

31 March 2023

**Sabien Technology Group Plc**  
**(“Sabien”, the “Company” or the “Group”)**

**Unaudited Interim Results for the six months ended 31 December 2022**

Sabien Technology Group plc (AIM: SNT), the company focused on a green aggregation strategy, today announces its unaudited interim results for the six-month period ended 31 December 2022 (the “Period”). Comparative figures are shown for the comparable period in the previous financial year unless otherwise stated:

**Financial highlights**

		6 months to 31 December 2022 Unaudited	6 months to 31 December 2021 Unaudited	Year to 30 June 2022 Audited
Sales revenue	£'000	238	121	679
Sales orders received	£'000	212	246	889
Sales invoices raised	£'000	189	129	831
M2G Cloud connect systems sold	No.	50	31	262
M2G systems sold (non-Cloud)	No.	10	15	108
Sales from Alliance Partners	£'000	47	6	60
Gross profit margin	%	51%	62%	66%
Net loss after tax	£'000	(437)	(570)	(743)
Cash at end of period	£'000	354	624	573

**Company Highlights**

- £500k gross placing and £100k oversubscribed broker option in August 2022.
- Sales orders received for the period 1 January 2023 – 30 March 2023 of £767k (same period in prior year £301k).
- Total sales orders received for the year-to-date period to 30 March 2023 £979k (same period in prior year £547k).
- Sales invoices of £1.01m in the year-to-date period to 4 April 2023 (same period in prior year £506k)
- Cash £485k at 30 March 2023 (£325k at 31 March 2023).

## **Executive Chairman's Statement**

Sabien entered the financial year 2022/3 poised to deliver further on its "Green" strategy. Since 30<sup>th</sup> June 2022, the Group has developed successfully its M2G offer to the important commercial heating market while, at the same time, making significant progress in the evolution of b.grn, the Special Purpose Vehicle ("SPV"), in which Sabien holds an interest in, designed to provide fuel products and naphtha from recycling waste plastic.

### M2G Business

The Board of Sabien considers the M2G Cloud solution to be a step change in Sabien's history, evidenced by universally positive feedback being received by customers and potential customers alike. The solution enjoys a short sales cycle, leveraging industry leading analytics into the existing significant cost and CO2 savings already provided by M2G to customers. M2G's ability to demonstrate almost instantaneous CO2 savings upon implementing the M2G Cloud solution, as well as a range of unique next generation boiler analytics, is at the heart of the accelerated sales cycle. Previously, and often, Sabien had to demonstrate savings over lengthy pilot tests. The advent of the Cloud solution renders customer cost savings instantly visible, and directly addresses Environmental Social and Governance ("ESG") requirements and goals.

The improved feedback and accelerated sales cycle are being reflected in sales, orders and billings. For the six months ended 31 December 2022, Sabien recognised revenue of over £0.20m, an increase of 1.5x on the comparative period (£0.08m). Once the billing of the government order announced on 28 March 2023 has been completed as planned by 4 April 2023, Sabien will have billed in excess of £1.01m in revenue so far for the 2023 financial year, an increase of £0.18m or growth of over 20% on the full previous financial year. Additionally in the first 9 months of the financial year, Sabien has received orders of £0.98m, 10% greater than the £0.89m orders received for the entire previous financial year. Revenue recognition of orders received, and invoices raised will be dependent on the ability to procure M2G Cloud Connect units. Lead times remain significantly extended due to the availability of microchips in the market, are however beginning to improve. Gross margin at 51% was lower than the historical level of in excess of 70% during the period. Sabien is incurring fixed cloud support costs that are not currently being fully recovered. As the M2G Cloud Connect rollout continues, and with the launch of the next generation M2G Evo, gross margin will improve.

This strong billing and order performance has been driven by an equally strong sales effort. In the period under review, Sabien has developed relationships with new partners; notably Amber Energy and Empiric Student Property Plc (£0.09m billed YTD March 2023). Existing customers have also accelerated their involvement with M2G. CBRE has generated £0.16m from 13 separate projects including recurring cloud revenue while the Company has achieved further orders from its existing HM Government department customer, with a total £668k YTD March 2023 compared to £264k in the comparative period.

### COF / b.grn Business

Sabien Board members and elements of the management team are visiting South Korea at the end of March 2023 and early April 2023. The purpose of this visit is to further strengthen the relationship between Sabien and City Oil Field Inc, ("COF"). COF is the inventor and vendor of a unique catalyst-driven, plastic-to-oil technology for which Sabien is the exclusive UK and non-exclusive worldwide sales agent.

During the visit Sabien will introduce senior representatives of a leading UK university's material science department. It is expected these Professors will be engaged on a research project initiated by Sabien to verify and further investigate the COF technology. In addition,

the team will be joined by a major US commodities trading and energy investment company which is carrying out due diligence on the technology with a view to funding an initial technology rollout for Sabien's associated joint-venture operating company; b.grn Group Ltd. Finally, a potential African customer for b.grn is joining the visit to carry out specific due diligence relevant to that region's resources and needs.

With the forthcoming research project, strategic partners in place, and advanced discussions ongoing with key funding partners, the Board considers that b.grn has assembled the fundamental building blocks of a successful business model.

#### Proton UK Business

Sabien owns a licence to develop an up to 20 tonne per day UK onshore hydrogen facility. The Group has not focussed on the opportunity during the Period as the target oil field owners have focussed on maximising short term oil production given current world oil prices. The Board considers the Proton project continues to hold strong prospects for the Group but is not a current area of focus.

Sabien is also actively working with Proton to develop its option to install a COF plant at Proton's Saskatchewan site. Sabien and Proton have discussed various options for the sale of the offtake oil from the COF process and both teams are motivated to develop the first North American COF installation.

#### Aeristech investment

Sabien invested £100k in Aeristech in February 2021 at a price of £2.40 per share. The investment was made to support Aeristech's development of e-boost technologies for hydrogen fuel cell, hybrid electric, and internal combustion engine powertrains. Since Sabien's investment, Aeristech has made excellent progress in developing its customer base and has continued to raise funds at up to £3.00 per share.

#### Summary

The Board of Sabien considers the first half of the financial year 2022/3 to be of significant strategic importance to the prospects for the Group. Its M2G business has surpassed expectations in terms of both billings and orders, underpinned by the successful deployment of the Cloud solution. b.grn has developed further its relationship with COF while establishing a base of operations via the securing of key partnerships in multiple geographies. Both Proton and Aeristech have demonstrated consistently the potential which determined Sabien's initial investment and underpin its continued support.

Looking to the final quarter of the current financial year, the Board believes that the momentum evident in the 9-months to date is built on solid foundations; orders secured, billings made, and prospects enhanced.

**Richard Parris**

Executive Chairman

31 March 2023

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## Sabien Technology Group Plc

### Unaudited Condensed Group Statement of Comprehensive Income for the period ended 31 December 2022

	Notes	6 months to 31 December 2022 Unaudited £'000	6 months to 31 December 2021 Unaudited £'000	Year to 30 June 2022 Audited £'000
<b>Revenue</b>		238	121	679
Cost of Sales		(117)	(46)	(231)
Gross Profit		121	75	448
Administrative expenses		(676)	(639)	(1,327)
Exceptional item		-	(9)	(9)
<b>Operating loss</b>		<b>(555)</b>	<b>(573)</b>	<b>(888)</b>
Other income		100	8	158
Finance expense		(3)	(4)	(13)
Loss before tax		(458)	(569)	(743)
Tax credit		21	-	-
<b>Loss for the period attributable to equity holders of the parent company</b>		<b>(437)</b>	<b>(569)</b>	<b>(743)</b>
<b>Other comprehensive income for the period</b>		-	<b>(1)</b>	-
<b>Total comprehensive income for the period</b>		<b>(437)</b>	<b>(570)</b>	<b>(743)</b>
Loss per share in pence - basic	3	(2.12)p	(3.90)p	(5.06)p
Loss per share in pence - diluted	3	(2.12)p	(3.90)p	(5.06)p

## Sabien Technology Group Plc

### Unaudited Condensed Group Statement of Financial Position as at 31 December 2022

	Notes	31 December 2022 Unaudited £'000	31 December 2021 Unaudited £'000	30 June 2022 Audited £'000
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment		2	2	2
Other intangible assets		126	83	152
Investments		300	200	200
<b>Total non-current assets</b>		<b>428</b>	<b>285</b>	<b>354</b>
<b>Current assets</b>				
Inventories		45	27	40
Trade and other receivables		454	166	387
Cash and cash equivalents		354	624	573
<b>Total current assets</b>		<b>853</b>	<b>817</b>	<b>1,000</b>
<b>TOTAL ASSETS</b>		<b>1,281</b>	<b>1,102</b>	<b>1,354</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables		289	137	487
Borrowings		39	36	138
<b>Total current liabilities</b>		<b>328</b>	<b>173</b>	<b>625</b>
<b>Non-current liabilities</b>				
Borrowings		91	127	109
<b>Total non-current liabilities</b>		<b>91</b>	<b>127</b>	<b>109</b>
<b>EQUITY</b>				
Equity attributable to equity holders of the parent				
Share capital	4	3,563	3,354	3,354
Other reserves		4,014	3,552	3,544
Retained earnings		(6,715)	(6,104)	(6,278)
<b>Total equity</b>		<b>862</b>	<b>802</b>	<b>620</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,281</b>	<b>1,102</b>	<b>1,354</b>

## Sabien Technology Group Plc

### Unaudited Condensed Group Cash Flow Statement for the period ended 31 December 2022

	6 months to 31 December 2021 Unaudited £'000	6 months to 31 December 2021 Unaudited £'000	Year to 30 June 2022 Audited £'000
<b>Cash flows from operating activities</b>			
Loss before taxation	(437)	(569)	(743)
Adjustments for:			
Depreciation and amortisation	31	24	63
Finance expense	3	4	13
Less movement in interest accrual	(2)	-	(2)
Foreign currency reserve movement	5	(1)	(9)
Fixed assets transferred to inventory	-	-	6
Equity settled current liability	-	-	33
Taxation	(21)	-	-
Decrease in trade and other receivables	(62)	(114)	(334)
Decrease/(increase) in inventories	(4)	4	(16)
Decrease in trade and other payables	(207)	(15)	326
<b>Net cash outflow from operating activities</b>	<b>(694)</b>	<b>(667)</b>	<b>(663)</b>
<b>Cash flows from investing activities</b>			
Investments acquired	(100)	(100)	(100)
Purchase of intangibles	(6)	(24)	(131)
<b>Net cash outflow from investing activities</b>	<b>(106)</b>	<b>(124)</b>	<b>(231)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issues	580	48	15
Proceeds from borrowings	-	-	100
Repayment of borrowings	(18)	(32)	(36)
Interest paid	(2)	-	(11)
Tax refunded	21	-	-
<b>Net cash generated by financing activities</b>	<b>581</b>	<b>16</b>	<b>68</b>
Net (decrease)/increase in cash and cash equivalents	(219)	(775)	(826)
Cash and cash equivalents at beginning of period	573	1,399	1,399
<b>Cash and cash equivalents at end of period</b>	<b>354</b>	<b>624</b>	<b>573</b>

## Sabien Technology Group Plc

### Unaudited Condensed Group Statement of Changes in Equity as at 31 December 2021

	Share capital	Share premium	Share based payment reserve	Translation reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 July 2021</b>	<b>3,350</b>	<b>3,508</b>	<b>1</b>	<b>-</b>	<b>(5,535)</b>	<b>1,324</b>
Loss for the period 1 July 2021 to 31 December 2021	-	-	-	-	(569)	(569)
Warrant issue	-	(28)	28	-	-	-
Share issue	4	44	-	-	-	48
Exchange difference on consolidation	-	-	-	(1)	-	(1)
<b>Balance at 31 December 2021</b>	<b>3,354</b>	<b>3,524</b>	<b>29</b>	<b>(1)</b>	<b>(6,104)</b>	<b>802</b>
Loss for the period 1 January 2022 to 30 June 2022	-	-	-	-	(174)	(174)
Warrant issue	-	19	(19)	-	-	(9)
Foreign exchange variance	-	-	-	(8)	-	-
<b>Balance at 30 June 2022</b>	<b>3,354</b>	<b>3,543</b>	<b>10</b>	<b>(9)</b>	<b>(6,278)</b>	<b>620</b>
Loss for the period 1 July 2022 to 31 December 2022	-	-	-	-	(437)	(437)
Share issue	209	468	-	-	-	677
Foreign exchange variance	-	-	-	2	-	2
<b>Balance at 31 December 2022</b>	<b>3,563</b>	<b>4,011</b>	<b>10</b>	<b>(7)</b>	<b>(6,715)</b>	<b>862</b>



## Sabien Technology Group Plc

### Notes to the Financial Statements for the period ended 31 December 2021

#### 1. Accounting policies

The interim financial information has not been audited or reviewed by the auditors and does not constitute statutory accounts for the purpose of Sections 434 and 435 of the Companies Act 2006.

The financial information in this document has been prepared using accounting principles generally accepted under International Financial Reporting Standards and is consistent with those used in the preparation of the most recent annual financial statements.

These interim financial statements for the six month period ended 31 December 2022 have been prepared using the historical cost convention, on a going concern basis and in accordance with applicable UK adopted International Financial Reporting Standards.

The financial statements for the year ended 30 June 2022 have been delivered to the Registrar of Companies and filed at Companies House and the auditors' report on those financial statements was unqualified. The auditors' report did not contain a statement made under Section 498(2) or Section 498(3) of the Companies Act 2006.

#### 2. Segmental reporting

Based on risks and returns, the directors consider that the primary reporting business format is by business segment which is currently just the supply of energy efficiency products, as this forms the basis of internal reports that are regularly reviewed by the Company's chief operating decision maker in order to allocate resources to the segment and assess its performance. Therefore, the disclosures for the primary segment have already been given in interim financial information. The secondary reporting format is by geographical analysis by destination. Non-UK revenues amounted to £84k which were 35% of total revenues for the period.

During the period, sales to the Group's largest customers were as follows:

	<b>Sales revenue</b>	<b>% of total revenue</b>
	<b>£'000</b>	
Customer 1	86	36
Customer 2	50	21
Customer 3	38	16
Customer 4	12	5

During the period a management fee to Sabien's associated party, b.grn Group Limited of £0.1m was accrued (2021: £nil, Full year 2022: £0.15m) and included within Other Income.

### 3. Loss per share

The calculation of the basic loss per share is based on the loss attributable to the ordinary shareholders, divided by the weighted average number of shares in issue in the period.

	<b>6 months to 31 December 2022 Unaudited £'000</b>	<b>6 months to 31 December 2021 Unaudited £'000</b>	<b>Year to 30 June 2022 Audited £'000</b>
Loss for the period	(535)	(310)	(743)
Basic and Diluted:			
Weighted average number of shares in issue	20,532,668	14,630,643	14,675,358
Loss per share – basic and diluted	(2.12)P	(3.90)p	(5.06)p

### 4. Share capital

The Company's issued Ordinary share capital is:

	<b>Amount £'000</b>	<b>No. of New Ordinary Shares of 3p each</b>	<b>No. of Deferred Shares of 4.5p each</b>	<b>No. of New Deferred Shares of 0.49p each</b>
Allotted, called up and fully paid:				
At 31 December 2022	3,563	21,695,168	44,004,867	190,254,867
At 30 June 2022	3,354	14,720,168	44,004,867	190,254,867
At 31 December 2021	3,354	14,720,168	44,004,867	190,254,867

## 5. Share based payments

The Company has issued warrants that entitles the holders to purchase shares in the Company with the warrants exercisable at the price determined at the date of granting the warrant. The terms and conditions of the grants issued are summarised below.

<b>Grant date</b>	<b>Number of instruments</b>	<b>Exercise price</b>	<b>Contractual life of instruments</b>
2 February 2021	1,395,349	15p	19 February 2023
1 February 2022	280,000	60p	1 February 2023

On 2 February 2021, 1,395,349 share options (figure post March 2021 300:1 share consolidation) were issued to the Executive Chairman as part of a placing. The warrants are exercisable once the Company's mid-market share price has exceeded 60p for five working days in a row.

On 1 February 2022, 280,000 share options were issued to Proton as part of the consideration for the hydrogen processing licence and option to install a COF facility at Proton's site in Saskatchewan, Canada.

The Group has recognised a charge of £nil arising from the share based payments noted above in profit and loss for the period ended 31 December 2022.

## 6. Seasonality

The business of the Group is not seasonal.