

29 March 2018

Inspirit Energy Holdings PLC
(“Inspirit Energy”, the “Group” or the “Company”)

Interim Results

Inspirit Energy Holdings PLC (AIM: INSP), the developer of micro Combined Heat and Power (microCHP) boilers, is pleased to announce its interim accounts for the six months ended 31 December 2017.

Chairman’s Statement:

During the period, the Group has continued working to advance its microCHP boiler (the “Inspirit Charger”) towards commercialisation. The improvements to the design announced last year of the Group’s Stirling engine technology, including simplification as part of the ‘design for manufacture’ (“DFM”) process, has encouragingly maintained the peak electrical output up to 3.2kW in internal tests.

The engineering department has throughout the last period made significant developments in our regenerator technology. The increased efficiency in the regenerator will allow the Stirling engine to be manufactured from a commodity grade stainless steel derivative, which is both stronger and cheaper to manufacture than the previous proprietary “Inconel” materials.

The DFM process continues to yield several engineering improvements and manufacturing cost reductions whilst others are still expected. Whilst this DFM process remains ongoing, the Group is now looking to proceed to the certification process whereby the Inspirit Charger will be subjected to testing by a competent authority. Once this has been achieved, we can then look towards commencing field trials with commercial partners. The Company will update investors as these milestones are met over the forthcoming year.

The operating board believe that the progress over the last six months has been positive. Whilst we remain well positioned in the microCHP boiler technology market, ongoing funding for the development and commercialisation of our product remains a challenge. Accordingly, we continue to manage our resources whilst pushing forward with the product and expect this to continue in 2018.

The Board will provide further a updates in due course.

John Gunn, Chairman and CEO of Inspirit, commented,

“Last six months has seen another progressive step for the Company with reduction in development costs and the charger unit maintaining its output to management expectations.”

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INSPIRIT ENERGY HOLDINGS PLC
Consolidated
Statement of Comprehensive Income
for the six months ended 31 December 2017

	Group Six months to 31 December 2017 Unaudited £'000s	Group Six months to 31 December 2016 Unaudited £'000s	Group Year to 30 June 2017 Audited £'000s
Revenue	-	-	-
Administrative expenses	(169)	(214)	(384)
Other Losses –Net	-	-	-
Operating loss	<u>(169)</u>	<u>(214)</u>	<u>(384)</u>
Finance costs	(15)	(1)	(73)
Loss before tax	<u>(184)</u>	<u>(215)</u>	<u>(457)</u>
Income tax credit	-	-	38
Loss for the period from continuing operations attributable to shareholders	<u><u>(184)</u></u>	<u><u>(215)</u></u>	<u><u>(419)</u></u>
Loss per share - Pence			
Basic and diluted	<u><u>(0.01)p</u></u>	<u><u>(0.02)p</u></u>	<u><u>(0.04)p</u></u>

INSPIRIT ENERGY HOLDINGS PLC

**Consolidated
Statement of Financial Position as at 31 December 2017**

	Group As at 31 December 2017 Unaudited £'000s	Group As at 31 December 2016 Unaudited £'000s	Group As at 30 June 2017 Audited £'000s
Non-Current Assets			
Intangible assets	2,783	2,619	2,668
Tangible assets	49	58	53
	2,832	2,677	2,721
Current assets			
Trade and other receivables	48	63	174
Cash and cash equivalents	53	73	30
	101	136	204
Current liabilities			
Trade and other payables	(287)	(311)	(366)
Other borrowing	(180)	(120)	(199)
	(467)	(431)	(565)
Net Current Liabilities	(366)	(295)	(361)
Non-Current Liabilities			
Trade and other payables	-	-	-
	2,466	2,382	2,360
Equity			
Share capital	1,818	1,334	1,568
Share premium	8,184	8,097	8,144
Other reserves	206	206	206
Merger reserve	3,150	3,150	3,150
Reverse acquisition reserve	(7,361)	(7,361)	(7,361)
Retained losses	(3,531)	(3,044)	(3,347)
Total	2,466	2,382	2,360

INSPIRIT ENERGY HOLDINGS PLC
Consolidated
Statement of Changes in Equity
For the six months ended 31 December 2017

	Attributable to the owners of the parent						
	Share capital	Share premium	Other reserves	Merger reserve	Reverse acquisition reserve	Retained losses	Total Equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 July 2015	1,098	7,305	125	3,150	(7,361)	(2,371)	1,946
Loss for the year	-	-	-	-	-	(458)	(458)
Total comprehensive income for the year	-	-	-	-	-	(458)	(458)
Share issues	236	919	-	-	-	-	1,155
Share issue costs	-	(46)	-	-	-	-	(46)
Issue of warrants	-	(81)	81	-	-	-	-
Transactions with owners	236	792	81	-	-	-	1,109
Balance at 30 June 2016	1,334	8,097	206	3,150	(7,361)	(2,829)	2,597
Loss for the year	-	-	-	-	-	(419)	(419)
Total comprehensive income for the year	-	-	-	-	-	(419)	(419)
Share issues	234	58	-	-	-	-	292
Share issue costs	-	(11)	-	-	-	-	(11)
Debt Adjustment	-	-	-	-	-	(99)	(99)
Transactions with owners	234	47	-	-	-	(99)	182
Balance as at 30 June 2017	1,568	8,144	206	3,150	(7,361)	(3,347)	2,360
Loss for the period	-	-	-	-	-	(184)	(184)
Total comprehensive income for the period	-	-	-	-	-	(184)	(184)
Share issues	250	50	-	-	-	-	300
Share issue costs	-	(10)	-	-	-	-	(10)
Transactions with owners	250	40	-	-	-	(184)	106
Balance as at 31 December 2017	1,818	8,184	206	3,150	(7,361)	(3,531)	2,466

INSPIRIT ENERGY HOLDINGS PLC
Consolidated
Statement of Cash Flows
For the six months ended 31 December 2017

	Note	Group Six months to 31 December 2017 Unaudited £'000	Group Six months to 31 December 2016 Unaudited £'000	Group Year to 30 June 2017 Audited £'000
Operating activities				
Net cash from operating activities	6	(137)	(14)	(185)
Net cash generated/(used) in operating activities		(137)	(14)	(185)
Investing activities				
Acquisition of intangible assets		(115)	(124)	(173)
Acquisition of plant and equipment		-	-	(1)
Net cash from financing activities		(115)	(124)	(174)
Financing activities				
Issue of share capital (Net of fees)		290	-	204
Finance costs		(15)	(1)	(73)
Increase in short term borrowing		-	(46)	-
Transactions with owners		-	-	-
Net cash from financing activities		275	(47)	131
Net cash outflow		23	(185)	(228)
Cash and cash equivalents at the beginning of the period		30	258	258
Cash and cash equivalents at the end of the period		53	73	30

INSPIRIT ENERGY HOLDINGS PLC

Consolidated Notes to the Interim Financial Information

1. General Information

The principal activity of Inspirit Energy Holdings PLC (“the Company”) during the period was that of an investment company which aims to invest in disruptive products or technologies that are either proven or at the later stages of development, which own or have exclusive licence to the relevant intellectual property and may benefit from feed-in tariffs or other renewable energy incentives.

Inspirit Energy Holdings PLC is a company incorporated and domiciled in England and Wales and quoted on AIM, a market operated by the London Stock Exchange. The address of its registered office is 2nd Floor, 2 London Wall Buildings, London, EC2M 5PP, United Kingdom.

2. Basis of Preparation

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. Statutory financial statements for the year ended 30 June 2017 were approved by the Board of Directors on 22 December 2017 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The interim financial information for the six months ended 31 December 2017 has not been reviewed or audited. The interim financial report has been approved by the Board on 28 March 2018.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Company to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the interim financial statements for the period ended 31 December 2017.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company’s medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company’s 2017 Annual Report and Financial Statements, a copy of which is available on the Company’s website: www.inspirit-energy.com. The key financial risks are liquidity and credit risk.

Critical accounting estimates

The preparation of interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 2 of the Company’s 2017 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

3. Significant Accounting Policies

The accounting policies applied are consistent with those of the annual financial statements for the year ended 30 June 2017, as described in those annual financial statements.

4. Segmental Analysis

The Company's primary reporting format is business segments and its secondary format is geographical segments. The Company only operates in a single business and geographical segment. Accordingly no segmental information for business segment or geographical segment is required.

5. Loss per Share

The loss per ordinary share is based on the Group's loss for the period of £184,000 (company's loss – 6 months to 31 December 2016 - £215,000; year ended 30 June 2017 - £419,000) and a basic and diluted weighted average number of ordinary shares of £0.001 each in issue of 1,420,806,859 (31 December 2016 – basic and diluted 936,806,859; 30 June 2017 - basic and diluted 1,170,806,859).

6. Reconciliation of Operating Loss to Net Cash Outflow from Operating Activities

	Group Six months to 31 December 2017 Unaudited £'000s	Group Six months to 31 December 2016 Unaudited £'000s	Group Year to 30 June 2017 Audited £'000s
Operating Loss for the period	(184)	(241)	(457)
Adjustments for :			
(Increase)/Decrease in receivables	125	264	192
(Decrease)/Increase in payables	(97)	(72)	29
Depreciation	4	7	11
Income tax credit received	-	-	-
Other adjustments	-	-	(33)
Finance expense	15	1	73
Net cash from operating activities	<u>(137)</u>	<u>(14)</u>	<u>(185)</u>

7. Issued and fully paid

The issued share capital is as follows

	Ordinary 'A' shares of £0.001	Ordinary 'B' shares of £0.001	Deferred shares of £0.99
31 December 2017	1,420,806,859	-	400,932
30 June 2017	1,170,806,859	-	400,932
31 December 2016	936,806,859	-	400,932

8. Copies of this interim financial information document are available from the Company at its registered office at 2nd Floor, Number 2, London Wall Buildings, London, EC2M 5PP. The interim financial information document will also be available on the Company's website www.inspirit-energy.com.