

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR'). Upon the publication of this announcement via a Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain

Plutus PowerGen Plc / Ticker: PPG / Index: AIM

29 January 2020

PLUTUS POWERGEN PLC
("Plutus" or the "Company")

Interim Results for the Six-Month Period Ended 31 October 2019

Plutus PowerGen PLC (AIM: PPG), the AIM quoted power company focused on the development and operation of flexible energy generation ("FlexGen") projects and gas-powered generation sites ("peakers") in the UK, announces its interim results for the six-month period ended 31 October 2019.

Executive Chairman's Report

Against a background of a general meeting of the Company being requisitioned by certain shareholders requesting to remove the existing board, which was successfully voted down by shareholders earlier in January, I am pleased to announce an operating profit for the six-month period of £115,838 (six months to 31 October 2018 – loss of £131,573). As detailed in the annual report for the year ended 30 April 2019, we have been cutting costs and continue to cut costs to the bare minimum. This strategy has led to a £247,411 positive turnaround from loss to profit in the period under review. Since Mr Lazarevic left the Company in breach of his contract in October 2019, we have made further deep cuts to costs in order that the Company is able to reshape its strategy for the tougher times ahead and these costs are now at the minimum required to be able to run a company quoted on AIM. We have taken legal advice with regards to Mr Lazarevic's breach of contract and the Company anticipates shortly commencing legal proceedings against Mr Lazarevic.

As previously announced by the Company in August 2019, Plutus was given notice that its management contracts were to be terminated in eight out of the nine companies with six months' notice because the co-owned companies needed to reduce costs further than the already reduced fees Plutus was receiving as agreed under the letters of variation with the co-owned investee companies. The Company has been accruing the balance of the fees, which are due to Plutus when the co-investee companies are sold, or the debt is refinanced under the terms of the letters of variation.

The FlexGen assets are up for sale and this is being handled by Rockpool Investments LLP advised by Jones Lang LaSalle and we look forward to a positive outcome from this sale process. The deferred fees which we are owed, totalling £656,856 to the date of termination, are repayable upon a change of control or upon a refinancing of the existing loan notes.

We remain in discussions with prospective new appointments to the board of Plutus or Plutus Energy, the Company's operating subsidiary. The Company intends to appoint a new independent non-executive director to the board of Plutus, subject to satisfactory completion of due diligence. Furthermore, the Company intends to appoint a new operations director to Plutus Energy responsible for the operations of the group and as a replacement for the departed Chief Operating Officer. We hope to make further announcements with regards to these prospective appointments soon.

As announced on the 21 January 2020, the Company has been provided with a loan facility of up to £150,000 from myself and James Longley enabling the Company to meet its short-term financing needs. This loan, which is to be drawn down in four equal monthly instalments of £37,500 from 31 January 2020, is expected to provide the Company with sufficient working capital through to mid-May 2020.

Outlook

We have to be prepared for tough times ahead and your incumbent directors are determined to ensure that the Company is in a good position to take advantage of opportunities going forward.

Charles Tatnall
Executive Chairman
29 January 2020

Financial Review

Highlights

	6 months ended 31 October 2019	6 Months ended 31 October 2018	Change
	£	£	%
Revenue	567,744	675,000	-16
Operating Profit/(Loss)	115,838	(131,573)	n/a
Profit/(Loss) per share (pence per share)	0.01	(0.02)	n/a

The Company's net profit for the half year under review was £115,838 (6 months ended 31 October 2018: Loss of £131,573). Administration expenses were down in the period to £456,487 from £740,369, a reduction of £283,882 compared with the same period last year due to material cost savings being implemented. The finance costs from a £100,000 unsecured convertible loan note put in place in 2014 are zero going forward as the loan was converted into new ordinary shares of the company in July 2019.

As previously announced the Company's working capital position is highly constrained following, in August 2019, the termination of the management contracts in connection with the existing six Rockpool EIS funded FlexGen sites and the Company's management contract with Attune Energy. From 21 October 2019 the Company ceased to receive management fees from its six FlexGen sites and the Attune Energy management contract. Cash and short-term investments as at 31 October 2019 totalled £ Nil (31 October 2018: £62,833). We have however receivables owed to us totalling £748,119 (31 October 2018: £173,412) including deferred income. As detailed above, and as announced on 22 January 2020, certain directors of the Company have put in place an unsecured loan facility with the Company totalling £150,000 to provide financial support for the

Company which the Board believes will provide the Company with sufficient working capital until mid-May 2020. The Board remains confident that the Company would be able to raise further funds in addition to this loan facility to enable the Company's debts to be paid as they fall due, should the need arise.

James Longley
 Chief Financial Officer and Interim Chief Executive
 29 January 2020

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE SIX MONTHS ENDED 31 OCTOBER 2019**

	Unaudited 6 months ended 31 October 2019 £	Unaudited 6 months ended 31 October 2018 £	Audited Year ended 30 April 2019 £
Continuing operations			
Revenue	567,744	675,000	1,275,000
Gross profit	567,744	675,000	1,275,000
Administration expenses	(456,487)	(740,369)	(1,579,744)
Share based compensation expense	-	(62,204)	(124,408)
Pre-planning project expenses written off/written back	6,409	-	(128,549)
Impairment of Goodwill	-	-	(1,085,000)
Operating profit/(loss)	117,666	(127,573)	(1,642,701)
Finance costs	(1,828)	(4,000)	(8,000)
Profit/(Loss) before taxation	115,838	(131,573)	(1,650,701)
Taxation	-	-	-
Profit/(Loss) for the period and total comprehensive income	115,838	(131,573)	(1,650,701)

Basic and fully diluted loss per share

Continuing and total operations	0.01p	(0.02p)	(0.22p)
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**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 OCTOBER 2019**

	Called up share capital £	Share premium account £	Other reserves £	Retained deficit £	Total equity £
Balance at 30 April 2018	1,529,450	7,241,576	469,285	(8,226,654)	1,013,657
Total comprehensive income for the period	–	–	–	(131,573)	(131,573)
Credit to equity in respect of share-based compensation charge	–	–	62,204	–	62,204
Balance at 31 October 2018	1,529,450	7,241,576	531,489	(8,358,227)	944,288
Total comprehensive income for the period	–	–	–	(1,519,128)	(1,519,128)
Credit to equity in respect of share-based compensation charge	–	–	62,204	–	62,204
Issue of share capital	101,333	506,667	–	–	608,000
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	63,636	–	–	110,909
Balance at 31 October 2019	1,678,056	7,811,879	593,693	(9,761,517)	322,111

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2019**

Unaudited 6 months	Unaudited 6 months	Audited Year
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	ended 31 October 2019 £	ended 31 October 2018 £	ended 30 April 2019 £
ASSETS			
Non-current assets			
Goodwill		1,085,000	-
Investments	152	152	152
Total non-current assets	152	1,085,152	152
Current assets			
Trade and other receivables	748,119	173,412	475,238
Cash and cash equivalents	-	62,833	45,177
Total current assets	748,119	236,245	520,415
Total assets	748,271	1,321,397	520,567
LIABILITIES			
Current liabilities			
Trade and other payables	426,160	277,108	325,203
Borrowings	-	100,000	100,000
Total current liabilities	426,160	377,108	425,203
Net assets	322,111	944,289	95,364
EQUITY			
Share capital	1,678,056	1,529,450	1,630,784
Share premium account	7,811,879	7,241,576	7,748,243
Loan note equity reserve	23,657	23,657	23,657
Share option and warrant reserve	570,036	507,832	570,036
Retained losses	(9,761,517)	(8,358,226)	(9,877,356)
Total equity	322,111	944,289	95,364

**UNAUDITED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX MONTHS ENDED 31 OCTOBER 2019**

	Unaudited 6 months ended 31 October 2019 £	Unaudited 6 months ended 31 October 2018 £	Audited Year ended 30 April 2019 £
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Profit/(Loss) before tax	115,838	(131,573)	(1,650,701)
Share-based compensation charge		62,204	124,408
Loan note interest charge	1,828	4,000	(8,000)
Goodwill written off		-	1085,000
Project expenses written off	-	-	128,549
Operating cash flow before movements in working capital	117,666	(65,369)	(304,744)
(Increase)/decrease in receivables	(272,881)	(26,784)	(457,159)
Increase in payables	100,957	22,570	158,694
Net cash used in operating activities	(54,258)	(69,583)	(603,209)
Financing activities			
Proceeds of share issues	110,909	-	519,970
Conversion of loan notes	(100,000)		
Interest paid	(1,828)	(4,000)	(8,000)
Net cash generated from financing activities	9,081	(4,000)	511,970
Net (decrease)/increase in cash & cash equivalents	(45,177)	(73,583)	(91,239)
Cash and cash equivalents at beginning of year	45,177	136,416	136,416
Cash and cash equivalents at end of year	-	62,833	45,177

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 2019, 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.

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 of its liabilities as they fall due. With regards to the Company, a loan facility of up to £150,000 from Charles Tatnall and James Longley has been provided therefore enabling the Company to meet its short-term financing needs. This loan, which was announced on 22 January 2020, is to be drawn down in four equal monthly instalments of £37,500 with the first instalment expected to be drawn down by 31 January 2020. The loan is expected to provide the Company with sufficient working capital through to mid-May 2020.

2. Earnings per share

The calculation of basic and diluted earnings per share is based on the total gain for the period of £115,838 (2018: Loss £131,573) and a weighted average number of ordinary shares of 872,534,994 (2018: 723,928,935). 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 2019	825,262,268	825,262	16,439,210	805,521	7,748,243
Share issues	47,272,726	47,273	–	–	63,636
At 31 October 2019	872,534,994	872,535	16,439,210	805,521	7,811,879

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 W1E 8DH and are available to view and download from the Company's website: www.plutuspowergen.com

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