MAST ENERGY DEVELOPMENTS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 15 (“FIFTEEN”) MONTH PERIOD ENDED 31 DECEMBER 2021

CHAIRMAN'S STATEMENT

CORPORATE DIRECTORY

BOARD OF DIRECTORS:	Louis Lodewyk Coetzee (Non-executive Chairman) Paulus Fillippus ('Paul') Venter (Chief Executive Officer) Dominic Traynor (Non-Executive Director)
REGISTERED OFFICE AND BUSINESS ADDRESS:	Salisbury House London Wall London EC2M 5PS
COMPANY SECRETARY:	Noel Flannan O'Keeffe Salisbury House London Wall London EC2M 5PS
PLACE OF INCORPORATION:	England & Wales
AUDITORS:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
JOINT BROKERS:	Clear Capital Markets Limited 12th Floor Broadgate Tower - Office 1213 20 Primrose Street London EC2A 2EW WH Ireland Limited 24 Martin Lane London EC4R 0DR
REGISTRAR:	Link Group Unit 10 Central Square 29 Wellington Street Leeds LS1 4DL
SOLICITORS:	Druces LLP Salisbury House London Wall London EC2M 5PS
PRINCIPLE BANKERS:	Hellenic Bank Limassol International Business Centre 131 Arch Makarios III Avenue & Ioanni Polemi Str. 3021 Limassol Cyprus
STOCK EXCHANGE LISTING:	London Stock Exchange: Main Market (Share code: MAST)
WEBSITE:	www.med.energy
DATE OF INCORPORATION:	17 September 2020
REGISTERED NUMBER:	12886458

CHAIRMAN'S REPORT

I am pleased to present our first Annual Report and audited financial statements for the 15 months to 31 December 2021. This period covers the incorporation of the Company in September 2020 through to the Company's IPO and Listing on the LSE on 14 April 2021 ('the Listing') and business developments since the Listing. As you know we raised £5.54 million through a placing of 47,150,000 Ordinary Shares (representing 25% of the Company's issued share capital on Admission) at 12.5 pence each to retail investors to fund our aggressive expansion plans in the UK Reserve Energy market.

The Company's main activities during the last quarter of 2020 and the first quarter of 2021 covered the preparatory work for the Listing and comprised corporate structuring of MAST and its subsidiaries (together the 'Group'), negotiating agreements for the acquisition of reserve energy sites, marketing to investors and prospectus preparation, leading to our successful Listing in April 2021. Since then, we have continued to follow the business strategy articulated in the listing prospectus with the goal of becoming a leading reserve power provider in the UK electricity market. This will be achieved by sourcing, evaluating, and acquiring a portfolio of reserve energy sites and operating plants with a target of 300 MW production within 3 years of Listing. I am pleased to report that we are still working to this target and I refer you to the Operations section of our Review of Operations Report below for the latest developments.

The UK electricity market has experienced some fundamental changes over the last few years, principally because of the increasing percentage of renewable sources, particularly wind, in the generating mix. This is having a disruptive impact on all aspects of the electricity markets from producers through transmission to distributors and consumers. New business opportunities are emerging from this disruption facilitated by the rapid development of new technologies being specifically developed to optimise the efficacy of renewables and low carbon alternatives in the transition from fossil fuels. MAST is quickly establishing itself in this market to meet the growing demand for flexible low emission solutions to support the reliance of the UK grid on renewable sources with the establishment of a portfolio of peaking power and battery storage sites. A key aspect for MAST in the developments of its sites, is the maximisation of revenues through participation in Government approved power balancing and stand-by reserve capacity schemes such as capacity market contracts and route-to-market contracts that optimise revenues from generation.

In addition to our operating and development projects, we have established an experienced technical and financial team drawing from both in-house resources, consultants, and collaboration partners both with MAST and the Kibo Energy Group to source and rapidly conduct due diligence on potential shovel ready and operating sites that meet our investment criteria. This is serving us well as we currently have a number of sites under review of which 3 sites totalling 29 MW are at an advanced stage of acquisition.

On the financial side, we remain well funded for 2022 and the revenues from our first operating site at Pyebridge are starting to help with our cash-flows. We continue to assess new funding opportunities to support our aggressive acquisition strategy and I am pleased to reflect on the recent securing of terms for debt financing of our Bordesley and Rochdale projects in October 2021 from Close Brothers.

I would also like to draw shareholders' attention to a recent equity research note on the Company published by our joint brokers, WH Ireland on the 14 March 2022 - *MAST Energy Developments: Financial model underpinned by floor mechanism; news flow positive.* This provides a detailed investment analysis of the Company and the dynamic business environment in which we operate that provides attractive opportunities for value creation.

The Company is taking note of current events in Ukraine and the impact the on-going war is having on energy prices and particularly gas prices. While the depth and duration of the current energy crisis is currently unknown, I am confident that our projects are financially robust to weather any impacts. The UK currently gets less than 5% of its gas from Russia (Source: https://www.bbc.com/news/business-58637094) so the impact will mainly be one of wholesale price increases rather than a shortage of supply and ultimately this will be reflected in increased prices to power producers under existing and future power purchase agreements. We are also actively looking at battery storage revenue models for some of our pipeline sites where gas will not be required on-site and we hope to be able to make some significant announcements on this front shortly.

CHAIRMAN'S REPORT

Finally, I would like to thank our CEO and his management Group for their on-going commitment and work in enabling the Company's strategy. I look forward to continuing to work with them as we build MAST's portfolio of energy projects and explore new opportunities in the dynamic UK electricity market.

This report was approved on 30 March 2022 and signed by:

Louis Coetzee
Non-Executive Chairman

REVIEW OF OPERATIONS

Introduction

Since the IPO and listing on the LSE in April 2021, the Company has made steady progress towards its strategy of acquiring and developing a 300-Megawatt (MW) portfolio of reserve power sites throughout the UK in line with its business development plan outlined in its Listing Prospectus. The development of the Company's first site at Bordesley, in Birmingham, was initially delayed due to the impact of the Covid-19 pandemic during 2020 and early 2021 which in addition to not being able to access the site, required a change from Italy based preferred EPC contractor, AB Impianti SRL, to UK based Clarke Energy due to the impact of Covid on Impianti's operational capacity in the UK. I am glad to report that Bordesley is now in the early construction stage and is awaiting financial close following a debt facility term sheet negotiated with merchant banker, Close Brothers, for the debt portion of the capital development costs. Clarkes have to date completed the preliminary ground preparation for the installation of the two gas fuelled reciprocating engines (total output of 5 MW) while our owner's engineers, Encora are co-ordinating fulfilment of all planning conditions, gas and grid connections contracts and other ancillary infrastructure in line with a revised scheduled scope of works (SoW) to ensure successful financial close, completion of construction and commissioning.

The Company acquired its second project, the 9 MW, fully operational, Pyebridge power plant in August 2021 (Project 2 -Listing Prospectus) thus making it the Company's first production asset. This facility, following some technical upgrades by the Company is now in steady state production and is expecting to generate earnings before interest, tax depreciation and amortisation (EBITDA) revenues of approximately £488,221 per annum.

The Company's third project, Rochdale, a 4.4 MW shovel ready free-hold site in the West Midland (Project 3- Listing Prospectus) was acquired in October 2021. This site is at an advanced stage of planning and permitting with gas and grid connections already in place.

In addition to our current project portfolio, we are busily evaluating and carrying out due diligence on several other peaking power sites and plant acquisition opportunities, some of which we hope to have significant updates and acquisition announcements during 2022.

I present below further details on our current project pipeline and plans.

Project Details

Pyebridge

The Pyebridge Project (Pyebridge) was acquired in August 2021 as a fully operational 9 MW reserve power plant located on a free-hold site in Derbyshire. Since acquisition the Company has focussed on technical upgrades to maximise performance and hence potential revenues over its lifetime. Following recent technical upgrades it is now in steady state production with expected EBITDA of approximately £488,221 per annum. This converts to net profit after tax of approximately £8.8 million and IRR of 21% over the projected lifetime of the plant. Returns include contributions from an existing capacity market contract for the project which is worth £60,000/annum from October 2021 for 15 years giving a value of £900,000 before Retail Price Index ("RPI") upward adjustment. A power purchase agreement contract in place ensures a fixed floor price for electricity sales which guarantees net income.

Bordesley

The Bordesley Project (Bordesley) is the Company's first project and is now in the construction phase. Located in Birmingham, the site is being initially developed as a gas-fuelled 5 MW reserve power site with potential for extendable capacity to 19.12 MW over the long term. The start of construction of the site was delayed, principally due to Covid-19 restrictions preventing access to the site by the Company contractors during 2020 and the first half of 2021. After the start of construction in June 21, our contractors, Clarke Energy, in conjunction with our engineers, Encora advised a revision and update of the Scope of Works to optimise production capacity at the site as follows:

- The number of reciprocating engines for installation at the site was reduced from three to two and will be configured to maintain a total generation capacity of 5.352 MW delivering a minimum net export capacity of 5.2 MW.

REVIEW OF OPERATIONS

- The reduction in the number of engines will realize cost savings with regards to equipment, lead time and operations & maintenance costs. This will also leave sufficient site space to install a third generator at a later stage, thereby increasing the electricity export capacity from the current c. 5 MW to a potential c. 7.5 MW with commensurate increase in revenue, due to higher electricity sales, currently estimated at c.£12,500 per month.

This updated Scope of Works has required minor revisions to our planning permission and updates to associated planning condition discharge reports which have now all been satisfactorily addressed. In October 2021 the Company successfully negotiated terms for a debt funding facility for Bordesley (and Rochdale -see below) from merchant bank, Close Brothers. The facility was offered subject to the successful completion of due legal, technical, and financial due diligence which is now at an advanced stage, and we expect financial close on Bordesley soon.

Bordesley has now secured a capacity market contract at the recent 2025 Four Year Ahead (T-4) Capacity Market Auction held on 22 February 2022 at a price of £30.59 / Kw/year for 15 years. The T-4 Capacity Market price is £ 22.19/kW/pa more than the Company's original reference price of £ 8.4/kW/pa, as published in the T-4 Capacity Auction for delivery in 2021 / 2022. This latter figure was used as the base case figure in the Company's financial model for preparation of the Company's prospectus, released at the time of listing in April 2021. It is expected that the higher Capacity Market price will result in an increase c. £ 105,935 in annual cashflow which translates into a total of approximately £1.6 million of additional income over the contract period of 15 years based on an initial update of the Bordesley financial model.

The revised Scope of Works, updates to planning permission approval and the Close Brothers detailed due diligence process have now permitted initial construction work to commence on site. Fortunately, we have been successful in mitigating this delay in commissioning Bordesley with the rapid acquisition, technical enhancement and reaching steady-state production at Pyebridge and completing due diligence on other projects on which we are at an advanced stage of acquisition. It is anticipated that at least one of these near-term pipeline projects can be brought in to production during 2022.

Rochdale

The Rochdale Project ("Rochdale") which was acquired in October 2021 is a shovel ready site in the West Midlands with an existing 4.4 MW grid capacity, extendable to 7.5 MW. Rochdale comprises a gas-fuelled peaking power plant on a free hold site with planning and associated permitting already in-place together with grid and gas connection offers. The total cost for the acquisition of the site was £220,000. The Company is currently liaising with its preferred EPC contractor, Clarke Energy and owners' engineer, Encora Energy to optimise the site for development.

Initial financial modelling by the Company has indicated compelling economics with post-tax summation of unlevered free cash flow over project life expected at approximately £4.1 million resulting in an Internal Rate of Return of approximately 15.2%. Rochdale is also included (with Bordesley) in the Close Brothers funding facility term sheet announced in October 2021 and due diligence on the project by Close Brothers is now at an advanced stage.

OTHER PROJECTS

We also focussed on a rigorous review and evaluation of our available pipeline of sites to ensure successful and timely delivery of the business strategy stated in the Company Prospectus. Currently we have three gas peaker plant projects, totalling 29 MW at an advanced stage of acquisition and we hope to be able to make announcements on these shortly.

This report was approved by the Board on 30 March 2022 and signed on its behalf by:

Paul Venter
Chief Executive Officer

STRATEGIC REPORT

Introduction

The Board of Directors (the "Board") present their strategic report together with the audited financial statements for the fifteen months ended 31 December 2021 of MAST Energy Developments PLC (the "Company" or "MED") and its subsidiaries (collectively the "Group"). The Company was incorporated and registered in England and Wales on 17 September 2020 with company number 04425405 as a private limited company under the Companies Act 2006 with the name MAST Energy Developments Limited. The Company re-registered as a public limited company on 18 November 2020 and changed its name to MAST Energy Developments PLC on 18 November 2020.

The Board considers that there is an appropriate balance between the executives and Non-executive Directors and that no individual or small group dominates the Board's decision making. The Board's members have a wide range of expertise and experience which the Board considers to be conducive to the effective leadership of the Group and to the optimisation of shareholder value.

The Board members' diverse range of skills and experience span technical, financial, operational and legal areas relevant to the management of the Company. Summary biographies of each Board member are shown on the Company's website www.med.energy.

As the Group evolves, the Board composition will be reviewed to ensure appropriate expertise is always in place to support its business activities. While the Board is all male at the date of this report, it is committed to fair and equal gender opportunity and fostering diversity subject to ensuring appointees are appropriately qualified and experienced for their roles. The Group acknowledges that as it expands its operations, it will be to its benefit to align the composition of its Boards, and profile of its management and staff, to reflect balance in the ethnicity and gender of its personnel.

Analyses of gender of Group personnel during reporting period.

	Identify as Male	**Identify as Female**	**Identify as Other**
Board	3	1	-
Management	2	1	-
Employees	No direct employees	No direct employees	No direct employees

Strategy Objectives and Business Model

The Group maintains a focussed strategy to acquire advanced power generation assets of varying capacity, and to develop its targeted sites to fully commercially operating units, exploiting a growing niche market in the UK for reserve power generation to balance out the UK National Grid (the "Grid") at critical times. The power generation assets being acquired and developed are of two types; peaker power plants fuelled by gas-fuelled reciprocating engines with typical outputs of 5 to 20 MW and battery storage sites where grid power is stored in periods of low demand to be fed back into the Grid at periods of peak demand. The Group's Bordesley project, (under construction) and its operating Pyebridge project are examples of the former.

The Group structure is maintained through a group of subsidiary companies (Special Purpose Vehicles ("SPV")), each SPV holding one or a number of sites. MED's three current sites are held within Pyebridge Power Ltd (Pyebridge Project – production site), Bordesley Power Ltd (Bordesley Project – development site) and Rochdale Power Ltd (Rochdale Project – development site) respectively. MED will provide reserve power solutions that are flexible, respond immediately to demand and create multi-stream revenues. Targeting this market, MED is structured to acquire, own, develop and operate a portfolio of projects of flexible, small scale, multiple reserve power generation plants throughout the UK totalling c. 30 – 40 MW in the short term expanding to 300 MW over three to five years.

STRATEGIC REPORT

Trends & factors affecting operation of Group

The development of the UK electricity market has been driven since 2007 by the policy trilemma of affordability, security of supply and low carbon generation. While the relative importance of these three pillars has changed through successive governments, it has created a UK generation mix that is slowly moving away from baseload, fossil fuel generation driven by coal and gas to more intermittent, low-carbon generation of wind and solar. This has created an exciting and immediate opportunity of scale in the UK electricity market to provide flexible, or reserve, power to compensate for the increased intermittency of electricity generation from wind and solar energy technologies. In addition the phasing out of baseload technologies such as coal & large gas generation, and, over the next few years, nuclear plants, has reduced the amount of existing generation that can respond flexibly and created substantial requirements for new capacity. Renewables are also undermining the economics of existing and new large gas fired plants. Therefore the overall structure of the UK's power generation requirements is fundamentally changing, with greater requirement for smaller flexible plants that are distributed on the electricity network. The UK Government policy has steadily moved in the direction of encouraging the development of small scale distributed generation that can serve as quick start back-up in times of a shortage in production from the increasing dependence on renewables. Various revenue mechanisms exist to monetise these plants including capacity market auctions, short term reserve and merchant operation, all of which can be optimized by an experienced team.

The Group has positioned itself to partake in, and adapt, to this dynamic UK electricity market by structuring its power generation projects to participate in all revenue generating opportunities available to it to ensure maximum return on its investment.

The Board believes that in the future, there will continue to be significant expansion of renewable generating capacity in the UK. The UK Government's target of net zero greenhouse emissions by 2050 (COP26 Climate Conference 2021) presents unique and solid opportunities for electricity production through use of low carbon technologies aside from wind and solar. There is a strong expectation that the installed base of wind & solar will continue to increase with National Grid forecasting in its 2021 Future Energy Scenarios (https://www.nationalgrideso.com/future-energy/future-energy-scenarios/fes-2021#fes-reports) that these renewables will increase from 36 GW of capacity in 2020 to between 70 GW and 113 GW in 2030, depending on the scenario modelled. The former low number applies to the most conservative scenario commensurate with slowest credible carbonisation, minimal behaviour change and decarbonisation of power and transport but not heat.

Based on the above projections the Board believes there are attractive opportunities for the Group to rapidly increase its project portfolio over the coming years to meet the increasing demand for small flexible electricity generation to support the stability of the grid as renewables dominate the energy generation mix.

Review of operational activities during the period

During the current fifteen month period ended 31 December 2021, the Group achieved the following key milestones:

- Raised £5.54 million to support the Company's aggressive expansion plans following a successful IPO concluded during April 2021;
- Completion of the technical review pertaining to the construction and commissioning of Bordesley site by Clark Energy Ltd ('Clarke Energy'), the Company's EPC-contractor for the Bordesley project;
- Completion of the Sale and Purchase Agreement ('SPA') to acquire Pyebridge Power Ltd, a Special Purpose Vehicle comprising an installed and commissioned synchronous gas-powered standby generation facility with 9 MW export capacity; and
- Entered into a definitive SPA to acquire a 100% interest in Rochdale Power Ltd, a Special Purpose Vehicle from Balance Power Projects Ltd, for the installation of a 4.4 MW flexible gas power project.

Further details of the operational activities of the Group are included in the Review of Operations report.

STRATEGIC REPORT

Review of financial performance during the period
The following information is included to highlight the financial performance of the Group in its inaugural period of operations.

Description	Fifteen (15) months ended 31 December 2021	Twelve (12) months ended 31 December 2020
Revenue	3,245	-
Cost of sales	(34,321)	-
Administrative expenses	(767,151)	(219,821)
Listing and capital raising fees	(352,061)	(161,743)
Project expenditure	(267,981)	(276,000)
Impairment	(300,000)	-
Other income	355,659	-
Finance costs	(46,348)	-
Loss for the period	**(1,408,958)**	**(657,564)**

The increase in the loss period-on-period, as disclosed in the table above and in the statement of comprehensive income, is mainly owing to the following reasons:

- Increase in administrative expenses is due mainly to increased professional, legal, management and consulting services rendered during the current period;
- Increase in listing costs due to the listing being completed on 14 April 2021; and
- Impairment of the Mast Energy Projects Limited's goodwill in the current financial period, following from the acquisition of the non-controlling interest on 14 April 2021. Because the underlying projects previously held by Mast Energy Projects Limited have now been restructured into separate SPV's, controlled directly by the intermediary holding company Sloane Developments Limited, there was no prospective benefit from continued operations of Mast Energy Projects Limited therefore the goodwill was impaired.

Key performance indicators

Management does not consider there to be any key financial KPIs at this stage of its development , other than the loss per share for the period, which is included in the statement of comprehensive income.

As and when operational activities increase management will reconsider the key financial KPIs and update the necessary disclosures accordingly.

Non-financial KPI's comprise the measure of advancement with respect to the various key projects over the medium to long term. The Group's target as stated in its listing Prospectus in April 2021 was to have rolled out sites totalling 50 MW capacity within 12 months as part of its Phase 1 development pipeline. This target will not be met due to delays caused by impact of Covid -19 on the Bordesley project and knock-on operational issues as more fully explained in the Review of Operations on pages 5 to 6. The Group currently has 9 MW in production, 9.4 MW acquired and in development and 29 MW in the process of acquisition. During 2022 the Group expects to have an additional 7 MW site acquired and in production as well having acquired and commenced development of the remaining 22 MW in its pipeline.

Principal Risks and Uncertainties
The realisation of the various projects is dependent on the successful completion of technical assessments, project development and project implementation and is subject to a number of significant potential risks summarised as follows, and described further below:

- Funding risk;
- Regulatory risk;
- Commodity risk;
- Development and construction risk;
- Staffing and key personnel risk; and
- Information technology risk.

STRATEGIC REPORT

Funding risk
Following the successful conclusion of an Initial Public Offering ("IPO") on 14 April 2021, the Group was able to raise £5.54 million in cash resources which has been utilised to further advance the various projects of the Group for the period to date.

There can be no assurance that such funds will continue to be available on reasonable terms, or at all in future, and that projects will be completed within the anticipated timeframes to supplement cashflows through operational activities.

The Group generated revenue of £3,245 for the period ended 31 December 2021 and had net assets of £3,849,744 as at 31 December 2021 (31 December 2020: (£274,032)). As at the year end, the Group had liquid assets in the form of cash and cash equivalent and other receivables of £1,805,461 (31 December 2020: £204) and £181,845 (31 December 2020: £-) respectively.

The Directors have reviewed budgets, projected cash flows and other relevant information, and on the basis of this review and the rationale set-out below, they are confident that the Group will have adequate financial resources to continue in operational existence for the foreseeable future.

The Group has sufficient funds for its present working capital requirements for the foreseeable future due to the successful initial public offering and capital raising completed during the year.

The Directors continue to review the Group's options to secure additional funding for its general working capital requirements as well as project financing for commercial production ready sites, alongside its ongoing review of revenue generation from existing operations, potential acquisition targets and corporate development needs.

The Directors are confident in this light that such funding will be available, although there is no guarantee as to the terms of such funding. In addition, any equity funding may be subject to shareholder approvals in line with legal and regulatory requirements as appropriate.

As a result, the Directors continue to monitor and manage the Group's cash and overheads carefully in the best interests of its shareholders and believe that the Company and the Group will remain a going concern for the foreseeable future.

Regulatory risk
The United Kingdom ("UK") power sector has undergone a number of considerable regulatory changes over the last few years and is now at a state of transition from large fossil-fuel plants to a more diverse range of power generation sources including renewables, small distributed plants and new nuclear. As a result, there is greater regulatory involvement in the structure of the UK power market than has been the case over the last 20 years. Therefore, there remains a risk that future interventions by Ofgem or Government could have an adverse impact on the underlying assets that the Group manages and/or owns.

Commodity Risk
The assets that the Group manages and owns will receive revenue from the sale of energy onto the wholesale market or to end users at a price linked to the wholesale power market price. Fluctuations in power prices going forward will affect the profitability of the underlying reserve power assets. The Group will also use its skills, capabilities and knowledge of the UK power market in order to optimise these wholesale revenues. The Group's ability to effectively manage price risk and maximise profitability through trading and risk management techniques will have a considerable impact on the revenues and returns.

Development and Construction Risk
The Group will continue to develop new project sites which includes obtaining planning permission, securing land (under option to lease or freehold), and obtaining gas and grid connections. The Group will also oversee the construction of these projects where needed.

Risks to project delivery include damage or disruption to suppliers or to relevant manufacturing or distribution capabilities due to weather, natural disaster, fire, terrorism, pandemic, strikes, or other reasons could impair our ability to deliver projects on time.

STRATEGIC REPORT

Failure to take adequate steps to mitigate the likelihood or potential impact of development and construction setbacks, or to effectively manage such events if they occur, could adversely affect our business or financial results. There are inherent risks that the Group may not ultimately be successful in achieving the full development and construction of every site and sunk costs could be lost. However, the risk is mitigated as the Group targets shovel ready sites that adhere to specific requirements, coupled with experienced senior management team.

Staffing and Key Personnel Risks
Personnel are our only truly sustainable source of competitive advantage and competition for key skills is intense, especially around science, technology, engineering and mathematics (STEM) disciplines. While the Group has good relations with its employees, these relations may be impacted by various factors. The Group may not be successful in attracting, retaining, developing, engaging and inspiring the right people with the right skills to achieve our growth ambitions, which is why staff are encouraged to discuss with management matters of interest to the employees and subjects affecting day-to-day operations of the Group.

Information Technology Risks
The Group relies on IT in all aspects of its business. Any significant disruption or failure, caused by external factors, denial of service, computer viruses or human error could result in a service interruption, accident or misappropriation of confidential information. Process failure, security breach or other operational difficulties may also lead to revenue loss or increased costs, fines, penalties, or additional insurance requirements. The Group continues to implement more cloud-based systems and processes, and improve cyber security protocols and facilities in order to mitigate the risk of data loss or business interruption.

Section 172(1)(a) to (f) of the Companies Act 2006
Section 172(1)(a) to (f) of the Companies Act 2006 requires each Director to act in the way he or she considers would be most likely to promote the success of the Group for the benefit of its members as a whole, with regard to the following matters:

a. **The likely consequences of any decision in the long-term**
MED is a reserve power generation Group. By their natures energy projects are complex, capital intensive, last a number of years and involve a varied group of stakeholders. As such it is extremely important that the board considers all decisions made by the Group in the context of their long-term impact on the Group. Consequences of such decisions include (but are not limited to) the impact on all stakeholders, impact on environmental issues in and around project areas and the financial impact on the Group and its ability to function effectively. MED is meticulous in its planning, as is required for energy projects. As such, the Group prepares detailed planning documents before initiating any major work programme.

   Such planning documents assess a variety of factors from technical and project funding matters to environmental matters. Where appropriate the Group provides copies of these reports on its website or releases excerpts via the London Stock Exchange's Regulatory News Service.

b. **The interests of the Group's employees & contractors**
The health and safety of MED's employees and contractors is of paramount concern to the Board. It is imperative that MED provides a safe and secure working environment for all staff and contractors. The Group conducts regular Health & Safety reviews and ensures that any operational plans are subject to rigorous scrutiny in their creation and constant monitoring during their implementation. As a small Group at an early business development stage, there are no direct employees in any of the Group companies and all business functions to the Group are provided under service contracts with third parties. As the Group grows it is expected that the Group's workforce will expand and personnel will be engaged on various arrangements including, for example, direct employee contracts, temporary and long- term service contacts commensurate with the requirements of each Group company as it develops.

   The Group is, and will continue to be a responsible employer in respect to the approach it takes towards employee and contractor pay and other terms of the engagement as it develops. These are constantly reviewed.

STRATEGIC REPORT

c. The need to foster the Group's business relationships with suppliers, customers and others

Power generation projects involve a diverse and varied group of stakeholders. These include (but is not limited to) the Group's employees, government officials, local communities, financial backers, shareholders, and other suppliers. The Group adopts a transparent and open stance in its dealings with all stakeholders to help build trust. Energy and power development projects can only succeed with the full support of all involved.

The Board has oversight of the procurement and contract management processes in place and receives regular updates on any matters of significance, as well as approving the awarding of large contracts. The Board ensures the Group fully adheres to the Bribery Act 2010 by means of Anti-corruption & Bribery and Whistle Blowing policies that is has implemented.

d. The impact of the Group's operations on the community and environment

Energy and power development projects can have a significant impact on local communities and the environment. The Board constantly reviews the impact of its operations on local communities and the environments. Where required, the Group completes detailed surveying work, such as Environmental Impact Assessments and, where necessary, applies for relevant permits. Such processes require diligence and concentrated effort. The Group's projects, Bordesley, and Rochdale are at the development stage and are going through, the strict UK planning and permitting regulatory processes to enable construction to be completed, while Pyebridge, the Group's operating site continues to abide with all regulations required for its on-going operation. The footprint of the Group's existing and planned power generation sites are small compared with large base-power generating sites and do not have a significant impact on the community or environment in which they are located.

e. The desirability of the Group maintaining a reputation for high standards of business conduct

As a listed PLC, MED's reputation for the high standards of its business conduct is paramount. The board makes every effort to ensure it maintains these.

The Group is subject to the disclosure requirements of the LSE's Listing Rules for Companies and Financial Conduct Authority's Disclosure Guidance and Transparency Rules. These comprehensive set of rules enforce a strict discipline upon the Group in terms of the manner, timeliness, subjectivity and content of its public disclosures.

MED is also required to complete an annual audit, with the objective examination and evaluation of the financial statements of the Group to make sure that the financial records are a fair and accurate representation of the transactions they claim to represent. The results of this are published each year in the Group's Annual Report.

MED is committed to a high level of corporate governance and has selected the Quoted Companies Alliance Corporate Governance Code (the "QCA Code") as the appropriate corporate governance code for a company at its level of development and to meet its mandatory requirements as a LSE standard listed company. Full details on how MED meets the requirements of the QCA Code are outlined under the Corporate Governance Report on page 15.

f. The need to act fairly as between members of the Group

As a listed Group, MED is committed to treating its shareholders fairly and delivering shareholder value.

MED is registered in England and Wales and is subject to the Companies Act. The Group is also subject to the UK City Code on Takeovers and Mergers. The Company's articles of association, which help define some of the actions between the Company and its shareholders, can be found on the Company's website.

This report was approved by the Board on 30 March 2022 and signed on its behalf by:

Louis Coetzee
Non-Executive Chairman

REMUNERATION REPORT

The following Directors remuneration was paid during the period.

Directors	**31 December 2021**	**31 December 2020**
Louis Coetzee	27,000	-
Paul Venter	115,262	-
Dominic Traynor - Appointed 30 September 2021	9,937	-
Candice Theron – Resigned 30 September 2021	19,264	-

The remuneration shown in the table above comprises salary payments and Directors' fees in accordance with Director contracts approved by the Board prior to appointment. The payments represent the totality of gross remuneration received by each Director. No share awards were made to Directors during the period as part of remuneration nor were any payments linked to any key performance indicators including the performance of the Company share price. The Company does not have a pension plan and consequently no pension contributions form part of Director's pay during the period. The Company has not employed any external remuneration consultants to advise on remuneration during the period.

Paul Venter, the CEO of the Company and the only executive Director has a beneficial interest in 18,458,538 MED shares through PSCD Power 1 Ltd which is shown as a Significant Shareholder in the Directors' Report.

As the Company has been in operation for just 15 months, there are no comparable figures available to conduct a detailed analyses of historical and current remuneration and changes therein. A detailed remuneration plan for Directors, management and staff has not yet been established for the Company. As the Company and the Group grows, the Board is committed to putting such a remuneration plan in place commensurate with business development. The components of such a plan may comprise, inter alia, payments linked to agreed key performance indicators, a performance incentive plan based on agreed project milestones, a share option plan, share payments, health insurance contributions and pension contributions.

Renumeration Policy

Overview of Remuneration Policy
The Company's policy for the remuneration of the Company's Directors is that it should be structured to attract and retain executives of a high calibre with the skills and experience necessary to successfully grow the Company. The objective of the policy is to help deliver long-term value for shareholders by enabling the efficient and effective delivery of the Company's strategy as outlined in the Strategic Report.

When determining levels of remuneration, the Company will review the remuneration practices adopted by peer companies both in the market generally and in the same business sector as the Company.

The Company believes that a significant portion of the remuneration package of senior executives should be linked to performance, while maintaining an appropriate balance between fixed and variable pay, short-term and long-term variable pay, and rewards in cash and shares. The Company, by considering recommendations from the Remuneration, Nominations & Governance Committee, will regularly review the Company's remuneration policies to ensure that these policies do not encourage and reward inappropriate risk-taking that may not be in the best interests of shareholders. It will also ensure that its remuneration policy aligns with the Company's corporate and financial governance policies as well as all regulatory and listing regulations. As the Company's board grows, it will establish a separate stand-alone Remuneration Committee to exclusively deal with remuneration policy matters.

The Company will strive to align its remuneration policy guided by the principles below which are taken from 2018 UK Corporate Governance Code :

Clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce.

Simplicity – remuneration structures will avoid complexity and their rationale and operation should be familiar to all stakeholders and be easy to understand.

REMUNERATION REPORT

Risk – remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified, and mitigated.

Predictability – the range of possible values of rewards to individual Directors and any other limits or discretions should be identified and explained at the time of approving the policy.

Proportionality – the link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance.

Alignment to culture – incentive schemes should drive behaviours consistent with Company purpose, consistency with the Group's purpose, values and strategy. values and strategy.

The Company is currently developing a detailed a remuneration policy on the above principles and this will provide a framework and baseline for future remuneration reports.

CORPORATE GOVERNANCE REPORT

Our Group is dedicated to upholding a high standard of corporate governance. As Chairman, it remains my responsibility, working with my fellow Board members, to ensure that good standards of corporate governance are encompassed throughout the Group. As a Board, we set clear expectations regarding our culture, values and behaviours. We firmly believe that by encouraging the right way of thinking and behaving across all our people, our corporate governance culture is reinforced, enabling us to conduct business sustainably, responsibly and deliver value for our shareholders.

It is the Board's role to ensure that the Group is managed for the long-term benefit of all shareholders, with effective and efficient decision-making. Corporate governance is an important part of that role, reducing risk and adding value to our business.

The Group has adopted the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"). This statement sets out how the Group complies with, and where relevant departures from, the 10 principles of the QCA Code.

1. **Establish a strategy and business model which promote long-term value for shareholders**

   MED's primary focus is on advancing and developing its UK reserve power projects. Accordingly, the majority of MED's resources will be used to fund the continued development of the Company's projects.

   The Board sets the Company's strategy and monitors its implementation through management and financial performance reviews. It also works to ensure that adequate resources are available to implement strategy in a timely manner. The Group has set out a strategy and business model to promote long-term value for shareholders and will update all shareholders on this in the annual reports for each year.

   The Board meet on a regular basis to discuss the strategic direction of the Group and any significant deviation or change will be highlighted promptly should this occur.

   The Strategic Report of the Group can be found on pages 7 to 12.

2. **Seek to understand and meet shareholder needs and expectations**

   The Group is committed to listening to, and communicating openly with, its shareholders to ensure that its strategy, business model and performance are clearly understood. The Group regards the annual general meeting as a good opportunity to communicate directly with shareholders via an open question and answer session. The Board lead by the Executive Chairman are also responsible for understanding and meeting shareholder needs and expectations.

   In addition, the Group's progress on achieving its key targets are regularly communicated to investors via presentations and through its announcements to the market which can be at www.med.energy.

   The Group also utilises professional advisers such as the Solicitors, Brokers, Auditor and the Company Secretary who provide advice and recommendations on shareholder communication.

   Contact details are provided on the Company's website and within public documents should shareholders wish to communicate with the Company.

3. **Take into account wider stakeholder and social responsibilities and their implications for long-term success**

   The Board recognise their responsibilities to stakeholders including staff, suppliers and customers and those within the community it operates in. The Board lead by the Non-Executive Chairman are also responsible for fostering and improving open communication and contact with relevant stakeholders of the Group.

CORPORATE GOVERNANCE REPORT

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board regularly reviews the risks facing the business and the internal controls which are in place to address risks. In order to support its duties and responsibilities the Board implements control procedures that assess and manage risk and ensure robust financial and operational management within the Group. The principal risks that the Group is exposed to can be classified under the general headings of funding risk, regulatory risk, commodity risk and development and construction risk. A more detail analysis of the principal risks can be found on pages 9 to 11 within the Company's annual report.

Although there is no specific committee tasked with identifying, analysing and reporting on risk during the financial period, it is nevertheless part of the everyday function of the Directors and is managed at Board level.

Accepting that no systems of control can provide absolute assurance against material misstatement or loss, the Directors believe that the established systems for internal control within the Group are appropriate to the business.

5. Maintain the board as a well-functioning, balanced team led by the Chairman

The Board acknowledge their responsibility for, and recognise the importance of implementing and maintaining, high standards of corporate governance. The Board is responsible for establishing and maintaining the system of internal controls. The Group subscribes to the values of good corporate governance at all levels and is committed to conduct business with discipline, integrity and social responsibility.

The Board currently comprises two Non-Executive Directors, one of whom is also Chairman and one Executive Director who is the Chief Executive of the Group. Short biographies of the Directors appointed to the Board can be found within the Directors' Report on pages 18 to 23. The Directors' Report also includes details of the Committees and the number of meetings held during the year with the attendance record of each Director.

The QCA Code recommends that the Chair and Chief Executive should not be the same person. Currently Louis Coetzee acts as Non-Executive Chairman and Paul Venter acts as Chief Executive. The Directors believe that given the size of the Company and its stage of development, it is appropriate for the Company to currently have three Directors, though they will continue to monitor this on an ongoing basis as the Company grows and develops.

The Board is of the view that the Chairman and each of the Directors who held office during 2021 committed sufficient time to fulfilling their duties as members of the Board.

6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board has a diverse range of skills, experience and personal qualities that help deliver the strategy of the Group. The Group will ensure that, between them, the Directors have the necessary up-to-date experience, skills and capabilities to deliver the Group's strategy and targets. Each Director's biographical details, along with a description of their role and experience, can be found within the Directors' Report on pages 18 to 23.

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Given the Group's current size, the Board has not considered it necessary to undertake an assessment of the Board performance and effectiveness.

CORPORATE GOVERNANCE REPORT

8. Promote a corporate culture that is based on ethical values and behaviours

The Group operates a corporate culture that is based on ethical values and behaviours. It will maintain a quality system appropriate to the standards required for a Group of its size. The Board communicates regularly with staff through meetings and messages.

The Group also has a Corporate Social Responsibility Policy details of which can be found on page 18 of the Directors' Report.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board sets the direction for the Group through a formal schedule of matters reserved for its decision. The Chief Executive implements the strategy for the Group and regularly reports to the Board or progress as well as continually engaging with the Group's shareholders and stakeholders. The Board has a schedule of matters reserved for its review and approval, such items include, Group strategy, approval of major capital expenditure projects, approval of the annual and interim results, annual budgets, dividend policy and Board structure. It monitors the exposure to key business risks and reviews the strategic direction of all trading subsidiaries, their annual budgets, their performance in relation to those budgets and their capital expenditure. The Board delegates day-to-day responsibility for managing the business to the Chief Executive and the senior management team.

The Board and Committees along with the matters reserved for each are explained within the Directors' Report on pages 18 to 23. Further information can also be found on the Company's website www.med.energy.com.

10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Group already publishes historical annual reports, notices of meetings and other publications which can be found on the Company's website www.med.energy. The Board has not published Audit Committee or Remuneration Committee reports in the Company's latest annual report and accounts. The Board feels that this is appropriate given the size and stage of development of the Company.

In regards to a general meeting of the Group once the meeting has concluded the results of the meeting are released through a regulatory news service and a copy of the announcement is posted on the Company's website. If it became relevant an explanation of actions where a significant proportion of votes (e.g. 20% of independent votes) is cast against a resolution would be provided.

This report was approved by the Board on 30 March 2022 and signed on its behalf by:

Louis Coetzee
Non-Executive Chairman

DIRECTORS' REPORT

The Board of Directors present their Annual Report together with the Audited Financial Statements for the fifteen (15) month period ended 31 December 2021 of MAST Energy Developments PLC ("MED" or "the Company") and its subsidiaries (collectively "the Group").

The Board comprises a Non-Executive Chairman, Chief Executive Director and one Non-Executive Director. As the Group evolves, the Board will be reviewed and expanded if necessary to ensure appropriate expertise is always in place to support its business activities.

The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets, major items of capital expenditure and acquisitions. An agenda and all supporting documentation is circulated to all Directors before each Board Meeting. Open and timely access to all information is provided to all Directors to enable them to bring independent judgement on issues affecting the Company and facilitate them in discharging their duties.

At the date of this report, the board of Directors comprised:

Louis Coetzee – Chairman (Non-Executive Director)
Paul Venter (Chief Executive Officer)
Dominic Traynor (Non-Executive Director) appointed 30 September 2021

Louis Coetzee, BA, MBA, Age 58 – Chairman (Non-executive)
Louis Coetzee has 25 years' experience in business development, promotion and financing in both the public and private sector. In recent years he has concentrated on the energy, exploration and mining areas where he has founded, promoted and developed a number of ventures in different jurisdictions. Louis has tertiary qualifications in law and languages, project management, supply chain management and an MBA from Bond University (Australia) specializing in entrepreneurship and business planning and strategy. He has worked in various project management as well as business development roles. Louis has also served on the boards of various private and listed companies, in both non-executive and executive roles throughout his career. Louis is currently the CEO of Kibo Energy PLC and the Executive Chairman of Katoro Gold PLC.

Paul Venter, BA, MDP, Age 67 – Chief Executive Officer (Executive)
Paul has 35 years' experience within the mining and power generating industry. He spearheaded the project development of an Integrated Open pit mine, 4 by 150 Mw power plant and 200 kilometre transmission complex in Mongolia prior to successfully rebranding leading the development of Ncondezi Coal into an Integrated Open pit mine, with 2 by 150 Mw power plants and 93Km transmission complex. In recent years' he established Mast Energy Projects Limited and contributed to the successful sale of a 60% equity interest of Mast Energy Projects Limited to Kibo Energy PLC. Paul was a Certified Financial Accountant of South Africa between 1982 and 1998, has an MDP in Mining from the University of South Africa and a honours degree in Business Administration from Potchefstroom University (South Africa). Between 2012 and 2015, Paul held the position of Chief Executive Officer of Ncondezi Energy an AIM listed company (AIM: NCCL). Prior to this position, between 2009 – 2012, he was Director and VP Energy Operations. – Prophecy Coal Corp a Canadian listed Company.

Dominic Traynor, LLB, Age 45 – Director (Non-Executive)
Dominic Traynor is a London based company Director and solicitor specialising in equity capital markets, and is a partner at Druces LLP, one of the City's oldest law firms. At Druces and formerly at Ronaldsons LLP, a niche capital-markets firm, he advised on the structuring and listing of more than 30 companies on the Main Market and Alternative Investment Market (AIM) of the London Stock Exchange and he has extensive experience in corporate governance. Dominic is a Director of private equity group and Fintech investor Prism Group and its associated WizzFinancial companies, Australian-Saudi electric vehicle-battery chemicals company, EV Metals Group PLC; was a founding Director of AIM-listed construction materials company, SigmaRoc PLC, and sits on the boards of a number of other companies. Dominic graduated from the College of Law, York, and received his LLB from Durham University.

Review of Business Developments
As noted in the Chairman's Report the Group continued to pursue its business strategy as an reserve power developer in the UK market, with further site acquisitions having been concluded and continuous development of the existing sites progressing well during the period.

Results
The performance for the fifteen-month period ended 31 December 2021 resulted in a loss of £1,408,958 (31 December 2020: loss of £657,564).

DIRECTORS' REPORT

Post Statement of Financial Position events
As at the date of this report, no significant post statement of financial position events or conditions were identified which required further disclosure or adjustment to the financial results.

Directors' Interests
There have been no contracts or arrangements of significance during the period in which Directors of the Company, or their related parties, were interested other than as disclosed in Note 23 to the financial statements.

None of the Directors, who held office at the date of approval of the financial statements, held any share capital of the Company.

Directors' Meetings
The Company held the following Board and Committee meetings during the reporting period and the number of meetings attended by each of the Directors of the Company during the period to 31 December 2021 were:

Name	PLC Board	Risk Audit & FPPP Committee	Remuneration, Nominations & Governance Committee
Louis Coetzee	13	2	1
Paul Venter	12	n/a	n/a
Dominic Traynor	2	0	1
Candice Theron	9	2	0
Noel O'Keeffe (Resigned 14 April 2021)	1	n/a	n/a

Significant Shareholdings
The Company has been informed that the following shareholders own 3% or more beneficial interest, either direct or indirect, in the issued share capital of the Company:

Percentage of Issued Share Capital			
Shareholder	**29 March 2022**	**31 December 2021**	**31 December 2020**
Kibo Mining (Cyprus) Limited	55%	55%	n/a
Care 1 Guernsey Limited	9.78&	9.78%	n/a
PSCD Power 1 Limited	9.78%	9.78%	n/a

Subsidiary Undertakings
Details of the Company's subsidiary undertakings are set out in Note 22 to the financial statements.

Political and Charitable Donations
During the period, the Group made no charitable or political contributions (2020: £ nil).

Going Concern
The financial results have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

In performing the going concern assessment, the Board considered various factors, including the availability of cash and cash equivalents; data relating to working capital requirements for the foreseeable future; cash-flows from operational commencement, available information about the future, the possible outcomes of planned events, changes in future conditions, the current global economic situation due to the Covid-19 pandemic and Ukraine conflict and the responses to such events and conditions that would be available to the Board.

The Board has, inter alia, considered the following specific factors in determining whether the Group is a going concern:

- The total comprehensive loss for the fifteen-month financial period of £1,408,958 compared to £657,564 for the preceding 12 month-financial period;
- Cash and cash equivalents readily available to the Group in the amount of £1,805,461 in order to pay its creditors and maturing liabilities in the amount of £3,491,699 as and when they fall due and meet its operating costs for the ensuing twelve months; and

DIRECTORS' REPORT

- Whether the Group has available cash resources, or equivalent short term funding opportunities in the foreseeable future, to deploy in developing and growing existing operations or invest in new opportunities.

Following from the losses incurred in the current financial period, coupled with the net current liability position the Group finds itself in as at December 2021, these conditions, together with those mentioned above are considered to indicate that a material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern.

This is largely attributable to its short-term liquidity position the Group finds itself in as a result of the staggered implementation approach with regard to the underlying operations, to a point where they can positively contribute to the cash requirements of the larger Group.

The Directors have evaluated the Groups liquidity requirements to confirm whether the Group has adequate cash resources to continue as a going concern for the foreseeable future, taking into account the net current liability position, and consequently prepared a cash flow forecast covering a period of 12 months from the date of these financial statements, concluding that the Group would be able to continue its operations as a going concern.

In response to the net current liability position, to address future cash flow requirements, detailed liquidity improvement initiatives have been identified and are being pursued, with their implementation regularly monitored in order to ensure the Group is able to alleviate the liquidity constraints in the foreseeable future.

Therefore, the ability of the Group to continue as a going concern is dependent on the successful implementation or conclusion of the below noted matters in order to address the liquidity risk the Group faces on an ongoing basis:

- Successful conclusion of funding requirements of the Group in order to complete construction of the remaining sites by the Group;
- Successful commissioning of the remaining power generation facilities in order to achieve net-cash positive contributions toward the larger Group; and
- Successful negotiations with Kibo Mining (Cyprus) Limited relating to the potential deferral of loans payable in the foreseeable future beyond a 12 month period after year end.

As the Board is confident it would be able to successfully implement the above matters, it has adopted the going concern basis of accounting in preparing the consolidated financial statements.

Environmental responsibility
The Company recognises that its activities require it to have regard to the potential impact that it, its subsidiaries and partners may have on the environment. Where energy development projects are undertaken, care is taken to limit the amount of disturbance and where any remediation works are required, they are carried out as and when required.

Once commercial production is undertaken the Group ensures adequate provisions or rehabilitation and decommissioning is made in accordance with the relevant laws and regulations.

Dividends
There have been no dividends declared or paid during the current financial period (2020: £Nil).

Corporate Governance Policy
The Board is aware of the importance to conform to its statutory responsibilities and industry good practice in relation to corporate governance of the Group and as a result has adopted the Quoted Companies Alliance Corporate Governance Code (the "QCA Code").

The Company's statement of compliance against the QCA code is set out on pages 15 to 17.

Role of Directors
All Board members ensure that appropriate governance procedures are adhered to and there is a clear division of responsibilities at Board level to ensure a balance of power and authority so that no one individual has unfettered powers of decision making.

Board and Audit Committee meetings have been taking place periodically and the executive Director manages the daily Company operations with Board meetings taking place on a regular basis throughout the financial period. During the current reporting period, the Board met thirteen (13) times and provided pertinent information to the Executive Committee of the Company.

DIRECTORS' REPORT

The Board is responsible for effective control over the affairs of the Company, including strategic and policy decision-making financial control, risk management, communication with stakeholders, internal controls and the asset management process.

The Risk, Audit & FPPP Committee were tasked with, amongst other things, identifying, analysing, and reporting on risk during the financial period

Directors are entitled, in consultation with the Chairman, to seek independent professional advice about the affairs of the Company, at the Company's expense.

The Risk, Audit & FPPP Committee
The Risk, Audit & FPPP Committee consists of Dominic Traynor and Louis Coetzee.

The Risk, Audit and FPPP Committee has set out its roles and responsibilities within its charter and ensured that it is aligned to good financial governance principles.

These include:

- the establishment of an Audit and Risk Committee to guide the audit approach, as well as its modus operandi and the rules that govern the audit relationship;
- assess the processes relating to and the results emanating from the Group's risk and control environment;
- monitoring the integrity of the Group's integrated reporting and all factors and risks that may impact on reporting;
- annually reviewing the expertise, appropriateness and experience of the finance function;
- annually nominating the external auditors for appointment by the shareholders;
- reviewing developments in governance and best practice;
- foster and improve open communication and contact with relevant stakeholders of the Group; and
- assessing the external auditor's independence and determining their remuneration.

The Risk, Audit and FPPP Committee further sets the principles for recommending the external auditors for non-audit services use.

The Risk, Audit and FPPP Committee met twice (2) during the current year to approve the Interim and Annual Report and recommend approval to the Board.

Remuneration, Nominations & Governance Committee (the "RNGC")
The members of the RNGC are Louis Coetzee and Dominic Traynor.

Remuneration: With respect to Remuneration, the purpose of the RNGC is to discharge the responsibilities of the Board relating to all compensation, including equity compensation of the Company's Executives. The Remuneration Committee establishes and administers the Company's executive remuneration with the broad objective of aligning executive remuneration with Company performance and shareholder interests, setting remuneration standards aimed at attracting, retaining and motivating the executive team, linking individual pay with operational and Company performance in relation to strategic objectives and evaluating compensation of executives including approval of salary, equity and incentive-based awards.

The committee is empowered by the Board to set short, medium and long-term remuneration for the Executive Directors. More generally, the committee is responsible for the assessment and approval of a Board remuneration strategy for the Group.

The RNGC manages remuneration risk by ensuring that any awards and the terms of service and employment contracts entered into are proportionate to the resources and current early stage of development of the Group while simultaneously providing sufficient incentive to Directors, management and staff to rapidly grow the enterprise in accordance with the Board's corporate strategy. The RNGC is currently developing a comprehensive remuneration plan that following approval by the Board will serve as a guide for performance measurement, employment terms and compensation structure in line with business development.

DIRECTORS' REPORT

Nominations : With respect to Nominations the RNGC are responsible for considering and making recommendations to the Board in respect of appointments to the Board. It is also responsible for keeping the structure, size and composition of the Board under regular review, and for making recommendations to the Board with regard to any changes necessary, as well as succession planning, taking into account the skills and expertise that will be needed on the Board in the future.

Governance: With respect to Governance, the principal tasks of the RNGC are to review the Company's ongoing compliance with the QCA Code and to make recommendationsto the Board where it judges that there is a requirement to update, replace or expand corporate governance policies and procedures in line with current activities.

The Remuneration, Nominations and Governance Committee met once during the period.

Internal Audit
The Group does not have an internal audit function. Currently the operations of the Group do not warrant an internal audit function, however the Board is assessing the need to establish an internal audit department considering future prospects as the Group's operations increase. During the period the Board has taken responsibility to ensure effective governance, risk management and that the internal control environment is maintained.

Health, Safety and Environmental Policy
The Group is committed to high standards of Health, Safety and Environmental performance across our business. Our goal is to protect people, minimize harm to the environment, integrate biodiversity considerations and reduce disruption to our neighbouring communities. We seek to achieve continuous improvement in our Health, Safety and Environmental performance.

Corporate Social Responsibility Policy
The Group's policy is to conduct all our business operations to best industry standards and to behave in a socially responsible manner. Our goal is to behave ethically and with integrity and to respect cultural, national, and religious diversity.

Governance of IT
The Board is responsible for IT governance as an integral part of the Group's governance. The IT function is not expected to significantly change in the foreseeable future. The Board has the required policies and procedures in place to ensure governance of IT is adhered to.

Integrated and Sustainability Reporting
Integrated Reporting is defined as a "holistic and integrated representation of the Group's performance in terms of both its finances and its sustainability". The Group currently does not have a separate integrated report. The Board and its sub-committees are in the process of assessing the principles and practices of integrated reporting and sustainability reporting to ensure that adequate information about the operations of the Group, the sustainability issues pertinent to its business, the financial results and the results of its operations and cash flows are disclosed in a single report.

Statement of Directors' Responsibility
The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

DIRECTORS' REPORT

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

They are further responsible for ensuring that the Strategic Report and the Report of the Directors and other information included in the Annual Report and Financial Statements is prepared in accordance with applicable law in the United Kingdom.

The maintenance and integrity of the MAST Energy Developments PLC website is the responsibility of the Directors; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

The Board
The Board is responsible for the supervision and control of the Group and is accountable to the shareholders. The Board has reserved decision-making on a variety of matters, including determining strategy for the Group, reviewing and monitoring executive management performance and monitoring risks and controls.

The Board has three Directors, comprising of an executive Director and two non-executive Directors. The Board met formally on 13 (thirteen) occasions during the period ended 31 December 2021. An agenda and supporting documentation was circulated in advance of each meeting. All the Directors bring independent judgement to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. The Directors have a wide and varying array of experiences in the industry.

Auditors
The auditors, Crowe U.K. LLP, were appointed as the Company's auditors at incorporation and have indicated their willingness to continue in office in accordance with section s475 of the Companies Act 2006.

Annual General Meeting
Notice of the forthcoming Annual General Meeting of the Company together with resolutions relating to the Company's ordinary and special business will be given to the members separately.

Provision of information to the auditor
Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- So far as that Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- That Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditor are aware of that information.

This report was approved by the Board on 30 March 2022 and signed on its behalf by:

On behalf of the Board

Paul Venter

Louis Coetzee

INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report to the Members of Mast Energy Developments Plc

Opinion

We have audited the financial statements of Mast Energy Developments Plc (the "company") and its subsidiaries (the "group") for the period ended 31 December 2021 which comprise Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group and company financial statements is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006; and, as regards the group financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to the section headed Going Concern on page 35 of the financial statements, which details the factors the directors have considered when assessing the going concern position. As detailed in the relevant note on page 35, the uncertainty surrounding the availability of funds to finance the commercial development of the group and company's projects through to cash generation indicates the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included the following:

- obtaining an understanding of directors' going concern evaluation process and evaluating the design and implementation of these controls.
- reviews of directors' budgets and cash flow forecasts for at least twelve months from the date of sign off.
- challenge to assumptions that directors made in calculating forecast and post period end activity to corroborate directors' assessments.
- understanding what forecast expenditure is committed and what could be considered discretionary.
- considering potential downside scenarios and the resultant impact on available funds.
- considering the options available to directors for further fundraising, or additional sources of finance.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's or company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

Overview of our audit approach

Our application of materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the group financial statements as a whole to be £70,000 (2020: £15,000), based on approximately 5% of the group loss. Materiality for the parent company financial statements as a whole was set at £35,000, based on 5% of normalised result for the period.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. We determined performance materiality to be £42,000

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £3,500 (£6,000). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The group operates in the UK, and therefore the audit was conducted from the UK. The group audit team also undertook the audit of the individual subsidiaries of the group.

Our audit effort focused on higher risk areas, such as areas of management estimate and judgement and subsidiary acquisitions. The transactions in the period mostly relate to administration and professional fees, listing and project expenditure. The support for these was provided to us by management.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our scope addressed the key audit matter
Impairment of Intangible Assets This is a forecast-based management estimate. The risk is that potential impairments are not identified on a timely basis, or the projects do not progress to cash generation, requiring write-off or impairment.	We obtained an understanding of the design and implementation of systems and controls relevant to impairment assessments of goodwill and intangibles. We evaluated, in comparison to the requirements set out in IAS 36, management's assessment as to whether intangible assets were impaired. We reviewed the forecast cash flow models prepared by management for the value in use assessment, testing the arithmetical accuracy of the models, performing sensitivity analysis and challenging the key estimates and assumptions including the discount rate. We corroborated the key internal and external evidence relevant to the judgements made in respect of the group's intangible assets.

Key observations communicated to those charged with governance

In March 2022, we reported to the Audit Committee that:

- the valuation of the intangible assets was appropriate and supported by the net present value of future cash flows value in use calculation;
- the useful economic lives of the intangible assets were appropriate;
- the write-off of goodwill in the period was appropriate.

INDEPENDENT AUDITOR'S REPORT

This is not a complete list of all risks identified by our audit.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion based on the work undertaken in the course of our audit

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 22, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company'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 the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 (UK) will always detect a material misstatement when it exists.

INDEPENDENT AUDITOR'S REPORT

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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the group and company operate, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management to manipulate financial reporting and misappropriate funds. Our audit procedures to address these risks included:

- enquiries of management about their own identification and assessment of the risks of irregularities,
- risk-based sample testing on the posting of journals,
- audit of significant transactions outside the normal course of business, or those that appear unusual;
- assessing the depreciation and amortisation policy, specifically the useful life of intangible assets, and
- performing retrospective reviews where applicable to assess the level of management bias.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

We were appointed by the audit committee on 31 January 2022 to audit the financial statements for the period ending 31 December 2021. Our total uninterrupted period of engagement is 1 year, covering the period ending 31 December 2021.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the company and we remain independent of the group and the company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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.

M Stallabrass

Matthew Stallabrass
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW
30 March 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Group	
		Fifteen months ended 31 December 2021	Twelve months ended 31 December 2020
		Audited	Audited
	Note	£	£
Revenue	2	3,245	-
Cost of sales		(34,321)	-
Gross loss		**(31,076)**	**-**
Administrative expenses		(767,151)	(219,821)
Listing and other corporate fees		(352,061)	(161,743)
Project expenditure		(267,981)	(276,000)
Impairment		(300,000)	-
Operating loss		**(1,718,269)**	**(657,564)**
Other income	3	355,659	-
Finance costs		(46,348)	-
Loss before tax	4	**(1,408,958)**	**(657,564)**
Taxation	7	-	-
Loss for the period		**(1,408,958)**	**(657,564)**
Other comprehensive income:			
Items that may be classified subsequently to profit or loss:			
Exchange differences on translation of foreign operations		-	-
Other Comprehensive loss for the period net of tax		-	-
Total comprehensive loss for the period		**(1,408,958)**	**(657,564)**
Loss for the period		**(1,408,958)**	**(657,564)**
Attributable to the owners of the parent		(1,312,243)	(502,194)
Attributable to the non-controlling interest		(96,715)	(155,370)
Total comprehensive loss for the period		**(1,408,958)**	**(657,564)**
Attributable to the owners of the parent		(1,312,243)	(502,194)
Attributable to the non-controlling interest		(96,715)	(155,370)
Loss Per Share			
Basic loss per share(pence)	9	(0.80)	(0.48)
Diluted loss per share(pence)	9	(0.80)	(0.48)

All activities derive from continuing operations.

The accompanying notes on pages 44-61 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		Group	
		31 December 2021	31 December 2020
		Audited	Audited
	Note	£	£
Assets			
Non-Current Assets			
Property, plant and equipment	10	2,897,909	-
Intangible assets	11	2,745,273	2,595,000
Goodwill	13	-	300,000
Total non-current assets		**5,643,182**	**2,895,000**
Current Assets			
Other receivables	14	181,845	-
Cash and cash equivalents	15	1,805,461	204
Total current assets		**1,987,306**	**204**
Total Assets		**7,630,488**	**2,895,204**
Equity and Liabilities			
Equity			
Called up share capital	16	188,717	104,497
Share premium account	16	11,682,343	2,511,432
Common control reserve	17	383,048	383,048
Non-controlling interest acquired	17	(4,065,586)	-.
Retained deficit		(4,338,778)	(2,999,449)
Attributable to equity holders of the parent		**3,849,744**	**(472)**
Non-controlling interest	18	-	(273,560)
Total Equity		**3,849,744**	**(274,032)**
Liabilities			
Non-current Liabilities			
Lease liability	10	289,045	-
Total Current Liabilities		**289,045**	**-**
Current Liabilities			
Loans from related parties	19	2,269,035	2,698,730
Trade and other payables	20	259,505	14,506
Other financial liability	21	960,686	456,000
Lease liability	10	2,473	-
Total Current Liabilities		**3,491,699**	**3,169,236**
Total Liabilities		**3,780,744**	**3,169,236**
Total Equity and Liabilities		**7,630,488**	**2,895,204**

The accompanying notes on pages 44-61 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 30 March 2022 and signed on its behalf by:

On behalf of the Board

Paul Venter **Louis Coetzee**

COMPANY STATEMENT OF FINANCIAL POSITION

		31 December 2021
		Audited
		£
Non-Current Assets		
Investments in group undertakings	22	8,558,182
Total Non- current assets		**8,558,182**
Current Assets		
Other receivables	14	4,545
Cash and cash equivalents	15	1,787,335
Total Current assets		**1,791,880**
Total Assets		**10,350,062**
Equity and Liabilities		
Equity		
Called up share capital	16	188,717
Share premium	16	11,682,343
Retained deficit		(1,557,026)
Total Equity		**10,314,034**
Liabilities		
Current Liabilities		
Trade and other payables	20	36,028
Total liabilities		**36,028**
Total Equity and Liabilities		**10,350,062**

Equity includes a loss for the period of the parent Company of £1,557,026.

The accompanying notes on pages 44-61 form integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 30 March 2022 and signed on its behalf by:

On behalf of the Board

Paul Venter **Louis Coetzee**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Common Control Reserve	Capital Contribution Reserve	Non-controlling interest acquired	Retained deficit	Minority interest	Total
	£	£	£	£	£	£	£	£
Balance at 31 December 2019	**104,497**	**627,470**	**-**	**2,540,871**	**-**	**(2,497,255)**	**(118,190)**	**657,393**
Total comprehensive loss for the period up to 14 September 2021	-	-	-	-	-	(221,250)	(93,125)	(314,375)
Settled deferred vendor acquisition	-	-	-	(421,472)	-	-	-	(421,472)
Capital contribution	-	-	-	57,013	-	-	-	57,013
Capital re-organisation	-	1,883,962	383,048	(2,176,412)	-	-	-	90,598
Total comprehensive loss for the period after 14 September 2021	-	-	-	-	-	(280,944)	(62,245)	(343,189)
Balance at 31 December 2020	**104,497**	**2,511,432**	**383,048**	**-**	**-**	**(2,999,449)**	**(273,560)**	**(274,032)**
Total comprehensive loss for the period	-	-	-	-	-	(1,031,299)	(34,470)	(1,065,769)
Shares issued on listing	44,320	4,972,515	-	-	-	-	-	5,016,835
Expenditure settled in shares	2,983	169,727	-	-	-	-	-	172,710
Acquisition of non-controlling interest	36,917	4,028,669	-	-	(4,065,586)	(308,030)	308,030	-
Balance at 31 December 2021	**188,717**	**11,682,343**	**383,048**	**-**	**(4,065,586)**	**(4,338,778)**	**-**	**3,849,744**

The notes on pages 44-61 form part of the financial statements.

The financial statements were approved by the Board of Directors on 30 March 2022 and signed on its behalf by:

On behalf of the Board

Paul Venter

Louis Coetzee

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share Capital	Share Premium	Retained deficit	Total
	£	£	£	£
Balance at 14 September 2020	**-**	**-**	**-**	**-**
Issue of share capital on incorporation	104,497	2,511,432	-	2,615,929
Total comprehensive loss for the period	-	-	(1,557,026)	(1,557,026)
Shares issued on listing	44,320	4,972,515	-	5,016,835
Expenditure settled in shares	2,983	169,727	-	172,710
Acquisition of non-controlling interest	36,917	4,028,669	-	4,065,586
Balance at 31 December 2021	**188,717**	**11,682,343**	**(1,557,026)**	**10,314,034**

The accompanying notes on pages 44-61 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 30 March 2022 and signed on its behalf by:

On behalf of the Board

Paul Venter

Louis Coetzee

CONSOLIDATED STATEMENT OF CASH FLOWS

	Notes	Group Fifteen months ended 31 December 2021 Audited £	Group Twelve months ended 31 December 2020 Audited £
Cash flows from operating activities			
Loss for the period before taxation		**(1,408,958)**	**(657,564)**
Loss for the period from incorporation to 31 December 2020		343,189	
Loss for the period before taxation		**(1,065,769)**	**(657,564)**
Adjustments for non-cash items:			
Non-cash interest accrued		21,623	-
Depreciation		9,793	-
Impairment of goodwill		300,000	-
Loan waiver – other income		(355,397)	-
Cost settled through the issue of shares		172,710	-
Other non-cash items		94,192	-
		(822,848)	**(657,564)**
Movement in working capital			
Decrease/(Increase) in debtors	14	(181,845)	3,843
Increase/(Decrease) in creditors	20	244,999	-
		63,154	**3,843**
Net cash outflows from operating activities		**(759,694)**	**(653,721)**
Cash flows from investing activities			
Property, plant and equipment acquired		(1,654,239)	-
Intangible assets acquired		(150,271)	-
Net cash flows from investing activities		**(1,804,510)**	**-**
Cash flows from financing activities			
Proceeds of issue of share capital		5,016,835	-
Lease liability repaid		(2,275)	-
Other financial liabilities repaid		(121,210)	-
Loans from related parties (repaid)/received		(523,889)	653,667
Net cash flows financing activities		**4,369,461**	**653,667**
Net increase/(decrease) in cash and cash equivalents		**1,805,257**	**(54)**
Cash and cash equivalents at beginning of period		204	258
Cash and cash equivalents at end of the period	15	**1,805,461**	**204**

The accompanying notes on pages 44-61 form an integral part of these financial statements.

COMPANY STATEMENT OF CASH FLOWS

	Notes	Fifteen months ended 31 December 2021 Audited £
Cash flows from operating activities		
Profit/(Loss)for the period before taxation		(1,557,026)
Adjusted for:		
Impairment loss		895,288
Expenses settled in shares		172,710
Non-cash expenditure		41,109
		(447,919)
Movement in working capital		
Decrease / (Increase) in debtors	14	(4,545)
(Decrease)/ Increase in creditors	20	36,028
		31,483
Net cash outflows from operating activities		**(416,436)**
Cash flows from investing activities		
Investment in subsidiary		(2,813,064)
Net cash proceeds from investing activities		**(2,813,064)**
Cash flows from financing activities		
Proceeds of issue of share capital		5,016,835
Net cash used in financing activities		**5,016,835**
Net (decrease)/increase in cash and cash equivalents		**1,787,335**
Cash and cash equivalents at beginning of period		**-**
Cash and cash equivalents at end of the period	15	**1,787,335**

The accompanying notes on pages 44-61 form an integral part of these financial statements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

General Information

MAST Energy Developments PLC ("the Company") is a Company incorporated in England and Wales. The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

The principal activities of the Company and its subsidiaries are related to the development and production of power generation projects in the United Kingdom.

The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with the Companies Act 2006 which permits a Company that publishes its Company and Group financial statements together, to take advantage of the exemption in Section 408 of the Companies Act 2006, from presenting to its members its Company Income Statement and related notes that form part of the approved Company financial statements.

Going Concern

The financial results have been prepared on the going concern basis which contemplates the continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

In performing the going concern assessment, the Board considered various factors, including the availability of cash and cash equivalents; data relating to working capital requirements for the foreseeable future; cash-flows from operational commencement, available information about the future, the possible outcomes of planned events, changes in future conditions, the current global economic situation due to the Covid-19 pandemic and Ukraine conflict and the responses to such events and conditions that would be available to the Board.

The Board has, inter alia, considered the following specific factors in determining whether the Group is a going concern:

- The total comprehensive loss for the fifteen-month financial period of £1,408,958 compared to £657,564 for the preceding 12 month-financial period;
- Cash and cash equivalents readily available to the Group in the amount of £1,805,461 in order to pay its creditors and maturing liabilities in the amount of £3,491,699 as and when they fall due and meet its operating costs for the ensuing twelve months; and
- Whether the Group has available cash resources, or equivalent short term funding opportunities in the foreseeable future, to deploy in developing and growing existing operations or invest in new opportunities.

Following from the losses incurred in the current financial period, coupled with the net current liability position the Group finds itself in as at December 2021, these conditions, together with those mentioned above are considered to indicate that a material uncertainty exists which may cast significant doubt on the Groups ability to continue as a going concern.

This is largely attributable to its short-term liquidity position the Group finds itself in as a result of the staggered implementation approach with regard to the underlying operations, to a point where they can positively contribute to the cash requirements of the larger Group.

The Directors have evaluated the Groups liquidity requirements to confirm whether the Group has adequate cash resources to continue as a going concern for the foreseeable future, taking into account the net current liability position, and consequently prepared a cash flow forecast covering a period of 12 months from the date of these financial statements, concluding that the Group would be able to continue its operations as a as a going concern.

In response to the net current liability position, to address future cash flow requirements, detailed liquidity improvement initiatives have been identified and are being pursued, with their implementation regularly monitored in order to ensure the Group is able to alleviate the liquidity constraints in the foreseeable future.

Therefore, the ability of the Group to continue as a going concern is dependent on the successful implementation or conclusion of the below noted matters in order to address the liquidity risk the Group faces on an ongoing basis;

- Successful conclusion of funding requirements of the Group in order to complete construction of the remaining sites by the Group;

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- Successful commissioning of the remaining power generation facilities in order to achieve net-cash positive contributions toward the larger Group; and
- Successful negotiations with Kibo Mining (Cyprus) Limited relating to the potential deferral of loans payable in the foreseeable future beyond a 12 month period after year end.

As the Board is confident it would be able to successfully implement the above matters, it has adopted the going concern basis of accounting in preparing the consolidated financial statements.

Statement of Preparation

The Group and Company's financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. The individual financial statements of the Company ("Company financial statements") have been prepared in accordance with the Companies Act 2006.

The IFRS accounting standards as adopted by the UK as applied by the Company and the Group in the preparation of these financial statements are those that were effective for periods beginning on or before 14 September 2020.

Statement of Accounting Policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Basis of Preparation

The Group and Company financial statements are prepared on the historical cost basis. The accounting policies have been applied consistently throughout the Group entities, and are consistent with those of the comparative period. The Group and Company financial statements have been prepared on a going concern basis as explained in the notes to the financial statements.

The individual financial information of each Group entity is measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial information of the Group is presented in Pounds Sterling, which is the presentation currency for the Group. The functional currency of each of the Group entities is the local currency of each individual entity.

On 14 September 2020, the Company became the legal parent of Sloane Developments Limited following completion of the Acquisition. The comparative results for the year ended 31 December 2020 represent the consolidated position of Sloane Developments Limited and its Subsidiaries (the Sloane SubGroup) prior to the Acquisition.

The Acquisition of the Sloane SubGroup by MAST Energy Developments PLC is deemed to be outside the scope of IFRS 3 and not considered a business combination as the Acquisition is seen as a common control transaction, following from the fact that Kibo Energy PLC continues to retain control over the Sloane SubGroup subsequent to the disposal of the Sloane SubGroup to MAST Energy Developments PLC.

On this basis, the Directors have developed an accounting policy for the Acquisition, applying the principles set out in IAS 8.10-12, in that the policy adopted is:

- relevant to the users of the financial information;
- more representative of the financial position, performance and cash flows of the Group;
- reflects the economic substance of the transaction, not merely the legal form; and
- free from bias, prudent and complete in all material aspects.

As MAST Energy Developments PLC is only an investment holding company, incorporated for the purposes of raising capital funding for its investee projects, and the majority shareholder before and after the Acquisition continue to be Kibo Energy PLC, the transaction is considered to be a common control transaction, outside the scope of IFRS 3, seen as a capital reorganisation, where predecessor valuation accounting was applied with regard to the incorporation of historic financial information.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accordingly, the following accounting treatment and terminology has been applied in respect of the acquisition:

- the assets and liabilities of the legal subsidiary the Sloane SubGroup are recognised and measured in the Group financial statements at the pre-combination carrying amounts, without reinstatement to fair value;
- the retained earnings recognised in the Group financial statements reflect the retained earnings of the Sloane SubGroup immediately before the Acquisition, being 17 September 2020, are those of the Sloane SubGroup.
- However, the equity structure appearing in the Group financial statements reflects the equity structure of the legal parent (MAST Energy Developments PLC), including the equity instruments issued under the share for share exchange to effect the Acquisition.
- Comparative financial results include are those of Sloane Developments Limited and its Subsidiaries for the 12 month period ended 31 December 2020, as these results are considered the most comparable in nature to the operations of MAST Energy Developments PLC post acquisition.

The individual financial information of each Group entity is measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial information of the Group is presented in Pounds Sterling, which is the presentation currency for the Group. The functional currency of each of the Group entities is the local currency of each individual entity.

Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, there are significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements.

Estimation uncertainty:
Information about estimates and assumptions that may have the most significant effect on recognition and measurement on assets, liabilities and expenses is provided below:

Impairment assessment of non-financial assets
In applying IAS 36, impairment assessments are performed whenever events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable. Estimates are made in determining the recoverable amount of assets which includes the estimation of cash flows and discount rates used. In estimating the cash flows, management bases cash flow projections on reasonable and supportable assumptions that represent management's best estimate of the range of economic conditions that will exist over the remaining useful life of the assets. The discount rates used reflect the current market assessment of the time value of money and the risks specific to the assets for which the future cash flow estimates have not been adjusted. Refer to Note 11 for detailed sensitivity analysis related to a potential change in the key estimation uncertainties inherent in the impairment assessment.

Useful life of Intangible assets
Amortisation is charged on a systematic basis over the estimated useful lives of the assets after taking into account the estimated residual values of the assets. Useful life is either the period of time over which the asset is expected to be used or the number of production or similar units expected to be obtained from the use of the asset.

Leases – Estimating the incremental borrowing rate
The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Useful life of Property, plant and Equipment
The depreciable amounts of assets are allocated on a systematic basis over their useful lives. In determining the depreciable amount, management makes assumptions in respect of the residual value of assets based on the expected estimated amount that the entity would currently obtain from disposing the asset, after deducting the estimated costs of disposal. If an asset is expected to be abandoned, the residual value is estimated at nil. In determining the useful lives of assets, management considers the expected period of use of assets, expected physical wear and tear, legal or similar limits of assets such as rights, condition and location of the asset as well as obsolescence.

Decommissioning and Environmental Rehabilitation Provisions
The Company has set-up a decommissioning provision for the removal of the plant and equipment installed at the Bordesley Site in Liverpool St. Birmingham., the cost of which is based on estimates.

Environmental Rehabilitation Provisions
Estimates are made in determining the present liability of environmental rehabilitation provisions consisting of a restoration provision, decommissioning provision and a residual impact provision. Each of these provisions are based on an estimate of closure costs on reporting date, inflation and discount rates relevant to the calculation and the expected date of closure of operating activities in determining the present value of the total environmental rehabilitation liability.

Critical judgements:
Information about critical judgements that may have the most significant effect on recognition and measurement on assets, liabilities and expenses is provided below:

Going Concern
The Groups current liabilities exceed its current assets as at 31 December 2021, mainly due to the loans from related parties in the amount of £2,269,035 which contributes significantly to the material uncertainty related to the going concern assumption applied in preparation of the financial statements. Management applies judgement in determining whether or not the Group is able to continue as a going concern for the foreseeable future, in identifying the matters which give rise to the existence of the material uncertainty, and in developing responses thereto in order to address the risk of material uncertainty.

Consolidation

The consolidated annual financial statements comprise the financial statements of MAST Energy Developments PLC and its subsidiaries for the year ended 31 December 2021, over which the Company has control.

Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights, to variable return from its involvement with the investee; and
- has the ability to use its power to affect its returns.

In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Intragroup balances and any unrealised gains or losses or income or expenses arising from intragroup transactions are eliminated in preparing the Group financial statements, except to the extent they provide evidence of impairment.

The Group accounts for business combinations using the acquisition method of accounting. The cost of the business combination is measured as the aggregate of the fair values of assets given, liabilities incurred or assumed and equity instruments issued. Costs directly attributable to the business combination are expensed as incurred, except the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are included in equity.

The acquiree's identifiable assets, liabilities and contingent liabilities which meet the recognition conditions of IFRS 3 Business Combinations are recognised at their fair values at acquisition date.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Contingent liabilities are only included in the identifiable assets and liabilities of the acquiree where there is a present obligation at acquisition date.

Non-controlling interest arising from a business combination is measured either at their share of the net asset value of the assets and liabilities of the acquiree or at fair value. The treatment is not an accounting policy choice but is selected for each individual business combination, and disclosed in the note for business combinations.

Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted for as equity transactions.

Business combinations involving entities under common control

Business combinations involving entities under common control comprise business combinations where both entities remain under the ultimate control of the holding company before and after the combination, and that control is not transitory.

The Group applies merger accounting for all its common control transactions from the date that it obtains control. In terms of this:

- the assets and liabilities of the acquiree are recorded at their existing carrying amounts (not fair value);
- if necessary, adjustments are made to achieve uniform accounting policies;
- intangible assets and contingent liabilities are recognised only to the extent that they were recognised by the acquiree in accordance with applicable IFRS;
- no goodwill is recognised. Any difference between the acquirer's cost of investment and the acquiree's equity is presented separately directly in equity as a common control reserve (CCR) on consolidation;
- any non-controlling interest is measured as a proportionate share of the carrying amounts of the related assets and liabilities (as adjusted to achieve uniform accounting policies); and
- any expenses of the combination are written off immediately in profit or loss, except for the costs to issue debt which are amortised as part of the effective interest and costs to issue equity which are recognised within equity.

When control is lost, resulting in the common control of entities, the balance of CCR recognised in respect of that acquisition is realised directly to retained earnings on the effective date when control is lost.

Intangible Assets

Intangible assets acquired separately
Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives which are disclosed in Note 11. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets
An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment

Non-financial assets
Assets are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units).

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income immediately.

Property, Plant and Equipment

Property, Plant and Equipment is stated at cost, less accumulated depreciation.

Cost includes expenditure that is directly attributable to the acquisition of the items of property, plant and equipment. The cost of self-constructed items of property, plant and equipment includes the cost of materials and direct labour, any other costs directly attributable to bringing the items of property, plant and equipment to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

- Plant & machinery at 20% straight line;
- Right of Use assets straight line over the lease term;

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Useful lives are affected by technology innovations, maintenance programmes and future economic benefits. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

On disposal of property, plant and equipment the cost and the related accumulated depreciation and impairments are removed from the financial statements and the net amount, less any proceeds, is taken to the Statement of Comprehensive Income.

Right-of-use assets and corresponding lease liability

For any new contracts entered into the Group considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the Group assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Group.
- the Group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Group has the right to direct the use of the identified asset throughout the period of use. The Group assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, and any lease payments made in advance of the lease commencement date. The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist. At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. In determining the present value of the lease liability the Group has used its incremental borrowing rate of prime as the rate implicit in the lease was not readily available. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade payables.

Income Tax

Income tax expense comprises current and deferred tax. Income tax expense is recognised in the Income Statement.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Employee benefits

Short-term benefits
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonuses or profit-sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Finance income and expense

Finance income comprises interest income on funds invested, dividend income, gains on the disposal of available-for-sale financial assets, and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues in profit or loss, using the effective interest method. Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established, which in the case of listed securities is the ex-dividend date.

Finance expenses comprise interest expense on borrowings, unwinding of discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets and losses on forward exchange contracts that are recognised in profit or loss. All borrowing costs are recognised in profit or loss using the effective interest method.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Earnings per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Financial Instruments

Recognition
Financial instruments comprise loans receivable, trade and other receivables, cash and cash equivalents, trade and other payables, other financial liabilities and bank overdrafts.
Financial assets and liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Classification
The Group classifies financial assets on initial recognition as measured at amortised cost as the Group's business model and objective is to hold the financial asset in order to collect the contractual cash flow and the contractual terms allows for cash flows on specified dates for the payment of the principal amounts outstanding.

Financial liabilities are classified at amortised cost.

Financial assets	**Classification**
Trade and other receivables	Financial assets at amortised cost
Cash and Cash Equivalents	Financial assets at amortised cost

Financial liabilities	**Classification**
Loans from related parties	Financial liabilities at amortised cost
Trade and other payables	Financial liabilities at amortised cost
Other financial liability	Financial liabilities at amortised cost

Financial assets are classified as current if expected to be realised or settled within 12 months from the reporting date; if not, they are classified as non-current. Financial liabilities are classified as non-current if the Group has an unconditional right to defer payment for more than 12 months from the reporting date.

Measurement on Initial recognition
All financial assets and liabilities are initially measured at fair value, including transaction costs.

Subsequent measurement
Financial assets held at amortised cost are subsequently measured at amortised cost using the effective interest method, less any impairment losses.

Foreign exchange gains and losses and impairments are recognised in profit or loss. Any gain or loss on de-recognition is recognised in profit or loss.

Financial liabilities are subsequently measured at amortised cost using the effective interest method.

De-recognition
Financial assets are derecognised when the rights to receive cash flows from the assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when the obligations specified in the contracts are discharged, cancelled or expire.

On de-recognition of a financial asset/liability, any difference between the carrying amount extinguished and the consideration paid is recognised in profit or loss.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Impairment of Financial Assets not carried at Fair value
Under IFRS 9 the Group calculates its allowance for credit losses as expected credit losses (ECLs) for financial assets measured at amortised cost. ECLs are a probability weighted estimate of credit losses.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in Groups that share similar credit risk characteristics.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the profit or loss.

Share capital

Incremental costs directly attributable to the issue of ordinary shares are recognised directly in equity.

Issue Expenses and Share Premium Account

Issue expenses are separately disclosed and not written off against the premium arising on the issue of share capital.

Share-based payment transactions of the Company

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

NEW STANDARDS AND INTERPRETATIONS

Standards issued but not yet effective:

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Group and which have not been applied in these financial statements, were in issue but were not yet effective.

Standard	Effective date, annual period beginning on or after
IAS 1 Presentation of Financial Statements Classification of Liabilities as Current or Noncurrent: Narrow-scope amendments to IAS 1 to clarify how to classify debt and other liabilities as current or non-current. Disclosure of Accounting Policies: The amendments require companies to disclose their material accounting policy information rather than their significant accounting policies, with additional guidance added to the Standard to explain how an entity can identify material accounting policy information with examples of when accounting policy information is likely to be material.	 1 January 2023 1 January 2023
IAS 12 amendments on deferred tax The IASB issued 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)' that clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations.	1 January 2023
IFRS 3 amendments updating a reference to the Conceptual Framework The IASB issued 'Reference to the Conceptual Framework (Amendments to IFRS 3)' with amendments to IFRS 3 'Business Combinations' that update an outdated reference in IFRS 3 without significantly changing its requirements.	1 January 2022
Disclosure of accounting policies The amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements.	1 January 2023
IAS 16 amendments regarding proceeds before intended use Proceeds before Intended Use (Amendments to IAS 16)' regarding proceeds from selling items produced while bringing an asset into the location and condition necessary for it to be capable of operating in the manner intended by management.	1 January 2022

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors Definition of Accounting Estimates: The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The requirements for recognising the effect of change in accounting prospectively remain unchanged.	1 January 2023
IAS 37 Onerous Contracts — Cost of Fulfilling a Contract The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).	1 January 2022
Annual Improvements to IFRS Standards 2018–2021 IFRS 1 – The amendment permits a subsidiary that applies paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by its parent, based on the parent's date of transition to IFRSs. IFRS 9 – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in paragraph B3.3.6 of IFRS 9 in assessing whether to derecognise a financial liability. An entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf IFRS 16 – The amendment to Illustrative Example 13 accompanying IFRS 16 removes from the example the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives are illustrated in that example.	1 January 2022

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Group.

The Group expects to adopt all relevant standards and interpretations as and when they become effective.

Standards and interpretations which are effective in the current period (Changes in accounting policies):

None of these standards which became effective during the period which are applicable to the Group, have had a material impact.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

1. Segment analysis

The Group discloses segmental analysis based on its different operations, being Bordersley, Rochdale and Pyebridge.

	Bordersley 31 December 2021 (£)	Rochdale 31 December 2021 (£)	Pyebridge 31 December 2021 (£)	Treasury and Investment 31 December 2021(£)	Group 31 December 2021 (£)
Revenue	-	-	3,245	-	3,245
Cost of sales	-	-	(34,321)	-	(34,321)
Impairment	-	-	-	(300,000)	(300,000)
Depreciation	(9,793)	-	-	-	(9,793)
Loss before tax	**65,821**	**(15,906)**	**(88,527)**	**(1,370,346)**	**(1,408,958)**
Total assets	**3,087,261**	**261,454**	**2,491,666**	**1,790,107**	**7,630,488**
Total liabilities	**(107,542)**	**(5,570)**	**(50,240)**	**(3,617,410)**	**(3,780,762)**

	Bordersley 31 December 2020 (£)	Rochdale 31 December 2020 (£)	Pyebridge 31 December 2020 (£)	Treasury and Investment 31 December 2020(£)	Group 31 December 2020 (£)
Loss before tax	**(276,000)**	**-**	**-**	**(381,564)**	**(657,564)**
Total assets	**2,895,000**	**-**	**-**	**204**	**2,895,204**
Total liabilities	**(149,700)**	**-**	**-**	**(3,019,536)**	**(3,169,236)**

As the Group currently operates solely from the United Kingdom, consequently there is no segmented disclosure with regard to different geographic areas of operation.

2. Revenue

	31 December 2021 (£) Group	31 December 2020 (£) Group
Electricity sales	3,245	-
	3,245	**-**

Revenue comprised ancillary electricity sales from operational testing.

3. Other Income

	31 December 2021 (£) Group	31 December 2020 (£) Group
Loan waiver – St. Anderton on Vaal	355,659	-
	355,659	**-**

MAST Energy Projects Ltd (MEP), a 100% owned and controlled subsidiary of MAST had certain outstanding and accrued consulting fees owing to the service provider (St. Anderton on Vaal) relating to the period 2019 to 2021.The settlement value of these fees (the "Consulting Fees") has now been agreed between MEP, MAST and St. Anderton on Vaal. The settlement comprised cash payments for a total amount of £169,603.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

4. Loss on ordinary activities before taxation

Loss on ordinary activities before taxation is stated after the following key transactions:	**31 December 2021 (£) Group**	**31 December 2020 (£) Group**
Depreciation of property, plant and equipment	9,793	-
Expenditure settled in shares	172,710	-
Impairment of goodwill	300,000	-

5. Auditors remuneration

	31 December 2021 (£)	**31 December 2020 (£)**
Audit fees for the audit of the Company's annual accounts	15,000	8,750
Fees payable to the Company's auditor and its associates for:		
Audit fees for audit of Company's subsidiaries required by legislation	22,500	6,200
Audit fees to the Company's auditors	**37,500**	**14,950**
Non-audit services (Reporting Accountant Engagement)	59,945	-

6. Directors' emoluments

	Group 31 December 2021 (£)	**Group 31 December 2020 (£)**	**Company 31 December 2021 (£)**	**Company 31 December 2020 (£)**
Basic salary and fees	171,463	-	75,737	-
	171,463	**-**	**75,737**	**-**

The emoluments of the Chairman were £27,000 (2020: £Nil).

The aggregate value of any entity contributions paid, or treated as paid, to a pension scheme in respect of Directors' qualifying services, being contributions by reference to which the rate or amount of any money purchase benefits that may become payable will be calculated.

The emoluments of the highest paid Director were £115,262 (2020: £Nil).

The following table summarises the remuneration applicable to each of the individuals who held office as a Director during the reporting period:

31 December 2021	**Salary and fees £**	**Salary and fees settled in shares £**	**Warrants issued £**	**Total £**
Louis Coetzee	27,000	-	-	27,000
Paul Venter	115,262	-	-	115,262
Candice Theron (resigned 30 September 2021)	19,264	-	-	19,264
Dominic Traynor (appointed 30 September 2021)	9,937	-	-	9,937
Total	**171,463**	**-**	**-**	**171,463**

Director salaries and fees accrued as at 31 December 2021 amount to £Nil (2020: £Nil).

There were no other elements of Director's remuneration incurred in the current or prior period, other than the those stated above.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

7. Taxation

Current tax

	31 December 2021 (£)	31 December 2020 (£)
Charge for the period in the United Kingdom	-	-
Total tax charge	-	-

The difference between the total current tax shown above and the amount calculated by applying the standard rate of corporation tax for various jurisdictions to the loss before tax is as follows:

	2021 (£)	2020 (£)
Loss on ordinary activities before tax	**(1,408,958)**	**(657,564)**
Income tax expense calculated at 19% (2020: 19%)	(267,702)	(124,937)
Expenses which are not deductible – Impairment of Goodwill	57,000	-
Losses available for carry forward	210,702	124,937
Income tax expense recognised in the Statement of Profit or Loss	-	-

The effective tax rate used for the December 2021 and December 2020 reconciliations above is the corporate rate of 19% payable by corporate entities on taxable profits under tax law in the United Kingdom.

No provision has been made for the 2021 deferred taxation as no taxable income has been received to date, and the probability of future taxable income is indicative of current market conditions which remain uncertain.

At the Statement of Financial Position date, the Directors estimate that the Group has unused tax losses of £2,148,059 (2020: £1,039,101) available for potential offset against future profits which equates to an estimated potential deferred tax asset of £408,131 (2020: £197,429).

Losses may be carried forward indefinitely in accordance with the applicable taxation regulations ruling within each of the above jurisdictions.

8. Loss of parent Company

As permitted by Section 408 of the Companies Act 2006, the Statement of Profit or Loss of the parent Company has not been separately disclosed in these financial statements. The parent Company’s loss for the financial period was £1,557,026 for its first year of trading.

Furthermore, in terms of the Section 414(1) of the Companies Act 2006, the Statement of Profit or Loss of the parent Company has been approved by the Directors.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

9. Loss per share

Basic loss per share
The basic loss and weighted average number of ordinary shares used for calculation purposes comprise the following:

Basic loss per share	**31 December 2021 (£)**	**31 December 2020 (£)**
Loss for the period attributable to equity holders of the parent	(1,312,243)	(502,194)
Weighted average number of ordinary shares for the purposes of basic loss per share	164,622,838	104,496,960
Basic loss per ordinary share (pence)	(0.80)	(0.48)

The Group has no dilutive instruments in issue as at year end.

10. Property, plant and equipment

Group	**Land**	**Plant & Machinery**	**Right of use assets**	**Total**
Cost	**(£)**	**(£)**	**(£)**	**(£)**
Opening Cost as at 1 January 2020	-	-	-	-
Additions	602,500	2,011,409	293,793	2,907,702
Closing Cost as at 31 December 2021	**602,500**	**2,011,409**	**293,793**	**2,907,702**

	Land	**Plant & Machinery**	**Right of use assets**	**Total**
Accumulated Depreciation ("Acc Depr")	**(£)**	**(£)**	**(£)**	**(£)**
Opening Acc Depr as at 1 January 2020	-	-	-	-
Depreciation	-	-	(9,793)	(9,793)
Acc Depr as at 31 December 2021	**-**	**-**	**(9,793)**	**(9,793)**

	Land	**Plant & Machinery**	**Right of use assets**	**Total**
Carrying Value	**(£)**	**(£)**	**(£)**	**(£)**
Carrying value as at 31 December 2021	**602,500**	**2,011,409**	**284,000**	**2,897,909**

The Group has one lease contract for land it shall utilise to construction a 5MW gas-fuelled power generation plant. The land is located at Bordersley, Liverpool St. Birmingham.

The lease of the land has a lease term of 20 years, with an option to extend for 10 years which the Group has opted to include due to the highly likely nature of extension as at the time of the original assessment.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group's incremental borrowing rate is 8.44%.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Right of use asset	**31 December 2021(£) Group**	**31 December 2020(£) Group**
Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:		
Opening balance	**-**	**-**
Additions	293,793	-
Depreciation	(9,793)	-
Closing balance	**284,000**	**-**

Lease liability		
Set out below are the carrying amounts of lease liabilities and the movements during the period:		
Opening balance	**-**	**-**
Additions	293,793	-
Interest	24,725	-
Repayment	(27,000)	-
Closing balance	**291,518**	**-**
Spilt of lease liability between current and non-current portions:		
Non-current	289,045	**-**
Current	2,473	**-**
Total	**291,518**	**-**
Future minimum lease payments fall due as follows		
- within 1 year	27,000	-
- later than 1 year but within 5 years	108,000	
- later than 5 years	648,000	
Subtotal	**783,000**	
- Unearned future finance charges	(491,481)	
Closing balance	**291,519**	

A 1% change in the Incremental Borrowing Rate ("IBR"), would result in a £25,185 change in the Right of Use Asset, and corresponding Lease Liability on transaction date.

11. Intangible assets

Intangible assets consist of separately identifiable assets or intellectual property (Bordersley Power) acquired either through business combinations or through separate asset acquisitions. These intangible assets are recognised at the respective fair values of the underlying asset acquired, or where the fair value of the underlying asset acquired is not readily available, the fair value of the consideration.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The following reconciliation serves to summarise the composition of intangible assets as at period end:

Group	**Rochdale Power (£)**	**Bordersley Power (£)**	**Total (£)**
Carrying value as at 1 January 2020	**-**	**-**	**-**
Acquisition of Bordersley Power Ltd	-	2,595,000	2,595,000
Carrying value as at 1 January 2021	**-**	**2,595,000**	**2,595,000**
Acquisition of Rochdale Power Ltd	150,273	-	150,273
Carrying value as at 31 December 2021	**150,273**	**2,595,000**	**2,745,273**

Intangible assets are amortised once commercial production commenced, over the remaining useful life of the project, which is estimated to be between 20 to 30 years, depending on the unique characteristics of each project.

Until such time as the underlying operations commence production, the Group performs regular impairment reviews to determine whether any impairment indicators exist.

One or more of the following facts or circumstances indicate that an entity should test an intangible asset for impairment:

- the period for which the entity has the right to develop the asset has expired during the period or will expire in the foreseeable future;
- substantial expenditure on the asset in future is neither planned nor budgeted;
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the development asset is unlikely to be recovered in full from successful development or by sale.

In assessing whether a write-down is required in the carrying value of a potentially impaired intangible asset, the asset's carrying value is compared with its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. The valuation techniques applicable to the valuation of the abovementioned intangible assets comprise a combination of fair market values, discounted cash flow projections and historic transaction prices.

The following key assumptions influence the measurement of the intangible assets' recoverable amounts, through utilising the value in use calculation performed:

- energy prices pegged from base year;
- commercial viability period;
- cost of capital related to funding requirements;
- applicable inflationary increases in energy prices and related costs;
- future operating expenditure for developments of the project; and
- co-operation of key project partners going forward.

Through review of the project specific financial, operational, market and economic indicators applicable to the above intangible assets, as well as consideration of the various elements which contribute toward the indication of impairment, it was concluded no impairment was necessary in the 2021 financial period.

A summary of the assessment performed for each of the intangible assets are detailed below.

Key estimation variables	**Rochdale**	**Bordersley**
Life of project	25 to 30 years	25 to 30 years
Weighted average cost of capital ("WACC")	6.19%	6.32%
Output	4.4MW	5.0MW
Average £/MW output	£20 to £30 per MW output	£15 to £20 per MW output
Debt/Equity ratio	55/45	55/45
Sensitivity analysis	**Rochdale**	**Bordersley**
100bps Increase/Decrease in WACC	£413,842	£689,377
250bps Increase/Decrease in £/MW output	£135,489	£168,921

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

12. Acquisition of interests in other entities

Bordersley Power Ltd - 2019
MAST Energy PLC initially acquired an indirect 100% equity interest in shovel-ready reserve power generation project, Bordersley, which will comprise a 5MW gas-fuelled power generation plant for the consideration of £175,000 settled through the issue of shares.

Thereafter, MAST acquired all of St Anderton's direct and indirect interests (Royalty Agreements) in the Bordersley power project described above giving it a 100% economic and 100% equity interest in Bordersley (the 'Acquisition'). Consideration for the Acquisition consists of the allotment and issue of 46,067,206 ordinary shares in the capital of MAST to St Anderton at an issue price of £0.0525 per share and payable in five tranches ('Consideration Shares') such that the full consideration is only payable in the event that Bordersley is progressively derisked.

As there were no separately identifiable assets and/or liabilities acquired, the purchase price was allocated toward the Intellectual Property acquired, in the amount of £2,595,000, as disclosed in Note 11.

Pyebridge Power Ltd - 2021

Sloane Developments (Sloane) acquired a 100% equity interest in Pyebridge Power Limited ("Pyebridge") for £2,500,000 in cash which is settled as follows:

- An initial £1,485,500 to be paid in cash at completion date on the 10th of August 2021;
- Repayment of the loan outstanding of £14,500 by Sloane to Pyebridge;
- Deferred consideration of £1,000,000 to be paid in two tranches 8 months and 12 months respectively from the date of completion.

The acquisition of PyeBridge comprise of the following:

- An installed and commissioned synchronous gas-powered standby generation facility; and
- The land on which the gas-powered facility stands.

The acquisition of land and gas-powered generation facility will be accounted for as assets purchased at consolidated level, and not as a business combination in accordance with IFRS 3. Therefore the purchase price has been allocated between land and the PPE based on their respective fair values as at the date of acquisition, as disclosed in Note 8.

Rochdale Power Ltd - 2021

Sloane Developments (Sloane) acquired a 100% interest in Rochdale Power Limited ("Rochdale"), from Balance Power Projects Limited, for the installation of a 4.4 MW flexible gas power project in Dig Gate Lane, Rochdale, OL 16 4NR.The acquisition purchase price totals £239,523 of which the freehold site amounts to £90,750 excluding VAT and the property rights amount to £150,273. The acquisition purchase price is to be paid in cash. The freehold site purchased is the property at Dig Gate Lane, Kingsway Business Park, Rochdale, OL16 4NR.

The acquisition of land and gas-powered generation facility will be accounted for as assets purchased at consolidated level, and not as a business combination in accordance with IFRS 3. Therefore the purchase price has been allocated to the property, plant and equipment and intangible assets, as disclosed in Note 8 and Note 10 respectively.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

13. Goodwill

MAST Energy Projects Limited - 2020
In the previous financial period the Group acquired a 60% equity interest in MAST Energy Project Limited, previously known as MAST Energy Development Limited, for £300,000, settled through the issue of 5,714,286 ordinary shares in Kibo Energy PLC effective on 19 October 2018. The acquisition of MAST Energy Projects Limited falls within the ambit of IFRS 3: Business Combinations.

The net assets acquired were valued at Nil, with the resultant purchase price being allocated to Goodwill on date of acquisition. Goodwill is assessed for impairment on an annual basis, against the recoverable amount of underlying Cash Generating Unit ("CGU"). The recoverable amount of the CGU, is the higher of its fair value less cost to sell and its value in use.

Because the underlying projects previously held by Mast Energy Projects Limited have now been restructured into separate SPV's, controlled directly by the intermediary holding company Sloane Developments Limited, there was no prospective benefit from continued operations of Mast Energy Projects Limited therefore the goodwill was impaired. The Company will cease operations in the foreseeable future.

14. Other receivables

	Group 2021 (£)	Group 2020 (£)	Company 2021 (£)	Company 2020 (£)
Consists of:				
Other receivables	181,845	-	4,545	-
	181,845	**-**	**4,545**	**-**

The carrying value of current trade and other receivables approximates their fair value due to the short nature thereof.

Trade and other receivables pledged as security

None of the above stated trade and other receivables were pledged as security at period end. Credit quality of trade and other receivables that are neither past due nor impaired can be assessed by reference to historical repayment trends of the individual debtors.

15. Cash and cash equivalents

	Group (£)		Company (£)	
	2021	2020	2021	2020
Cash consists of:				
Cash at bank and in hand	1,805,461	204	1,787,335	-
	1,805,461	**204**	**1,787,335**	**-**

Cash and cash equivalents have not been ceded, or placed as encumbrance toward any liabilities as at year end.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

16. Share capital - Group and Company

The called-up and fully paid share capital of the Company is as follows:

	2021	2020
Allotted, issued and fully paid shares		
(2021: 188,717,097 Ordinary shares of £0.001 each)	£188,717	-
(2020: 104,496,950 Ordinary shares of £0.001 each)	-	£104,497
	£188,717	**£104,497**

	Number of Shares	Ordinary Share Capital (£)	Share Premium (£)
Balance at 31 December 2020	**104,496,960**	**104,497**	**2,511,432**
Shares issued on listing	44,320,000	44,320	4,972,515
Expenditure settled in shares	2,983,061	2,983	169,727
Acquisition of Non-controlling interest	36,917,076	36,917	4,028,669
Balance at 31 December 2021	**188,717,097**	**188,717**	**11,682,343**

All ordinary shares issued have the right to vote, right to receive dividends, a copy of the annual report, and the right to transfer ownership of their shares.

During the year the Company issues shares as settlement of professional expenses in the amount of £172,710.

17. Reserve

Common control reserve
On 17 September 2020, the Company became the legal parent of Sloane Developments Limited following completion of the acquisition of the entire issued share capital of Sloane Developments Limited, from Kibo Mining Cyprus Limited, a wholly owned subsidiary of Kibo Energy PLC. Following the completion of the acquisition, the ultimate holding Company, being Kibo Energy PLC, retained control over Sloane Developments Limited.

As MED is only an investment holding company, incorporated for the purposes of raising capital funding for its investee projects, and the majority shareholder before and after the Acquisition continue to be Kibo Energy PLC, the transaction is considered to be a common control transaction, outside the scope of IFRS 3, seen as a capital reorganisation, where predecessor valuation accounting was applied with regard to the incorporation of historic financial information.

The common control reserve is the result of the predecessor valuation accounting which was applied as a result of the common control transaction.

Non-controlling interest acquired
On 31 July 2020, Sloane Developments Limited, MAST Energy Projects Limited and St. Anderton on Vaal Limited entered into the Share Exchange Agreement relating to the acquisition by Sloane Developments Limited of the remaining 40% of the issued share capital of MAST Energy Projects Limited. Under the Share Exchange Agreement, the Company will pay St Anderton on Vaal Limited the sum of £4,065,586 payable by the issue of 36,917,076 ordinary shares of £0.001 each in the Company. Completion of the Share Exchange Agreement was subject to and conditional upon the Admission of Mast Energy Developments Limited to the London Stock Exchange.

Following completion of the IPO on 14 April 2021, the Group acquired the remaining equity interest in MAST Energy Projects Ltd for the consideration equal to 36,917,076 shares at a total value of £4,065,586.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

As the controlling stake in the entity had already been acquired, the transaction was seen as a transaction with owners, and the financial impact recognised directly in equity of £4,065,586.

The rationale for the transaction was to acquire the remaining equity within MAST Energy Projects Limited in order to have the exclusive see-through equity interest in the Bordersley project, held in the form of royalty and revenue agreements between MAST Energy Projects Limited and Bordersley Power Limited, from which MED could restructure the Group through its SPV's.

18. Non-controlling interest

The non-controlling interest carried forward relates to the minority equity owners of MAST Energy Projects Limited.

	Group	
	2021 (£)	**2020 (£)**
Opening balance	**(273,560)**	**(118,190)**
Loss for the year allocated to non-controlling interest	(34,470)	(155,370)
Acquisition of non-controlling interest settled through the issue of shares	308,030	-
Closing balance of non-controlling interest	**-**	**(273,560)**

The summarised financial information for significant subsidiaries in which the non-controlling interest has an influence, namely MAST Energy Projects Limited as at ended 31 December 2021, is presented below:

	MAST Energy Projects Limited 2021 (£)	**MAST Energy Projects Limited 2020 (£)**
Statement of Financial position		
Total assets	-	147,100
Total liabilities	(9,140)	461,800
Statement of Profit and Loss		
Revenue for the period	997,021	-
Profit/(loss) for the period	539,146	(388,424)
Statement of Cash Flow		
Cash flows from operating activities	-	-
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-

19. Loans from related parties

	Group 2021 (£)	**Group 2020 (£)**	**Company 2021 (£)**	**Company 2020 (£)**
Amounts falling due within one year:				
Kibo Mining (Cyprus) Limited	2,269,035	2,698,730	-	-
	2,269,035	**2,698,730**	**-**	**-**

The loan is unsecured, carries interest at 0%, and is repayable on demand. The carrying value of loans from related parties equals their fair value due mainly to the short term nature of the liability.

20. Trade and other payables

	Group 2021 (£)	**Group 2020 (£)**	**Company 2021 (£)**	**Company 2020 (£)**
Amounts falling due within one year:				
Trade payables	259,505	14,506	36,028	-
	259,505	**14,506**	**36,028**	**-**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The carrying value of current trade and other payables equals their fair value due mainly to the short term nature of these payables.

21. Other financial liability

	Group 2021 (£)	Group 2020 (£)	Company 2021 (£)	Company 2020 (£)
Amounts falling due within one year:				
Short term loans	-	456,000	-	-
Deferred vendor liability	960,686	-	-	-
	960,686	**456,000**	**-**	**-**

Deferred vendor liability
The amount due to vendors represents the balance of the purchase consideration owing in respect of the acquisition of Pyebridge Power Limited. The liability will be settled in cash as follows:

- £500,000 payable within 8 months after the signing of the SPA represents: and
- £500,000 payable within 12 months after the signing of the SPA represents.

The fair value of the deferred vendor liability is based on the anticipated purchase consideration payable, at the fair value thereof on the date of the transaction. The carrying value of current other financial liability equals their fair value due mainly to the short-term nature of these payables.

Short term loans
Short term loans relate to the unsecured interest free loan facility from Sanderson Capital Partners Limited which is repayable either through the issue of ordinary shares or payment of cash by the Company.

22. Investment in Group undertakings

Breakdown of investments at 31 December 2021

	Subsidiary undertakings (£)
Sloane Developments Limited	8,558,182
Total cost of investments	**8,558,182**

Breakdown of investments at 31 December 2020

	Subsidiary undertakings (£)
Sloane Developments Limited	2,615,929
Total cost of investments	**2,615,929**

	Subsidiary undertakings (£)
Investments at Cost	
At 1 January 2021	**2,615,929**
Advances to subsidiaries	6,837,541
Provision for impairment	(895,288)
At 31 December 2021 (£)	**8,558,182**

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The above investment in subsidiaries comprises the carrying value of the investments in Sloane Developments Limited held by Mast Energy Developments PLC. Sloane Developments Limited holds the investments in MAST Energy Projects Limited, Bordersley Power Limited, Pyebridge Power Limited and Rochdale Power Limited as well as the capital contributions, net of impairment.

As at reporting period end, the investment in Sloane Developments Limited was subject to impairment review, incorporating the underlying Value In Use of each individual project owned by Sloane Developments Limited, being Bordersley Power Limited, Pyebridge Power Limited and Rochdale Power Limited. Refer to Note 11 which includes further details surrounding the parameters utilised in determining the Value in Use for each of the underlying projects which support the recoverable amount of the investment in Sloane Developments Limited.

As at year end, the investment in Sloane Developments Limited, which includes a total equity contribution by Mast Energy Developments PLC in MAST Energy Projects Limited in the amount of £895,288, was impaired in full as the Company is being closed down.

At 31 December 2021 the Company had the following undertakings:

Description	Subsidiary	Activity	Incorporated in	Interest held (2021)	Interest held (2020)
Directly held Investments					
Sloane Developments Limited	Subsidiary	Project holding Company	United Kingdom	100%	100%
Indirectly held Investments					
MAST Energy Projects Limited	Subsidiary	Project holding Company	United Kingdom	100%	60%
Bordersley Power Limited	Subsidiary	Energy production	United Kingdom	100%	100%
Pyebridge Power Limited	Subsidiary	Energy production	United Kingdom	100%	0%
Rochdale Power Limited	Subsidiary	Energy production	United Kingdom	100%	0%

23. Related party transactions

Related parties of the Group comprise subsidiaries, significant shareholders and the Directors.

Relationships

Board of Directors/ Key Management

Name	Relationship (Directors of:)
Paul Venter	St Anderton on Vaal Limited
Louis Coetzee	Kibo Energy PLC and Katoro Gold PLC
Dominic Traynor	Druces LLP

Other entities over which Directors/key management or their close family have control or significant influence:

St Anderton on Vaal Limited:	St Anderton on Vaal Limited provides consulting services to the Group. The Directors of St Anderton on Vaal Limited are also Directors of Mast Energy Developments PLC.
Kibo Energy PLC:	Kibo Energy PLC is the controlling shareholder of Mast Energy Developments PLC.
Ultimate shareholder:	Kibo Energy PLC

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Significant shareholders:	St Anderton on Vaal Limited Kibo Mining (Cyprus) Limited
Associated by fellow directorship:	Katoro Gold PLC

MAST Energy Developments PLC is a shareholder of the following companies and as such are considered related parties:

Directly held subsidiaries:	Sloane Developments Limited MAST Energy Projects Limited Bordersley Power Limited Pyebridge Power Limited Rochdale Power Limited

Balances and transactions

Name	Amount (£) 2021	Amount (£) 2020
Kibo Energy PLC – Loan from related parties owing	2,269,035	2,698,730
St Anderton on Vaal Limited – Consulting services	161,000	456,000
Kibo Energy PLC - Management and administration services	87,000	174,000
St Anderton on Vaal Limited – Purchase of Non-Controlling interest	4,065,586	-

St Anderton on Vaal Limited was paid £169,603 (2020: £Nil) during the year for the settlement of the amounts owing by MAST Energy Projects Limited for consulting services rendered, which resulted in an other income on the debt write-off of £355,397.

On 31 July 2020, the Sloane Developments Limited, Mast Energy Projects Limited and St. Anderton on Vaal Limited entered into the Share Exchange Agreement relating to the acquisition by Sloane Developments Limited of the remaining 40% of the issued share capital of Mast Energy Projects Limited. Under the Share Exchange Agreement, the Company will pay St Anderton on Vaal Limited the sum of £4,065,586 payable by the issue of 36,917,076 ordinary shares of £0.001 each in the Company. Completion of the Share Exchange Agreement was subject to and conditional upon the Admission of Mast Energy Developments Limited to the London Stock Exchange. Following completion of the IPO on 14 April 2021, the Group acquired the remaining equity interest in Mast Energy Projects Ltd for the consideration equal to 36,917,076 shares at a total value of £4,065,586.

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. The transactions during the period between the Company and its subsidiaries included the settlement of expenditure to/from subsidiaries, working capital funding, and settlement of the Company's liabilities through the issue of equity in subsidiaries. The loans from related parties do not have fixed repayment terms and are unsecured.

24. Financial Instruments and Financial Risk Management

The Group and Company's principal financial instruments comprise cash. The main purpose of these financial instruments is to provide finance for the Group and Company's operations. The Group has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations.

It is, and has been throughout the 2021 and 2020 financial period, the Group and Company's policy not to undertake trading in derivatives.

The main risks arising from the Group and Company's financial instruments are credit risk, liquidity risk, interest rate risk and capital risk. Management reviews and agrees policies for managing each of these risks which are summarised below.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

	2021 (£)		2020 (£)	
Financial instruments of the Group are:	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial liabilities at amortised cost
Financial assets at amortised cost				
Trade and other receivables	181,845	-	-	-
Cash	1,805,461	-	204	-
Financial liabilities at amortised cost				
Loans from related parties	-	2,269,035	-	2,698,730
Trade payables	-	259,505	-	14,506
Other financial liability	-	960,686	-	456,000
	1,987,306	**3,489,226**	**204**	**3,169,236**

	2021 (£)		2020 (£)	
Financial instruments of the Company are:	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial liabilities at amortised cost
Financial assets at amortised cost				
Trade and other receivables – current	4,545	-	-	-
Cash	1,787,335	-	-	-
Financial liabilities at amortised cost				
Trade payables – current	-	36,028	-	-
	1,791,880	**36,028**	**-**	**-**

Group Sensitivity Analysis
As the Group/Company has no material monetary assets denominated in foreign currencies, the impact associated with a change in the foreign exchange rates is not expected to be material to the Group/Company.

Credit risk
Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. As the Group has minimal sales to third parties, this risk is limited.

The Group and Company's financial assets comprise receivables and cash and cash equivalents. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies. The Group and Company's exposure to credit risk arise from default of its counterparty, with a maximum exposure equal to the carrying amount of cash and cash equivalents in its consolidated statement of financial position.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The Group defines counterparties as having similar characteristics if they are connected or related entities.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

Financial assets exposed to credit risk at period end were as follows:

Financial instruments	**Group (£)**		**Company (£)**	
	2021	**2020**	**2021**	**2020**
Trade & other receivables	181,845	-	4,545	-
Cash	1,805,461	204	1,787,335	-
	1,987,306	**204**	**1,791,880**	**-**

Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has built an appropriate liquidity risk management framework for the management of the Group and Company's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the Group.

The Group and Company's financial liabilities as at 31 December 2021 were all payable on demand, other than the trade payables to other Group undertakings.

	Within 1 year	**Later than 1 year but within 5 years**	**Later than 5 years**
Group (£)			
At 31 December 2021			
Loans from related parties	2,269,035	-	-
Trade and other payables	259,505	-	-
Other financial liability	960,686	-	-
Lease Liabilities	27,000	108,000	648,000
At 31 December 2020			
Loans from related parties	2,698,730	-	-
Trade and other payables	14,506	-	-
Other financial liability	456,000	-	-
Company (£)			
At 31 December 2021			
Trade and other payables		36,028	-
At 31 December 2020			
Trade and other payables		-	-

Interest rate risk
The Group and Company's exposure to the risk of changes in market interest rates relates primarily to the Group and Company's holdings of cash and short term deposits.

It is the Group and Company's policy as part of its management of the budgetary process to place surplus funds on short term deposit in order to maximise interest earned.

Group Sensitivity Analysis:
Currently no significant impact exists due to possible interest rate changes on the Company's interest bearing instruments.

Capital risk management
The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

NOTES TO THE ANNUAL FINANCIAL STATEMENTS

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the period ended 31 December 2021. The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained losses as disclosed in the consolidated statement of changes in equity.

Fair values
The carrying amount of the Group and Company's financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their fair value.

Hedging
At 31 December 2021, the Group had no outstanding contracts designated as hedges.

25. Post Statement of Financial Position events

As at the date of this report, no significant post statement of financial position events or conditions were identified which required further disclosure or adjustment to the financial results.

26. Commitments and Contingencies

The Group does not have identifiable material commitments and contingencies as at the reporting date.