

RNS Number : 0257A
Dukemount Capital PLC
28 January 2022

Dukemount Capital Plc
("Dukemount" or "the Company")

Interim Results

Dukemount Capital Plc (LSE: DKE) is pleased to announce its unaudited interim results for the six months ended 31 October 2021 ("the Interim Report").

Highlights

- **Entered into JV agreement with HSKB Ltd (renamed DKE Flexible Energy Limited)**
- **Completed gas peaker funding package**
- **Completed purchase of two RTB 11kV energy generation sites**

Operational Developments

Dukemount has successfully signed off a subordinated funding package necessary to enable completion of the senior debt funding for its gas peaking projects and through HSKB completed the purchase of two special purpose companies. Each company contains an 11kV gas peaking facility, which are ready to build, with full planning permission and grid access. HSKB has changed its name to DKE Flexible Energy Limited ("DKE Energy"). DKE Energy will initially build two gas peaking facilities. Dukemount will manage the construction of the two sites and provide its knowledge of long-dated income funding and finance to optimize the capital structure.

Dukemount is currently working with its advisors and the FCA to get a prospectus approved and the first tranche of the funding available to be able to commence the construction process.

Paul Gazzard commented:

"It has been a very positive few months for DKE and we look forward to continuing to grow the pipeline and getting into the construction phase of the new sites with the support of our funders and shareholders.

We look forward to updating the market with more developments soon as they are delivered."

For further information, please visit www.dukemountcapitalplc.com or contact:

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Interim Management Report

I hereby present the Interim Report for the six months ended 31 October 2021. During the period the Group made a loss of £227,218 (six months to 31 October 2020: loss of £156,947). These losses are consistent with the Group's run rate and arose in the course of: pursuing transactions; maintaining the Company's listing on the Official List of the UK Listing Authority by way of a standard listing and include: consultancy fees, professional fees and directors' fees.

During the period, the board has pushed on to securing long dated income opportunities.

During the period the Company entered into a Joint Venture Agreement in relation to flexibility power expert HSKB Ltd ("HSKB"). Pursuant to the Joint Venture Agreement, Dukemount acquired 50% of the issued share capital of HSKB for nominal value.

Dukemount successfully signed off a subordinated funding package necessary to enable completion of the senior debt funding for the gas peaking projects in September 2021 and announced in October 2021 that HSKB had successfully completed the purchase of two special purpose companies. Each company contains an 11kV gas peaking facility, which are ready to build, with full planning permission and grid access. HSKB has also changed its name to DKE Flexible Energy Limited ("DKE Energy"). DKE Energy will initially build two gas peaking facilities. Dukemount will manage the construction of the two sites and provide its knowledge of long-dated income funding and finance to optimize the capital structure. DKE Energy's management brings its technical, operational and market expertise of the UK flexible power market, as well as access to a pipeline of further deals.

Outlook

Dukemount believes the opportunities presented by the joint venture to be an important milestone for Dukemount to meet its projected growth targets. Dukemount is set to rollout further joint venture projects with a focus on gas peaking and battery storage facilities. Both asset types balance the fluctuating power requirements of the grid during periods of high-level demand or shortfalls of electricity supply: a problem which is set to become more acute in the transition to a greater reliance on renewable energy sources.

I would like to take the opportunity to thank our shareholders for their support and the Dukemount team for their continuing efforts in driving this business forward.

Paul Gazzard
On behalf of the Board

28 January 2022

Responsibility Statement

We confirm that to the best of our knowledge:

- the Interim Report has been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting, as adopted by the EU;
- gives a true and fair view of the assets, liabilities, financial position and loss of the Group;
- the Interim Report includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the set of interim financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
- the Interim Report includes a fair review of the information required by DTR 4.2.8R of the Disclosure and Transparency Rules, being the information required on related party transactions.

The Interim Report was approved by the Board of Directors and the above responsibility statement was signed on its behalf by:

Paul Gazzard
Director

28 January 2022

Consolidated Statement of Comprehensive Income

For the six months ended 31 October 2021

Note	Group Unaudited 6months ended	Group Unaudited 6months ended	Group Audited Year ended
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		31 Oct 2021	31 Oct 2020	30 April 2021
		£	£	£
Continuing Operations				
Revenue from contracts with customers	4	-	1,348,227	3,296,730
Cost of sales		-	(1,283,553)	(3,483,700)
Gross Profit/(Loss)			64,674	(186,970)
Other income		-	-	14,750
Administrative expenses		(227,218)	(221,621)	(741,636)
Operating loss		(227,218)	(156,947)	(913,856)
Interest received		-	-	29
Loss before taxation		(227,218)	(156,947)	(913,827)
Tax		-	-	-
Loss for the financial period attributable to equity owners		(227,218)	(156,947)	(913,827)
Total comprehensive (loss) attributable to the equity holders		(227,218)	(156,947)	(913,827)
Earnings per share				
- Basic and diluted	5	(0.00046)	(0.00035)	(0.0020)

Consolidated Statement of Financial Position
At 31 October 2021

	Note	Group Unaudited 31 Oct 2021 £	Group Unaudited 31 Oct 2020 £	Group Audited 30 April 2021 £
ASSETS				
Current assets:				
Trade and other receivables	6	938,836	714,728	576,316
Cash and cash equivalents		40,864	58,969	24,657
Total Current assets		979,700	773,697	600,973
Total assets		979,700	773,697	600,973

LIABILITIES

Current liabilities:

Trade and other payables	7	1,799,753	769,652	1,218,808
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Total Current liabilities		1,799,753	769,652	1,218,808
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Total liabilities		1,799,753	769,652	1,218,808
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NET ASSETS		(820,053)	4,045	(617,835)
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Capital and reserve attributable to the equity holders of the Parent

Share capital		513,535	454,283	481,283
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Share premium		1,107,783	1,007,035	1,115,035
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Share based payments reserve		2,960	30,499	2,960
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Retained earnings		(2,444,331)	(1,487,772)	(2,217,113)
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TOTAL EQUITY		(820,053)	4,045	(617,835)
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Consolidated Statement of Changes in Equity

For the six months ended 31 October 2021

	Share capital	Share premium	Share based payment reserve	Retained losses	Total shareholder equity
	£	£	£	£	£
Balance as at 1 May 2020	439,033	952,211	30,499	(1,330,825)	90,918
Loss for the period	-	-	-	(156,947)	(156,947)
Total comprehensive income for the period	-	-	-	(156,947)	(156,947)
Issue of ordinary shares	15,250	54,824	-	-	70,074
Total transactions with owners	15,250	54,824	-	-	70,074
Balance at 31 October 2020	454,283	1,007,035	30,499	(1,487,772)	4,045
Loss for the period	-	-	-	(756,880)	(756,880)
Total comprehensive income for the period	-	-	-	(756,880)	(756,880)
Issue of ordinary shares	27,000	108,000	-	-	135,000
Exercise of warrants	-	-	(27,539)	27,539	-
Total transactions with owners	27,000	108,000	(27,539)	27,539	135,000

Balance as at 30 April 2021	481,283	1,115,035	2,960	(2,217,113)	(617,835)
Loss for the period	-	-	-	(227,218)	(227,218)
Total comprehensive income for the period	-	-	-	(227,218)	(227,218)
Issue of ordinary shares	32,252	(7,252)	-	-	25,000
Total transactions with owners	32,252	(7,252)	-	-	25,000
Balance at 31 October 2021	513,535	1,107,783	2,960	(2,444,331)	(820,053)

Consolidated Statement of Cashflows

For the six months ended 31 October 2021

	Group Unaudited 6 months ended 31 Oct 2021 £	Group Unaudited 6 months ended 31 Oct 2020 £	Group Audited Year ended 30 April 2021 £
Operating activities			
Loss before taxation	(227,218)	(156,947)	(913,827)
(Increase)/decrease in trade and other receivables	(33,214)	(105,170)	33,242
(Decrease) / increase in trade and other payables	(419,055)	(157,399)	265,070
Net cash used in operating activities	(679,487)	(419,516)	(615,515)
Cash Flows from Investing Activities			
Investment in JV	(329,306)	-	-
Net Cash generated from Investing Activities	(329,306)	-	-
Cash Flows from Financing Activities			
Loans received	1,000,000	-	-
Net proceeds from issue of shares	-	70,074	231,761
Shares issued in lieu of expenses	25,000	-	-
Net Cash generated from Financing Activities	1,025,000	70,074	231,761
Increase/(Decrease) in cash and cash equivalents in period/ year	16,207	(349,442)	(383,754)
Cash and cash equivalents at beginning of period / year	24,657	408,411	408,411

Cash and cash equivalents at end of period / year	40,864	58,969	24,657
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Notes to the Interim Report

For the six months ended 31 October 2021

1. GENERAL INFORMATION

Dukemount Capital Plc (the "Company") is a company domiciled in England. The interim report for the six months ended 31 October 2021 comprises the results of the Company and its subsidiaries (together referred to as the "Group").

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared under the historical cost convention and on a going concern basis and in accordance with International Financial Reporting Standards, International Accounting Standards and IFRIC interpretations endorsed for use in the United Kingdom ("IFRS"). The condensed consolidated interim financial statements contained in this document do not constitute statutory accounts. In the opinion of the directors, the condensed consolidated interim financial statements for this period fairly presents the financial position, result of operations and cash flows for this period. The Board of Directors approved this Interim Financial Report on 27 January 2022.

Statement of compliance

The Interim Report includes the consolidated interim financial statements which have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting'. The condensed interim financial statements should be read in conjunction with the annual financial statements for the period ended 30 April 2021, which have been prepared in accordance with IFRS endorsed for use in the United Kingdom.

Accounting policies

The condensed consolidated interim financial statements for the period ended 31 October 2021 have not been audited or reviewed in accordance with the International Standard on Review Engagements 2410 issued by the Auditing Practices Board. The figures were prepared using applicable accounting policies and practices consistent with those adopted in the statutory annual financial statements for

the year ended 30 April 2021. There have been no new accounting policies adopted since 30 April 2021.

Going concern

The Group has assessed its ability to continue as a going concern. The Directors, having made due and careful enquiry, are of the opinion that the Group will have access to adequate working capital to meet its obligations for the period of at least twelve months from the date when the condensed interim financial statements are authorised for issue. The Directors therefore have made an informed judgement, at the time of approving these condensed interim financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. As a result, the Directors have adopted the going concern basis of accounting in the preparation of the condensed interim financial statements for the period ended 31 October 2021.

3. RISKS AND UNCERTAINTIES

The Board continually assesses and monitors the key risks of the business. The key risks that could affect the Group's short and medium-term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2021 audited financial statements, a copy of which is available on the Company's website: <http://www.dukemountcapitalplc.com>.

4. REVENUE

Revenue relates to amounts contractually due under a property development agreement at the balance sheet date relating to the stage of completion of a contract as measured by surveys of work performed to date. Revenue is recognised for services when the Group has satisfied its contractual performance obligation in respect of the services. The amount recognised for the services performed is the consideration that the Group is entitled to for performing the services provided. Revenue from contracts with customers is recognised over time.

	Group Unaudited 31 Oct 2021	Group Unaudited 31 Oct 2020	Group Audited 30 April 2021
	£	£	£
Revenue from contracts with customers	-	1,348,227	3,296,730

5. EARNINGS PER SHARE

The basic loss per share is derived by dividing the loss for the period attributable to ordinary shareholders by the weighted average number of shares in issue.

Group Unaudited	Group Unaudited	Group Audited
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	31 Oct 2021	31 Oct 2020	30 April 2021
	£	£	£
Loss for the period	(227,218)	(156,947)	(913,827)
Weighted average number of shares - expressed in thousands	496,352	450,950	456,930
Basic earnings per share - expressed in pence	(0.00046)	(0.00035)	(0.0020)

6. TRADE AND OTHER RECEIVABLES

	Group Unaudited 31 Oct 2021	Group Unaudited 31 Oct 2020	Group Audited 30 April 2021
	£	£	£
Trade and other receivables	377,620	30,623	15,100
Amounts recoverable on contracts	561,216	684,105	561,216
	938,836	714,728	576,316

Amounts recoverable on contracts represents sales invoices issued after the period end in respect of work undertaken during the period with appropriate provision being made in accruals and deferred income for costs incurred in undertaking such work but which had not been invoiced at the period end.

7. TRADE AND OTHER PAYABLES

	Group Unaudited 31 Oct 2021	Group Unaudited 31 Oct 2020	Group Audited 30 April 2021
	£	£	£
Trade and other payables	1,681,253	264,016	1,052,660
Accruals	118,500	93,500	166,148
Accrued property costs	-	412,136	-
	1,799,753	769,652	1,218,808

8. APPROVAL OF INTERIM FINANCIAL STATEMENTS

The Condensed interim financial statements were approved by the Board of Directors on 28 January 2022. A copy can be obtained on the Company's website at www.dukemountcapitalplc.com

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