Kibo Energy Plc (Incorporated in Ireland)
(Registration Number: 451931)
(External registration number: 2011/007371/10)
Share code on the JSE Limited: KBO
Share code on the AIM: KIBO
ISIN: IE00B97C0C31
("Kibo" or "the Company")
Dated: 27 June 2022

Audited Final results for the twelve months ended 31 December 2021

Kibo Energy Plc ("Kibo" or the "Company"), the renewable energy-focused development company, is pleased to release its audited final results for the twelve months ended 31 December 2021.

Overview

Financial results (includes the consolidated results of MAST Energy Developments Plc

- Total revenues £3,245 (2020: £ nil);
- Operating loss £24,071,363 (2020: £6,473,547 loss);
- Loss after tax for the year ended December 2021 £23,015,857 (December 2020: £6,142,932 loss) includes:
    - £891,375 loss from the consolidated results of Katoro Gold Plc ("Katoro"), which is separately funded;
    - £1,079,083 loss from the consolidated results of Mast Energy Developments Plc ("MED"), which is separately funded;
    - £20,705,209 impairment loss on Mbeya Coal to Power and Mabesekwa Coal to Power projects as a result of the continuing global shift to move toward renewable energy and disregard fossil fuel assets, coupled with the Group's execution of its renewable energy strategy during the 2021 financial period;
- Administrative expenditure decreased to £2,325,750 in the year ended December 2021 (December 2020: £3,393,687);
- Listing and capital raising fees decreased from £1,027,658 to £321,365;
- Additional renewable energy and exploration project expenditure of £687,963 incurred in 2021 by Kibo's subsidiaries being mainly Katoro Gold plc on the Blyvoor JV and Haneti projects, MAST Energy Developments plc on Bordersley, Pyebridge and Rochdale and on then Sustineri Energy (Pty) Ltd on renewable energy in South Africa;
- Cash outflow from company operating activities have increased to £491,229 (2020: £396,994 cash outflow);
- Total net debt (cash less debt) £404,576 (2020: £2,046,772 net debt);
- Company net cash position is £6,608 (2020: £421,480 net debt);
- Basic and diluted loss per share of £0.009 for December 2021 (December 2020: basic and diluted £0.003);
- Headline loss per share of £0.0007 for December 2021 (December 2020: headline loss per share of £0.003).

Operational highlights in the 2021 year to date.

- Refocused strategy centred around renewable energy opportunities and capitalising on the global clean energy revolution.
- Proceeding with the agreement to jointly develop a portfolio of Waste to Energy projects in South Africa with Industrial Green Energy Solutions (Pty) Ltd, which will initially develop a phased c. 8MW project for an industrial client, to be followed by six other projects at different sites, to a total generation of up to 50MW. This aims to address the country's insecure energy supply environment as well as the renewable energy portfolio in the UK, currently the subject of a due diligence investigation.
- Intention to dispose of coal assets in accordance with a disposal strategy that will realise value for shareholders.
- Successful technical and business workshop with Mozambique Utility Electricidade De Moçambique ("EDM") to negotiate and agree next steps in the process towards the agreement and finalization of a PPA for the Benga Power Project, and a formal submission of an advanced technical and commercial information pack to EDM, as part of the ongoing development workstreams provided for under the existing MoU with EDM and emanating from the Definitive Feasibility Study previously submitted to EDM.

- Successful listing in April 2021 of Mast Energy Developments which raised £5.54 million to support the company's aggressive expansion plans following the listing.
- Following multiple warrant exercising and successful cash placings for the subscription of new ordinary shares, where the Group raised in cash an aggregate amount of £6,449,513 , the Group has adequate cash and cash equivalents (financial resources) to ensure the Group is able to continue as a going concern for the foreseeable future. Furthermore, after reviewing the Group's financial projections, the directors of the Company (the "Directors") have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. This is further expanded on in the condensed interim financial statements.

Post period highlights and Outlook

- Kibo settled outstanding fees owing to directors and management through the issue of a 7% convertible loan note redeemable instrument. The convertible instrument provides for the issue of unsecured redeemable convertible loan notes of integral multiples of £1 each to the aggregate amount of £672,824. The subscriptions for the notes shall be used to fund the Company's working capital requirements related to outstanding salaries and fees due to management, directors and former directors who are the sole subscribers to the notes.
- Kibo appointed Shard Capital Partners LLP as joint broker to the Company with immediate effect, to act alongside Hybridan LLP, who remains the Company's joint broker, and RFC Ambrian Ltd, who remains nominated advisor.
- Kibo entered a 10-year take-or-pay conditional Power Purchase Agreement (`PPA') to generate baseload electricity from a 2.7 MW plastic-to-syngas power plant. The plant will be constructed, commissioned and operated for an Industrial Business Park Developer in Gauteng, South Africa. The project, is the first project under Sustineri Energy (Pty) Ltd, a joint venture in which Kibo holds 65% and the balance of 35% is held by Industrial Green Energy Solutions (Pty) Ltd.
- Kibo signed a bridging loan facility agreement with an institutional investor for up to £3m with a term of up to 36 months. The facility provides for an initial drawdown of £1m which is immediately available to the Company on signing of the facility. Funds advanced under the facility will attract a fixed coupon interest rate of 3.5% and will be repayable with accrued interest, 4 months from the date of drawdown.
- On 1 March 2022 Kibo agreed an extension of one month for the redemption date of the convertible instrument, with all but one of the subscribers to the notes. The new extended redemption date was revised to be 1 April 2022. The extension included notes in aggregate of £657,985, from the total amount of £672,824. The amount of £14,987 (Face value and interest) was settled in cash, in accordance with the terms of the convertible instrument announced on 07 January 2022. On 1 April 2022 Kibo agreed a further extension of three months for the redemption date of the convertible instrument, with all remaining noteholders. The new extended redemption date will now be 1 July 2022. The further extension includes notes in aggregate of £657,985.
- Kibo signed a rolling 5-year Framework Agreement with Enerox GmbH ('CellCube'), to develop and deploy CellCube based Long Duration Energy Storage ("LDES") solutions in selected target sectors in Southern Africa. Under the agreement Kibo has been granted conditional exclusive rights, subject to successful Proof of Concepts ("PoC"), to the marketing, sales, configuration and delivery of CellCube's vanadium redox flow batteries ("VRFB") in the development of its LDES solutions in microgrid applications behind the meter.
- Kibo appointed Mr. Cobus van der Merwe as Group Chief Financial Officer with effect from the 1st of June 2022.
- Kibo issued 56,118,047 new Kibo shares of €0.001 each at a deemed issue price of £0.0016 per share to Sanderson Capital Partners Limited in full and final settlement of £89,788.88 of the total remaining outstanding amount owing pursuant to the forward payment facility signed between Sanderson Capital Partners Limited and the Company in December 2016.
- Christian Schaffalitzky, the Chairman of the Board, will step down as announced previously once the Board has completed the process of appointing a new non-executive Chairman.
- The Group continues to focus on its revised renewable energy strategy in order to align with global requirements.

This short-form announcement is the responsibility of the directors and is only a summary of the information in the full announcement and does not contain full or complete details.

Any investment decision should be based on the full announcement published on SENS and the issuers website as a whole.

A copy of the 2021 audited results is available from the Company's website at www.kibo.energy and on the JSE website at https://senspdf.jse.co.za/documents/2022/jse/isse/kbo/KBO311221.pdf.

This announcement contains inside information as stipulated under the Market Abuse Regulations (EU) no. 596/2014 ("MAR")

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Johannesburg
27 June 2022
Designated and Corporate Adviser
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