

Kibo Energy PLC (Incorporated in Ireland)
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(‘Kibo’ or ‘the Company’)



Dated: 12 September 2024

Kibo Energy PLC ('Kibo' or the 'Company')

Kibo Subsidiary Announces Business Update

Kibo Energy PLC (AIM: KIBO; AltX: KBO), the renewable energy-focused development company, announces a business update by its subsidiary Mast Energy Developments PLC ('MED'), a UK-based multi-asset owner, developer and operator in the rapidly growing flexible power market.

Further details can be found in the full MED RNS Announcement, which is available below and at med.energy.

Dated: 12 September 2024

Mast Energy Developments PLC ('MED' or 'the Company')

Pyebriidge Final Revenue for July Increases With 16%, and August Revenue Update

Mast Energy Developments PLC is pleased to announce an update regarding its Pyebriidge 8.1MW flexible power generation asset ("Pyebriidge").

Key Highlights:

- First refurbished 2.7MW genset final revenue tally for July 2024 increased by 16% to c. £66,000 (up from c. £57k previously reported) following receipt of Imbedded Benefits;
- Preliminary revenue for August 2024 of c. £46k before receipt of Imbedded Benefits;
- Resulting in average revenue per MW month of c. £21k;
- Current Capacity Market gross profit income payment of c. 25k per month;
- Gross profit margin improved to 57%;
- Electricity Sales Price achieved during August outperformed market with c. 75%;
- Pyebriidge is already cashflow positive;
- Second 2.7MW genset refurbishment progress going according to plan; and
- Application for maximum 8.1MW capacity CM contract to be submitted end of September.

Pieter Krügel, MED CEO, commented: *"We are very pleased with the ongoing performance of Pyebriidge's first 2.7MW refurbished genset. Not only have we seen a 16% increase in July's final revenue tally, we have also seen a marked improvement in the gross profit margin and market outperformance. We expect Pyebriidge's performance to improve as we grow the generating capacity."*

"Pyebriidge's performance has proven Pyebriidge as our pilot test site to optimise and prove the business model. This is now happening. Furthermore, Pyebriidge has demonstrated we can secure asset-level (non-equity) finance to operate these sites, and we have demonstrated that sites can

generate free cash flow post site-level cost of capital, which we are confident we can further improve as we scale up due to economies of scale. This provides an excellent framework to replicate for more sites as we grow ultimately to 300+ MW of generating capacity. We have shown we can produce an average revenue per MW per month of c. £21,000 based on Pyebridge's actual results for July and August, and we look forward to updating the market with ongoing performance data."

Stay up to date with MED's latest news and updates by joining our emailing list and social media channels, as follows:

MED emailing list – <https://med.energy/email-alerts/>

MED LinkedIn page – <https://uk.linkedin.com/company/mast-energy-developments-plc>

MED X (formerly Twitter) handle – @mastplc

Further details of Key Highlights:

Further to the Company's previous announcements dated 7 August 2024 and 20 August 2024 respectively, the first 2.7MW refurbished genset's maiden trading results for July 2024 have now been reconciled and confirmed as total revenue of c. £66,000 representing a 16% increase in the preliminary revenue previously reported. This follows the receipt of Imbedded Benefits for July, which usually happens a month in arrears.

Moreover, preliminary revenue for August is currently tallied at £46k before the receipt of Imbedded Benefits, notwithstanding that August typically sees less than usual demand for flexible generation due to high wind generation. Pyebridge continued to outperform the market during August, with achieved actual average electricity sales price per MWh sold of £106 compared to the average Wholesale Market price of £60 over the same period, which resulted in a 75% outperformance.

In addition to the PPA revenue as noted above, Pyebridge is also receiving its current Capacity Market contract's associated annual gross profit margin income of c. £308,000 from the government, as previously announced. Based on the latest numbers, Pyebridge has achieved a gross profit margin of around 57% (before depreciation).

Looking forward, major conventional power plants typically undergo maintenance and downtime during spring and fall, which creates the so-called Mar/Apr & Sept/Oct "shoulder months" that provide reliable seasonal opportunities for flexible generation that are required to fill the gap and maintain system stability. Therefore, the expectation is that September and October will see increased revenues.

Work on the 2nd of Pyebridge's 3x 2.7MW (thus 8.1MW in total) gensets is progressing according to plan. As previously announced, the overhaul of the 2nd genset enables, and it is expected that Pyebridge will apply for, its next T-1 CM contract in the upcoming CM pre-qualification assessment window and subsequent bid auction for the 2025/2026 delivery year at the maximum 8.1MW generation capacity, which will result in increased contractual gross profit margin income received from that contract.

The Project Finance with RiverFort, has enabled the successful completion of the first genset's overhaul, as well the commencement of the 2nd genset's overhaul, and MED is appreciative of RiverFort's ongoing support as its asset-level strategic funding partner, in order to grow the business.

To give more insight into the work-stream involved in overhauling the genset, including photos of key stages during the process, which has now been updated following the successful completion of the first overhaul, please visit the MED website, "Pyebridge Overhaul Story" webpage at https://med.energy/?page_id=4466.

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This announcement contains inside information for the purposes of the UK version of the Market Abuse Regulation (EU No. 596/2014) as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018 ('UK MAR'). Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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Johannesburg
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Corporate and Designated Adviser
River Group