

EUROSITE POWER INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)

	June 30, 2021	December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 2,095,358	\$ 1,924,988
Accounts receivable	387,814	393,322
Value added and other tax receivable		-
UK energy tax incentives receivable	139,480	-
Inventory	234,742	253,798
Other current assets	169,005	204,360
Total current assets	3,026,400	2,776,468
Property and equipment, net	9,061,279	9,276,541
Other assets, long-term	678,377	699,994
TOTAL ASSETS	\$ 12,766,057	\$ 12,753,003
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	\$ 130,844	\$ 305,996
Accrued expenses and other current liabilities	221,595	213,607
Value added and other tax payable	74,322	57,255
Note payable - bank, short-term	497,164	424,566
Total current liabilities	923,924	1,001,424
Long-term liabilities:		
Note payable - bank	1,874,953	1,802,491
Note payable - related party		-
Total liabilities	2,798,877	2,803,915
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	82,264	82,264
Additional paid-in capital	22,895,266	22,883,266
Capital contributions		-
Accumulated deficit	(13,010,713)	(13,041,345)
Cumulative translation adjustment (CTA)	363	24,905
Total stockholders' equity	9,967,180	9,949,089
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 12,766,056	\$ 12,753,003

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

	Three Months Ended		
	June 2021	June 2020	June 2019
Revenues			
Energy revenues	\$ 1,111,329	\$ 397,383	\$ 965,083
Turnkey and other revenues	12,205	12,218	108,379
	<u>1,123,535</u>	<u>409,601</u>	<u>1,073,462</u>
Cost of sales			
Fuel, maintenance and installation	581,999	225,187	755,397
Site impairments	-	-	-
Site Depreciation expense	204,748	143,566	142,650
	<u>786,747</u>	<u>368,753</u>	<u>898,047</u>
Gross profit	<u>336,788</u>	<u>40,848</u>	<u>175,415</u>
Operating expenses			
General and administrative	150,529	93,828	214,547
Selling	47,661	28,497	85,516
Engineering	98,027	84,578	121,838
	<u>296,217</u>	<u>206,904</u>	<u>421,901</u>
Gain / (Loss) from operations	<u>40,571</u>	<u>(166,056)</u>	<u>(246,486)</u>
Other income (expense)			
Interest income			
Interest expense, net of debt premium amortization	(33,786)	(17,082)	(15,570)
Debt conversion expense			
	<u>(33,786)</u>	<u>(17,082)</u>	<u>(15,570)</u>
Gain / (Loss) before income taxes	6,785	(183,138)	(262,056)
Benefit for income taxes	128,816	59,128	
Net Gain / (loss)	<u>\$ 135,601</u>	<u>\$ (124,010)</u>	<u>\$ (262,056)</u>
Net gain /(loss) per share - basic and diluted	<u>\$ 0.002</u>	<u>\$ (0.002)</u>	<u>\$ (0.003)</u>
Weighted-average shares outstanding - basic and diluted	<u>82,263,525</u>	<u>82,265,056</u>	<u>82,265,056</u>
Non-GAAP financial disclosure			
Gain / (Loss) from operations	\$ 40,571	\$ (166,056)	\$ (246,486)
Total Depreciation expense	206,010	145,484	146,239
Site Impairments	-	-	-
Aborted acquisition costs	-	-	-
Stock based compensation	12,000	4,524	21,207
Adjusted EBITDA	<u>\$ 258,582</u>	<u>\$ (16,048)</u>	<u>\$ (79,041)</u>

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

	Six Months Ended		
	June 2021	June 2020	June 2019
Revenues			
Energy revenues	\$ 1,940,527	\$ 1,543,361	\$ 2,118,281
Turnkey and other revenues	15,996	12,218	270,652
	<u>1,956,523</u>	<u>1,555,579</u>	<u>2,388,933</u>
Cost of sales			
Fuel, maintenance and installation	1,004,454	841,037	1,533,454
Site impairments	-	-	-
Site Depreciation expense	402,710	288,994	283,972
	<u>1,407,165</u>	<u>1,130,031</u>	<u>1,817,426</u>
Gross profit (loss)	<u>549,358</u>	<u>425,548</u>	<u>571,507</u>
Operating expenses			
General and administrative	312,494	321,412	443,130
Selling	84,303	113,958	195,694
Engineering	188,616	228,284	252,958
	<u>585,413</u>	<u>663,655</u>	<u>891,783</u>
Loss from operations	<u>(36,055)</u>	<u>(238,107)</u>	<u>(320,276)</u>
Other income (expense)			
Interest income			
Interest expense, net of debt premium amortization	(62,128)	(32,999)	(30,849)
Debt conversion expense			-
	<u>(62,128)</u>	<u>(32,999)</u>	<u>(30,849)</u>
Loss before income taxes	<u>(98,183)</u>	<u>(271,106)</u>	<u>(351,124)</u>
Benefit for income taxes	128,816	59,128	
Net Gain / (loss)	<u>\$ 30,633</u>	<u>\$ (211,978)</u>	<u>\$ (351,124)</u>
Net loss per share - basic and diluted	<u>\$ 0.000</u>	<u>\$ (0.003)</u>	<u>\$ (0.004)</u>
Weighted-average shares outstanding - basic and diluted	<u>82,263,525</u>	<u>82,265,056</u>	<u>82,265,056</u>
Non-GAAP financial disclosure			
Loss from operations	\$ (36,055)	\$ (238,107)	\$ (320,276)
Total Depreciation expense	405,436	292,868	266,821
Site Impairments	-	-	-
Aborted acquisition costs	-	-	-
Stock based compensation	12,000	18,592	56,280
Adjusted EBITDA	<u>\$ 381,381</u>	<u>\$ 73,353</u>	<u>\$ 2,826</u>

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

	Six Months Ended	
	June 2021	June 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Gain / (Loss)	\$ 30,633	\$ (211,978)
<i>Adjustments to reconcile net loss to net cash used in operating activities:</i>		
Non cash debt conversion expense		
Depreciation	405,436	292,868
Stock-based compensation	12,000	18,592
<i>Changes in operating assets and liabilities</i>		
(Increase) decrease in:		
Accounts receivable	5,507	290,048
Value added and other tax receivable	17,067	(8,605)
Accrued UK energy tax incentives	(139,480)	-
Inventory	19,057	(18,811)
Prepaid and other current assets	35,355	51,605
Other assets, long term		-
Increase (decrease) in:		
Accounts payable	(175,152)	34,477
Due to related party	-	-
Accrued expenses and other current liabilities	7,988	133,415
Capital Contributions to Joint Venture / Associate	21,617	(10,618)
Net cash used in operating activities	<u>240,027</u>	<u>570,993</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchases of property and equipment	(190,175)	(1,188,648)
Net cash used in investing activities	<u>(190,175)</u>	<u>(1,188,648)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from sale of Common Stock net of costs		-
Payments on note payable	(202,268)	(219,691)
Proceeds from loan payable - bank	347,327	165,567
Net cash provided by (used in) financing activities	<u>145,059</u>	<u>(54,124)</u>
Effect of Exchange Rate on Cash and Cash Equivalents	(24,542)	49,724
Net increase (decrease) in cash and cash equivalents	170,370	(622,055)
Cash and cash equivalents, beginning of the period	1,924,988	1,881,974
Cash and cash equivalents, end of the period	<u>\$ 2,095,358</u>	<u>\$ 1,259,918</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 2020	82,264	22,883,266	(13,041,345)	24,905	9,949,089
Gain for the year to date			30,633		30,633
Stock based compensation		12,000			12,000
Movement in CTA				(24,542)	(24,542)
At 30 June 2021	82,264	22,895,266	(13,010,713)	363	9,967,180