

EUROSITE POWER INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	September 30, 2020	December 31, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,111,077	\$ 1,881,974
Accounts receivable	325,288	442,616
Value added and other tax receivable	-	-
UK energy tax incentives receivable	-	26,328
Inventory	282,550	270,834
Other current assets	209,397	275,860
Total current assets	1,928,313	2,897,611
Property and equipment, net	9,417,110	8,399,172
Other assets, long-term	670,516	687,740
TOTAL ASSETS	\$ 12,015,938	\$ 11,984,523
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 188,359	\$ 199,971
Accrued expenses and other current liabilities	386,925	198,362
Value added and other tax payable	46,367	40,493
Note payable - bank, short-term	318,553	297,622
Total current liabilities	940,205	736,448
Long-term liabilities:		
Note payable - bank	1,047,268	923,329
Note payable - related party	-	-
Total liabilities	1,987,472	1,659,777
Stockholders' equity:		
Common Stock, \$0.001 par value; 100,000,000 shares authorized; 82,265,056 issued at June 30, 2020 and December 31, 2019	82,265	82,265
Additional paid-in capital	22,883,266	22,864,674
Capital contributions	-	-
Accumulated deficit	(13,030,088)	(12,638,858)
Cumulative translation adjustment (CTA)	93,024	16,665
Total stockholders' equity	10,028,466	10,324,746
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 12,015,938	\$ 11,984,523

EUROSITE POWER INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended	
	September 2020	September 2019
Revenues		
Energy revenues	655,995	878,748
Turnkey revenues	18,474	9,501
Other revenues		
	<u>674,470</u>	<u>888,249</u>
Cost of sales		
Fuel, maintenance and installation	397,980	479,139
Turnkey costs	11,132	45,514
Site impairments	-	-
Site depreciation expense	156,783	136,929
	<u>565,895</u>	<u>661,582</u>
Gross profit (loss)	<u>108,575</u>	<u>226,667</u>
Operating expenses		
General and administrative	142,403	195,175
Selling	47,980	103,048
Engineering	79,002	118,996
	<u>269,384</u>	<u>417,219</u>
Loss from operations	<u>(160,809)</u>	<u>(190,551)</u>
Other income (expense)	35.43%	
Interest income		
Interest expense, net of debt premium amortization	(18,443)	(14,790)
Debt conversion expense	-	-
	<u>(18,443)</u>	<u>(14,790)</u>
Loss before income taxes	<u>(179,252)</u>	<u>(205,341)</u>
Benefit for income taxes		
Net loss	<u>\$ (179,252)</u>	<u>\$ (205,341)</u>
Net loss per share - basic and diluted	<u>\$ (0.002)</u>	<u>\$ (0.002)</u>
Weighted-average shares outstanding - basic and diluted	<u>82,265,056</u>	<u>82,265,056</u>
Non-GAAP financial disclosure		
Loss from operations	\$ (160,809)	\$ (190,551)
Depreciation expense	158,843	138,453
Site Impairments	-	-
Stock based compensation	-	14,868
Adjusted EBITDA	<u>\$ (1,967)</u>	<u>\$ (37,230)</u>

EUROSITE POWER INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Nine Months Ended	
	September 2020	September 2019
Revenues		
Energy revenues	2,199,356	2,997,030
Turnkey revenues	30,692	280,153
Other revenues	-	-
	<u>2,230,048</u>	<u>3,277,183</u>
Cost of sales		
Fuel, maintenance and installation	1,233,884	1,671,344
Turnkey costs	16,265	386,762
Site impairments	-	-
Site depreciation expense	445,777	420,901
	<u>1,695,926</u>	<u>2,479,008</u>
Gross profit (loss)	<u>534,123</u>	<u>798,175</u>
Operating expenses		
General and administrative	463,815	638,305
Selling	161,938	298,743
Engineering	307,286	371,954
	<u>933,039</u>	<u>1,309,002</u>
Loss from operations	<u>(398,916)</u>	<u>(510,827)</u>
Other income (expense)		
Interest income	-	-
Interest expense, net of debt premium amortization	(51,442)	(45,638)
Debt conversion expense	-	-
	<u>(51,442)</u>	<u>(45,638)</u>
Loss before income taxes	(450,358)	(556,465)
Benefit for income taxes	59,128	-
Net loss	<u>\$ (391,231)</u>	<u>\$ (556,465)</u>
Net loss per share - basic and diluted	<u>\$ (0.005)</u>	<u>\$ (0.007)</u>
Weighted-average shares outstanding - basic and diluted	<u>82,265,056</u>	<u>82,265,056</u>
Non-GAAP financial disclosure		
Loss from operations	\$ (398,916)	\$ (510,827)
Depreciation expense	451,711	405,275
Site Impairments	-	-
Aborted acquisition costs	-	-
Stock based compensation	18,592	71,895
Adjusted EBITDA	<u>\$ 71,387</u>	<u>\$ (33,658)</u>

EUROSITE POWER INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Nine Months Ended	
	September 2020	September 2019
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (391,231)	\$ (556,465)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>		
Non cash debt conversion expense		
Depreciation	451,711	405,275
Stock-based compensation	18,592	70,401
<i>Changes in operating assets and liabilities</i>		
(Increase) decrease in:		
Accounts receivable	117,328	457,975
Value added and other tax receivable	32,202	(33,268)
Accrued UK energy tax incentives	-	86,431
Inventory	(11,716)	(43,234)
Prepaid and other current assets	66,462	168,515
Other assets, long term	17,224	3,035
Increase (decrease) in:		
Accounts payable	(11,612)	(5,483)
Due to related party		
Accrued expenses and other current liabilities	188,563	42,892
Capital Contributions to Joint Venture	-	26,425
Net cash used in operating activities	<u>477,523</u>	<u>622,498</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(1,469,648)	(192,430)
Net cash used in investing activities	<u>(1,469,648)</u>	<u>(192,430)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of Common Stock net of costs	-	-
Payments on note payable	(254,065)	(218,794)
Proceeds from loan payable - bank	398,935	338,644
Net cash provided by (used in) financing activities	<u>144,870</u>	<u>119,850</u>
Effect of Exchange Rate on Cash and Cash Equivalents	76,359	(37,804)
Net increase (decrease) in cash and cash equivalents	(770,896)	512,114
Cash and cash equivalents, beginning of the period	1,881,974	2,081,689
Cash and cash equivalents, end of the period	<u>\$ 1,111,077</u>	<u>\$ 2,593,803</u>

EUROSITE POWER INC.
 STATEMENT OF CHANGES IN EQUITY
 (Unaudited)

	Called up share capital	Capital contribution reserve	Profit and loss account	Cumulative Translation Adjustment (CTA)	Total equity
	\$	\$	\$	\$	\$
At 31 December 2019	82,265	22,864,674	(12,638,858)	16,665	10,324,746
Loss for the year to date	-	-	(391,231)	-	(391,231)
Stock based compensation	-	18,592	-	-	18,592
Movement in CTA	-	-	-	76,359	76,359
At 30 September 2020	<u>82,265</u>	<u>22,883,266</u>	<u>(13,030,088)</u>	<u>93,024</u>	<u>10,028,467</u>