



Half-year Report & Director Loans

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Hydrogen Future Industries PLC
30 September 2025

30 September 2025

Hydrogen Future Industries plc
("HFI" or the "Company")

Interim Results for the Six-Month Period Ended 31 January 2025
Update re Suspension

[Hydrogen Future Industries plc](#) (AQSE: HFI), a developer of a proprietary wind-based green hydrogen production system featuring an advanced aerodynamic wind turbine, presents its unaudited interim results for the six-month period ended 31 January 2025 (the "Period").

Suspension

Following publication of these results, the Company's shares is anticipated to be restored to trading on the AQSE Growth Market with effect from 8:00a.m. on 30 September 2025.

Director Loans

During the 6-month period ended 31 January 2025, Neil Ritson, Executive Chairman of the Company and Daniel Maling, Non-executive Director of the Company, provided loans in aggregate of £44,500 ("Director Loans") to the Company. Pursuant to the terms of the Director Loans, the loans have been provided to the Company on an interest free basis and are repayable by 30 September 2025, after which repayment is at the Directors' discretion, subject to the Company being able to meet its minimum working capital requirements. The Director Loans are in addition to the loans already provided by Neil Ritson and Daniel Maling to the Company on the same terms during the financial year ended 31 July 2024, as announced on 28 July 2025.

After the Period, Neil Ritson, Executive Chairman of the Company, Jonathan Colville and Daniel Maling, Non-executive Directors of the Company, provided loans in aggregate of £44,500 ("Additional Director Loans") to the Company. Pursuant to the terms of the Additional Director Loans, the loans have been provided to the Company on an interest free basis and are repayable by 30 September 2025, after which repayment is at the Directors' discretion, subject to the Company being able to meet its minimum working capital requirements. The Additional Director Loans are in addition to the loans already provided by Neil Ritson and Daniel Maling to the Company on the same terms during the Period.

At the date of this announcement, the Directors, in aggregate, have provided approximately £154,000 in loans to the Company. The date of repayment has been extended until such time the Company is able to meet its minimum working capital requirements.

Neil Ritson, Executive Chairman, commented:

"HFI's 1-metre prototype wind turbine demonstrated exceptional durability and performance and is now being prepared for its next phase of energy performance trials and objective third-party assessment.

"In parallel, testing of the third party owned novel electrolyser achieved exceptional efficiency of up to 97% and a strategy is underway to expedite the development of a commercial scale electrolyser.

"These two technologies are required for the successful generation of clean and affordable energy from green hydrogen, and we are looking forward to making further progress towards this goal.

"In parallel, we are hoping to access new sources of finance through the proposed adoption of a Bitcoin treasury

strategy and as a result we have welcomed on to the Board three directors with the requisite skills to make that a reality."

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Inside Information

This announcement contains inside information for the purposes of the UK Market Abuse Regulation and the Directors of the Company accept responsibility for the contents of this announcement.

About HFI

HFI are developing a proprietary wind-based hydrogen production system, incorporating hydrogen compression and storage. The Company is at the forefront of green hydrogen production with its integrated system that marries an advanced ducted wind turbine with a state-of-the-art Hydrogen Electrolyser technology, currently owned and being developed by a related party. This innovative pairing is designed to optimise renewable Energy for the efficient production of hydrogen.

Visit our website: www.hydrogenfutureindustries.com

Caution Regarding Forward Looking Statements

Certain statements made in this announcement are forward-looking statements. These forward-looking statements are not historical facts but rather are based on the Company's current expectations, estimates, and projections about its industry; its beliefs; and assumptions. Words such as 'anticipates,' 'expects,' 'intends,' 'plans,' 'believes,' 'seeks,' 'estimates,' and similar expressions are intended to identify forward-looking statements. These statements are not a guarantee of future performance and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond the Company's control, are difficult to predict, and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. The Company cautions security holders and prospective security holders not to place undue reliance on these forward-looking statements, which reflect the view of the Company only as of the date of this announcement. The forward-looking statements made in this announcement relate only to events as of the date on which the statements are made. The Company will not undertake any obligation to release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances, or unanticipated events occurring after the date of this announcement except as required by law or by any appropriate regulatory authority.

Chairman's Statement

Introduction

During the period, with capital scarce, we focused efforts on licensing of the technology in new jurisdictions, with negotiations in Ireland concluding during the period and the USA shortly after. We are encouraged by these licensing opportunities and believe they will unlock future sources of financing for the continued development of our technologies and follow on project opportunities.

As a route to further investment to accelerate the technology development, we have been exploring other financial strategies, and the Board is proposing the adoption of a Bitcoin Treasury Strategy to attract finance alongside the technical operations of the Company.

Development activities

Wind turbine development

The proprietary turbine provides the ability to generate energy over a broader range of wind speeds and, significantly, the turbine can be raised and lowered for optimal wind capture, whilst also reducing maintenance and installation costs and reducing permitting and approval lead times. The system is designed to meet the needs of remote off-grid communities or energy users to ease the burden on existing national grid infrastructure.

Following the successful collection of data from the initial prototype turbine in Montana in 2023, a new, more robust, and more heavily instrumented version was constructed in 2024, however, its installation was delayed due to a fault with the control unit which required upgrading, and a shortage of specialist consultants at site. Once the new turbine and electronics are deployed, the improved testing configuration will enable remote data collection whilst new sensors will provide more reliable automatic yaw and turbine braking control in high winds. We anticipate testing to recommence once financing has been secured.

Licensing Agreement for Ireland

Immediately following the year-end, a licensing and territory agreement was signed to deploy the Company's technology in the Republic of Ireland via a newly incorporated independently owned Irish company, Hydrogen Future Industries (Ireland) Limited ("HFI Ireland"). HFI Ireland intends to develop a pilot hydrogen production system in Ireland to demonstrate the production of low-cost green hydrogen.

The Company's wholly owned subsidiary, HFI IP Holdings Limited, has granted HFI Ireland an exclusive territory licence for up to 20 years in consideration for which the Company will receive a licence fee of up to €2,250,000 payable over the term of the licence. The Company will also be issued with an initial 30% equity interest in HFI Ireland.

HFI Ireland's objective is to commercialise the HFI system in Ireland and to construct and operate wind turbine farms for the purpose of hydrogen generation, storage, sale, and distribution within the territory.

To progress their financing in Ireland HFI Ireland has requested additional certified data for the wind turbine. The license has been suspended until that data is available.

Corporate activities

Share allotments

In January 2025, the Company issued 2,906,250 new ordinary shares at a price of 1.6 pence per share to creditors in lieu of cash for consultancy and service provider fees. Those shares were subject to a six-month lock-in agreement.

Director loans

During the 6-month period ended 31 January 2025, Neil Ritson, Executive Chairman of the Company and Daniel Maling, Non-executive Director of the Company, provided loans in aggregate of £44,500 ("Director Loans") to the Company. Pursuant to the terms of the Director Loans, the loans have been provided to the Company on an interest free basis and are repayable by 30 September 2025, after which repayment is at the Directors' discretion, subject to the Company being able to meet its minimum working capital requirements. The Director Loans are in addition to the loans already provided by Neil Ritson and Daniel Maling to the Company on the same terms during the financial year ended 31 July 2024, as announced on 28 July 2025.

Director fees

The Directors have all agreed to defer their fees until such time as the Company achieves certain milestones including raising new finance through the issue of new equity or licensing of the Company's technology.

Board Changes

Ms Woodley stepped down as a Director in November 2024 to pursue her executive roles elsewhere.

Due to other commitments Daniel Maling stepped down as Commercial Director in November 2024 and took up the role of Non-executive Director. Neil Ritson replaced Daniel Maling as the executive Director in the role of Executive Chairman.

In April 2025, the Board appointed Jonathan Colville as a Non-executive Director. Previously Mr Colville was Vice Chairman at Celsius Resources from 2022-2023; he was employed at Mirabaud Securities from 2007-2019 as Head of Mining and Natural Resources. Prior to this, he worked at Cannacord Genuity from 2000-2007, and James Capel from 1983-1998.

Post balance sheet events

Board Changes

The Board has appointed three new executive directors; Alex Appleton, Sarah Gow and Pierre Villeneuve to assist it with the development of the strategy and financing of the Company.

Alex Appleton - as Chief Executive Officer

Alex Appleton is an experienced CFO and board level leader, bringing over 25 years' expertise throughout his career. Previously CFO of Argo Blockchain Plc ("Argo"), a UK and Nasdaq listed Bitcoin Mining company, Alex was pivotal in raising over \$300 million in equity and debt. Alex was involved in Argo's successful Nasdaq IPO in 2021. Alex is a member of the Institute of Chartered Accountants of Scotland. Alex brings governance, regulatory and operational expertise to the Company.

Sarah Gow - as Chief Operating Officer

Sarah brings over 20 years' experience in Senior roles within the Asset Management Operations industry, having worked for Citigroup, Salomon Brothers and Coutts & Co in London, New York and Jersey. Sarah served as Non-executive Director of Argo (2021-2023). Sarah supported Argo through its Nasdaq IPO and was a member of the audit and governance committees and chaired the remuneration committee.

Pierre Villeneuve - as Chief Financial Officer

Pierre is a quantitative strategist and hedge fund founder with extensive experience in structuring investment products, portfolio construction and risk modelling. Pierre raised over \$750m into hedge fund products working with clients such as Blackrock, Credit Suisse and large pension funds. Some of Pierre's work in systematic investing was featured in "Managed Futures for Institutional Investors" (2011), and he has held

regulatory status with both the CFTC/NFA in the USA and the Ontario Securities Commission in Canada. Pierre holds a BMath (Computer Science) from the University of Waterloo, an MBA in Finance and is a Chartered Financial Analyst (CFA) charter holder.

Timothy Blake

Tim Blake, current CEO of the Company (non-board position) will move into the role of Chief Technology Officer (non-board position) to better reflect his role developing the Company's proprietary wind turbine technology.

Operating Business Update

The Company has reclassified as an operating company. While the Company intends to implement a bitcoin treasury policy subject to shareholder approval, its primary business is operational in nature, centred around the development of a proprietary wind-based green hydrogen production system featuring an advanced aerodynamic wind turbine and a high-performance electrolyser.

HFI is developing a proprietary wind-based green hydrogen production system featuring an advanced aerodynamic wind turbine combined with a third-party hydrogen electrolyser. The Company is currently in active discussions to bring this third party into the HFI Group.

Licensing Agreement for the United States of America

In June 2025, a licensing agreement was signed to deploy the Company's technology in the United States of America via an independently owned special purpose vehicle, HFI Energy Systems US Inc ("HFI Energy"). HFI Energy intends to develop a green energy park in Montana, USA utilising the Company's technology.

The Company's wholly owned subsidiary, HFI IP Holdings Limited ("Licensor"), will grant HFI Energy ("Licensee") an exclusive territory licence for a minimum of 10 years upon receipt of a licence fee of US\$2,000,000 payable within four months of signing the agreement. The Company has agreed that it will use US\$1,000,000 received in respect of the licence fee for the development of the wind turbine energy system. The Licensee can renew the licence by paying a renewal fee of US\$2,000,000.

HFI Energy's objective is to commercialise the HFI system in the USA and to construct and operate wind turbine farms for the purpose of hydrogen generation, storage, sale, and distribution in the USA.

The Company also signed heads of terms for a Manufacturing Licence with HFI Energy which sets out the terms under which they, as a Licensee, are authorised to manufacture the Company's products for distribution and installation within the USA. The Agreement is conditional upon executing a shareholder agreement between the Company and HFI Energy and the issue of 20% of the equity in HFI Energy to the Company.

Under the terms of the agreement royalties of up to 5% are payable upon delivery and installation of the relevant licensed products.

The Company provided the following update further to the announcement on 6 June 2025 regarding the proposed green hydrogen energy park in Whitehall, Montana. These developments would include the Company receiving licencing and manufacturing fees.

HFI Energy Systems US Inc. ("HFI Energy Systems") is a private U.S. company and is not owned by the Company. HFI Energy Systems continues to progress development activities at the Whitehall site and is actively engaging with potential data centre operators to locate on the park.

The Company provided the following update further to the announcement on 6 June 2025 regarding the proposed licence agreement between its wholly owned subsidiary, HFI IP Holdings Limited and HFI Energy Systems US Inc.

Discussions in relation to the exclusive North American licence and manufacturing agreement remain

ongoing. Both parties continue to work towards finalising the arrangements. Further updates will be provided in due course.

The Board looks forward to progressing this agreement, which is expected to support the development and commercialisation of the Company's proprietary wind turbine technology in the United States.

Director loans

After the Period, Neil Ritson, Executive Chairman of the Company, Jonathan Colvile and Daniel Maling, Non-executive Directors of the Company, provided loans in aggregate of £44,500 ("Additional Director Loans") to the Company. Pursuant to the terms of the Additional Director Loans, the loans have been provided to the Company on an interest free basis and are repayable by 30 September 2025, after which repayment is at the Directors' discretion, subject to the Company being able to meet its minimum working capital requirements. The Additional Director Loans are in addition to the loans already provided by Neil Ritson and Daniel Maling to the Company on the same terms during the Period.

Fundraising

The Company is in the advanced stages of raising working capital funds which will enable the Company to pay its third-party creditors, continue to invest in the development of the wind turbine technology and, subject to shareholder approval, implement a Bitcoin Treasury Strategy.

Conclusion

The Board has been focused on keeping the Company's IP in good standing whilst we navigate various financing options for its continued development and are encouraged by recent licensing discussions around the development site in Montana. We look forward to recommencing testing of the wind turbine in the coming months.

The proposed inclusion of a Bitcoin Treasury Strategy and the appointment of new directors is anticipated to allow the Company to expand its ability to attract finance and to greatly accelerate progress on the technologies under development.

Neil Ritson
Executive Chairman
29 September 2025

HYDROGEN FUTURE INDUSTRIES PLC - CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTH PERIOD ENDING 31 JANUARY 2025

| | Unaudited Period ended 31 January 2025 | Unaudited Period ended 31 January 2024 |
|------------------------------------|---|---|
| Notes | £'000 | £'000 |
| Continuing operations | | |
| Revenue from continuing operations | - | - |

| | | | |
|---|---|--------------|--------------|
| Directors' fees | | - | (54) |
| Professional fees | | (101) | (61) |
| Research and development | | - | (192) |
| Share based payments | | - | (1) |
| Depreciation and amortisation | | (30) | (28) |
| Administrative expenses | 7 | (67) | (94) |
| Operating loss | | (198) | (430) |
| Finance income / (expense) | | - | (2) |
| Loss before taxation | | (198) | (432) |
| Income tax | | - | - |
| Loss for the period from continuing operations | | (198) | (432) |
| Other comprehensive income | | (33) | (3) |
| Total comprehensive loss attributable to equity holders of the Group | | (231) | (435) |
| Basic & dilutive earnings per ordinary share (pence) | 8 | (0.33) | (1.22) |

The notes form part of the unaudited condensed consolidated interim financial statements

HYDROGEN FUTURE INDUSTRIES PLC - CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
STATEMENT OF FINANCIAL POSITION
FOR THE 6 MONTH PERIOD ENDING 31 JANUARY 2025

| | | Unaudited As at 31 January 2025 £'000 | Audited As at 31 July 2024 £'000 |
|---------------------------------|------|--|---|
| | Note | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | | 27 | 20 |
| Intangibles assets | | 627 | 641 |
| Right-of-use assets | | - | 41 |
| Investments in an associate | | 19 | 19 |
| TOTAL NON-CURRENT ASSETS | | 673 | 722 |
| CURRENT ASSETS | | | |
| Cash and cash equivalents | | 5 | 13 |
| Trade and other receivables | | 32 | 40 |
| TOTAL CURRENT ASSETS | | 37 | 53 |
| TOTAL ASSETS | | 710 | 775 |

NON-CURRENT LIABILITIES

| | | |
|--------------------------------------|----------|----------|
| Lease liabilities | - | - |
| TOTAL NON-CURRENT LIABILITIES | - | - |

CURRENT LIABILITIES

| | | |
|----------------------------------|------------|------------|
| Trade and other payables | 214 | 97 |
| Lease liabilities | - | 43 |
| Borrowings | 110 | 65 |
| TOTAL CURRENT LIABILITIES | 324 | 205 |
| TOTAL LIABILITIES | 324 | 205 |
| NET ASSETS | 386 | 570 |

EQUITY

| | | |
|-----------------------------|------------|------------|
| Share capital | 647 | 618 |
| Share premium | 4,093 | 4,075 |
| Share based payment reserve | 91 | 91 |
| Foreign exchange reserve | (12) | 21 |
| Retained earnings | (4,424) | (4,226) |
| Non-controlling interest | (9) | (9) |
| TOTAL EQUITY | 386 | 570 |

The notes form part of the unaudited condensed consolidated interim financial statements

HYDROGEN FUTURE INDUSTRIES PLC - CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

FOR THE 6 MONTH PERIOD ENDING 31 JANUARY 2025

| | Attributable to owner of the parent | | | | | | Total equity £'000 |
|---|-------------------------------------|---------------|-------------|--------------------------|-------------------|--------------------------|-----------------------|
| | Share capital | Share premium | SBP reserve | Foreign exchange reserve | Retained earnings | Non-controlling interest | |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | |
| Balance at 1 August 2023 | 478 | 3,482 | 44 | 18 | (3,213) | - | 809 |
| Loss for the year | - | - | - | - | (1,038) | (9) | (1,047) |
| Other comprehensive income | - | - | - | 3 | - | - | 3 |
| Total comprehensive income for the year | - | - | - | 3 | (1,038) | (9) | (1,044) |
| Transactions with owners in own capacity | | | | | | | |
| Ordinary Shares issued in the year | 140 | 648 | 66 | - | - | - | 854 |
| Employee options issued | - | - | 1 | - | - | - | 1 |
| Consideration of intangible assets | - | - | 5 | - | - | - | 5 |
| Forfeiture of share warrants | - | - | (25) | - | 25 | - | - |
| Share issue costs | - | (55) | - | - | - | - | (55) |

| | | | | | | | |
|--|------------|--------------|-----------|-----------|----------------|------------|------------|
| Transactions with owners in own capacity | 140 | 593 | 47 | - | 25 | - | 805 |
| Balance at 31 July 2024 | 618 | 4,075 | 91 | 21 | (4,226) | (9) | 570 |

| | Attributable to owner of the parent | | | | | | |
|--|-------------------------------------|---------------|-------------|--------------------------|-------------------|--------------------------|--------------|
| | Share capital | Share premium | SBP reserve | Foreign exchange reserve | Retained earnings | Non-controlling interest | Total equity |
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| | | | | | | | |
| Balance at 1 August 2024 | 618 | 4,075 | 91 | 21 | (4,226) | (9) | 570 |
| Loss for the period | - | - | - | - | (198) | - | (198) |
| Other comprehensive income | - | - | - | (33) | - | - | (33) |
| Total comprehensive income for the period | - | - | - | (33) | (198) | - | (231) |

Transactions with owners in own capacity

| | | | | | | | |
|--|------------|--------------|-----------|-------------|----------------|------------|------------|
| Ordinary Shares issued in the year | 29 | 18 | - | - | - | - | 47 |
| Share issue costs | - | - | - | - | - | - | - |
| Transactions with owners in own capacity | 29 | 18 | - | - | - | - | 47 |
| Balance at 31 January 2025 | 647 | 4,093 | 91 | (12) | (4,424) | (9) | 386 |

**HYDROGEN FUTURE INDUSTRIES PLC - CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CASHFLOW
FOR THE 6 MONTH PERIOD ENDING 31 JANUARY 2025**

| | Note | Period ended 31 January 2025 £'000 | Period ended 31 January 2024 £'000 |
|---|------|--|--|
| Cash flow from operating activities | | | |
| Loss for the financial period | | (198) | (432) |
| <i>Adjustments for:</i> | | | |
| Share based payment | | 47 | 1 |
| Foreign exchange movements | | (12) | - |
| Depreciation on property, plant & equipment | | - | 10 |
| Amortisation on right-of-use assets | | 15 | 15 |
| Amortization on patents | | 15 | 14 |
| <i>Changes in working capital:</i> | | | |
| Decrease in trade and other receivables | | 49 | 1 |
| Increase / (decrease) in trade and other payables | | 43 | 157 |
| Net cash outflow from operating activities | | (41) | (234) |

| | | |
|---|------------|------------|
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (1) | (9) |
| Investment in TG Holdings Ltd | - | - |
| Net cash outflow from investing activities | (1) | (9) |
| Cash flows from financing activities | | |
| Proceeds received in advance of share issues | - | 250 |
| Proceeds of borrowings | 65 | - |
| Payment of lease liabilities | (17) | (6) |
| Net cash inflow from financing activities | 48 | 244 |
| Net increase in cash and cash equivalents | (6) | 1 |
| Cash and cash equivalents at beginning of the period | 13 | 262 |
| Foreign exchange impact on cash balance | (2) | - |
| Cash and cash equivalents at end of the period | 5 | 263 |

HYDROGEN FUTURE INDUSTRIES PLC - CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE 6 MONTH PERIOD ENDING 31 JANUARY 2025

1 General information

Hydrogen Future Industries Plc ("the Company") was incorporated on 13 July 2021 in England and Wales with Registered Number 13508782 under the Companies Act 2006.

The address of its registered office is Eccleston Yards, 25 Eccleston Place, London SW1W 9NF, United Kingdom.

The principal activity of the Company and its subsidiaries collectively referred to as "the Group" is the development of proprietary wind-based green hydrogen production system featuring an advanced aerodynamic wind turbine and a high-performance electrolyser.

The Company commenced trading on the Aquis Stock Exchange ("AQSE") Growth Market on 1 December 2021. The unaudited condensed consolidated interim financial statements ("interim financial statements") present the consolidated results of the Group.

2 Accounting policies

IAS 8 requires that the directors shall use their judgement in developing and applying accounting policies that result in information which is relevant to the economic decision-making needs of users, that are reliable, free from bias, prudent, complete and represent faithfully the financial position, financial performance and cash flows of the entity.

3 Basis of preparation

The unaudited condensed consolidated interim financial statements ("interim financial statements") have been prepared in accordance with the requirements of the AQSE rules and international accounting standards in conformity with the requirements of the companies act 2006 and the companies act 2006 applicable to companies reporting under UK-adopted international accounting standards ("IFRS").

The interim financial statements have been prepared in accordance with IAS 34 "interim financial statements". The interim financial statements do not include all disclosures that would otherwise be required in a complete set of financial statements but have been prepared in accordance with the existing accounting policies of the company.

The interim financial statements for the 6-month period from 1 August 2024 to 31 January 2025 are unaudited. Comparatives have been provided for the comparable period ending 31 January 2024 or for the year ended 31 July 2024.

The interim financial statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense.

The interim financial statements do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The accounting policies adopted are consistent with those applied in the Company's last audited annual financial statements ending 31 July 2024 and can be viewed on the Company's website (<https://hydrogenfutureindustries.com/>).

The interim financial statements are presented in British Pounds sterling ("£") unless otherwise stated, which is the Group's functional and presentational currency. The Directors have decided to only present consolidated interim financial statements and not parent level financial statements as they believe consolidated statements alone present an accurate depiction of the Group's financial performance and position.

The performance of the Group is not affected by seasonal factors and the risk factors applicable to the Group have not changed materially since the publication of the annual report and financial statements for the period ending 31 July 2024.

4 Going concern

The Directors have assessed the Group's ability to continue as a going concern and are satisfied that the Group has adequate resources to continue in operational existence for the foreseeable future. The Group's auditors included a material uncertainty related to going concern in the last annual report based on the ability of the Group to source additional funding in the 12 months from signoff of the annual report in July 2023. The Directors are confident in the ability of the Group to satisfy this condition and hence continue to adopt the going concern basis in preparing these interim financial statements.

5 Accounting policies

The same accounting policies, presentation and methods of computation have been followed in these interim financial statements as were applied in the preparation of the Group's annual financial report for the period ended 31 July 2024, except for the impact of the adoption of the standards and interpretations described below and new accounting policies adopted as a result of changes in the Company.

6 Critical accounting estimates and judgments

In preparing the unaudited interim consolidated financial statements, the Directors are required to make judgments on how to apply the Group's accounting policies and make estimates about the future. Estimates and judgements are continuously evaluated based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may deviate from these estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below:

Impairment of investments and loans to subsidiaries

The Group and the Company assess at each reporting date whether there is any objective evidence that investments in and loans to subsidiaries are impaired. To determine whether there is objective evidence of impairment, a considerable amount of estimation is required in assessing the ultimate realisation of these investments/receivables, including valuation, creditworthiness and future cashflows. As at the period end the Directors do not assess there to be any impairment of these amounts.

Recoverable value of intangible assets

Costs capitalised in respect of the Group's intangible assets are required to be assessed for impairment. Such an estimate requires the Group to exercise judgement in respect of the indicators of impairment and also in respect of inputs used in the models which are used to support the carrying value of the assets. Such inputs include estimates of production profiles, commodity prices, capital expenditure, inflation rates, and pre-tax discount rates that reflect current market assessments of (a) the time value of money; and (b) the risks specific to the asset for which the future cash flow estimates have not been adjusted. The Directors concluded that there was no impairment as at 31 January 2025.

7 Administrative expenses

| | Period ended 31 January 2025 £'000 | Period ended 31 January 2024 £'000 |
|-------------------------------|---|--|
| Salaries and wages* | - | (33) |
| Insurance | (13) | (16) |
| Travel | - | (2) |
| Other administrative expenses | (54) | (43) |

(67)

(94)

*During the period the Group has invested in the development of wind turbine technology and has utilised employees to assist with this. A portion of salaries has been allocated to research and development expenditure and the Company will look to capitalise expenditure when certain criteria are reached in relation to the commercial viability of technology.

8 Earnings per Ordinary Share

| | Period ended 31 January 2025 | Period ended 31 January 2024 |
|---|---|---|
| Loss attributable to shareholders of HFI - £'000 | (198) | (432) |
| Weighted number of ordinary shares in issue | 62,843,750 | 47,750,000 |
| Basic & dilutive earnings per share from continuing operations - pence | (0.33) | (1.22) |

There is no difference between the diluted loss per share and the basic loss per share presented. Share options and warrants could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share as they are anti-dilutive for the period presented.

9 Related party transactions

Director loans

During the 6-month period year ended 31 January 2025, Neil Ritson, Executive Chairman of the Company and Daniel Maling, Non-executive Director of the Company, provided net loans of, in aggregate of £44,500 ("Director Loans"), to the Company. Pursuant to the terms of the Director Loans, the loans have been provided to the Company on an interest free basis and are repayable by 30 September 2025, after which repayment is at the Directors' discretion and subject to the Company being able to meet its minimum working capital requirements

10 Ultimate controlling party

As at 31 January 2025, there was no ultimate controlling party of the Company.

11 Events subsequent to period end

Board changes

In April 2025, the Board appointed Jonathan Colville as a Non-executive Director. Previously Mr Colville was Vice Chairman at Celsius Resources from 2022-2023; he was employed at Mirabaud Securities from 2007-2019 as Head of Mining and Natural Resources. Prior to this, he worked at Cannacord Genuity from 2000-2007, and James Capel from 1983-1998.

Licensing Agreement for the United States of America

In June 2025, a licensing agreement was signed to deploy the Company's technology in the United States of America via a special purpose vehicle, HFI Energy Systems US Inc ("HFI Energy"). HFI Energy intends to develop a green energy park in Montana, USA utilising the Company's technology.

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HFI Energy's objective is to commercialise the HFI system in the USA and to construct and operate wind turbine farms for the purpose of hydrogen generation, storage, sale, and distribution in the USA.

The Company also signed heads of terms with HFI Energy for a Manufacturing Licence which sets out the

terms under which they are authorised to manufacture the Company's products for distribution and installation within the USA. That agreement is conditional upon executing a shareholder agreement between the Company and HFI Energy and the issue of 20% of the equity in HFI Energy to the Company.

Under the terms of the agreement royalties of up to 5% are payable upon delivery and installation of the relevant Licensed Products.

Issue of Equity

In January 2025, the Company issued 2,906,250 new ordinary shares at a price of 1.6 pence per share to creditors in lieu of cash for consultancy and service provider fees. The shares are subject to a six-month lock-in agreement.

Suspension

On 3 February 2025 the Group was suspended from trading on AQSE for late lodgement of accounts.

12 Approval of the financial statements

The interim financial statements were approved by the board of Directors on 29 September 2025.

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