

**Verditek plc**

Company Registration No. 10114644

**Interim Report and Financial Statements**

For the six month period to 30 June 2018

## CEO's Statement

Verditek is a holding Company with three businesses, Greenflex Energy Limited ("Greenflex"), BBR Filtration Limited ("BBR") and Westec Environmental Solutions ("WES"), operating within the clean technology sector at the point of commercialisation with growth potential.

The Company currently has the following holdings in its subsidiaries:

- 51% holding in Greenflex: next generation solar cell technology producing innovative solar PV building material for residential, commercial and heritage buildings.
- 51% holding in BBR: a pioneering bio filtration technology which deodorises and cleans air for a variety of industries such as waste water, food manufacture and other waste industries.
- 23.64% holding in WES: a unique gas/liquid absorption technology set to revolutionise the global CO2 capture market (utilisation and storage) and other emissions control technologies for the cement industry as well as natural gas processing and petroleum refineries.

This interim report updates shareholders on material developments during the six months ended 30 June 2018, together with material events and activities taking place after the balance sheet date.

## Operational Highlights

During the period under review, the Directors were heavily focused on ensuring that the Company was fully capitalised for the next phase of commercialization of its three technology investments. Highlights include:

- Relocation of solar manufacturing to our new site near Milan to improve underlying costs to the business and access to skilled labour.
- Hiring of a new general manager and restructuring of Greenflex leadership to insert operational excellence.
- Establish Solar sales leads and licensing relationships to support early sales.
- Creation and launch of our Joint Development Project with Paragraf Limited ("Paragraf") to develop a graphene solar cell.
- Restructuring of BBR leadership, cashflow discipline and the creation of a fresh commercial pursuit team.
- Creation of ICSI relationship with WES and benchmarking in the Oil and Gas industry.

## Financials

During the period the businesses did not record any revenue. The investment funds raised during the latter part of 2017 were used to invest in additional production equipment, sales and marketing, product development and other operating expenses particularly in relation to Greenflex.

## Outlook

We are excited about the future of Verditek and believe the outlook remains very positive.

When we set about creating Verditek we did so with the vision of building a leading clean technology company, which delivers game changing technology solutions for the sector. We believe with our initial three investments in solar, bio filtration and gas processing and carbon capture, we are well placed to do this.

On 19 September 2018, Verditek announced that it had received binding subscriptions for £2.5m in a 10% Convertible Loan Note for working capital purposes in support of the continued growth of the Company's manufacturing capacity and to further fund the Joint Development Programme with Paragraf, a spin out from Cambridge University.

Our growth strategy is centered on bringing each of the group's technologies to market in the near-term, to drive first revenues and enhance shareholder value for the Company. Our three core businesses hold the following characteristics which we believe set us apart from our peers; they are all proven proprietary products at the point of

commercialization, technologies within emergent and fast growing cleantech sector and have large, lucrative and global addressable markets. We also have the ability to add investments in synergistic technologies that bring value to our three core businesses.

Our focus continues to be delivery of first sales of our leading solar cell PV technology. We have completed commissioning of the production line and recently moved to a larger facility in Lainate, Italy. Product and production certification is due to commence in the next quarter. We are excited about our joint solar development project with Paragraf to develop and verify the application of graphene to solar devices which we believe could be a game changer for the industry. We are confident that the repositioning of the BBR's bio filtration products will be successful. The Board believes that WES is a blue-sky investment opportunity, which could revolutionise the carbon capture market for the cement industry, natural gas processing, petroleum refineries and numerous other industries.

We will also continue to invest in developing the Verditek organisation building on the strong foundations that have been laid down so far.

**Geoffrey Nesbitt**

CEO

20 September 2018

# Verditek plc

## Condensed Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2018

|   | Note | 2018<br>Unaudited<br>£ | 2017<br>Unaudited<br>£ |
|---|------|------------------------|------------------------|
| <b>Continuing operations</b>  |      |                        |                        |
| Revenue   |      | -                      | -                      |
| Administrative expenses   |      | (899,430)              | (171,654)              |
| Listing costs   |      | -                      | (254,689)              |
| <b>Operating loss</b>   |      | <b>(899,430)</b>       | <b>(426,343)</b>       |
| Finance costs   |      | (5,452)                | (5,863)                |
|   |      | <b>(904,882)</b>       | <b>(432,206)</b>       |
| Share of net loss of associate accounted for using the equity method      | 5    | (64,592)               | -                      |
| <b>Loss before tax</b>  |      | <b>(969,474)</b>       | <b>(432,206)</b>       |
| Income Tax  |      | -                      | -                      |
| <b>Loss for the period</b>  |      | <b>(969,474)</b>       | <b>(432,206)</b>       |
| <b>Loss for the period attributable to: -</b>                             |      |                        |                        |
| Owners of the Company   |      | (800,832)              | (424,754)              |
| Non-controlling interest  |      | (168,642)              | (7,452)                |
|   |      | <b>(969,474)</b>       | <b>(432,206)</b>       |
| <b>Other comprehensive income</b>   |      |                        |                        |
| Items that will or may be reclassified to profit or loss:                 |      |                        |                        |
| Translation of foreign operations   |      | 2,603                  | (6,805)                |
| <b>Total comprehensive loss for the period from continuing operations</b> |      | <b>(966,871)</b>       | <b>(439,011)</b>       |
| <b>Total comprehensive loss for the period attributable to: -</b>         |      |                        |                        |
| Owners of the Company   |      | (799,504)              | (428,864)              |
| Non-controlling interest  |      | (167,367)              | (10,147)               |
|   |      | <b>(966,871)</b>       | <b>(439,011)</b>       |
| <b>Loss per share</b>   |      |                        |                        |
| Basic and diluted   | 4    | <b>(0.004)</b>         | <b>(0.004)</b>         |

## Verditek plc

### Condensed Consolidated Statement of Financial Position For the 6 months ended 30 June 2018

|  | Note | As at 30<br>June 2018<br>Unaudited<br>£ | As at 31<br>December<br>2017<br>Audited<br>£ |
|--|------|---|--|
| <b>Assets</b>  |      |   |  |
| <b>Non-current assets</b>                                  |      |   |  |
| Intangible assets – goodwill                               |      | 31,405                                  | 31,405                                       |
| Investment in associates                                   | 5    | 683,723                                 | 591,271                                      |
| Property, plant and equipment                              |      | 512,517                                 | 409,183                                      |
| <b>Non-current assets</b>                                  |      | <b>1,227,645</b>                        | <b>1,031,859</b>                             |
| <b>Current assets</b>                                      |      |   |  |
| Inventories  |      | -                                       | 446  |
| Trade and other receivables                                |      | 411,214                                 | 326,264                                      |
| Unpaid share capital                                       |      | -                                       | 380,000                                      |
| Cash and cash equivalents                                  |      | 348,718                                 | 1,190,975                                    |
| <b>Current assets</b>                                      |      | <b>759,932</b>                          | <b>1,897,685</b>                             |
| <b>TOTAL ASSETS</b>  |      | <b>1,987,577</b>                        | <b>2,929,544</b>                             |
| <b>Equity and liabilities</b>                              |      |   |  |
| <b>Current liabilities</b>                                 |      |   |  |
| Trade and other payables                                   |      | 374,414                                 | 296,855                                      |
| Loans and borrowings                                       |      | 42,711                                  | 105,318                                      |
| <b>Current liabilities</b>                                 |      | <b>417,125</b>                          | <b>402,173</b>                               |
| <b>Equity attributable to equity holders of the parent</b> |      |   |  |
| Issued share capital                                       |      | 80,847                                  | 80,847                                       |
| Share premium  |      | 3,858,691                               | 3,858,691                                    |
| Share based payments                                       | 6    | 9,952                                   | -  |
| Accumulated losses   |      | (2,221,404)                             | (1,420,572)                                  |
| Translation reserve  |      | (7,461)                                 | (8,789)                                      |
| Non-controlling interests                                  |      | (150,173)                               | 17,194                                       |
| <b>Total shareholders' equity</b>                          |      | <b>1,570,452</b>                        | <b>2,527,371</b>                             |
| <b>TOTAL EQUITY AND LIABILITIES</b>                        |      | <b>1,987,577</b>                        | <b>2,929,544</b>                             |

## Verditek plc

### Condensed Statement of Changes in Equity

For the 6 months ended 30 June 2018

|   | Issued<br>share<br>capital | Share<br>Premium | Shares to<br>be issued | Share<br>based<br>payment<br>reserve | Accumulated<br>losses | Translation<br>reserve | Non-<br>controlling<br>interest | Total       |
|---|----------------------------|------------------|------------------------|--------------------------------------|-----------------------|------------------------|---------------------------------|-------------|
|   | £                          | £                | £                      | £                                    | £                     | £                      | £                               | £           |
| As at 1 January 2017                            | 100                        | -                | -                      | -                                    | (146,142)             | -                      | -                               | (146,042)   |
| Loss for the period                             | -                          | -                | -                      | -                                    | (424,754)             | -                      | (7,452)                         | (432,206)   |
| Translation of subsidiary                       | -                          | -                | -                      | -                                    | -                     | (4,110)                | (2,695)                         | (6,805)     |
| <b>Total comprehensive loss for the period</b>  | -                          | -                | -                      | -                                    | (424,754)             | (4,110)                | (10,147)                        | (439,011)   |
| New shares issued net of issue costs            | 62,747                     | 519,747          | -                      | -                                    | -                     | -                      | -                               | 582,494     |
| Capital reduction                               | -                          | (519,747)        | -                      | -                                    | 519,747               | -                      | -                               | -           |
| Share subscription                              | -                          | -                | 360,000                | -                                    | -                     | -                      | -                               | 360,000     |
| Non-controlling interest on acquisitions        | -                          | -                | -                      | -                                    | -                     | -                      | (17,310)                        | (17,310)    |
| <b>Shareholders' equity at 30 June 2017</b>     | 62,847                     | -                | 360,000                | -                                    | (51,149)              | (4,110)                | (27,457)                        | 340,131     |
| Loss for the period                             | -                          | -                | -                      | -                                    | (1,369,423)           | -                      | (177,850)                       | (1,547,273) |
| Translation of subsidiary                       | -                          | -                | -                      | -                                    | -                     | (4,679)                | 1,731                           | (2,948)     |
| <b>Total comprehensive loss for the period</b>  | -                          | -                | -                      | -                                    | (1,369,423)           | (4,679)                | (176,119)                       | (1,550,221) |
| New shares issued net of issue costs            | 9,753                      | 3,858,691        | (360,000)              | -                                    | -                     | -                      | -                               | 3,508,444   |
| Conversion of loan notes                        | 8,247                      | -                | -                      | -                                    | -                     | -                      | -                               | 8,247       |
| Non-controlling interest on acquisitions        | -                          | -                | -                      | -                                    | -                     | -                      | 220,770                         | 220,770     |
| <b>Shareholders' equity at 31 December 2017</b> | 80,847                     | 3,858,691        | -                      | -                                    | (1,420,572)           | (8,789)                | 17,194                          | 2,527,371   |
| Loss for the period                             | -                          | -                | -                      | -                                    | (800,832)             | -                      | (168,642)                       | (969,474)   |
| Translation of subsidiary                       | -                          | -                | -                      | -                                    | -                     | 1,328                  | 1,275                           | 2,603       |
| <b>Total comprehensive loss for the period</b>  | -                          | -                | -                      | -                                    | (800,832)             | 1,328                  | (167,367)                       | (966,871)   |
| Share based payment reserve                     | -                          | -                | -                      | 9,952                                | -                     | -                      | -                               | 9,952       |
| <b>Shareholders' equity at 30 June 2018</b>     | 80,847                     | 3,858,691        | -                      | 9,952                                | (2,221,404)           | (7,461)                | (150,173)                       | 1,570,452   |

# Verditek plc

## Condensed Statement of Cash Flows

For the 6 months ended 30 June 2018

|   | Note | 2018             | 2017             |
|---|------|------------------|------------------|
|   |      | Unaudited        | Unaudited        |
|   |      | £                | £                |
| <b>Operating activities</b>                                 |      |                  |                  |
| Loss before tax from continuing operations                  |      | (969,474)        | (432,206)        |
| Adjustment for:   |      |                  |                  |
| Depreciation  |      | 965              | 312              |
| Loss on disposal  |      | 3,878            | 354              |
| Finance costs   |      | 5,452            | 5,863            |
| Share based payment expenses                                |      | 9,952            | -                |
| Share of post-tax loss of equity accounted associates       |      | 64,592           | -                |
| <b>Working capital adjustments</b>                          |      | <b>(884,635)</b> | <b>(425,677)</b> |
| Increase in inventory                                       |      | 446              | -                |
| (Increase) / decrease in trade and other receivables        |      | (112,697)        | 186,961          |
| Increase / (decrease) in trade and other payables           |      | 105,306          | 286,235          |
| <b>Cash generated from operations</b>                       |      | <b>(891,580)</b> | <b>47,519</b>    |
| Taxation  |      | -                | -                |
| <b>Net cash inflow from operating activities</b>            |      | <b>(891,580)</b> | <b>47,519</b>    |
| <b>Investing activities</b>                                 |      |                  |                  |
| Net cash arising from acquiring a subsidiary                |      | -                | 5,628            |
| Purchase of fixed assets                                    |      | (108,177)        | -                |
| Loan to associate   |      | (157,044)        | -                |
| <b>Net cash outflow from investing activities</b>           |      | <b>(265,221)</b> | <b>5,628</b>     |
| <b>Financing activities</b>                                 |      |                  |                  |
| Issue of ordinary share capital                             |      | 380,000          | 360,000          |
| Finance costs   |      | (5,452)          | (5,863)          |
| Loan repayable  |      | (62,607)         | -                |
| <b>Net cash inflow from financing activities</b>            |      | <b>311,941</b>   | <b>354,137</b>   |
| <b>Net (decrease)/increase in cash and cash equivalents</b> |      | <b>(844,860)</b> | <b>407,284</b>   |
| Cash and cash equivalents at the beginning of the period    |      | 1,190,976        | 21,675           |
|   |      | 346,116          | 428,959          |
| Exchange gains on cash and cash equivalents                 |      | 2,602            | -                |
| <b>Cash and cash equivalents at the end of the period</b>   |      | <b>348,718</b>   | <b>428,959</b>   |

# Verditek plc

## Notes to the Condensed Financial Statements

### 1. General Information

Verditek plc (“Verditek” or the “Company”) was incorporated as a private limited company domiciled in the UK on 10 April 2016 with registration number 10114644. Verditek re-registered as a public limited company on 6 March 2017. Its registered office is located at 29 Farm Street, London W1J 5RL.

Verditek is the holding company of a group of companies engaged in the clean technology sector (the “Group”). The financial information is presented in British Pound (£) unless otherwise stated, and is the currency of the primary economic environment in which the Group operates.

### 2. Basis of Preparation

The financial information presented in this condensed consolidated interim report for the half-year has been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board, as adopted by the European Union. The principal accounting policies adopted in the preparation of the financial information in this Interim Report are unchanged from those used in the company's financial statements for the year ended 31 December 2017 and are consistent with those that the company expects to apply in its financial statements for the year ended 31 December 2018.

The financial information for the year ended 31 December 2017 presented in this Interim Report does not constitute the company's statutory accounts for that period but has been derived from them. The Annual Report and Accounts for the year ended 31 December 2017 were audited and have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Accounts for the year ended 31 December 2017 was unqualified and did not draw attention to any matters by way of emphasis and did not contain statements under s498(2) or (3) of the Companies Act 2006. The financial information for the periods ended 30 June 2017 and 30 June 2018 is unaudited.

A copy of the audited consolidated financial statements for the year ended 31 December 2017 is available on the Company's website.

The Board of Directors approved this interim report on the 20 September 2018.

#### Going concern

The interim financial statements have been prepared under the going concern basis as the directors have undertaken a review of the future financing requirements of the ongoing operation of the group and are satisfied that sufficient cash together with bank and other facilities is available to meet its working capital requirements. The Company is in the process of closing on the issue of a 10% Convertible Loan Note for which binding subscriptions of £2.5m have been received. The directors accordingly consider it is appropriate for the financial statements to be prepared on a going concern basis.

#### Dividends

The directors do not propose an interim dividend.

#### Material changes in accounting estimates or judgments

The preparation of unaudited interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses for the current and its corresponding financial period under review. Actual results may differ from these estimates.

In preparing the unaudited interim financial information, the significant judgements made by the management in applying the Group's accounting policies and the sources of estimates uncertainty were consistent with those applied to the audited financial statements for the year ended 31 December 2017.

During the period, the Company granted share options to employees, as described in note 5. There were no other changes in estimates of amounts of the Group that may have a material effect on financial period ended 30 June 2018.



## Verditek plc

### 3. Segmental Information

The chief operating decision-maker is considered to be the Board of Directors of Verditek. The chief operating decision-maker allocates resources and assesses performance of the business and other activities at the operating segment level.

The chief operating decision maker has determined that in the period ended 30 June 2018 Verditek had one operating segment, the development and commercialisation of clean technologies, although it is likely that in future periods the Group's segmental reporting will be expanded as different technologies are developed and commercialised.

#### Geographical Segments

Apart from holding company activities in the UK the Group's had operations in Milan, in Italy, and in Florida, in the USA, in the period. An analysis of non-current assets by geographical market is given below:

|              | 6 months ended<br>30 June 18<br>Unaudited<br>£ | For the year ended<br>31 December 17<br>Audited<br>£ |
|--------------|--|--|
| UK           | 719,426  | 627,311  |
| Italy        | 506,584  | 402,937  |
| USA          | 1,635  | 1,611  |
| <b>Total</b> | <b>1,227,645</b>                               | <b>1,031,859</b>                                     |

### 4. Loss Per Share

The calculation of loss per share is based on the following loss and number of shares:

|  | 6 months ended<br>30 June 18<br>Unaudited<br>£ | 6 months ended<br>30 June 17<br>Unaudited<br>£ |
|--|--|--|
| Loss for the period from continuing operations (£) | (800,882)                                      | (424,754)                                      |
| Weighted average number of shares: Basic           | 202,117,265                                    | 108,506,429                                    |
| Loss per share:                                    | (0.004)p                                       | (0.004)p                                       |

Basic loss per share is calculated by dividing the loss for the period from continuing operations of the Group by the weighted average number of ordinary shares in issue during the period.

For diluted loss per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potential dilutive options and warrants over ordinary shares. Potential ordinary shares resulting from the exercise of share options and warrants have an anti-dilutive effect due to the Group being in a loss position. As a result, diluted loss per share is disclosed as the same value as basic loss per share.

### 5. Investment in associates

|   | Investment<br>in associates<br>£ | Loan to<br>associates<br>£ | Total<br>£     |
|---|----------------------------------|----------------------------|----------------|
| <b>COST</b>   |                                  |                            |                |
| <b>At 01 Jan 2017</b>   | <b>1</b>                         | -                          | <b>1</b>       |
| Additions   | 750,000                          | -                          | 750,000        |
| Share of post-tax loss of equity accounted associate for the period | (158,729)                        | -                          | (158,729)      |
| Adjustment for associate becoming a subsidiary                      | (1)                              | -                          | (1)            |
| <b>At 31 Dec 2017</b>   | <b>591,271</b>                   | -                          | <b>591,271</b> |
| Loans advanced during the period                                    | -                                | 157,044                    | 157,044        |
| Share of post-tax loss of equity accounted associate for the period | (64,592)                         | -                          | (64,592)       |
| <b>At 30 Jun 2018</b>   | <b>526,679</b>                   | <b>157,044</b>             | <b>683,723</b> |

## Verditek plc

The Company acquired a 23.64% of the membership interest of Westec Environmental Solutions, LLC("Westec") pursuant to an agreement dated 7 June 2017, as further amended on 27 July 2017. The country of incorporation and principal place of business is in USA. The primary business of Westec is in the research and development of an absorber and contactor that will aid carbon capture.

Westec has been included in the consolidated financial statement using the equity method.

### 6. Share based payment

The Company operates an equity-settled share based remuneration schemes for Senior Executives, under the terms of the Company's EMI and Non-Qualifying Share Option Plan (the "Option Plan"). The options are valid for 10 years from the date of grant. After satisfaction of any performance condition included in the award the options will become exercisable in equal tranches on each anniversary of the Grant Date during the first three years.

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted including any market performance conditions (for example the Company's share price) but excluding the impact of any service or non-market performance vesting conditions (for example the requirement of the grantee to remain an employee of the Group).

Non-market vesting conditions are included in the assumptions regarding the number of options that are expected to vest. The total expense is recognised over the vesting period. At the end of each period the Group revises its estimates of the number of options expected to vest based on the non-market vesting conditions. It recognises the impact of any revision in the income statement with a corresponding adjustment to equity.

The Company uses a Black Scholes model to estimate the cost of share options. The following information is relevant in the determination of the fair value of options granted. The assumptions inherent in the use of this model are as follows:

- The option life is the estimated average period over which the options will be exercised.
- There are no vesting conditions remaining which apply to the share options other than that they vest at the earlier of 1 years' continued service with the Group.
- No variables change during the life of the option (e.g. dividend yield remains zero).
- Volatility has been calculated over a 5 year period prior to the grant date.
- Expectations of staff retention over the vesting period has been assumed to be nil.

The following options were granted during the period:

|                                      |           |
|--------------------------------------|-----------|
| <b>Date:</b>                         | 30-Apr-18 |
| <b>No. of Shares</b>                 | 1,500,000 |
| <b>Fair Value (p)</b>                | 0.065     |
| <b>Share Price on Grant Date (p)</b> | 0.09      |
| <b>Vesting Period – Years</b>        | 10        |
| <b>Staff Retention Factor</b>        | 100%      |
| <b>Volatility</b>                    | 226%      |
| <b>Risk Free Rate</b>                | 0.7103%   |
| <b>Total Fair Value £</b>            | 97,500    |

The total expense recognised during the period was £9,952. The weighted average remaining life of the options outstanding at the end of the period was 10 years. No options were exercised during the period.

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### 7. Share capital

|  | Number             | Share capital<br>£ | Share Premium<br>£ |
|--|--------------------|--------------------|--------------------|
| <b>At 1 January 2016</b>                     | <b>100</b>         | <b>100</b>         | -                  |
| Sub division 28 February 2017                | 249,900            | -                  | -                  |
| Conversion of loan notes                     | 20,617,265         | 8,247              | 519,747            |
| Capital reduction                            | -                  | -                  | (519,747)          |
| Shares issued 28 Feb 2017                    | 136,250,000        | 54,500             | -                  |
| <b>At 30 June 2017</b>                       | <b>157,117,265</b> | <b>62,847</b>      | -                  |
| Share issued (net of expense) 10 August 2017 | 30,555,556         | 12,222             | 2,737,778          |
| Share issued 21 December 2017                | 14,444,444         | 5,778              | 1,294,222          |
| Share issue cost relating to the IPO         | -                  | -                  | (173,309)          |
| <b>At 31 December 2017 and 30 June 2018</b>  | <b>202,117,265</b> | <b>80,847</b>      | <b>3,858,691</b>   |

On 28 February 2017, the Company sub-divided its ordinary shares into 250,000 shares of £0.0004 per share. On the same day, the Company undertook a capital reduction and released the balance on share premium account to retained earnings.

On 28 February 2017, the Company converted £522,131 of loan notes into 20,617,265 new ordinary shares. On the same date, the Company also issued 136,250,000 new shares in lieu of services provided.

On Admission to AIM on 10 August 2017, the Company issued 30,555,556 new ordinary shares at 9 pence per share by way of a placing and subscription to raise proceeds of £2.75 million, before share issue expenses of £98,642.

On 21 December 2017, the Company issued 14,444,444 new ordinary shares at 9 pence per share by way of a placing and subscription to raise proceeds of £1.3million. Of the share issued, proceeds of £380,000 was received in January 2018.

### 8. Related party transactions

The Group has related party transactions with related parties who are not members of the group.

|   | Transactions during<br>the period |        | Amounts owed by related<br>parties |        | Amounts owed to related<br>parties/loans |        |
|---|-----------------------------------|--------|------------------------------------|--------|--|--------|
|   | Jun-18                            | Jun-17 | Jun-18                             | Dec-17 | Jun-18                                   | Dec-17 |
|   | £                                 | £      | £                                  | £      | £  | £      |
| Carrick International Holdings Limited <sup>1</sup>     | 13,560                            | -      | -                                  | -      | 13,560                                   | -      |
| Krino Partners limited <sup>2</sup>                     | 54,948                            | -      | -                                  | -      | 4,725                                    | -      |
| George Katzaros <sup>3</sup>                            | 12,009                            | -      | -                                  | -      | 40,191                                   | 32,697 |
| Geoffrey John Nesbitt <sup>4</sup>                      | 58,313                            | -      | -                                  | -      | 49,110                                   | -      |
| Theo E Chapman <sup>5</sup>                             | 34,647                            | -      | -                                  | -      | 2,309                                    | -      |
| Theo E. Chapman <sup>5</sup>                            | 18,000                            | -      | -                                  | -      | -  | -      |
| C2E Holdings Limited <sup>6</sup>                       | -                                 | -      | -                                  | -      | 10,403                                   | 10,403 |
| Envolution (Project Management)<br>Limited <sup>7</sup> | 70,944                            | -      | -                                  | 195    | 29,925                                   | -      |
| Jeremy Evans <sup>8</sup>                               | -                                 | -      | -                                  | -      | 10,000                                   | 10,000 |
| BBR Enviro Systems Pvt Ltd <sup>9</sup>                 | 31,685                            | -      | 62,100                             | 47,100 | -  | -      |
| Claudio Marati <sup>10</sup>                            | 18,236                            | -      | -                                  | -      | -  | -      |
| James Buchan <sup>11</sup>                              | -                                 | -      | -                                  | -      | 19,000                                   | 19,000 |
| Summit loan <sup>12</sup>                               | 74,766                            | -      | -                                  | -      | -  | 62,621 |

## Verditek plc

### Notes:

- <sup>1</sup> Carrick International Holdings Limited Mr. Antony Rawlinson, a non-executive director of Verditek plc has an interest in Carrick International Holdings Limited. Non-executive director fees of £13,560 were payable to Mr. Rawlinson for the period.
- <sup>2</sup> Krino Partners limited Ms. Janet Donovan, who resigned as a Director of Verditek plc during the period, has an interest in Krino Partners Limited, which has provided financial management services during the year to the Group. Apart from fees paid to Krino £38,138, Ms. Donovan was paid Executive director fees of £15,816 & reimbursement of expenses £993.
- <sup>3</sup> George Katzaros Mr. George Katzaros, a non-executive director of Verditek plc. Non-executive director fees of £12,009 were payable to Mr. Katzaros of which £7,494 remained outstanding along with the £32,697 loan provided during last year.
- <sup>4</sup> Geoffrey John Nesbitt Mr. Geoffrey John Nesbitt, Director of Verditek plc, Executive director fees of £53,813 and reimbursement of business expenses £4,499 in relation to his role were paid to Mr. Geoffrey John Nesbitt.
- <sup>5</sup> Theo E Chapman Mr. Theodore Chapman, who resigned as a Director of Verditek plc during the period, was paid director fees of £34,590 and expenses of £57, and a termination payment made £18,000.
- <sup>6</sup> C2E Holdings Limited C2E Holdings Limited("C2E") is a shareholder of BBR Filtration Limited. Theo Chapman and James Buchan have an interest in C2E.
- <sup>7</sup> Envolution (Project Management) Limited Mr. John Norris, a director of BBR Filtration ("BBR"), who is also a director of Envolution (Project Management) Limited, were reimbursed business expenses related to BBR £944 & Executive director fees £70,000.
- <sup>8</sup> Jeremy Evans A shareholder of Verditek plc provided an interest-free loan of £10,000 and this amount is still outstanding at June 2018.
- <sup>9</sup> BBR Enviro Systems Pvt Ltd BBR Enviro Systems Pvt Ltd who have a 10% stake in BBR Filtration, were paid £15,000 for royalty fees and a further £16,685 advance of future royalty fees during the period.
- <sup>10</sup> Claudio Marati Claudio Marriott who owns 49% of Greenflex Energy Ltd was paid €17,948 during the period for services provided and reimbursement of business expenses of £2,679.
- <sup>11</sup> James Buchan A shareholder of Verditek plc provided an interest-free loan of £19,000 and this amount is still outstanding at June 2018.
- <sup>12</sup> Summit Trust International A shareholder of Verditek plc who had an interest-bearing loan outstanding at Dec 17 were repaid the during the period.

## 9. Events After the End of the Reporting Period

On 19 September 2018, the Company received binding subscription for £2.5m in the 10% unsecured convertible loan notes to be admitted to trading on the International Stock Exchange ("TISE"), located in the Channel Islands. The convertible loan notes mature on the 25 July 2020 and have a conversion price of £0.10 per Verditek Ordinary share.

## 10. Acquisition

In the prior year, the group acquired BBR Filtration & Greenflex R.S.M. S.r.l. Details of the acquisitions are included in the Annual Report and Accounts for the year ended 31 December 2017. No acquisitions have been made in the current financial period.

## 11. Copies of the interim report

Copies of this interim report are available on the Company's website at [www.verditek.plc.uk](http://www.verditek.plc.uk) and from the Company's registered office, 29 Farm Street, London W1J 5RL.