

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 (MAR). Upon the publication of this announcement via Regulatory Information Service (RIS), this inside information is now considered to be in the public domain.



EnergyPathways plc
(“EnergyPathways” or the “Company”)

Results for the half year ended 30 June 2025

EnergyPathways (AIM: EPP), an integrated energy transition company, is pleased to announce its unaudited results for the six months ended 30 June 2025.

Period Highlights:

- Marram Energy Storage Hub (“MESH”) development design selected following pre-FEED activities in conjunction with strategic partners
- Progress on MESH hybrid compressed-air energy storage project
- Zenith Energy Ltd. (“Zenith”) engaged as the well engineering department for EnergyPathways
- Preparation for application to the Marine Management Organisation (“MMO”) for compressed air storage licence
- Subscription by existing shareholders and Directors raising £743,692
- Loss for the period £607,201 (30 June 2024: loss £550,159; 31 December 2024: loss £1,203,671). Cash at year end of £695,335 (31 December 2024: £857,650)

Post period-end:

- MOU for strategic engagement with Hazer Group Ltd (“Hazer”) for use of proprietary hydrogen production technology licensed with KBR Inc (“KBR”).
- Siemens Energy Limited (“Siemens”) engaged to carry out feasibility assessment of MESH
- Costain Group PLC (“Costain”) engaged to assess onshore facility options for the MESH integrated energy system
- Application submitted for direction under Section 35 Planning Act 2008
- Requirement to submit new gas storage licence application
- Placing and subscription with warrants to raise £400,000

Ben Clube, EnergyPathways’ CEO, commented:

“We have made strong operational progress on MESH in the year to date, having signed strategic agreements with a number of world class contractors to support EnergyPathways through the FEED phase and move the project towards FID status. We continue to maintain good dialogue with the various silos that comprise the relevant authorities overlooking our planning and licensing and we remain optimistic that we will obtain the requisite approvals to move MESH to the next phase in due course. Our optimism is underpinned by an unwavering belief that the socioeconomic and environmental benefits of MESH are too valuable for the UK to be overlooked.”

For further information on the Company please visit the Company's website:
<https://energypathways.uk>

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About EnergyPathways

Energy Pathways is developing the Marram Energy Storage Hub, or MESH, in the UK Irish Sea. MESH is designed to be a decarbonised, fully electrified storage facility that can supply natural gas and green hydrogen to the UK market, at scale. The Company is developing the MESH project so that it is wholly in line with the UK government's energy policy and ambitions, to deliver both Energy Security and Net Zero.

Chairman's Statement

I am pleased to provide the following statement to frame strategic progress through the first half of the financial year and outline EnergyPathways' priorities and areas of focus for the remainder of the year. It has indeed been a very eventful period, both in terms of activities at the Company as well as wider macro events which, in our view, only serve to enhance the relevance and necessity for MESH.

A new 'new' world

The world is undoubtedly going through another shift in the global rhetoric regarding energy industries and this is again causing the sands to shift in terms of global policies around energy transition and security. The impact of this shift in tone regarding the pace and structure of what a responsible energy transition should look like – and how it can be delivered logistically and financially – has resulted in a change of strategy by the Majors who are key players in plugging the investment and skills gaps to deliver the ambitious global decarbonisation targets.

With Majors scaling back their renewables ambitions and capital becoming harder to access for “renewables investments” as a result of this shift in sentiment and higher interest rate backdrop, we believe the growing pragmatism around decarbonisation requiring an integrated approach rather than an “either/or scenario” only serves to underscore the purpose of EnergyPathways. Furthermore, with an ongoing cost of living crisis in the UK – further aggravated by high energy costs – there is a clear requirement for commercially viable integrated energy storage projects like MESH that can make a major contribution to accelerating the UK energy transition and meeting the Government's 2030 clean energy targets without loading extra costs on to UK consumers.

Aligning with world class partners

In that context, the period has seen EnergyPathways materially advancing the design and planning aspects of its MESH project through the engineering, construction, commissioning and management phases by expanding its collaborative network with industry leading partners. Building on the critical appointment in December of Wood PLC as lead engineering partner for MESH, we announced the appointment in January of PDi Ltd to provide engineering study support for the tie in of the MESH project to the Marram Field. Additionally, in June we engaged with Zenith, one of the UK's largest privately owned independent well engineering and project management companies, as a contractor to support the MESH project. This was further complemented post-period in July by partnering with Costain, Siemens and Hazer. The calibre of the firms that comprise the MESH partnership cannot be overstated and their strategic engagement with EnergyPathways should be viewed by all stakeholders as a major validation of the quality of our internal and contractor capabilities – as well as endorsement around the technical and commercial viability of the MESH project as a whole.

In particular, the strategic engagement with Hazer to use its proprietary hydrogen production technology - globally licensed through Hazer's strategic alliance with KBR, provides an insight into the integrated and multi-benefit nature of MESH as we seek to use this technology to develop a bolt-on clean hydrogen facility that will expand the Company's MESH integrated energy storage

project to deliver what we think will be the lowest-cost clean hydrogen production in the UK, as well as the technology to capture carbon as synthetic anode-quality graphite.

MESH is a project of national significance

What has become even more apparent through the period is the fact that the UK absolutely requires MESH for the multitude of social, environmental and commercial reasons that we continue to promote to all stakeholders. As previously announced, post period in August, EnergyPathways received correspondence from The North Sea Transition Authority ("NSTA") in respect of its Gas Storage Licence application. The Company continues to engage with the NSTA and is reviewing a number of options for taking these forward, which includes amending and resubmitting its Gas Storage Licence application.

We remain optimistic that MESH will obtain the natural gas and hydrogen storage licences in due course and our optimism is underpinned by continued supportive engagement with the various authorities at NSTA and the Department for Energy and Net Zero ("DESNZ"). To support our view of MESH being an infrastructure project of national significance and streamline the planning and consent processes, EnergyPathways made the request for a section 35 direction, which is a process in which an infrastructure developer seeks approval from the Secretary of State for its project to be treated as a project requiring consent through a Development Consent Order (DCO) process under the Planning Act 2008.

Requesting a section 35 direction is a key step in EnergyPathways' process to obtain appropriate consents and recognition from the UK Government of the potential of its integrated MESH energy storage and decarbonisation project to be a project of national significance. The Company expects to learn the outcome of this application in the near term and will update the market accordingly.

Continued focus on Capital Discipline and Shareholder Alignment

With the acceleration of partner engagement through the period, EnergyPathways strengthened its balance sheet in April through a subscription by existing shareholders and Directors raising £743,692. Post period end, in August we undertook a further placing with an institutional investors and a subscription to raise a total of £400,000. The Directors again demonstrated their confidence in the investment proposition and alignment with wider shareholders through participation in both fundraises. The proceeds provided working capital to progress pre-development activities on MESH. The Company continues to prioritise capital discipline and maintains a lean model to preserve cash.

During the period, EnergyPathways saw some changes to the Board, with Ben Hodges and Stephen West both stepping down to pursue other business interests, and Max Williams appointed to the Board as Finance Director and Company Secretary. EnergyPathways is fortunate to have a board with the right mix of skills and experience to deliver on its strategy – and our collective "skin-in-the-game" ensures we are fully focused and incentivised to deliver long-term value creation for our shareholders.

In summary, it has been a very eventful period through which we remained fully focused on delivering MESH, with a strong belief that the change in backdrop to Energy Transition only amplifies the necessity of our project for the benefit of the UK and its people. We have delivered significant operational progress in collaboration with our world class partners and have taken meaningful strides towards Final Investment Decision ("FID"). The focus for the remainder of the year will be to continue progressing the pre-FEED elements of MESH and build on our constructive engagement with the relevant authorities to obtain the outstanding approvals to move MESH into the next phase.

CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

		<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
		6 Month	6 Months	12 Month
		Period Ended	Period Ended	Period Ended
		30 June	30 June	31 December
		2025	2024	2024
	Note	<u>£</u>	<u>£</u>	<u>£</u>
Administrative expenses		(572,490)	(508,421)	(1,072,289)
Pre-acquisition license expenses		<u>(29,315)</u>	<u>(40,530)</u>	<u>(123,562)</u>
Operating Loss		(601,805)	(548,951)	(1,195,851)
Net finance costs		(5,396)	(1,208)	(860)
Listing costs		<u>-</u>	<u>-</u>	<u>(6,960)</u>
Loss before tax		(607,201)	(550,159)	(1,203,671)
Taxation		<u>-</u>	<u>-</u>	<u>-</u>
Loss for the period		<u>(607,201)</u>	<u>(550,159)</u>	<u>(1,203,671)</u>
Other comprehensive income:				
Items that will or may be reclassified to profit or loss:				
Other comprehensive income		-	-	-
Total comprehensive loss		<u>(607,201)</u>	<u>(550,159)</u>	<u>(1,203,671)</u>
Basic and Diluted Loss per share (pence)	3	(0.35)	(0.35)	(0.75)

All operations are continuing.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2025

		<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
		As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
	Note	<u>£</u>	<u>£</u>	<u>£</u>
Non-current assets				
Intangible assets	4	2,168,906	1,025,256	1,397,020
Property, plant and equipment		6,554	9,967	8,251
		<u>2,175,460</u>	<u>1,035,223</u>	<u>1,405,271</u>
Current assets				
Trade and other receivables	5	150,883	84,995	106,909
Cash and cash equivalents		695,335	1,173,492	857,650
		<u>846,218</u>	<u>1,258,487</u>	<u>964,559</u>
Total assets		<u>3,021,678</u>	<u>2,293,710</u>	<u>2,369,830</u>
Current liabilities				
Trade and other payables	5	(1,345,939)	(794,289)	(1,103,321)
Borrowings	7	(105,514)	-	-
		<u>(1,451,453)</u>	<u>(794,289)</u>	<u>(1,103,321)</u>
Total liabilities		<u>(1,451,453)</u>	<u>(794,289)</u>	<u>(1,103,321)</u>
Net assets		<u>1,570,225</u>	<u>1,499,421</u>	<u>1,266,509</u>
Equity				
Ordinary share capital	8	1,860,286	1,591,211	1,684,954
Share premium	8	5,525,849	4,481,407	4,772,264
Share based payments reserve		270,000	318,000	288,000
Retained earnings		(6,085,910)	(4,891,197)	(5,478,709)
		<u>(6,085,910)</u>	<u>(4,891,197)</u>	<u>(5,478,709)</u>
Total equity		<u>1,570,225</u>	<u>1,499,421</u>	<u>1,266,509</u>

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Note	Ordinary Share capital £	Share premium £	Share based payments reserve £	Retained earnings £	Total £
Balance as at 1 January 2024 (<i>Audited</i>)		1,579,166	4,451,952	176,000	(4,341,038)	1,866,080
Loss for the period and total comprehensive income		-	-	-	(550,159)	(550,159)
Issue of shares for services	8	12,045	29,455	-	-	41,500
Issue of options		-	-	142,000	-	142,000
Balance as at 30 June 2024 (<i>Unaudited</i>)		1,591,211	4,481,407	318,000	(4,891,197)	1,499,421
Loss for the period and total comprehensive income		-	-	-	(653,512)	(653,512)
Issue of shares for services	8	16,343	16,657	-	-	33,000
Issue of shares – exercise of warrants	8	77,400	274,200	-	-	351,600
Issue of options		-	-	36,000	-	36,000
Transfer between reserves				(66,000)	66,000	-
Balance as at 31 December 2024 (<i>Audited</i>)		1,684,954	4,772,264	288,000	(5,478,709)	1,266,509
Loss for the period and total comprehensive income		-	-	-	(607,201)	(607,201)
Issue of shares for services	8	26,617	118,651	-	-	145,268
Issue of shares – placing and subscription		134,240	609,452	-	-	743,692
Issue of shares – exercise of warrants		5,000	20,000	-	-	25,000
Issue of shares – exercise of options		9,475	28,425	-	-	37,900
Share issue costs		-	(40,943)	-	-	(40,943)
Released on exercise of options		-	18,000	(18,000)	-	-
Balance as at 30 June 2025 (<i>Unaudited</i>)		1,860,286	5,525,849	270,000	(6,085,910)	1,570,225

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2025

		<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
		6 months to 30 June 2025	6 months to 30 June 2024	12 months to 31 December 2024
	Note	£	£	£
Cash flows from operating activities				
Loss before tax for the year		(607,201)	(550,159)	(1,203,671)
Adjustments for:				
Depreciation		1,697	347	2,062
Share based payments		-	142,000	178,000
Compensation settled in shares		29,726	25,000	25,000
Interest income		(117)	(17)	(365)
Interest expense		5,514	1,225	1,225
		<u>(570,381)</u>	<u>(381,604)</u>	<u>(997,749)</u>
Changes in non-cash working capital accounts				
(Increase) / decrease in trade and other receivables	5	(39,661)	536,168	514,152
Increase / (decrease) in trade and other payables	6	184,405	(411,238)	(136,135)
Cash used in / (generated by) operating activities		<u>(425,637)</u>	<u>(256,674)</u>	<u>(619,732)</u>
Income taxes paid		-	-	-
Net cash flows from operating activities		<u>(425,637)</u>	<u>(256,674)</u>	<u>(619,732)</u>
Investing activities				
Purchases of exploration and evaluation assets	4	(602,444)	(261,086)	(571,348)
Purchase of property, plant and equipment		-	(10,313)	(10,313)
Interest income		117	17	365
Net cash used in investing activities		<u>(602,327)</u>	<u>(271,382)</u>	<u>(581,296)</u>
Financing activities				
Proceeds from issue of ordinary share capital	8	806,592	1,208,115	1,565,245
Share issue costs	8	(40,943)	-	-
Interest paid		-	(1,225)	(1,225)
Proceeds from loans and borrowings	7	100,000	-	-
Net cash provided by financing activities		<u>865,649</u>	<u>1,206,890</u>	<u>1,564,020</u>
Net (decrease)/increase in cash and cash equivalents				
		(162,315)	678,834	362,992
Cash and cash equivalents at beginning of period		857,650	494,658	494,658
Cash and cash equivalents and end of period		<u>695,335</u>	<u>1,173,492</u>	<u>857,650</u>

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

EnergyPathways plc (the “Company” or “EnergyPathways”) is a company incorporated in England and Wales under the Companies Act 2006 with the registered number 13201653. The Company’s registered office is Highdown House, Yeoman Way, Worthing, West Sussex, BN99 3HH.

The principal activity of the Company is delivering clean, home-grown energy for the UK.

2. Summary of significant accounting policies

The principal accounting principles applied in the preparation of these unaudited interim financial statements are set out below. These principles have been consistently applied to all periods presented, unless otherwise stated.

2.1. Basis of preparation

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with UK-adopted international accounting standards. Statutory financial statements for the year ended 31 December 2024 were approved by the Board of Directors on 27 June 2025 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The interim financial information for the six months ended 30 June 2025 has not been reviewed or audited. The interim financial report was approved by the Board on 25 September 2025.

2.2. Going concern

In order to assess the appropriateness of the going concern basis in preparing the financial statements for the six months ended 30 June 2025, the Directors have considered a time period of at least twelve months from the date of approval of these financial statements.

The Group is currently not revenue-generating and incurred an operating loss during the six months ended 30 June 2025. At the balance sheet date, the Group had cash and cash equivalents amounting to £700,000 and raised a further £400,000 in August 2025. The future of the Company is dependent on the development of the MESH project to deliver Energy Security and Net Zero in line with the UK Government’s energy policy. The Directors believe that the Group’s cash flow can be assisted by raising additional capital, the deferral of planned expenditure and other cost saving actions, loan facilities for revenue-generating operations or from future revenues. The Directors have taken into consideration of the Company’s ongoing discussions with a clean energy fund to support development on the grant of licence and the successful completion of fundraises since IPO, including fundraises completed in April and August 2025, to provide additional cash resources.

The Directors concluded that the Group will have sufficient resources to continue as a going concern for the future, that is for a period of not less than 12 months from the date of approval of the consolidated financial statements.

However, there exists a material uncertainty that may cast significant doubt over the ability of the Group to continue as a going concern. The Group's licence and other applications made to the UK Government may be unsuccessful and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business if it is unable to raise funds for further development of the MESH project. The condensed consolidated statements have been prepared on a going concern basis and do not include any adjustments that would be necessary if this basis were inappropriate.

2.3. Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2024 Annual Report and Financial Statements, a copy of which is available on the Company's website: <https://energypathways.uk>. The key financial risks are securing finance for the Marram gas project and an emerging cost inflation risk.

2.4. Critical accounting estimates

The preparation of interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 3 of the Company's 2024 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2024, as described in those annual financial statements.

3. Earnings per share

The calculation of the basic and diluted earnings per share is calculated by dividing the loss for the period for continuing operations for the EnergyPathways Group by the weighted average number of ordinary shares in issue during period year.

The basic and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	6 months to 30 June 2025	6 months to 30 June 2024	12 months to 31 December 2024
	£	£	£
Loss for the purposes of basic earnings per share being net loss attributable to the owners	(607,201)	(550,159)	(1,203,671)
Weighted average number of ordinary shares	171,828,972	158,508,817	160,198,727
Loss per share (pence)	(0.35)	(0.35)	(0.75)

There is no difference between the basic and diluted earnings per share as there were no securities in issue as at 30 June 2025 that would have a dilutive effect on earnings per share.

4. Intangible assets

	Gas development assets
	<u>£</u>
Cost	
As at 1 January 2024 (<i>Audited</i>)	729,931
Additions	295,325
As at 30 June 2024 (<i>Unaudited</i>)	<u>1,025,256</u>
Additions	371,764
As at 31 December 2024 (<i>Audited</i>)	<u>1,397,020</u>
Additions	771,886
As at 30 June 2025 (<i>Unaudited</i>)	<u>2,168,906</u>

5. Trade and other receivables

	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
	<u>£</u>	<u>£</u>	<u>£</u>
Other receivables	44,000	5,530	-
Prepayments	33,694	37,609	33,317
VAT receivable	73,189	41,856	73,592
	<u>150,883</u>	<u>84,995</u>	<u>106,909</u>

6. Trade and other payables – due within one year

	<i>Unaudited</i>	<i>Unaudited</i>	<i>Audited</i>
	As at 30 June 2025	As at 30 June 2024	As at 31 December 2024
	£	£	£
Trade payables	213,385	185,074	188,102
Accruals	1,132,554	609,215	915,219
	<u>1,345,939</u>	<u>794,289</u>	<u>1,103,321</u>

7. Borrowings

As at 31 December 2024 (<i>Audited</i>)	<u>£</u> -
Drawdowns	100,000
Interest accrued	5,514
As at 30 June 2025 (<i>Unaudited</i>)	<u>105,514</u>

In October 2023, the Company entered into a loan facility of up to £5.1 million with Global Green Asset Financing Limited (“GGAF”) with interest to be charged at a fixed rate of 12.5% per annum. On 20 January 2025, an amount of £100,000 was drawn down against facility. Interest amounting to £5,514 has accrued for the period ended 30 June 2025.

8. Ordinary share capital and share premium

	Number of shares	Ordinary share capital	Share premium
		£	£
Issued			
As at 31 December 2023 (<i>Audited</i>)	157,916,559	1,579,166	4,451,952
Issue of shares for services	1,204,486	12,045	29,455
As at 30 June 2024 (<i>Unaudited</i>)	159,121,045	1,591,211	4,481,407
Issue of shares for services	1,634,300	16,343	16,657
Issue of shares – warrants	7,740,000	77,400	274,200
As at 31 December 2024 (<i>Audited</i>)	168,495,345	1,684,954	4,772,264
Issue of shares	13,424,040	134,240	609,452
Issue of shares for services	2,661,759	26,617	118,651
Issue of shares – warrants	500,000	5,000	20,000
Issue of shares – options	947,500	9,475	28,425
Release of provision on exercise of options	-	-	18,000
Share issue costs	-	-	(40,943)
As at 30 June 2024 (<i>Unaudited</i>)	<u>186,028,644</u>	<u>1,860,286</u>	<u>5,525,849</u>

Cash amounting to £1,208,115 received during the six months to 30 June 2024 represented the net proceeds remitted from brokers in January 2024 for the issue of shares pursuant to the share placement completed in December 2023.

During the period to 30 June 2025 the Company issued:

- 13,424,040 at a price of 5.54 pence each under placing and subscription agreements.
- a total of 2,661,759 ordinary shares at an average price of 5.46 pence each to consultants, advisors and a former director in lieu of cash for services rendered.
- 500,000 ordinary shares on the exercise of warrants with an exercise price of 5 pence each.
- 947,500 ordinary shares on the exercise of options with an exercise price of 4 pence each.

During the period to 30 June 2024 the Company issued:

- a total of 1,204,486 ordinary shares at an average price of 3.45 pence each to consultants and advisors in lieu of cash for services rendered.

During the six months ended 31 December 2024 the Company issued:

- a total of 1,634,300 ordinary shares at an average price of 2.02 pence each to consultants in lieu of cash for services rendered.
- 7,740,000 ordinary shares on the exercise of warrants with exercise prices of 4 and 5 pence each.

The ordinary shares confer the right to vote at general meetings of the Company, to a repayment of capital in the event of liquidation or winding up and certain other rights as set out in the Company's articles of association.

9. Events after the reporting period

On 29 July 2025, the Company issued 9,411,762 ordinary shares at 4.25 pence per share to raise gross proceeds of £400,000. Of the funds raised, shares with a value of £310,000 were issued under a placing agreement and shares with a value of £90,000 were issued under subscription agreements with certain Directors and management of the Company.

On 4 August 2025 the Company issued 866,083 ordinary shares at 5.55 pence each, amounting to £48,061.60, in settlement of consultancy fees in lieu of cash to members of the Marram Project management team. The Company also issued 1,628,945 ordinary shares at 3.15 pence each, amounting to £51,310.75 to a former director in respect of salary owed in accordance with the agreement at the time of IPO.

There were other no significant post balance sheet events which would require amendment to or disclosure in the half yearly financial statements.