq Ahmad	24.06.24	50,000	0.05	01.10.24	Continued employment or engagement as a director or consultant
		24.06.24	100,000	0.05	01.06.25	
		24.06.24	100,000	0.05	01.01.27	
		12.09.25	1,245,373	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	1,495,373			

<i>Position</i>	<i>Name</i>	<i>Date of Grant</i>	<i>Number of Options</i>	<i>Price (per share)</i>	<i>Vesting Date</i>	<i>Vesting Conditions</i>
Chief Technical Officer	Snorri Einarsson	24.06.24	75,000	0.05	01.10.24	Continued employment or engagement as a director or consultant
		24.06.24	150,000	0.05	01.06.25	
		24.06.24	150,000	0.05	01.01.27	
		12.09.25	1,245,373	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	1,620,373			
Chief Legal Officer	Mark Taylor	24.06.24	750,000	0.05	01.10.24	Continued employment or engagement as a director or consultant
		24.06.24	700,000	0.05	01.06.24	
		24.06.24	700,000	0.05	01.01.27	
		12.09.25	2,822,845	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	4,972,845			
BOD	Alan Boyd	24.06.24	150,000	0.05	01.06.25	Continued employment or engagement as a director or consultant
		24.06.24	150,000	0.05	01.01.27	
		12.09.25	498,149	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	798,149			
BOD	Jack Clipsham	12.09.25	498,149	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	498,149			
Financial Controller	Jyoti Tanna	12.09.25	498,149	0.12	1/3 vest on each of 30.06.26, 30.06.27, 30.06.28	
		<i>Subtotal</i>	498,149			

14. Employees

The Company has not had any employees since incorporation. Kaipolan currently has 7 employees and 3 consultants. On COD there be 10 further employees. All employees, excluding Directors, will operate the Plant in Kaipola excluding Directors.

15. Subsidiaries and Investments

The business of the Company and its principal activity is to act as the holding company of the Group. The Group's activities and operations are carried on by the Company's subsidiaries. The Group includes the following principal subsidiaries and significant investments:

<i>Name of company</i>	<i>Country of incorporation</i>	<i>Proportion of ownership interest shares and voting rights held</i>	<i>Principal activity</i>
Kaipolan Energia Oy	Finland	90%	Intermediate Holding Company and service provider to the Group
Cindrigo Limited	England	100%	Intermediate Holding Company
Cindrigo Geothermal Ltd	England	100%	Intermediate Holding Company
Zukunft Geo Energie ("ZGE") GmbH	Germany	100%	Geothermal Project Subsidiary
Zukunft Geo Energie 1 GmbH	Germany	100% held by ZGE	Geothermal Project Subsidiary
Zukunft Geo Energie 2 GmbH	Germany	100% held by ZGE	Geothermal Project Subsidiary
Zukunft Geo Energie 3 GmbH	Germany	100% held by ZGE	Geothermal Project Subsidiary

16. Dilution of Ordinary Share Capital

It should be noted that the Shareholders interest will be diluted at the time holders of any options, warrants or Convertible Loan Notes elect to exercise their subscription or conversion rights and are issued with Ordinary Shares to satisfy such rights.

All details surrounding dilutive instruments can be seen as per section 4 – *Options, Warrants and Convertible Securities* as above within this Part.

Save as provided for by the Plan there are no unexpired or outstanding options that will result in the issue of Ordinary Shares. A substantial number of loan notes and warrants will remain unconverted or unexercised at Admission and which, if exercised would increase the issued share capital by a significant number of Ordinary Shares.

It is likely that the terms of future debt funding will include a right for the lender(s) to convert their loans, and possibly to subscribe for further equity in the Company at a discount to the price at which the Company's shares are then trading.

An issue of shares following the exercise of conversion and/or subscription rights on terms such as those of the pre-existing loan notes and warrants, options and the Danir loan notes and loan will have a dilutive effect on the holdings of other shareholders and may lead to a fall in the Company's share price if a large amount of new shares are issued at a substantial discount to the trading price at the time.

17. Related Party Transactions

There were no related party transactions in respect of the Company in the period covered by the historical financial information or the period covered by the audited financial information other than Directors' emoluments.

During the last 3 financial years the following transactions took place between the Cindrigo and Related Parties. These amounts are interest free and repayable in Sterling:

Consultancy fees

	30 December 2023	31 December 2022	31 December 2021
	£	£	£
Fitzrovia Consultancy Ltd	96,000	111,000	118,500
BiogasProm	Nil*	nil	185,383
Elige Kapital	nil	nil	nil
IMM International	120,000	120,000	163,613
TOTAL	216,000	231,000	467,496

Disclaimer: No payment was received from BiogasProm in 2023 until 16 October, when a partial repayment of £226,575 was made. This amount represents a recovery of funds from approximately £1.4 million previously sent to BiogasProm for the purchase of property in Ukraine. The original amount had been written off as irrecoverable, but the Company has managed to recover a portion of it.

The following transactions involve entities linked to key management personnel:

1. **Fitzrovia Consultancy Limited:** Fitzrovia Consultancy Limited is connected to Mustaq Patel, a director of the Company and Cindrigo Limited, due to his material interest in the Company. Transactions are conducted on an arm's-length basis under normal commercial terms.
2. **Biogas Prom:** Biogas Prom is a related party as it was previously a shareholder in Cindrigo Limited (and subsequently in Cindrigo Energy Limited). Transactions with Biogas Prom have also been conducted on an arm's-length basis under normal commercial terms. Note that no payment was received from Biogas Prom in 2023 until 16 October, when a partial repayment of £226,575 was made. This repayment represents recovery of funds sent for a property purchase in Ukraine, which was previously written off as irrecoverable. As of November 2024, the arrangement with UKE Engineering Limited, which provided services through Biogas Prom AB has been cancelled.
3. **Elige Kapital and IMM International:** Both entities are related to Lars Guldstrand and Cindrigo due to shared key management personnel. Transactions with these entities have been conducted on an arm's-length basis under standard commercial terms.

18. Statutory Auditors

The auditor of the Company is Grant Thornton Limited (Channel Islands). Macalvins Limited, was the auditor of the Group for the whole period covered by the financial information for 2021 and 2023 referred to in Part 11 (*Historical Financial Information of the Company*). Macalvins and Grant Thornton Limited (Channel Islands) are registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. Grant Thornton Limited (Channel Islands) is also registered in Guernsey.

The auditor of Cindrigo prior to the Acquisition was Macalvins Limited, 7 St John's Road, Harrow, Middlesex HA1 2EY. Macalvins Limited was the auditor of Cindrigo for the whole period covered by the financial information set out in Part 12 (*Historical Financial Information of Cindrigo*). Macalvins Limited was registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

Kaipolan was not required to have auditors during the period covered by the financial information in Part 13. Macalvins Limited, has audited the financial information of Kaipolan for the purposes of this Prospectus for the periods covered by the financial information set out in Part 12 of this Document. Grant Thornton Finland of Tietokuja 4, 00330 Helsinki, Finland are the auditors to Kaipolan.

19. Accounts and Annual General Meetings

The accounting reference date of the Company is 31 December, and the current accounting period will end on 31 December 2025. It is expected that the Company will make public its annual financial report within four months of each financial year end (or earlier if possible). It is expected that the Company will make public its unaudited half-yearly financial reports within three months of the end of each interim period.

20. CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by a written instrument. The Articles permit the holding of Shares under the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within CREST if any Shareholder so wishes. However, CREST is a voluntary system and Shareholders who wish to receive and retain share certificates are able to do so.

21. City Code

The City Code applies to the Company.

The City Code is issued and administered by the Takeover Panel. The Takeover Panel has been designated as the supervisory authority to carry out certain regulatory functions in relation to takeovers pursuant to the Directive on Takeover Bids (2004/25/EC) (the “**Directive**”). Following the implementation of the Directive by the Takeovers Directive (Interim Implementation) Regulations 2006, the rules in the City Code which are derived from the Directive now have a statutory basis.

The City Code applies to all takeovers and merger transactions, however effected, where, *inter alia*, the offeree company is a public company which has its registered office in the United Kingdom, the Isle of Man or the Channel Islands, if the company has its securities admitted to trading on a regulated market or a multilateral trading facility in the United Kingdom or on any stock exchange in the Channel Islands or the Isle of Man. The City Code will therefore apply to the Company from Admission and its Shareholders will be entitled to the protection afforded by the City Code.

Under Rule 9 of the City Code, where: (i) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons in which he is already interested and in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company subject to the City Code; or (ii) any person who, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30 per cent. but not more than 50 per cent. of the voting rights of such a company, if such person, or any person acting in concert with him, acquires an interest in any other shares which increases the percentage of shares carrying voting rights in which he is interested, then, except with the consent of the Takeover Panel, he, and any person acting in concert with him, must make a general offer in cash to the holders of any class of equity share capital whether voting or nonvoting and also to the holders of any other class of transferable securities carrying voting rights to acquire the balance of the shares not held by him and his concert party.

Save where the Takeover Panel permits otherwise, an offer under Rule 9 of the City Code must be in cash and at the highest price paid within the 12 months prior to the announcement of the offer for any shares in the company by the person required to make the offer or any person acting in concert with him. Offers for different classes of equity share capital must be comparable; the Takeover Panel should be consulted in advance in such cases.

The Companies Law provides that if an offer is made in respect of the issued share capital of the Company, the offeror is entitled to acquire compulsorily any remaining shares if it has received acceptances amounting to 90 per cent. in value of the shares to which the offer relates, subject to the rights of any shareholders who have not accepted the offer to apply to the Court for relief. Certain time limits apply.

There have been no public takeover bids by third parties in respect of the Company's equity in the last financial year or the current financial year. The Takeover Panel were consulted before the completion of the Acquisition, and they confirmed that no obligation to make an offer for the Company arose from the issue of shares and loan notes on completion of the Acquisition.

22. Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by a member of the Group within the two years immediately preceding the date of this Prospectus and are, or may be, material or have been entered into at any time by any member of the Group and contain provisions under which any member of the Group has an obligation or entitlement which is, or may be, material to the Group as at the date of this Prospectus.

The Company

(i) *Agreement with St Brides Partners dated 14 October 2015*

On 14 October 2015, the Company entered into an agreement with St Brides Partners Limited pursuant to which St Brides Partners provides public relations consultancy advice and services. The terms and conditions provide for a monthly consultancy fee over £2,500, payable in advance, plus costs and disbursements. The agreement is terminable after a minimum three-month period by either party on two months' written notice. St Brides Partners may terminate this agreement on written notice if the Company commits a material breach of this agreement, becomes insolvent, has a receiver appointed over it, or makes any arrangement with its creditors or any such similar circumstances. St. Bride's aggregate liability howsoever caused (except in death or personal injury) is limited to the equivalent of six months' fees. St Bride's is not liable for any indirect, special or consequential loss or damage.

(ii) *McCarthy Denning Engagement letter dated 17 August 2020*

On 17 August 2020, the Company entered into an engagement letter with McCarthy Denning Limited under which McCarthy Denning Limited would act as the Company's solicitors and provide services relating to the acquisition of the entire issued share capital of Cindrigo Limited, the production of a whitewash circular under the City Code and the preparation of a prospectus for the Company and the readmission of its shares to the Official List and to trading in the Main Market of the London Stock exchange by way of a standard listing. The fee to be charged by McCarthy Denning Limited under this engagement letter was estimated to be within the region of £200,000 to £275,000 (plus VAT and disbursements). McCarthy Denning has continued to advise the Company on the proposed readmission since that time on the basis of this engagement letter. Invoices are issued on a monthly basis.

(iii) *Engagement Letter with Beaumont Cornish Limited dated 4 December 2024*

On 4 December 2024, the Company appointed Beaumont Cornish Limited its sponsor and financial adviser pursuant to an engagement letter ("**BCL Engagement Letter**"). The Company has agreed to pay Beaumont Cornish Limited a corporate transaction fee of £150,000, or, if Admission does not take place by 31 March 2025, such additional fee as the parties may agree. On Admission BCL is to be issued warrants to subscribe for such number of Ordinary shares so as to equal £200,000 at the Placing Price in connection with Admission, exercisable in whole or in part for five years commencing from Admission. The Agreement also provides for an annual ongoing sponsor advisory fee. The Company has also given certain indemnities to Beaumont Cornish Limited.

(iv) *Capital Plus Partners Limited Engagement Letter*

By an engagement letter dated 27 March 2025, the Company engaged Capital Plus Partners Limited ("Capital Plus") as the Company's sole broker and placing agent in relation to proposed placing of new Ordinary Shares to raise a minimum of £1 million or such greater amount as may be agreed between Capital Plus and the Company ("CPP Engagement Letter").

In consideration of Capital Plus's agreement to act the Company agreed to pay to Capital Plus immediately upon completion of the Transaction, a fixed corporate finance fee of £10,000 plus VAT and immediately upon completion of the Transaction, a success fee of 6 per cent. of gross total monies raised, success fees are conditional on a minimum of £1,000,000 being raised as part of the Placing. In addition, immediately upon completion of the Transaction the Company shall grant to Capital Plus such number of warrants over new Ordinary Shares in the Company exercisable at the Placing Price as equals 5 per cent. of the gross aggregate value of the Placing divided by the exercise price, exercisable at the warrant holder's option at any time in the 2 years following Admission. Capital Plus will also be appointed as the Company's corporate broker for a minimum period of 1 year following Admission and thereafter the agreement shall continue unless terminated by either party. Capital Plus will also be appointed as the Company's corporate broker for a minimum period of 1 year following Admission and thereafter the agreement shall continue unless terminated by either party. The Broker Agreement may be terminated by either party on three month's prior written notice expiring no earlier than the first anniversary of the date of Admission.

(v) *BCL On-going Sponsor Agreement*

The Company and Beaumont Cornish Limited have entered into a sponsor and financial advisory agreement dated 28 October 2025 ("Sponsor Agreement"), pursuant to which, the Company has appointed Beaumont Cornish Limited to act as its Sponsor on an ongoing basis for the purposes of the UKLR. The Company has agreed to pay Beaumont Cornish Limited an annual advisory fee for its services as sponsor under such agreement, payable quarterly in advance from the date of Admission. Under the terms of the Sponsor Agreement, the Company has agreed to provide Beaumont Cornish Limited with certain customary representations, undertakings and indemnities. Beaumont Cornish Limited may terminate the Sponsor's Agreement and its role as Sponsor in certain customary circumstances. The Sponsor Agreement is governed by English law.

(vi) *Subscription and Loan Consolidation Agreement between the Company and Danir AB dated 16 May 2025*

On 16 May 2025, Danir and the Company entered into an agreement pursuant to which Danir subscribed £5,537,912.34 for loan notes ("Notes") and agreed to consolidate and reschedule various loans it had made to the Company since 2021 by way of a new loan of €3,474,922.80 to the Company. The subscriptions monies and new loan were used to repay all existing loans and accrued interest from Danir. The interest rate under the new loan is of 3 per cent. per annum. Interest is to be rolled up and repaid on the repayment date together with the principal. The repayment date is 16 December 2026. The terms of the loan notes subscribed for provide that Danir may convert some or all of the Notes at any time providing Danir's shareholding when taken together with the holding of any person they are deemed to be acting in concert with under the City Code, is such that they would be obliged to make an offer pursuant to Rule 9 of the Takeover Code.

(vii) *YA II PN LTD ("YA") Existing Loan Note Settlement Agreement dated 14 June 2021 and Warrant Instrument to be dated on Admission*

In 2017, the Company issued £800,000 in Convertible Loan Notes to YA. These notes were settled subsequently by a settlement agreement, and an assignment and assumption agreement each dated 24 August 2020. £100,000 of these notes were converted into 100,000,000 Ordinary Shares (pre-consolidation) on 2 September 2020. The 24 August 2020 agreement did not complete. On 21 September 2020, the Company borrowed a further £52,000 from YA.

On 14 June 2021, YA and the Company entered into a new loan note settlement agreement, settling the outstanding £700,000 Convertible Loan Notes, together with all accrued interest, and the £52,000 loan.

Pursuant to this 14 June 2021 settlement agreement, YA and the Company agreed that, on completion of the acquisition of Cindrigo Energy, the Company would issue new zero coupon, 10-year Convertible Loan Notes with a face value of £700,000 convertible into 1,090,856 Ordinary Shares of £2.667609 each nominal value (post-consolidation and taking account of the shares that were issued on 2 September 2020 for part of the Notes) at a conversion price of £0.6417 per share. Conversion can take place at any time provided it does not trigger an obligation to make an offer under the Takeover Code, require the Company to issue a prospectus or result in not less than 25 per cent. of the Company's shares being in public shares.

The Company also agreed to issue an 18 month warrant to subscribe for a further 1,465,724 Ordinary Shares at a price of £0.2729 per share on Admission, assign all the Company's rights to one equity unit in the New York Wheel Investor LLC to YA and convert the £52,000 loan into 194,931 Ordinary Shares of £2.667609 each on the date the Plan of Arrangement relating to the acquisition of Cindrigo Energy was completed.

This settlement agreement became unconditional and the new loan notes were issued on 30 July 2021 on completion of the acquisition of Cindrigo Energy. On Admission, the notes will be converted, thereby being settled, and the warrants will be issued pursuant to a warrant instrument to be dated on Admission.

(viii) *YA Assignment & Assumption Agreement – New York Wheel Equity Unit dated 14 June 2021*

Pursuant to this agreement the Company irrevocably granted, transferred and assigned to YA all of the Company's right, title and interest in an equity unit in New York Wheel Investor LLC (the "**LLC**") as part of the settlement of the loan notes referred to in paragraph (v) and YA accepted the same and assumed the rights and obligations of the Company in respect of the equity unit. The agreement provided that no representation of value had been given by the LLC and the Company only gave a warranty as to its capacity to enter into the agreement. The agreement has attached to it a waiver and consent in relation to certain provisions of the operating agreement relating to the LLC which require consent to transfer equity units and requires members to provide certain information when a unit is proposed to be transferred, and the Company is in the process of arranging for it to be signed by the LLC.

(ix) *Convertible Loan Note Instrument dated 30 July 2021*

The Company purportedly entered into, on or about 30 July 2021, a loan note instrument to create up to £700,000 Series 1 unlisted, unsecured, zero-coupon, convertible and transferable loan notes 2031 ("**YA Convertible Notes**"). The loan notes are convertible into 1,090,856 Ordinary Shares of £2.667609 each nominal value at £0.6417 per shares. £700,000 was issued to YA on 30 July 2021 on settlement of the existing loan notes pursuant to the Settlement Agreement with YA dated 14 June 2021 referred to in paragraph (v) above on completion of the acquisition of Cindrigo.

Further details of the terms of the YA Convertible Notes are summarised below:

- (a) A noteholder may convert all or part of the YA Convertible Notes at any time at the conversion price by submitting a conversion notice to the Company provided that (i) the conversion does not result in the noteholder (and any persons deemed to be acting in concert (as defined in the Takeover Code) with such noteholder exceeds 29.9 per cent. of the total number of Ordinary Shares at the conversion date; (ii) the conversion does not result in less than 25 per cent. of the Ordinary Shares being in public hands; or (iii) if the Ordinary Shares are admitted to listing on a regulated market at the date of the conversion notice, the issue of the shares on conversion taken with other shares issued over a 12 calendar months period represent 20 per cent. of more of the number of Ordinary Shares admitted to trading on that market or the conversion would otherwise require the issue of a prospectus by the Company.
- (b) The YA Convertible Notes rank *pari passu*, equally and rateably, among themselves as unsecured obligations of the Company.
- (c) The YA Convertible Notes may be redeemed by the noteholder before the maturity date following certain specified noteholder redemption events, which include: payment default; material breach by the Company not cured within fifteen trading days and insolvency events.
- (d) The Company will be required to give certain warranties to YA on the date of conversion
- (e) The YA Convertible Notes, and related documentation are governed under the laws of England.

(x) *Yang Jun Existing Loan Note Settlement Agreement dated 14 June 2021 and Warrant Instrument to be dated on Admission*

In 2017, the Company issued Convertible Loan Notes. On 14 June 2021 Yang Jun and the Company entered into a settlement agreement to settle the outstanding £1,000,000 convertible loans and interest. Pursuant to the settlement agreement Yang Jun and the Company agreed that, on completion of the acquisition of Cindrigo Energy, the Company would issue new zero coupon, ten-year Convertible Loan Notes with a principal amount of £1,000,000 convertible into 1,832,155 Ordinary Shares of £2.667609 each nominal value (post-consolidation), being 1.25 per cent. of the number of shares issued as consideration for the acquisition. On conversion of the new notes, the Company will issue an 18 month warrant to subscribe for a further 1,832,155 Ordinary Shares at a price of £0.2729 per share and, in return, Yang Jun would agree that the principal and all accrued interest on the existing loan notes would be settled.

The agreement became unconditional and pursuant to a Convertible Loan Note instrument entered into on or about 30 July 2021, the new Convertible Loan Notes were issued on completion of the acquisition of Cindrigo Energy. The warrants will be issued on Admission pursuant to a warrant instrument to be dated on Admission.

(xi) *Convertible Loan Note Instrument dated 30 July 2021*

The Company purportedly entered into on or about 30 July 2021, a loan note instrument of ten-year, unlisted, unsecured, zero-coupon convertible and transferable loan notes 2031 ("**Yang Jun Convertible Notes**") convertible into 1,832,155 Ordinary Shares of £2.667609 each nominal value at £0.5458 per shares. The entire amount of loan notes was issued to Yang Jun on 30 July 2021 on settlement of the existing loan notes pursuant to the Settlement Agreement with described in paragraph (viii) above.

Further details of the terms of the Yang Jun Convertible Notes are summarised below:

- (a) A noteholder may convert all or part of the Yang Jun Convertible Notes at any time at the conversion price by submitting a conversion notice to the company provided that (i) the conversion does not result in the noteholder (and any persons deemed to be acting in concert (as defined in the Takeover Code) with such noteholder exceeds 29.9 per cent. of the total number of Ordinary Shares at the conversion date; (ii) the conversion does not result in less than 25 per cent. of the Ordinary Shares being in public hands; or (iii) if the Ordinary Shares are admitted to listing on a regulated market at the date of the conversion notice, the issue of the shares on conversion taken with other shares issued over a 12 calendar months period represent 20 per cent. of more of the number of Ordinary Shares admitted to trading on that market or the conversion would otherwise require the issue of a prospectus by the Company.
- (b) The Yang Jun Convertible Notes rank *pari passu*, equally and rateably, among themselves as unsecured obligations of the Company.
- (c) The Yang Jun Convertible Notes may be redeemed by the noteholder prior to the maturity date following certain noteholder redemption events, which include: payment default; material breach by the Company not cured within fifteen trading days and insolvency events.
- (d) The Company will be required to give certain warranties to Yang Jun on the date of conversion.
- (e) The Yang Jun Convertible Notes, and related documentation are governed under the laws of England.

(xii) *Convertible Loan Note Instrument dated 30 July 2021*

The Company purportedly entered into, on or about 30 July 2021, a loan note instrument to create up to £984,973.34 Series 3 Convertible Loan Notes. The Convertible Loan Notes were ten-year, zero-coupon and convertible at £0.10 per share into a maximum of 9,849,733 new Ordinary Shares. £612,259.41 of the Series 3 Loan Notes were issued to Danir on 30 July 2021 on completion of the acquisition of Cindrigo Energy in place of the certain of the Ordinary Shares which they would otherwise receive as consideration for their shares in Cindrigo Energy to the extent that such shares would take Danir's shareholding to more than 29 per cent.

Further details of the terms of the Convertible Notes are summarised below:

- (a) The Convertible Notes are unlisted, unsecured, transferable and convertible and mature with a one-hundred-and-twenty-month maturity date.
- (b) The Convertible Notes do not carry Interest.
- (c) The Convertible Notes can be converted into a maximum of 9,849,733 Ordinary Shares at a price of £0.10 per Ordinary Share.
- (d) A noteholder or the Company may convert all or part of the Convertible Notes at any time at the conversion price by submitting a conversion notice to the company provided that (i) the conversion does not result in an obligation to make a mandatory bid for the Company pursuant to Rule 9 of the City Code; (ii) the conversion does not result in less than 25 per cent. of the Ordinary Shares being in public hands; or (iii) the conversion does not require the issue of a prospectus by the Company.
- (e) The Convertible Notes rank *pari passu*, equally and rateably, among themselves as unsecured obligations of the Company.

- (f) The Convertible Notes may be redeemed by the noteholder following certain noteholder redemption events, which include: payment default; material breach by the Company not cured within fifteen trading days and insolvency events;
 - (g) The Convertible Notes and related documentation are governed under the laws of England.
- (xiii) *Registrar Agreements with Avenir Registrars Limited effective 10 August 2021*
- With effect from 10 August 2021, the Company entered into a Registry Services Agreement and an Agency Services Agreement with Avenir Registrars Limited (“Avenir”) whereby Avenir was engaged to provide securities registration services and securities agency services, each for a minimum period of one year and terminable on 3 months’ notice after the expiry of that period. Avenir agreed to provide a transfer office for the Company and securities transfer services and to act as the Company’s transfer agent and agent in CREST for proxy purposes. A fee of £1,250 plus VAT per quarter is payable by the Company for registry services and fees are payable for additional services if required. The Agency Services Agreement covers Avenir acting as a subscription, receiving, calculation, paying and Conversion/redemption Agent. Fees are calculated on the basis of the services provided at the Company’s request during the term of the agreement.
- (xiv) *Loan Agreement with Spånan Invest AB dated 29 December 2022*
- On 29 December 2022 the Group assumed liability to repay Spånan Invest AB for an aggregate amount of £408,422, which has all subsequently been repaid.
- (xv) *Framework Agreement with Kaishan dated 3 April 2023*
- On 3 April 2023, the Company signed a Framework Agreement with Kaishan, a Singapore-registered company and member of the Kaishan Group to design, develop, finance, engineer, procure, instal, build, test, commission operate and maintain geothermal power plants and select and manufacture geothermal power plant equipment, (the “**Kaishan Agreement**”).

The Kaishan Agreement is a framework agreement that will enable Group companies from time-to-time to enter into a contract or a series of contracts with Kaishan and its group (collectively the “**Kaishan Group**”) for some or all of the services of the type described in the schedule to the agreement.

The agreement grants Kaishan preferred partner and vendor status to provide services to the Cindrigo Group. It covers projects (both current and future) that include the generation of electricity from geothermal energy in Europe in which a member of the Cindrigo Group holds an ownership interest.

The Kaishan Agreement sets out a proposal process pursuant to which the Kaishan Group will be afforded an opportunity to make proposals to provide services with respect to the Company’s projects under development. The services may be provided on a variety of terms and basis to be agreed by the parties. Although the Cindrigo Group is not obliged to procure the services from Kaishan, it is obliged to follow the proposal process set out in the agreement. The process gives Kaishan a right of first offer and a right to match offers, and time scales are included in the agreement. If Cindrigo does not accept the proposal, there is a period set out to renegotiate terms. If at that point, the parties cannot agree, Cindrigo must put the award for services out to tender. Kaishan will be invited to participate in the tender process and then has the right to provide services on equivalent terms and conditions to any third-party proposal which is selected as the best proposal.

Each project will be managed by separate special purpose vehicles and may be subject to separate agreements within the intent of the Kaishan Agreement. Services provided by Kaishan may include full “turnkey” EPC or parts thereof, including design and engineering, equipment supply and financing.

The framework agreement requires each party to notify the other within 10 business days if there is any change in the ownership of the party that involves the sale or other transfer of that shares of that party to a third party that results in a change of control or if there is a change in ownership of

the holding company of party which results in a change of control. Control is defined as direct or indirect ownership of more than 50 per cent. of the issued shares or other outstanding equity interests in that party, or the direct or indirect ability to appoint a majority of the directors of that company or exercise a majority of the voting power in the company.

Any disputes are to be settled by arbitration.

(xvi) *Placing Agreement:*

On 28 October 2025, the Company, Beaumont Cornish Limited and Capital Plus entered into a placing agreement pursuant to which Beaumont Cornish Limited agreed to act as the Company's sole Sponsor or the purposes of the UKLR in relation to Admission and Capital Plus agreed to as the Company's broker in respect to the Placing.

Under the terms of the Placing Agreement, the Company and the Directors have agreed to provide certain customary warranties, representations and undertakings in favour of Beaumont Cornish Limited and Capital Plus in relation to, among other things, the accuracy of information in the Prospectus and other matters relating to the Group. The Company has also agreed to indemnify Beaumont Cornish Limited and Capital Plus and its associates against, among other things, claims made against them, or losses incurred by them in connection with Admission and Placing, subject to certain customary limited exceptions. The liability of the Company under the Placing Agreement is unlimited by both time and amount. The Directors liability is capped.

In addition, the Placing Agreement provides Beaumont Cornish Limited and Capital Plus with the right to terminate the Placing Agreement before Admission in certain specified circumstances typical of a placing and placing agreement of this nature. The Company has agreed to pay Beaumont Cornish Limited the fees as described above in the BCL Engagement Letter and to bear Beaumont Cornish Limited's costs and expenses in connection with Admission. The Company has agreed to pay Capital Plus the fees as described above in the CPP Engagement Letter and to bear Capital Plus' costs and expenses in connection with the Placing. The Placing Agreement is governed by English law.

(xvii) *Lock-In Deeds – Directors and Danir and certain Shareholders*

The Directors and certain managers have entered into Lock-in Deeds with the Company, Beaumont Cornish and Capital Plus whereby each of the Directors and certain managers agreed to restrict the Disposal of their respective Ordinary Shares. Each of the Directors has agreed that he shall not, for a period of 12 months from Admission (the “**Initial Period**”), without the prior written consent of the Company, transfer, sale, mortgage, charge, assign, issue options in respect of or otherwise dispose or agree to dispose (each being a “Disposal”) any of the Ordinary Shares he holds, subject to certain limited exclusions, and not to make any Disposal of 90 per cent. of his Ordinary Shares during the 12 month following the Initial Period and to effect any Disposal of the remaining 10 per cent. in accordance with the reasonable requirements of the Company or (where brokers are appointed) the Company's brokers (and through the Company's brokers where appointed) so as to ensure an orderly market in the Ordinary Shares.

Danir entered into a Lock-In Deed with Company, Beaumont Cornish and Capital Plus for 91,238,731 shares held by Danir AB as of the date Document plus the further equity issued to Danir pursuant to the terms and conditions set out below.

Danir agreed that it shall not, for a period of 12 months covering the Initial Period, without the prior written consent of the Company, make any Disposal of any Ordinary Shares it holds and not to make any Disposal of 90 per cent. of its Ordinary Shares during the 12 months following the Initial Period and to effect any Disposal of the remaining 10 per cent. in accordance with the reasonable requirements of the Company or (where brokers are appointed) the Company's brokers (and through the Company's brokers where appointed) so as to ensure an orderly market in the Ordinary Shares.

In order to ensure that there would be an orderly market in the Company's securities immediately after Admission, which was a particular concern as a result of 2024 Open Offer when ordinary shares were issued at £0.06, which is below the expected opening trading price on Admission and was

making the Fundraise more difficult, Shareholders, other than the Directors and Danir, were asked in July 2025 to agree not to dispose of any Ordinary Shares for a period of three months starting on Admission. The request was made by way of a letter sent by e-mail to all Shareholders. Of those Shareholders who responded, holders of a total of up to 130 million Ordinary Shares agreed to enter into a lock-in deed with the Company, the Sponsor and the Broker.

As an incentive to agree to lock-in their shares for a short period, if a satisfactory level of acceptances of the lock-in proposal, were received, the Company indicated that it would thank those who commit to lock-in their shares for a period of 3 months from the date of Admission, by issuing a Loyalty Warrant entitling holders to subscribe for New Ordinary Shares in the Company, on the basis of one warrant share for every ten shares held, at an exercise price of £0.20 per ordinary share. The warrant would be exercisable for the period of 3 to 6 months from Admission.

Therefore, warrants to subscribe for up to 13,000,000 New Ordinary Shares in aggregate will be issued to those Shareholders who agreed to the lock-in as soon possible after Admission.

(xviii) *Agreement made 26 October 2024 between the Company and Global Infosys Limited*

This Agreement made 26 on October between the Company and Global Infosys Limited provides for the provision of the services of Jyoti Tanna as financial controller of the Company at an annual fee of £45,020 Ms Tanna is retained to supply all financial management and reporting, budgeting and forecasting, internal controls and compliance, risk management and team leadership. In addition, the services are to support the business listing, including financial readiness, governance and compliance, strategic planning and communication, due diligence and audit co-ordination Whilst the services are provided in India, the agreement is subject to English law.

(xix) *Convertible Loan Instrument dated 31 January 2025 made by the Company creating £306,599 unlisted 5 per cent. unsecured Convertible Loan Notes*

These notes were issued to the holders of Convertible Loan Notes issued by Cindrigo, Inc. the Delaware company that was redomiciled and continued into British Columbia and became Cindrigo Energy. Although the liability was not assumed by Cindrigo before CEL was dissolved, the Company felt it was obligated to these early supporters of the predecessor to the Company and offered new loan notes in return for the cancellation of the original notes. The notes are convertible at the instance of the noteholder at a discount to 30-day VWAP maximum GBP0.50/ share, bear interest at 5 per cent. per annum and mature on 31 December 2027.

(xx) *Agreement with UKE Engineering Limited*

On 17 May 2021, the Company entered into an agreement with UKE Engineering Limited (UKE) pursuant to which UKE provided services to the Company itself and through Biogas Prom AB. This agreement was terminated by a Termination and Settlement Agreement dated 14 November 2024 between the Company, Christer Grundström, and UKE. The Company agreed to pay the sum of €62,400 to UKE and would pay a performance bonus of €30,000 to Christer Grundström. This payment was offset against the payment due from him as subscription monies for shares in the Open Offer.

(xxi) *Settlement Agreements with YA II PN, Ltd dated 14 June 2021*

Pursuant to this settlement agreement the Company settled loan notes that had been issued to YA II PN, Ltd. The Agreement provided that the Company would transfer one equity unit in NY Wheel to YA II, PN Ltd. It was a term of the agreement that the Company obtain the consent of the Wheel Manager. The NY Wheel was never completed and the plan to build it abandoned. Despite numerous attempts to do so the consent of the NY Wheel manager was not obtained, and it could not be obtained now.

(xxii) *Bridge Loan Facility agreement between Danir AB and Cindrigo Holdings Limited dated 16 May 2025*

Pursuant On 16 May 2025, Danir and the Company entered into a loan agreement (the "Working Capital Loan Agreement") whereby Danir agreed to lend and Cindrigo agreed to borrow the sum of

£2,500,000 (two million five hundred thousand Pounds) upon the terms of the Working Capital Loan Agreement. The loan was to be drawn down on giving two days' notice to Danir, which the Company did on 16 May 2025 and the loan was drawn down in full. The loan bears interest at a rate of 5 per cent. per annum which is rolled-up with principal. The loan is to provide working capital to the Company as of the date of Admission as an interim measure.

Cindrigo shall repay the full loan and any Interest which has accrued on the Loan to Danir as soon as Cindrigo's financial position allows (in part/s or in full), having regard to new external funding or free cashflow of Cindrigo and its subsidiaries and, in any event, on or before the date that is 19 months from the date of the agreement or on an event of default.

The agreement does not have any equity conversion rights for the lender Danir AB.

Whilst the loan is repayable in full at end of the 19-month loan facility term being 16 December 2026, the Company has received email confirmation from the Chairman of Danir AB that should there be insufficient funds to pay principle and interest when repayment is due at the end of loan term, the total outstanding Bridge Loan Facility will be extended into 17 December 2026 and onwards, continuing to accrue interest until repaid in full. For the avoidance of doubt, in such circumstances, the principal loan and compounded interest will continue to accrue as normal from the 17 December 2026 onwards until the loan is paid off in full with no stipulated long-stop date. The loan will not be repayable on demand both during the 19-month term and during any subsequent extension period.

(xxiii) *13 Subscription Agreements dated 2 October 2025 between Cindrigo Holdings Limited and Subscribers*

On 2 October 2025, the Company entered into the Subscription Agreements with 13 subscribers (the "Subscribers") pursuant to which the Subscribers have in aggregate agreed to subscribe for 3,677,000 Ordinary Shares at £0.12 per share.

The Subscription is conditional on the issued and to be issued ordinary share capital of the Company is admitted to the Official List of the FCA and to trading on the Main Market of the London Stock Exchange in the Equity Share (Commercial Companies) category (the "Condition").

If the Condition is not satisfied by midday on 31 October 2025 the agreement will terminate, the Subscription will be cancelled and the Subscription monies that have been transferred to the Company to hold to the Subscriber's order pending satisfaction of the Condition, will be returned to the Subscriber.

The Subscription Agreements are is governed by English law and the courts of England have exclusive jurisdiction.

(xxiv) *Investor Warrant Instrument by Cindrigo Holdings Limited constituting warrants to be issued to Subscribers under the Placing Agreements and the Subscribers under the Subscription Agreements*

With the Placing and Subscription shares will be issued to investors participating in the Placing and Subscription, where one Investor Warrant constituted by this Instrument to subscribe for Ordinary Shares at a rate of one Investor Warrant for every share subscribed, each warrant giving the right to subscribe for one Ordinary Share exercisable at the Placing Price, for a 9-month exercise period from the date of Admission. The total Investor Warrants to be issued conditional on Admission are 17,176,994.

(xxv) *Loyalty Warrant Instrument of Cindrigo Holdings Limited to constitute warrants to existing Shareholders agree to a lock-in of their shares*

As an incentive to agree to lock-in their shares for a short period, if a satisfactory level of acceptances of the lock-in proposal, were received, the Company indicated that it would thank those who commit to lock-in their shares for a period of 3 months from the date of Admission, by issuing a Loyalty Warrant pursuant to this Instrument entitling holders to subscribe for New Ordinary Shares in the Company, on the basis of one warrant share for every ten shares held, at an exercise price of

£0.20 per ordinary share. The warrant would be exercisable for the period of 3 to 6-months from Admission. Therefore, warrants to subscribe for up to 13,000,000 New Ordinary Shares in aggregate will be issued pursuant to this Instrument to those Shareholders who agreed to the lock in as soon as possible after Admission.

(xxvi) *Beaumont Cornish Limited Warrant Deed*

On the date of the publication of this Prospectus, the Company and Beaumont Cornish Limited entered into a warrant deed pursuant to which the Company authorised the grant of warrants to Beaumont Cornish limited to subscribe for such number of Ordinary Shares so as to equal £200,000 at the Placing Price, at the exercise price of 12 pence per Ordinary Share. The warrants may be exercised by Beaumont Cornish in whole or in part at any time from Admission for 5 years from the date of Admission. The warrants will be in registered form and freely transferable after Admission. The Beaumont Cornish Warrant Deed is governed by English law.

(xxvii) *Capital Plus Warrant Deed*

On the date of the publication of this Prospectus, the Company and Capital Plus entered into a warrant deed pursuant to which the Company authorised the grant of warrants to Capital Plus to subscribe for such number of Ordinary Shares so as to equal 5 per cent. of the gross aggregate of the Placing divided Placing Price, exercisable at the Placing Price. The warrants may be exercised by Capital Plus in whole or in part at any time from Admission for 2 years from the date of Admission. The warrants will be in registered form and freely transferable after Admission. The Capital Plus Warrant Deed is governed by English law.

(xxviii) *Administration Services Agreement with Suntera (Guernsey) Limited & Cindrigo Holdings Limited dated 15 September 2025*

The Company has entered into a material contract with Suntera (Guernsey) Limited following Board approval at the meeting on 12 September 2025, will be dated 15 September 2025. The Administrative Agreement incorporates Suntera's terms and conditions and a side letter. In general, the administrator agrees to provide Companies Secretarial Services including services relating to Corporate services and services relating to monitoring adherence with Applicable Law. The administrator will be acting as the Registered Office of the Client. The services in all cases to be performed in accordance with laws of Guernsey and parties irrevocably agree to the exclusive jurisdiction of the courts of Guernsey. Suntera (Guernsey) Limited will be appointed as corporate company secretary in place of Mark Taylor. The registered office will be changed immediately following the execution of the Administration Agreement to the offices of Suntera (Guernsey) Limited at:-1st and 2nd Floors, Elizabeth House Les Ruettes Brayes St Peter Port, Guernsey GY1 1EW.

Cindrigo Limited

(xxiv) *Agreement with International Management & Marketing Limited dated 10 June 2021*

I.M.M. International Management & Marketing Limited ("**IMM**"), a company registered at 1 Guardamangia Hill, Pieta, PTA 1319 in Malta, entered into an agreement with the Company dated 10 June 2021 whereby IMM agrees to provide the services that would normally be the responsibility of the chief executive officer of a company with a listing in the Equity Shares (Commercial Companies) category of the Official List and to trading in the Main Market on the London Stock Exchange together with additional services relating to both the Company and Cindrigo as may reasonably be required and to provide Lars Guldstrand to carry out such services.

Pursuant to the agreement, IMM agrees to procure that Lars Guldstrand will consent to being appointed as a director of the Company and any of its direct or indirect subsidiaries as required by the Company. IMM will provide the Services through Lars Guldstrand during such hours as may be reasonably required to comply with its obligations under the agreement. The Agreement does not prevent IMM or Lars Gulstrand from being engaged, concerned or having a financial interest in any other business, trade or profession or occupation, provided they will not undertake any activity or be involved with any other business, trade, profession or occupation which will in any way would or might constitute a conflict of interest with the Company or its subsidiaries. The agreement restricts solicitation or engagement of any employee of the Company during and for a period of 12 months

after the termination of the agreement. The agreement continues until such time as it is terminated by the Company giving at least 6 months' written notice or by IMM giving not less than 3 months' written notice.

The Company agrees to pay IMM a sum equal to £120,000 per annum in 12 equal monthly instalments and reimburse reasonable expenses. IMM is entitled to participate in any share-based incentive scheme which the Company may establish provided such scheme does not cause IMM or Lars Guldstrand to be in an employment relationship with the Company and cease to be an independent contractor in which case the Company agrees to use all reasonable endeavours to introduce an alternative scheme in which IMM may participate to provide like benefits to the other scheme.

Bonuses are payable to IMM on the achievement of certain milestones based on a percentage of the annualised sum based on monthly payments to IMM in the twelve-month period prior to the date any milestone is achieved, or £120,000 in the first 12 months (the Relevant Payment). IMM is entitled to a bonus of 30 per cent. of the Relevant Payment on the listing of the Company on a recognised investment exchange, to be paid within 21 days of the satisfaction date.

The agreement is governed by laws of England and Wales and the parties submit to the exclusive jurisdiction of the courts of England and Wales.

(xxx) *Agreement with Fitzrovia Advisory Limited dated 10 June 2021*

FAL, a company registered in England with its business address is 20-22 Wenlock Road, London N1 7GU provides the management consultancy services of Mustaq Patel and Mrs Patel to various third parties. It entered into an agreement with the Company dated 10 June 2021 whereby FAL agrees to provide the services that would normally be the responsibility of a chief operations officer of a company with a listing in the Equity Shares (Commercial Companies) category of the Official List and to trading in the Main Market on the London Stock Exchange together with additional services relating to both the Company and Cindrigo as may reasonably be required and to provide Mustaq Patel to carry out such services. FAL through Mr. Patel will provide the services during such hours as may be reasonably required to comply with its obligations under the agreement. FAL agrees to procure that Mustaq Patel will consent to being appointed as a director of the Company and any of its direct or indirect subsidiaries as required by the Company. The Agreement does not prevent Fal or Mustaq Patel from being engaged, concerned or having a financial interest in any other business, trade or profession or occupation, provided they will not undertake any activity or be involved with any other business, trade, profession or occupation which will in any way or might constitute a conflict of interest with the Company or its subsidiaries. The agreement restricts solicitation or engagement of any employee of the Company during and for a period of 12 months after the termination of the agreement. The agreement continues until such time as it is terminated by the Company giving at least 6 months' written notice or by FAL giving not less than 3 months' written notice.

The Company agrees to pay FAL a sum equal to £96,000 per annum in 12 equal monthly instalments and reimburse reasonable expenses. FAL is entitled to participate in any share-based incentive scheme which the Company may establish provided such scheme does not cause FAL or Mustaq Patel to be in an employment relationship with the Company and cease to be an independent contractor in which case the Company agrees to use all reasonable endeavours to introduce an alternative scheme in which FAL may participate to provide like benefits to the other scheme.

Bonuses are payable to FAL on the achievement of certain milestones based of a percentage of the annualised sum based on monthly payments to FAL in the twelve-month period prior to the date any milestone is achieved, or £96,000 in the first 12 months (Annualised Sum).

The agreement is governed by laws of England and Wales and the parties submit to the exclusive jurisdiction of the courts of England and Wales

Kaipolan Energia OY

(xxxi) *Lease of the Plant dated 26 April 2024 between Kaipola Green Port Oy (Landlord) and Kaipolan (Tenant)*

This lease and operation agreement of the Kaipola power plant, electricity generation and electricity and heat transmission system provide for a 50-year lease commencing on 1 March 2024 of the Power plant and electricity and heat transmission system owned by Kaipola Green Port OY situated in the City of Jamsa. Kaipolan's purpose is to lease and operate the Plant in order to produce heat for the entire factory property and order to sell the electricity produced at the Plant to the external network, and provide electricity to operators on the property. Kaipolan is also responsible for the water treatment in the area and the related equipment. The premises are to be used for industrial activity for the production of heat and electricity.

The Landlord owns the freehold of the Estate of which the Plant forms part. The Landlord grants Kaipolan the right to use parts of the Estate for the storage of the Plants fuel. The Landlord has negotiated connection agreements with both local and national energy suppliers and grants Kaipolan a right to use such connections to sell its power and heat. The Landlord charges a connection fee of €12,000 per MW. Kaipolan is responsible for water treatment on the Estate but is entitled to charge for such water treatment, but it has to agree tariffs with users as prices are not imposed by the Lease. The monthly rent payable under the Lease is a fixed €30,000 whilst the Plant is operating at up to 50 per cent. of its maximum capacity. If the Plant is operating at more than 50 per cent. of its maximum capacity, then the monthly rent can be increased to a maximum rent of €70,000 in total.

The rent between 50 per cent. of capacity and full capacity will be increased on a *pro rata* basis. From 1 October 2027 the rent will be index linked to the Building Cost Index (year 2000 =100). The rent is tied to the Building Cost-Index (year 2000 =100). The last index published on the date of signature is used as the base index, which is compared with the index for October of each year. The first review will take place on 1 January 2027. The Company's responsibility is to properly store and manage hazardous waste, obtain necessary permits, and prevent environmental harm. It must promptly inform the Landlord of any incidents causing emissions or contamination and ensure the leased area remains free of litter, cleaning it if necessary, per the Waste Act. The Lease is of a full repairing nature and Kaipolan is responsible for any environmental damage at the Plant. Kaipolan is responsible for obtaining any license or permit required for the operation of the Plant and must only use the Plant pursuant to such licence(s). In the event of the Landlord wishing to dispose of its interest in the Plant, the Lease gives Kaipolan a right of pre-emption against third parties. The Lease is not assignable. The Landlord has a right to re-enter the Plant in the event that Kaipolan cease operation of the Plant for a continuous period of 18 months. The Lease is subject to the laws of Finland. Disputes are to be settled in accordance with the arbitration rules of the Finland Chamber of Commerce.

(xxxii) *Share Purchase Agreement made 9 April 2024 between Amtroy OU and Cindrigo as varied by an agreement made 16 October 2024*

On 9 April 2024 Cindrigo entered into an agreement (the "SPA") with Amtroy OU ("Amtroy"), an Estonian company, whereby Cindrigo agreed to buy and Amtroy agreed to sell the entire issued share capital of Kaipolan for a total consideration of €18,950,000. Kaipolan is the lessee of a waste to energy plant located in Kaipola, Finland (the "Plant").

The consideration was to be discharged as follows:

- i. The issue of 13,636,364 new Ordinary Shares in the capital of the Company (the "Consideration Shares")
- ii. The payment of €100,000 to Amtroy 45 days after Completion.
- iii. The payment of €3,850,000 on the earlier of 30 days after commercial operation of the Plant or on the 8 May 2025. This has now been paid.

Additionally, the Sellers could benefit from an earn out linked to the EBITDA of Kaipola during the first five years of commercial operation. The earn out was limited to a maximum sum of €3,000,000.00.

Following exchange of the SPA it became apparent that Amtroy would be unable to procure the grant of the New Lease in the short term. In the circumstances Cindrigo agreed to complete the SPA on the basis of the owners of Amtroy undertaking to procure the grant of the New Lease. On receipt of this undertaking Cindrigo completed the SPA and asked the Company to issue the Consideration Shares which the Company did on 24 May 2024.

The form of the New Lease has been agreed with Amtroy but they have been unable to procure its grant by the Landlords of the Plant, Kaipola Green Port Oy. The directors of Amtroy continue their efforts to procure the grant of the New Lease. In the interim Kaipolan occupies the Plant under the terms of the Original Lease but this has not impeded any of the activities of Kaipola that were proposed be carried out and the Plant can be operated satisfactorily under the terms of the Original Lease until such time, if any, as the New Lease is granted.

On 16 October 2024, Cindrigo and Amtroy agreed to amend the SPA so that some of the Deferred Consideration may partially be paid in advance at Cindrigo's discretion. In the event of an early payment of €750,000 of the deferred payment, it will reduce the deferred payment by an additional €500,000 and the same amount will be added to the maximum payable under the earn-out. In the event of an early payment of €1,500,000 of the deferred payment, the deferred payment will be reduced by an additional €850,000 and such amount shall be added to the maximum payable under the earn-out. If the advance payment is between €750,000 and €1,500,000, the reduction of the deferred payment will be adjusted in a linear manner to the actual amount of the advance payment, and such amount will increase the maximum payable under the earn-out. Amtroy converted £600,000 (circa €720,000) of the deferred payment into shares at a price of £0.06 per share, resulting in the issuance of 10,000,000 new Ordinary Shares.

The Seller gave limited warranties, and its liability was capped to the purchase price for the shares. The agreement also contained post completion non-competition and non-restrictive covenants on the seller.

Settle of the final deferred consideration payment to Amtroy OU for the Kaipola Plant of appropriately £900,000 was paid to Amtroy on the 23 May 2025.

(xxxiii) *Heat Sales Agreement between Kaipolan and Suomen Uusiopelletti Oy made 18 March 2025*

This agreement relates to the sale of heat, in the form of steam to Suomen at its proposed pellet factory on the Kaipola Estate and is delivered via pipework. The Suomen contract will commence on the start of production of Suomen's operations at its proposed pellet factory. The total production of heat which the contract states that Suomen intends to utilize is 22MW in 2025-2026, 44MW in 2026-2027 and 66MW in 2027-2028. There is no binding obligation for Suomen to purchase or for Kaipolan to supply any minimum amount of heat. The contract states that Kaipolan will charge Suomen €70 per MWh of heat for an initial period of six-months and thereafter the price will be based on a 10 per cent. discount to the 6-month average for the Helen price index for central heating for Households in Finland and possibly with some adjustment factor to compensate or incentivize for volumes. Thus the price may well be lower than €70 per MWh after six months. The agreement has an initial fixed term of 5 years and then continues until either party gives not less than 12 months' written notice. Neither party may serve notice until the expiry of the fourth year of the initial term.

(xxxiv) *Fuel Purchase Agreement made 31 May 2024 between Kaipolan and Limerick Trading Ou*

This agreement was entered into on 31 May 2024 between Limerick Trading Ou (the "Seller") and Kaipolan. The Seller manufactures renewable fuels used in the Plant. The Seller agrees to sell and Kaipolan agrees to buy 100,000MW of biofuel in the form of pellets at a price of €19 per MW for the burning season 2024 – 2025. The biofuel is to be delivered in accordance with a Schedule to the agreement during the 2024/2025 "Burning Period" from September 2024 to May 2025. The Schedule also sets out a quality requirement for the biofuel. There is an option to increase the total amount supplied by a further 100,000 MW. The agreement can be terminated for specified reasons including late delivery and pellet quality.

(xxxv) *Fuel Sales Agreement made 29 September 2025 between Kaipolan and Fuelwood Oy*

This agreement relates to the sale of heat, in the form of steam, to Fuelwood. Although the contract is binding on both parties, the obligations of Kaipolan to sell and Fuelwood to buy are conditional upon Fuelwood developing a pellet factory on the Kaipola Estate. Fuelwood has undertaken to use its best endeavours to construct the factory as quickly as practical with a target COD of 1 December 2025. Kaipolan has agreed to support Fuelwood with management resources to negotiate funding and potentially oversee and manage the build-up and potentially technical and commercial operations of the pellet factory. The supply and purchase obligations will commence for an initial period of 5 years from the date upon Fuelwood commences commercial operations at the pellet factory. Thereafter the contract will continue until terminated by either party giving not less than 12 months' notice of termination to the other. Such notice may not be served prior to the fourth anniversary of the commencement of the initial period. Subject to satisfying the conditions described above, Kaipolan will sell and Fuelwood will buy during 2026 a minimum of 25MW of Steam and during 2027 and thereafter a minimum of 47MW per 12 month period. The price of the Steam is to be further negotiated but is estimated to be €60 per MWh. There is the mechanism in the contract to adjust the price in line with the HELEN average price adjustment. The contract also provides for Kaipolan to sell electricity to Fuelwood at a price of Nord Pool prices plus 10 per cent. The contract is governed by the laws of Finland.

Cindrigo Geothermal Ltd

(xxxvi) *Investment Agreement dated 3 March 2025 between Cindrigo Geothermal Ltd, Zukunft Geowärme GmbH ("ZGG"), Hydrosion GmbH, 360Plus Consult GmbH and Toro Invest GmbH*

On 3 March 2025, Cindrigo Geothermal Limited entered into an agreement with Zukunft Geowärme GmbH ("ZGG"), Hydrosion GmbH, 360 Plus Consult GmbH and Toro Invest GmbH (the "Investment Agreement") whereby the parties agreed to procure the incorporation of special purpose vehicle ("SPV") to undertake each of the three German projects (the "SPV Eich", the "SPV Weinheim" and the "SPV Worms" and together the "SPVs") pursuant to licences granted to ZGG ("Geothermal Licences"). The beneficial interests of each SPV will be held by a newly formed German holding company the incorporation of which will be procured by the Parties. (the "Holding Company") as soon as practicable. ZGG is to provide the Holding Company and the relevant SPV with unrestricted usage rights in relation to the Geothermal Licences to allow the SPVs to develop the Geothermal Projects. Cindrigo is to provide or procure finance for the Geothermal Projects through the Holding Company on the basis that the issued capital of the Holding Company is held 15 per cent. by ZGG and 85 per cent. by Cindrigo and the SPVs are wholly owned subsidiaries of the Holding Company.

The Geothermal Licences expire during the period from September 2025 to November 2025 and the Parties require ZGG to apply for and use all reasonable endeavours to obtain an Extension in respect of each of the Geothermal Licences before the expiry of the relevant licence. On the grant of the last of the extensions, clauses 4 and 5 (the "Conditional Clauses") of the agreement will become effective but prior to such grant the Conditional Clauses will not be binding on the Parties. Clause 4 is an obligation to enter into the shareholders' agreement annexed to the Investment Agreement. Clause 5 relates to the provision of finance by Cindrigo Geothermal of 36 million Euros for the SPV Eich, 30 million Euros for the SPV Worms and 27 million Euros for SPV Weinheim. For each of the Geothermal Projects the Parties will agree a development budget covering in particular actual ongoing expenses of the respective SPV to continue project development work (including review to optimize the financial return) and an EPC budget. Except for any Government funding for the Holding Company and SPVs, Cindrigo is responsible for procuring and managing 100 per cent. of the financing of the Geothermal Projects by own funds, Related Parties, subsidies and grants or equivalent or by third party finance or any combination thereof. Cindrigo will endeavor to provide finance in a manner that minimizes the dilution of equity ownership by all Shareholders by way of project finance, green finance and corporate debt borne by the respective SPV at best available market rates (such as green bonds).

Cindrigo will pay the Shareholders a bonus payment of 1m Euros in respect of each of the Geothermal Projects which receives not less than €15,000,000 of funding from the Federal German Government or other public entity. The Shareholders will be entitled to a further bonus (the "Generating Bonus") in the sum of €500,000 for each Geothermal Project if following completion of the third project the average production of the three plants equals or exceeds 22MW. Cindrigo

Geothermal, for the sum of 75,000 Euros is granted an 18-month option to acquire the shares in ZGG for a consideration of 600,000 Euros.

At any time after the end of the Exploratory Phase of any of the Geothermal Projects ZGG or, after exercise of the Option by Cindrigo, each of the Shareholders shall have the right to convert its shareholding in the Holding Company into Ordinary Shares in Cindrigo Holdings Limited.

23. Significant Change

Subsequent to that date of this Document, and conditional upon Admission, the following events are expected to occur:

- (1) On Admission the Company will issue 2,923,011 new Ordinary shares on conversion of the loan notes issued to existing loan note holders on 30 July 2021. This will reduce the Company's debt liabilities by £1,700,000 and increase its share capital account by the same amount.
- (2) On Admission, 50,000,011 new Ordinary Shares will be issued to Danir as part of the conversion of convertible loan notes. by way of conversion of £7,599k of debt owed pursuant to those loan notes. However, conversion is limited to such number of shares as do not bring Danir's holding of Ordinary Shares to more than 29 per cent. at the time of conversion to avoid the holder being required to make a mandatory takeover offer under the Takeover Code or Guernsey law.
- (3) 759,442 new Ordinary Shares are to be issued at Admission, issued at £0.0198 per share as a fee to the introducer ("Introducer Shares") of the Acquisition.
- (4) On Admission, the Company will issue 13,499,994 at £0.12 per share pursuant to the Placing.
- (5) On Admission, the Company will issue 3,677,000 at £0.12 per share pursuant to the Subscription.

Other than in relation to the matters referred to in paragraphs 23(1) – (5) (inclusive) above, there has been no significant change in the financial performance or financial position of the Company and/or the Group since 30 June 2025, being the end of the last financial period for which the unaudited interim financial information is included in Part 11 (Section A) of this Document.

24. Sources of Cash, Liquidity and Cash Uses

The Company's initial source of cash after Admission will be the cash generated by the Company's Placing as well as the Bridge Loan Facility, and thereafter from operational revenue from the Kaipola Plant.

25. Property and Intellectual Property

The Group does not own any freehold land or property or premises.

Kaipolan has a 50-year leasehold interest in the Waste to Energy plant in Kaipola, Finland.

The Company is not dependent upon patents or licences, industrial, commercial or financial contracts or new manufacturing processes.

26. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) during at least the twelve months preceding the date of this Document which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company, Cindrigo, Energy Co-Invest or any member of the Group.

27. Consents

PKF Littlejohn LLP, whose address is 15 Westferry Circus, Canary Wharf, London E14 4HD and which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales has given and has not withdrawn its consent to the inclusion in this Document of its Accountant's report on the unaudited pro forma statement of net assets in Part 13 and has authorised the contents of this report for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules and to the inclusion of its name and

the references thereto in the form and context in which they appear. PKF Littlejohn LLP has no material interest in the Company.

Macalvins Limited, whose address is 7 St. John's Road, Harrow, Middlesex HA1 2EY and which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales has given and has not withdrawn its consent to the inclusion in this Document of its Accountant's reports in Part 11 and Part 12 **and** has authorised the contents of those reports for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules and to the inclusion of its name and the references thereto in the form and context in which they appear. Additionally, the report on historical financial information has been prepared in accordance with the Standards for Investment Reporting (SIR) 2000, and the report on pro forma financial information has been prepared in accordance with the Standards for Investment Reporting (SIR) 4000, both issued by the Financial Reporting Council in the United Kingdom. Macalvins Limited has no material interest in the Company.

28. Miscellaneous

- (1) Other than the current application for Admission, the Ordinary Shares are not admitted to dealings on any recognised investment exchange nor has any application for such admission been made nor are there intended to be any other arrangements for dealings in the Ordinary Shares.
- (2) The accounting reference date of the Company is 31 December in each year.
- (3) Previously, Macalvins Limited served as the auditor of the Cindrigo Group for the entire period covered by the financial information set out in Parts 11 and 12 of this Document, encompassing the financial years of 2021 to 2023. Macalvins Limited is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales. However, as the Company's needs evolved—particularly in line with its expansion and compliance requirements within the Channel Islands—it engaged Grant Thornton Limited (Channel Islands), a firm with a substantial presence in Guernsey and specific expertise in auditing companies within this jurisdiction. This transition allows the Company to benefit from Grant Thornton's local knowledge and experience in regulatory compliance specific to the Channel Islands. Additionally, Grant Thornton Limited (Channel Islands) is registered in Guernsey, ensuring that the audit oversight aligns closely with both Guernsey's regulatory standards and the Institute of Chartered Accountants in England and Wales. Grant Thornton Limited (Channel Islands), has audited the financial information of Kaipolan Energia Oy for the purposes of this Prospectus for the whole period covered by the financial information set out in Part 12 of this Document. Grant Thornton Finland of Tietokuja 4, 00330 Helsinki, Finland are the auditors to Kaipolan.
- (4) There are no investments in progress and there are no further investments on which the Directors have already made firm commitments which are significant to the Company, other than the recent investments in Germany, which are detailed in Part 7 (Business Section) of this Document.
- (5) The Directors are not aware of any environmental issues which may affect the Company's utilisation of its tangible fixed assets (if any).
- (6) None of the Company, Cindrigo, CGEO or Kaipolan have made any investments since 31 December 2023 up to the date of this Prospectus, nor are there any investments by the Company, Cindrigo, CGEO, or Kaipolan in progress or anticipated which are material.

29. Documents Available for Inspection

Copies of the following documents will be published in electronic form and be available on the Company's website at www.cindrigo.com subject to certain access restrictions applicable to persons located or resident outside the United Kingdom and made available for inspection during normal business hours on any day (except Saturdays, Sundays and public holidays) at the registered offices of McCarthy Denning, the Company's legal adviser, located at 70 Mark Lane, London EC3R 7NQ, from the date of this Document until Admission:

- (i) the Memorandum;
- (ii) the Articles;

- (iii) the historical financial information of the Group (other than Energy Co-Invest set out or referred to in Part 11 and Part 12 of this Document; and
- (iv) the letters of consent referred to in section 27 above.

30. Availability of this Document

Copies of this Document may be requested from McCarthy Denning Limited, the Company's English legal advisers and collected, during normal business hours on any day (except Saturdays, Sundays and public holidays) at their registered offices of McCarthy Denning, the Company's legal adviser, located at 70 Mark Lane, London EC3R 7NQ. In addition, this Document will be published in electronic form and be available on the Company's website at www.cindrigo.com subject to certain access restrictions applicable to persons located or resident outside the United Kingdom.

Dated 28 October 2025

PART 16

NOTICE TO INVESTORS

The distribution of this Document may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

General

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

This Document has been approved by the FCA as a prospectus which may be used to offer securities to the public for the purposes of section 85 of the FSMA and of the Prospectus Regulation. No arrangement has however been made with the competent authority in any other EEA State (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in such jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below. This Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for, or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

This Document has not been approved by the Guernsey Financial Services Commission as the Company is not subject to regulation in Guernsey. The provisions of the Prospectus Rules 2008 of Guernsey do not apply to the Company.

For the Attention of European Economic Area Investors

In relation to each member state of the European Economic Area to which the Prospectus Regulation applies (each, a **“Relevant Member State”**), an offer to the public of the Ordinary Shares may only be made once the prospectus has been passported in such Relevant Member State in accordance with the Prospectus Regulation. For the other Relevant Member States an offer to the public in that Relevant Member State of any Ordinary Shares may only be made at any time under the following exemptions under the Prospectus Regulation:

- to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) in such Relevant Member State; or
- in any other circumstances falling within Article 3(2) of the Prospectus Regulation, provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Regulation.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of ordinary shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any ordinary shares to be offered so as to enable an investor to

decide to purchase or subscribe for the ordinary shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Regulation in that Relevant Member State and the expression “Prospectus Regulation” includes any relevant implementing measure in each Relevant Member State.

The distribution of this Prospectus in other jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions.

For the Attention of UK Investors

This Document comprises a Prospectus relating to Cindrigo Holdings Limited (the “Company”) prepared in accordance with the Prospectus Regulation Rules of the FCA made under section 73A of FSMA (the “**Prospectus Regulation Rules**”) and approved by the FCA under section 87A of FSMA. This Document has been approved by the FCA, in its capacity as competent authority under Regulation (EU) 2017/1129 (which forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018 and the Prospectus (Amendment etc.) (EU Exit) Regulations 2019) (the “**Prospectus Regulation**”). The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company that is the subject of this Prospectus or of the quality of the securities that are the subject of this Prospectus and investors should make their own assessment as to the suitability of investing in the Ordinary Shares of the Company. This Prospectus has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules and Article 21 of the Prospectus Regulation by being made available, free of charge at www.cindrigo.com.

PART 17

DEFINITIONS

In this Document, unless the context requires otherwise, the words and expressions set out below shall bear the following meanings.

“Acquisition”	the acquisition by the Company of Cindrigo Limited by acquiring 167,517,063 common shares of no-par value in the capital of Cindrigo Energy Limited, representing 100 per cent. of the entire share capital of Cindrigo Energy, from the Cindrigo Shareholders and transferring the shares in Cindrigo Energy to the Company;
“Admission”	admission of the Enlarged Ordinary Share Capital by way of Listing in the Equity Shares (Commercial Companies) category of the Official list and to trading on the Main Market;
“Amtroy OU”	the seller of Kaipolan;
“Articles”	the articles of incorporation of the Company (as amended from time to time) which set out the framework for the Company’s governance and operations;
“Assumption Agreement”	an agreement executed on 6 August 2021, where Cindrigo assumed the assets and liabilities of Cindrigo Energy Limited following the completion of a plan of arrangement under Canadian law;
“BCBCA 2002”	the <i>Business Corporations Act 2002</i> (British Columbia);
“Beaumont Cornish Limited”	Beaumont Cornish Limited, authorised and regulated by the FCA and acting as the Company’s sponsor in connection with Admission in accordance with UKLA 4;
“BEW”	the “Bundesförderung für effiziente Wärmenetze” (BEW) is a German federal subsidy program supporting efficient heating networks;
“Big Wheel”	refers to large observation wheel attractions, similar to the London Eye, which the Company initially invested in as part of its focus on the entertainment and leisure sectors;
“Board”	the board of directors of the Company from time to time;
“Bridge Loan Facility”	means the Bridge Loan Facility agreement between the Company and Danir AB, details of which are set out in the Material Contracts section of Part 15 of this Document;
“Bridge Loan Facility Proceeds”	means £2.5 million proceeds received pursuant to the Bridge Loan Facility agreement;
“certificated” or “in certificated form”	in relation to an Ordinary Share, title to which is recorded in the register of Shareholders as being held in certificated form (that is, not in CREST);
“CEL Open Offer”	an offer made by Cindrigo Energy Limited (“CEL”) to its shareholders on a one-for-seven basis at £0.10 per share. This open offer, completed in July 2021, raised approximately £2,094,467, which remained with Cindrigo following the RTO and was used as working capital for the Company;

“CGEO UK”	Cindrigo Geothermal Limited, a company incorporated in England with company number 14015306 having its registered office in 104 Napier Court, Ranelagh Gardens, London, England, SW6 3XA;
“Cindrigo Energy” or “CEL”	Cindrigo Energy Ltd., a company continued pursuant to the BCBCA and since dissolved;
“Cindrigo Limited”	Cindrigo Ltd; a company incorporated in England and Wales as a private limited company with company number 10572147 whose registered office is at 104 Napier Court, Ranelagh Gardens, London, England, SW6 3XA, which is a wholly owned subsidiary of the Company;
“Cindrigo Shareholders”	the former shareholders of Cindrigo Energy from whom the Company acquired the entire issued share capital of Cindrigo Energy;
“CINH”	ticker symbol under which the Company’s Ordinary Shares are expected to trade on the London Stock Exchange’s Main Market;
“City Code”	the UK City Code on Takeovers and Mergers;
“COD”	the date when a project, such as the Kaipola WtE plant or a ZGG Licence, officially begins commercial operations (Commercial Operation Date);
“CLN Conversion Shares” or “Total CLN Conversion Shares”	in total 52,923,022 Ordinary Shares comprising Danir CNL Conversion Shares and Other CLN Conversion Shares to be issued on Admission;
“Companies Law”	the Companies (Guernsey) Law 2008 (as amended, extended or replaced from time to time and any ordinance, statutory instrument, rule or regulation made thereunder);
“Company” or “Challenger”	Cindrigo Holdings Limited (formerly called Challenger Acquisitions Limited) a company incorporated in Guernsey with company number 59383 having its registered office 1st and 2nd Floors, Elizabeth House, Les Ruettes Brayes, St Peter Port, Guernsey GY1 1EW
“Convertible Loan Notes”	a type of debt instrument issued by a company that can be converted into equity shares of the issuing company at a later date, under predetermined terms;
“Consideration Shares”	13,636,364 Ordinary Shares issued pursuant to the New Plan of Arrangement as part of the consideration for acquiring the entire issued share capital of Cindrigo Energy;
“CREST”	the relevant system (as defined in the CREST Regulations) operated by Euroclear, where securities may be held and transferred in uncertificated form;
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended from time to time);
“Danir” or “Danir AB”	Danir AB, a Swedish corporation who is the Company’s largest substantial shareholder and provider of the Bridge Loan Facility;

“Danir CLN Conversion Shares”	50,000,011 Ordinary Shares to be issued to Danir on Admission pursuant to conversion the outstanding Convertible Loan Notes amounting to £7,599,490;
“Directors”	the individuals responsible for overseeing the Company’s management, whose names are listed in Part 5 of this Document;
“Disclosure Guidance and Transparency Rules” or “DTRs”	the Disclosure Guidance and Transparency Rules issued by the FCA pursuant to section 73A of the FSMA, as amended from time to time;
“disposal”	the transfer, sale, mortgaging, charging, assigning, issuing of options in respect of or otherwise disposing or agreement to dispose of Ordinary Shares;
“distributions”	payments made by the Company to its shareholders, including dividends and other forms of profit sharing, in accordance with applicable laws and the Company’s Articles of Incorporation;
“Document” or “Prospectus”	this prospectus dated 28 October 2025;
“Dravacel”	EES Dravacel Energetika d.o.o., a Croatian company that was wound up on 20 November 2024;
“Delivery versus Payment” or “DvP”	Delivery Versus Payment (DvP) is a securities settlement method where the transfer of securities and payment of funds occur simultaneously, guaranteeing that one doesn’t happen without the other. This eliminates the risk of a party delivering securities without receiving payment, or paying without receiving securities;
“EBITDA”	“Earnings Before Interest, Taxes, Depreciation, and Amortisation”;
“ECG”	Energy Co-Invest Global Inc., a Canadian subsidiary of the Company which was sold in December 2023;
“EEG”	the German Renewable Energy Sources Act (Erneuerbare-Energien-Gesetz);
“Enlarged Ordinary Share Capital”	the enlarged ordinary share capital of the Company on Admission comprising the Existing Ordinary Share Capital, the CLN Conversion Shares, the Introducer’s Shares, and the Placing Shares;
“Estate” or “Kaipola Estate”	the area surrounding the Kaipola WtE plant, maintained by the landlord under the Lease, where common areas are repaired and subject to a service charge paid by Kaipolan;
“Equity Shares”	ordinary shares in the Company that represent ownership interests, entitling holders to dividends, voting rights, and distributions upon liquidation;
“Euroclear”	Euroclear UK & Ireland Limited, a company incorporated in England and Wales with company number 2878738 having its registered office at Watling House, 33 Cannon Street, London EC4M 5SB;
“Exchange Act”	the US Securities Exchange Act of 1934;
“Executive Directors”	Lars Guldstrand, Mustaq Patel and Dag Andresen;
“Existing Ordinary Share Capital”	the 263,055,449 Ordinary Shares in issue as at the date of this Document;

“FAL”	Fitzrovia Advisory Limited, a company incorporated in England and Wales with company number 10992294 having its registered office at 20-22 Wenlock Road, London, N1 7GU;
“FCA”	the Financial Conduct Authority of the United Kingdom (or any such body appointed in replacement thereof);
“FIT”	Feed-in Tariff: A policy mechanism that sets a guaranteed price for renewable energy producers to sell their electricity, encouraging investment in renewable energy sources;
“Fundraising” or “Fundraise”	means the Placing and Subscription;
“Fundraising Shares”	means the Placing Shares plus Subscription Shares;
“FSMA”	The Financial Services and Markets Act 2000, the primary legislation governing financial services and securities markets in the United Kingdom, as amended from time to time;
“Group”	the Company and its subsidiaries;
“Gross Proceeds”	means the Placing Proceeds plus the Subscription Proceeds;
“Guernsey”	A British Crown dependency in the Channel Islands;
“HMRC”	His Majesty’s Revenue and Customs of the United Kingdom;
“IASB”	the International Accounting Standards Board;
“IFRS”	International Financial Reporting Standards as adopted by the European Union;
“IMM”	I.M.M. International Management & Marketing Limited, a company registered in Malta;
“Independent Non-Executive Directors”	Jack Clipsham and Alan Boyd;
“Initial Period”	the period of six months from Admission;
“ISIN”	(International Securities Identification Number) A unique identifier for the Company’s Ordinary Shares, enabling their trading and settlement on financial markets. The Company’s ISIN is GG00BM9CCP98;
“Introducer Shares”	the shares issued as a fee for introducing the Acquisition to the Company amounting to 759,442 New Ordinary Shares;
“Investment Agreement”	the Investment Agreement dated 3 March 2025 between Cindrigo Geothermal Ltd, Zukunft Geowärme GmbH (“ZGG”), Hydrosion GmbH, 360Plus Consult GmbH and Toro Invest GmbH in respect of the German geothermal projects;
“Investor Warrants”	The Placing and Subscription shares will attach one corresponding Investor Warrants to subscribe for each Ordinary Shares issued to investors participating in the Placing and Subscription at a rate of one Investor Warrant for every one shares subscribed, each warrant giving the right to subscribe for one Ordinary Share at the Placing Price for a 9-month exercise period from the date of Admission. Total Investor Warrants to be issued conditional on Admission are 17,176,994;

“Kaipolan”	Kaipolan Energia Oy, a company incorporated in Finland with Business I.D. 3276355-5 having its registered office in Tilisi Oy Tekniikantie 14, 02150 Espoo, Finland;
“Kaishan”	Kaishan Renewable Energy Development Pte Ltd, a Singapore-based company in the Kaishan Group, with registered number 201540892G whose registered office is 150 beach road, #28-05/06, Gateway west, Singapore 189720;
“Kaishan Agreement”	a framework agreement with Kaishan Renewable Energy Development Pte Ltd, signed on 3 April 2023, allowing Kaishan to offer EPC services for Cindrigo’s geothermal projects;
“Kaishan Group”	Kaishan Holding Group Co., Ltd, the holding company of Kaishan Renewable Energy Development Pte Ltd;
“k” or “K”	meaning thousand;
“Lease”	a 50-year agreement under which Kaipolan operates the Kaipola Plant, providing terms for rent, maintenance obligations, and facility access;
“Letters of Appointment”	the letters of appointment for each of the Directors, details of which are set out in Part 10 of this Document;
“London Stock Exchange” or “LSE”	London Stock Exchange plc;
“Loyalty Warrants”	Equity warrants to subscribe for Ordinary Shares issued to existing Shareholders who agreed to a voluntary lock-in of their shares for three months following Admission, awarded at a rate of one Loyalty Warrant for every 10 Ordinary Shares held by a Shareholder prior to Admission, each warrant giving the right to subscribe for one Ordinary Share at 20 pence, with an exercise period of 3 to 6 months from Admission. Total Loyalty Warrants to be issued conditional on Admission are 13,000,000;
“Main Market”	the main market for listed securities operated by London Stock Exchange plc;
“MAR”	Market Abuse Regulation (EU) No. 596/2014 of the European Parliament and the Council of 16 April 2014 on market abuse and, following 31 December 2020, as incorporated in UK law by the European Union (Withdrawal) Act 2018;
“Memorandum”	the memorandum of the Company;
“Memorandum and Articles of Incorporation”	the memorandum and articles of incorporation of the Company (as amended from time to time);
“MSW”	municipal solid waste;
“NASDAQ”	The National Association of Securities Dealers Automated Quotations;
“New Ordinary Shares”	a total of 70,859,458 Ordinary Shares to be issued by the Company comprising 52,923,022 CLN Conversion Shares to be issued on Admission, 759,442 Introducer Shares, 13,499,994 Placing Shares to be issued on Admission and 3,677,000 Subscription Shares to be issued on Admission;

“New Plan of Arrangement”	the plan of arrangement dated on or around 11 June 2021 pursuant to the BCBCA under the laws of British Columbia, Canada pursuant to which the entire issued share capital of Cindrigo Energy was transferred to the Company and the shareholders in Cindrigo Energy were allotted Ordinary Shares in the Company;
“Net Proceeds”	means the Gross Proceeds less any IPO Admission expenses;
“Offer”	the conditional offer dated 31 August 2020 made by the Company to certain shareholders of Cindrigo Energy to acquire the shares they would hold in Cindrigo after the completion of the Original Plan of Arrangement which was allows to lapse in February 2021;
“Official List”	the Official List of the United Kingdom Listing Authority;
“Ordinary Resolution”	a resolution of a duly constituted general meeting of the Company passed by a simple majority of the votes cast by, or on behalf of, the Shareholders entitled to vote present in person or by proxy and voting at the meeting and includes a unanimous written resolution of all Shareholders entitled to vote and expressed to be an ordinary resolution;
“Ordinary Shares”	ordinary shares of £0.01 each in the capital of the Company (or prior to the passing of resolutions subdividing and redesignating the ordinary shares on 24 October 2024, ordinary shares of £2.667609 each in the capital of the Company);
“ORG”	Upper Rhine Graben, a geological region in Germany along the Rhine River known for high geothermal potential, where Cindrigo’s geothermal projects are located;
“Other CLN Conversion Shares”	All convertible loan notes due to YA, Yang Jun and previous financial advisors RDB and DRH;
“placees”	means those investors subscribing under the Placing Agreement;
“Placing”	means the conditional placing of the Placing Shares at the Placing Price by the Broker, as agent for the Company, pursuant to the terms of the Placing Agreement;
“Placing Agreement”	the agreement dated 28 October 2025 between the Company and Capital Plus Partners in respect of the Placing;
“Placing Price”	means £0.12 pence per Placing Share;
“Placing Proceeds”	means the gross proceeds raised by Capital Plus Partners pursuant to the Placing Agreement;
“Placing Shares”	means the 13,499,994 Ordinary Shares to be purchased by places pursuant to the Placing Agreement;
“Plan”	the “Plan of Arrangement” undertaken by CEL under the British Columbia Business Corporations Act 2002 (BCBCA 2002);
“Plan of Arrangement”	the original plan of arrangement dated 14 January 2021 pursuant to the BCBCA under the laws of British Columbia, Canada pursuant to which the business, assets and liabilities of Cindrigo Energy were to be transferred to Cindrigo and the shareholders in Cindrigo Energy were became direct shareholders in Cindrigo but which was not implemented;

“Plant” or “Kaipola Plant”	A 110 MW waste-to-energy (WtE) plant located in Finland, owned by the Group through Kaipolan, expected to generate both heat and electricity from renewable sources upon commencement of commercial operations;
“Prospectus Regulation”	Regulation (EU) 2017/1129 (which forms part of domestic law pursuant to the European Union (Withdrawal) Act 2018 and the Prospectus (Amendment etc.) (EU Exit) Regulations 2019);
“RRR”	Rhine-Ruhr Region, an area in western Germany that includes hydrothermal reservoirs;
“Prospectus Regulation Rules”	the Prospectus Regulation Rules published by the FCA under section 73A of FSMA (as amended from time to time);
“Register of Members”	the Company’s register of members;
“Registrar”	Avenir Registrars Limited;
“Registrar Agreements”	the agreements between the Company and Avenir Registrars Limited effective 10 August 2021, details of which are set out in Part 15;
“Related Parties”	Fitzrovia Advisory Ltd, IMM International, Treasury Core UAB, Osmosis Limited, BiogasProm AB;
“Relevant Member State”	a member state of the European Economic Area to which the Prospectus Regulation applies;
“Reverse Takeover” or “RTO”	a transaction defined as a reverse takeover under Listing Rule 5.6.4 (1) and (2);
“Ring of Fire”	A major area in the Pacific Ocean basin where tectonic plate boundaries create high geothermal activity, including volcanic eruptions and earthquakes;
“RTO Letter of Intent”	A preliminary, non-binding document signed on 11 August 2020 outlining proposed terms for a reverse takeover (RTO) between the Company and CEL;
“Second Period”	The period of 6 months starting at the end of the Initial Period;
“Securities Act”	the United States Securities Act of 1933 (as amended);
“Shareholders” or “Shareholder”	holder or holders of Ordinary Shares in the Company;
“SEDOL”	The Stock Exchange Daily Official List code, a seven-character alphanumeric identifier used to uniquely identify securities trading on the London Stock Exchange and other global markets;
“Slatina 3”	A geothermal power project in northern Croatia, associated with a 20 MW geothermal exploration license, known as the Slatina 3 Licence, held by Dravacel Energetika Doo;
“Slatina 3 License”	A geothermal exploration license in northern Croatia, initially valid until October 2023 and held by Dravacel Energetika Doo, for the development of a 20 MW geothermal power plant in the Slatina region;
“SPA”	Share Purchase Agreement;

“Sponsor”	Beaumont Cornish Limited, a private limited company incorporated in England and Wales with company number 03311393, authorised and regulated by the Financial Conduct Authority (FRN 193002);
“SPVs”	Special Purpose Vehicles; subsidiaries established by Zukunft Geowärme GmbH (ZGG) under HoldingCo, each responsible for developing a geothermal project in Germany’s Upper Rhine Valley;
“SMB”	South German Molasse Basin; a geothermal region in southern Germany;
“Special Resolution”	A resolution of a duly constituted general meeting of the Company passed by not less than three-quarters of the votes cast or by unanimous written resolution of all eligible Shareholders;
“Starneth”	Starneth Holdings BV is a company incorporated in the Netherlands with company number 61615978 whose registered office is at Archimedesstraat 12 3316AB, Dordrecht;
“Subsidiary” or “Subsidiary Undertaking”	have the meanings given by the Companies Act 2006;
“Subscribers”	means those investors subscribing over the Subscription Agreements;
“Subscription”	means the direct subscription by 3,677,000 for Subscription Shares;
“Subscription Agreement”	the proposed conditional private subscription being carried out by the Company at the Placing Price and on the terms and subject to the conditions set out in this document;
“Subscription Shares”	The 3,677,000 Ordinary Shares to be subscribed for pursuant to the Subscription Agreements;
“Subscription Proceeds”	means the proceeds received pursuant to the Subscription Agreements;
“Suntera”	Suntera (Guernsey) Limited, the Company’s representative in Guernsey.
“Third Period”	the period of 12 months starting at the end of the Second Period;
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland;
“UK Corporate Governance Code” or “Code”	the corporate governance code with that name issued by the UK Financial Reporting Council from time to time;
“UKLA” or “United Kingdom Listing Authority”	the FCA acting in its capacity as the competent authority for the purposes of Part VI of FSMA;
“UKLR” or “UK Listing Rules”	the United Kingdom Listing Rules;
“US” or “United States”	the United States of America, its territories and possessions, any state of the United States and the District of Colombia;
“Unissued Offer Shares”	The 84,405 Ordinary Shares that were allotted as part of that subscription at £0.06 each for £5,064.30 cash consideration but not yet issued.

“UTES/ATES”	Underground Thermal Energy Storage (UTES) and Aquifer Thermal Energy Storage (ATES); systems storing thermal energy underground for heating and cooling applications;
“VWAP”	Volume-Weighted Average Price;
“WtE”	waste to energy;
“WtE Plant”	industrial sites that convert fuel such as biomass into usable e by incineration;
“Working Capital Period”	means the 12-month period from the date of publication of this Document;
“YA”	YA II PN, Ltd. is a legal entity registered in the Cayman Islands with the LEI 5493006U3YVHA7GN6615. Its registered address is PO Box 301, George Town, KY1-1101, Cayman Islands;
“ZGG”	Zukunft Geowärme GmbH, a German geothermal project developer involved with Cindrigo in geothermal projects in Germany’s Upper Rhine Valley;
“ZGG Licences”	Geothermal project licences granted to Zukunft Geowärme GmbH for geothermal energy projects in Germany’s Upper Rhine Valley;
“Zukunft Geo Energie GmbH”	a newly incorporated holding company in Germany, in which the Company holds a 100 per cent. interest. This company was incorporated with the intention for it to hold 100 per cent. of three special purpose vehicles (SPVs) responsible for geothermal projects in the Upper Rhine Valley, Germany;
“\$”, “US\$”, “USD” or “US Dollar”	United States dollar, the official currency of the United States and its territories per the Coinage Act of 1792;
“€” or “EUR”	The Euro, the official currency of EU Member States participating in the monetary union; and
“£”, “GBP” or “pounds sterling”	United Kingdom pounds sterling, the official currency of the United Kingdom.

In this Document words denoting any gender include all genders and the singular includes the plural (and vice versa).

