

5 February 2021

PLUTUS POWERGEN PLC
(“Plutus”, the “Group” or the “Company”)

Interim Results for the Six-Month Period Ended 31 October 2020

Plutus PowerGen PLC (AIM: PPG) is an AIM Rule 15 Cash Shell and as such is required to make an acquisition or acquisitions which constitute a reverse takeover under AIM Rule 14.

Executive Chairman’s Report

Against a background of no further management fee income being received by the Company due to the cancellation of the Company’s management contracts in October 2019 and, as a result, there being limited value to the Company’s interests in the operating FlexGen assets the directors, after much consideration of the various options for the future of the Company, decided to convene a general meeting of the Company on 9 October 2020 to consider certain proposals including the proposed demerger of Plutus Energy Limited, a capital reorganisation, proposed debt capitalisations and a conditional placing to raise gross proceeds of £600,000. These proposals were approved by the Company’s shareholders at a general meeting held on 3 November 2020 and subsequent confirmation of a reduction of capital by the High Court of Justice of England and Wales. The transaction completed on 10 December 2020 at which point the Company became classified as an AIM Rule 15 cash shell.

The demerged entity, Plutus Energy Limited, holds the Group’s previous shareholding in Attune Energy Limited and a receivable totalling £656,856 in unpaid management fees owed to the Group together with the litigation rights with the Company’s ex Chief Operation Officer, Mr Lazarevic. Rockpool did not provide the necessary consents to enable Plutus to demerge their interests in the remaining FlexGen sites and these remain held by Plutus, albeit they are effectively worthless and were written down in the Company’s accounts for the year ended 30 April 2020. The Company intends to demerge these interests from Plutus in due course once consent is received from Rockpool.

The objective of the demerger was to create value for existing shareholders through developing its existing energy assets in a private vehicle and to provide a continued investment in an AIM Rule 15 Cash Shell seeking to deploy the Company’s resources towards the acquisition of an operating business (or operating assets) with such an acquisition constituting a reverse takeover under Rule 14 of the AIM Rules.

In October 2020, the Company announced it had conditionally raised £600,000 gross (before commissions and expenses) through the issue of the 3,000,000,000 new ordinary shares at a price of 0.02p per share. These funds were received by the Company in December 2020 following completion of the transaction described above. Certain of the Directors, trade creditors and advisers agreed to capitalise certain amounts that were either owed or contractually due to be settled in the next 12 months totalling £266,094. The debts were satisfied through the issue by the Company of 1,390,470,000 new ordinary Shares at 0.02p per share.

As part of the process to convert Plutus into a clean AIM Rule 15 cash shell, the Company's 2013 share option plan pursuant to which options were granted over, in aggregate, 14,310,000 ordinary shares to the Directors of the Company, was cancelled on 9 October 2020. In May 2017 a new share option scheme was also introduced by the Company, and this scheme was also cancelled on 9 October 2020. There are now no outstanding options in the Company. Warrants were issued on 28 May 2015 over, in aggregate, 30,075,207 ordinary shares to Rockpool Investments LLP, our co-investee shareholder in the now written off operating companies. Each warrant carries the right to subscribe for one new Ordinary Share in the capital of the Company at a price of 1.15p per ordinary share at any time between 27 May 2018 and 27 May 2021. These are substantially out of the money and are likely to expire unexercised.

The Board of Plutus announced on 28 January 2021 that it had entered into convertible subscription agreements to raise £200,000, before expenses, through the issue of unsecured convertible loan notes (the "Convertible Loans"), to assist the Company in covering the additional costs of any potential future reverse takeover transaction and for general working capital purposes.

The Convertible Loans were placed with clients of Pello Capital Limited, the Company's joint broker and placing agent for the purposes of the issue of the Convertible Loans. The key terms of the Convertible Loans are as follows:

- 12-month term;
- 8% annual interest rate, payable in cash in arrears on 31 January, 30 April, 31 July and 31 October, with the first instalment due to be paid on 30 April 2021;
- principal and accrued but unpaid interest will be convertible at a 25 per cent. discount to the price of new ordinary shares that are issued pursuant to a placing conducted simultaneous with the re-admission of the ordinary shares of the Company to trading on AIM becoming effective following an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules ("Re-Admission");
- convertible at the date of Re-Admission; and
- unsecured.

The proceeds were received on 4 February 2021. As at the date of this announcement the Company has net cash of £255,407.

OUTLOOK

We are expending all our energies to identify an operating business or operating assets to acquire with a view to a reverse take-over of the Company in order to maximise the opportunity for our shareholders as an AIM Rule 15 cash shell. Discussions remain ongoing in this regard and we will update shareholders at the appropriate time. There can of course be no guarantee that the Company will be able to successfully complete a reverse takeover.

Charles Tatnall, Executive Chairman

FINANCIAL REVIEW

Highlights:

	6 months ended 31 October 2020	6 Months ended 31 October 2019
	£	£
Revenue	0	0
Operating Profit/(Loss)	(212,014)	117,666
(Loss)/profit per share (pence per share)	(0.02)	0.01

The Company's Loss for the period from continuing activities for the half year under review was £212,014 (6 months ended 31 October 2019: Loss of £365,574). The Company's comprehensive loss for the period for the half year under review was £212,014 (6 months ended 31 October 2019: Profit of £115,838). Administration expenses were down in the period to £212,014 from £365,574, a reduction of £153,560 compared with the same period last year due to material cost savings being implemented.

Cash and short-term investments as at 31 October 2020 totalled £3,975 (31 October 2019: £0). The cash balance on 5 February 2021 was £255,407.

Going Concern

The Directors consider the Group has sufficient resources to continue to actively seek an acquisition or acquisitions which will constitute a reverse takeover under AIM Rule 14. At the current time the Group has adequate cash resources and working capital for at least 12 months.

The Group was reclassified as an AIM Rule 15 Cash Shell on 10 December 2020. Following its reclassification as an AIM Rule 15 cash shell, the Company is required to make an acquisition which constitutes a reverse takeover under the AIM Rules by 10 June 2021, failing which the Company's ordinary shares would be suspended from trading on AIM pursuant to AIM Rule 40. The Company's admission to trading on AIM would then be cancelled six months from the date of suspension, should the reason for the suspension not have been rectified.

As stated above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operation or existence for the foreseeable future thus we continue to adopt the going concern basis in preparing the financial statements.

The Group's employees carry out their duties remotely, via the network infrastructure in place. As a result, there has been no disruption to the operational activities of the Company during the COVID-19 pandemic. All key business functions continue to operate at normal capacity.

James Longley, Chief Financial Officer and Interim Chief Executive

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 OCTOBER 2020**

	Unaudited 6 months ended 31 October 2020 £	Unaudited 6 months ended 31 October 2019 £	Audited Year ended 30 April 2020 £
Continuing operations			
Revenue	-	-	-
Gross profit	-	-	-
Administration expenses	(212,014)	(365,574)	(732,283)
Share based compensation expense	-	-	570,036
Operating profit/loss	(212,014)	117,666	(162,399)
Finance costs	-	(1,828)	(1,828)
(Loss)/Profit before taxation	(212,014)	115,838	(164,227)
Taxation	-	-	-
(Loss) for the period from continuing activities	(212,014)	(365,574)	(164,227)
(Loss)/Profit for the period from discontinued operations net of taxation	-	483,240	485,068
(Loss)/Profit for the period and total comprehensive income/loss	(212,014)	115,838	320,841
Basic and fully diluted (loss)/profit per share			
Continuing and total operations	(0.02p)	0.01p	0.04p

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 OCTOBER 2020**

Called up share capital	Share premium account	Other reserves	Retained deficit	Total equity
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	£	£	£	£	£
Balance at					
30 April 2019	1,630,783	7,748,243	593,693	(9,877,355)	95,364
Total comprehensive income for the period	–	–	–	115,838	115,838
Issue of share capital	47,273	82,728	–	–	110,909
Balance at					
31 October 2019	1,678,056	7,830,971	593,693	(9,761,517)	341,202
Total comprehensive income for the period	–	–	–	205,002	(205,002)
Write off Other reserves	–	–	(593,693)	–	(593,693)
Balance at					
30 April 2020	1,678,056	7,830,971	–	(9,556,515)	(47,489)
Total comprehensive income for the period	–	–	–	(212,014)	115,838
Balance at					
31 October 2020	1,678,056	7,830,971	–	(9,768,529)	(259,503)

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2020**

	Unaudited 6 months ended 31 October 2020 £	Unaudited 6 months ended 31 October 2019 £	Audited Year ended 30 April 2020 £
ASSETS			
Non-current assets			
Investments	-	152	-
Total non-current assets	-	152	-
Current assets			
Trade and other receivables	679,031	748,119	724,369
Cash and cash equivalents	3,975	-	2,413
Total current assets	683,006	748,119	726,782
Total assets	683,006	748,271	726,782

LIABILITIES**Current liabilities**

Trade and other payables	895,704	426,160	774,271
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Total current liabilities	895,704	426,160	774,271
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Liabilities due after more than 1 year

Borrowings – bank loan	46,805	-	-
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Total Liabilities	942,509	426,160	774,271
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Net assets	(259,503)	322,111	(47,489)
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EQUITY

Share capital	1,678,056	1,678,056	1,678,056
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Share premium account	7,830,970	7,811,879	7,830,970
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Loan note equity reserve	-	23,657	-
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Share option and warrant reserve	-	570,036	-
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Retained losses	(9,556,515)	(9,761,517)	(9,768,530)
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Total equity	(259,503)	322,111	(47,489)
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UNAUDITED CONSOLIDATED CASH FLOW STATEMENT**FOR THE SIX MONTHS ENDED 31 OCTOBER 2020**

	Unaudited 6 months ended 31 October 2020 £	Unaudited 6 months ended 31 October 2019 £	Audited Year ended 30 April 2020 £
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Profit/loss before tax	(212,014)	115,838	320,841
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Share-based compensation charge	-	-	(570,036)
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Loan note interest charge	-	1,828	1,828
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Investments written off	-	-	152
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Loan Note equity reserve written off	-	-	(23,657)
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Operating cash flow before movements in working capital	(212,014)	117,666	(270,872)
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(Increase)/decrease in receivables	37,375	(272,881)	(249,131)
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Increase in payables	126,201	100,957	479,068
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Net cash used in operating activities	(48,438)	(54,258)	(40,935)
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Financing activities

Borrowings	50,000	-	-
Proceeds of share issues	-	110,909	100,000
Conversion of loan notes	-	(100,000)	(100,000)
Interest paid	-	(1,828)	(1,828)
Net cash generated from financing activities	50,000	9,081	(1,828)
Net (decrease)/increase in cash & cash equivalents	1,562	(45,177)	(42,764)
Cash and cash equivalents at beginning of year	2,413	45,177	45,177
Cash and cash equivalents at end of period	3,975	-	2,413

NOTES TO THE INTERIM REPORT

1. Basis of preparation

The financial information set out in this interim report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The Company's statutory financial statements for the period ended 30 April 2020, prepared under International Financial Reporting Standards (IFRS), have been filed with the Registrar of Companies. The auditor's report on those financial statements was unqualified and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006. However, a material uncertainty was raised in the audit report in relation to going concern and it was concluded by the auditors that the directors use of the going concern basis of accounting in the preparation of the financial statements was appropriate.

The interim financial information has been prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS) and on the same basis and using the same accounting policies as used in the financial statements for the year ended 30 April 2019. The interim financial statements have not been audited or reviewed in accordance with the International Standard on Review Engagement 2410 issued by the Auditing Practices Board.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The Directors believe that the going concern basis is appropriate for the preparation of the financial statements as the Company is in a position to meet all its liabilities as they fall due.

2. Earnings per share

The calculation of basic and diluted earnings per share is based on the total loss for the period of £212,014 (2019: gain £115,838) and a weighted average number of ordinary shares of 872,534,994 (2019: 872,534,994). The number of shares used in the calculation of the diluted loss per share is the same as that used for the basic loss per share for the current period, as the exercise of options would be anti-dilutive.

3. Share Capital

	Number of Ordinary shares	Value £	Number of Deferred shares	Value £	Share Premium £
Issued and fully paid					
At 1 May 2020	872,534,994	872,535	16,439,210	805,521	7,830,970
Share issues	-	-	-	-	-
At 31 October 2020	872,534,994	872,535	16,439,210	805,521	7,830,970

4. Dividend

No interim dividend will be paid.

Copies of the interim report can be obtained from: The Company Secretary, Plutus PowerGen PLC, 27/28 Eastcastle Street, London W1W 8DH and are available to view and download from the Company's website: www.plutuspowergenplc.com

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