

EUROSITE POWER INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	December 31, 2019	December 31, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 1,881,974	\$ 2,081,689
Accounts receivable	442,616	745,806
Value added and other tax receivable	-	-
UK energy tax incentives receivable	26,328	86,431
Inventory	270,834	205,532
Other current assets	275,860	294,102
Total current assets	2,897,611	3,413,560
Property and equipment, net	8,399,172	8,158,262
Other assets, long-term	687,740	127,657
TOTAL ASSETS	\$ 11,984,523	\$ 11,699,479
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 199,971	\$ 210,916
Accrued expenses and other current liabilities	198,362	162,206
Value added and other tax payable	40,493	64,236
Note payable - bank, short-term	297,622	225,628
Total current liabilities	736,448	662,986
Long-term liabilities:		
Note payable - bank	923,329	860,448
Note payable - related party	-	-
Total liabilities	1,659,777	1,523,434
Stockholders' equity:		
Common Stock, \$0.001 par value; 100,000,000 shares authorized; 82,265,056 issued at June 30, 2019 and December 31, 2018	82,265	82,265
Additional paid-in capital	22,864,674	22,780,160
Capital contributions	-	(572,288)
Accumulated deficit	(12,638,858)	(12,035,204)
Cumulative translation adjustment (CTA)	16,665	(78,888)
Total stockholders' equity	10,324,746	10,176,045
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 11,984,523	\$ 11,699,479

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

	Three Months Ended	
	December 2019	December 2018
Revenues		
Energy revenues	1,195,452	1,038,341
Turnkey revenues	-	361,827
Other revenues	-	-
	<u>1,195,452</u>	<u>1,400,168</u>
Cost of sales		
Fuel, maintenance and installation	643,728	559,240
Turnkey costs	22,415	379,613
Site impairments	-	47,223
Site depreciation expense	143,059	134,767
	<u>809,202</u>	<u>1,120,842</u>
Gross profit (loss)	<u>386,250</u>	<u>279,325</u>
Operating expenses		
General and administrative	224,025	212,061
Selling	93,146	74,803
Engineering	125,577	127,334
	<u>442,748</u>	<u>414,198</u>
Loss from operations	<u>(56,498)</u>	<u>(134,873)</u>
Other income (expense)		
Interest income		
Interest expense, net of debt premium amortization	(16,179)	(14,105)
Debt conversion expense	-	-
	<u>(16,179)</u>	<u>(14,105)</u>
Loss before income taxes	(72,677)	(148,978)
Benefit for income taxes	25,488	87,297
Net loss	<u>\$ (47,188)</u>	<u>\$ (61,681)</u>
Net loss per share - basic and diluted	<u>\$ (0.001)</u>	<u>\$ (0.001)</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	\$ (56,498)	\$ (134,873)
Depreciation expense	144,872	138,131
Site Impairments	-	47,223
Stock based compensation	14,860	35,497
Adjusted EBITDA	<u>\$ 103,234</u>	<u>\$ 85,978</u>

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

	Twelve Months Ended	
	December 2019	December 2018
Revenues		
Energy revenues	4,192,482	3,787,045
Turnkey revenues	280,153	651,015
Other revenues	-	-
	<u>4,472,635</u>	<u>4,438,060</u>
Cost of sales		
Fuel, maintenance and installation	2,315,073	2,061,573
Turnkey costs	409,177	719,488
Site impairments	-	47,223
Site depreciation expense	563,960	558,658
	<u>3,288,210</u>	<u>3,386,943</u>
Gross profit (loss)	<u>1,184,425</u>	<u>1,051,116</u>
Operating expenses		
General and administrative	862,330	1,106,640
Selling	391,888	325,844
Engineering	497,531	489,322
	<u>1,751,750</u>	<u>1,921,806</u>
Loss from operations	<u>(567,325)</u>	<u>(870,689)</u>
Other income (expense)		
Interest income		
Interest expense	(61,817)	(55,276)
Debt conversion expense	-	-
	<u>(61,817)</u>	<u>(55,276)</u>
Loss before income taxes	(629,142)	(925,965)
Benefit for income taxes	25,488	87,297
Net loss	<u>\$ (603,654)</u>	<u>\$ (838,668)</u>
Net loss per share - basic and diluted	<u>\$ (0.01)</u>	<u>\$ (0.01)</u>
Weighted-average shares outstanding - basic and diluted	<u>82,265,056</u>	<u>82,265,056</u>
<u>Non-GAAP financial disclosure</u>		
Loss from operations	\$ (567,325)	\$ (870,689)
Depreciation expense	550,146	573,675
Site Impairments	-	47,223
Aborted acquisition costs	-	241,364
Stock based compensation	86,755	184,640
Adjusted EBITDA	<u>\$ 69,577</u>	<u>\$ 176,213</u>

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

	Twelve Months Ended	
	December 2019	December 2018
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	\$ (603,654)	\$ (838,668)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>		
Depreciation and impairment	550,146	620,898
Stock-based compensation	84,514	184,640
<i>Changes in operating assets and liabilities</i>		
<i>(Increase) decrease in:</i>		
Accounts receivable	303,191	174,050
Value added and other tax receivable	(23,743)	98,137
Accrued UK energy tax incentives	60,102	8,217
Inventory	(65,301)	(27,941)
Prepaid and other current assets	18,242	40,201
Other assets, long term	(560,083)	(127,657)
<i>Increase (decrease) in:</i>		
Accounts payable	(10,945)	(353,455)
Due to related party	-	-
Accrued expenses and other current liabilities	36,156	(37,379)
Capital Contributions to Joint Venture	572,288	(572,288)
Net cash used in operating activities	<u>360,914</u>	<u>(831,245)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(791,057)	(548,037)
Net cash used in investing activities	<u>(791,057)</u>	<u>(548,037)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of Common Stock net of costs	-	-
Payments on note payable	(228,195)	(245,837)
Proceeds from loan payable - bank	363,070	392,789
Net cash provided by (used in) financing activities	<u>134,875</u>	<u>146,952</u>
Effect of Exchange Rate on Cash and Cash Equivalents	95,554	(100,013)
Net increase (decrease) in cash and cash equivalents	(199,715)	(1,332,343)
Cash and cash equivalents, beginning of the period	2,081,689	3,414,032
Cash and cash equivalents, end of the period	<u>\$ 1,881,974</u>	<u>\$ 2,081,689</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 1 January 2019	82,265	22,207,872	(12,035,204)	(78,888)	10,176,045
Loss for the financial year	-	-	(603,654)	-	(603,654)
Reclassification of capital contributions to investment		572,288			572,288
Stock based compensation		84,514			84,514
Movement in CTA				95,553	95,553
At 31 December 2019	82,265	22,864,674	(12,638,858)	16,665	10,324,746