

**SH01****Return of allotment of shares****Companies House**

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www.gov.uk/companieshouse

☒ **What this form is for**
 You may use this form to give notice of shares allotted following incorporation.

☐ **What this form is NOT for**
 You cannot use this form to give notice of shares taken on formation of the company for an allotment of shares by an unlimited company.

TUESDAY



A04 *A8YK6XY0* #276
 COMPANIES HOUSE

1 Company details

Company number 05668788

Company name in full AFC ENERGY PLC

→ **Filling in this form**
 Please complete in typescript or in bold black capitals.

All fields are mandatory unless specified or indicated by *

2 Allotment dates

From Date 23/01/2020
 To Date 31/01/2020

Allotment date
 If all shares were allotted on the same day enter that date in the 'from date' box. If shares were allotted over a period of time, complete both 'from date' and 'to date' boxes.

3 Shares allotted

Please give details of the shares allotted, including bonus shares.
 (Please use a continuation page if necessary.)

Currency
 If currency details are not completed we will assume currency is in pound sterling.

Currency	Class of shares (E.g. Ordinary/Preference etc.)	Number of shares allotted	Nominal value of each share	Amount paid (including share premium) on each share	Amount (if any) unpaid (including share premium) on each share
£	Ordinary	5,882,353	0.001	0.17	0
£	Ordinary	5,882,353	0.001	0.17	0
£	Ordinary	526,316	0.001	0.19	0

If the allotted shares are fully or partly paid up otherwise than in cash, please state the consideration for which the shares were allotted.

Continuation page
 Please use a continuation page if necessary.

Details of non-cash consideration.
 If a PLC, please attach valuation report (if appropriate)

The above allotment by the Company for 526,316 Ordinary shares was made in consideration for a series of commitments made by the allottee ("HiiROC") and the Company that have been recorded in a heads of agreement, and which are intended to form the basis of a future commercialisation agreement between the Company and HiiROC.

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Statement of capital

Complete the table(s) below to show the issued share capital at the date to which this return is made up.

Complete a separate table for each currency (if appropriate). For example, add pound sterling in 'Currency table A' and Euros in 'Currency table B'.

Please use a Statement of Capital continuation page if necessary.

Currency <small>Complete a separate table for each currency</small>	Class of shares <small>E.g. Ordinary/Preference etc.</small>	Number of shares	Aggregate nominal value <small>(£, €, \$, etc) Number of shares issued multiplied by nominal value</small>	Total aggregate amount unpaid, if any <small>(£, €, \$, etc) Including both the nominal value and any share premium</small>
Currency table A				
£	Ordinary	462,878,812	462,878.812	
Totals		462,878,812	462,878.812	0
Currency table B				
Totals				
Currency table C				
Totals				
Totals (including continuation pages)		Total number of shares	Total aggregate nominal value ❶	Total aggregate amount unpaid ❶
		462,878,812	462,878.812	0

❶ Please list total aggregate values in different currencies separately. For example: £100 + €100 + \$10 etc.

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Statement of capital (prescribed particulars of rights attached to shares)

Please give the prescribed particulars of rights attached to shares for each class of share shown in the share capital tables in Section 4.

Class of share

Ordinary

Prescribed particulars
1

HOLDERS OF ORDINARY SHARES ARE:- A) ENTITLED ON A SHOW OF HANDS TO ONE VOTE ONLY AND ON A POLL TO ONE VOTE FOR EVERY SHARE HELD BY HIM/HER. B) ENTITLED TO RECEIVE DIVIDENDS IN PROPORTION TO THE AMOUNT PAID UP ON EACH SHARE HELD BY HIM/HER, SUCH DIVIDENDS TO BE APPORTIONED AND PAID PRO RATA BASED ON THE AMOUNT PAID UP IN ANY PART OF THE PERIOD WHEN THE DIVIDEND IS PAID. C) IN THE EVENT THAT THE COMPANY IS WOUND UP ENTITLED TO RECEIVE A PROPORTION OF ANY SURPLUS... (cont.)

Prescribed particulars of rights attached to shares

The particulars are:

- a particulars of any voting rights, including rights that arise only in certain circumstances;
- b particulars of any rights, as respects dividends, to participate in a distribution;
- c particulars of any rights, as respects capital, to participate in a distribution (including on winding up); and
- d whether the shares are to be redeemed or are liable to be redeemed at the option of the company or the shareholder.

A separate table must be used for each class of share.

Continuation page

Please use a Statement of Capital continuation page if necessary.

Class of share

Prescribed particulars
1

Class of share

Prescribed particulars
1

6

Signature

I am signing this form on behalf of the company.

Signature

Signature

X *Lewis* X
LEWIS (SECRETARY)

This form may be signed by:

Director ¹, Secretary, Person authorised ¹, Administrator, Administrative receiver, Receiver, Receiver manager, CIC manager.

Societas Europaea

If the form is being filed on behalf of a Societas Europaea (SE) please delete 'director' and insert details of which organ of the SE the person signing has membership.

Person authorised

Under either section 270 or 274 of the Companies Act 2006.

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**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	George Jackson
Company name	Memery Crystal LLP
Address	165 Fleet Street
	London
Post town	
County/Region	
Postcode	E C 4 A 2 D Y
Country	
DX	156 Chancery Lane
Telephone	020 7421 7329

**Checklist**

We may return the forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have shown the date(s) of allotment in section 2.
- ☐ You have completed all appropriate share details in section 3.
- ☐ You have completed the relevant sections of the statement of capital.
- ☐ You have signed the form.

**Important information**

Please note that all information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the appropriate address below:

For companies registered in England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

For companies registered in Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1
or LP - 4 Edinburgh 2 (Legal Post).

For companies registered in Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

SH01 - continuation page

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5 Statement of capital (prescribed particulars of rights attached to shares)

Class of share	Ordinary	
Prescribed particulars	ASSETS REMAINING AFTER PAYMENT OF ITS LIABILITIES. THE COMPANY PURSUANT TO ARTICLE 9 OF THE ARTICLES OF ASSOCIATION PURCHASE ITS OWN SHARES ANY MAY HOLD SUCH SHARES AS TREASURY SHARE OR CANCEL THEM.	



Tel: +44 (0)20 7486 5888
Fax: +44 (0)20 7487 3686
DX 9025 West End W1
www.bdo.co.uk

55 Baker Street
London W1U 7EU

Private and Confidential

AFC Energy plc
Unit 71.4 Dunsfold Park
Stovolds Hill
Cranleigh
Surrey
GU6 8TB

24 January 2020

FAO: Graeme Lewis

Dear Sirs

Independent Accountant's Report Issued in accordance with Sections 593 (1) and 596 of the Companies Act 2006 to AFC Energy plc ("AFC" or the "Company")

In accordance with the terms of our contract dated 16 January 2020 (the "Engagement Letter"), we have prepared this Independent Valuation Report (the "Report") in accordance with the provisions of Sections 593 (1) and 596 of the Companies Act 2006.

We report on the value of the non-cash consideration ("Non-Cash Consideration") to be received by the Company in consideration for the issue and allotment of ordinary shares of £0.001 each (the "Shares") in the capital of the Company. The Non-Cash Consideration may be summarised as a series of commitments made by the allottee (HiiROC Limited, or "HiiROC") and the Company that have been recorded in a heads of term document as at the date of this letter ("Heads of Terms"), which, if progress is made to a signed commercialisation agreement between the Company and HiiROC, will afford AFC the use of Intellectual Property ("IP") developed by HiiROC. The IP relates to technology involved in the synthesis of hydrogen fuel; a key component of AFC's product offering.

Our report has been prepared pursuant to the requirements of Sections 593 (1) and 596 of the Companies Act 2006 and for no other purpose. No person is entitled to rely upon this report by virtue of and for the purpose of Sections 593 (1) and 596 of the Companies Act 2006 unless expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Yours faithfully,

BDO LLP

INDEPENDENT ACCOUNTANTS' REPORT TO AFC ENERGY PLC FOR THE PURPOSE OF SECTION 593 OF THE COMPANIES ACT 2006

This report is made solely to AFC for the purpose of Sections 593 (1) and 596 of the Companies Act 2006. Our work has been undertaken so that we might state to the Company those matters that we are required to state to it in an accountants' report under that section 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, for our work, for this report, or for the opinions that we have formed.

The Company is in the process of developing and commercialising alkaline fuel cell technologies, and aims to achieve its goals through the sale of fuel cell equipment and maintenance contracts, as well as the agreement of licensing deals with respect to specialised applications.

HiiROC is a UK-based firm specialising in the acquisition and exploitation of plasma technology. This technology has applications in the synthesis of hydrogen, and HiiROC has unique hydrogen-generating technology that has been proven scientifically in the laboratory.

The Company will transfer 526,316 newly issued ordinary shares to HiiROC, each with a nominal value of £0.001 (£526.32 in aggregate), and each at a premium of £0.19 (£99,473.68 in aggregate), comprising £100,000 in total.

In return for the shares issued to HiiROC, AFC will receive the Non-Cash Consideration comprising a series of commitments made by HiiROC to AFC and by AFC to HiiROC that are recorded in the Heads of Terms and which are intended to form the basis of a future commercialisation agreement which is intended to be executed between the Company and HiiROC in due course. Specifically:

- AFC will commit to support the ongoing development plan of HiiROC, and in particular the hydrogen production unit, through the provision of up to £300,000 worth (less the professional fees incurred to conclude these agreements) of in-kind engineering, instrumentation, testing and associated support over the 18 months from the date of execution of a future commercialisation agreement with HiiROC. The parties intend to confirm the timing and exact nature of this support in the commercialisation agreement, including the way such support will be quantified and recorded; and
- HiiROC is expected to provide AFC with the use of IP developed by HiiROC concerning technology involved in the synthesis of hydrogen fuel.

Overall, we refer to this arrangement as the "Transaction".

We have relied upon information provided by the Company in order to inform our work of assessing the Non-Cash Consideration, in which Shares are to be issued in return for the commitments detailed in the Heads of Terms documents as previously discussed. We have also supplemented this information with our own research based on publicly available information. The Non-Cash Consideration has been valued using the discounted cash flow approach, which captures the present value of the expected net cash benefit to the Company associated with the Transaction as at the date of this letter.



AFC Energy plc
24 January 2020

Opinion

In our opinion, the method used to value the Non-Cash Consideration receivable is reasonable in all circumstances and there appears to have been no material changes in the value of the consideration receivable since the Transaction terms were provided to us.

On the basis of the valuation, in our opinion, the value of the Non-Cash Consideration to be received by the Company in the Transaction is not less than £100,000 in total, being the aggregate of the nominal value and the share premium to be treated as paid up by the Company in respect of 526,316 £0.001 Shares with a premium of £0.19.

Yours faithfully,

A handwritten signature in black ink that reads 'BDO LLP'.

BDO LLP

24 January 2020