23 September 2022

Clean Power Hydrogen Plc
("CPH2", the "Company" or the "Group")

Interim results for the six months ending 30 June 2022

CPH2 (AIM: CPH2), the UK-based green hydrogen technology and manufacturing company that has developed the IP-protected Membrane-Free Electrolyser ™ ("**MFE**"), is pleased to announce its unaudited results and report for the six months ending 30 June 2022 ("**H1 2022**").

Highlights

- Successful admission to AIM, a market operated by the London Stock Exchange, in February 2022, raising gross proceeds of £30.5m
  - Awarded the London Stock Exchange Green Economy Mark at admission
- Order book momentum:
  - Entered into a purchase order with AFCyro, for the sale of a 1MW MFE220 unit, the second unit purchased by the company
  - Order placed by ATOME Energy, for one 1MW MFE220 unit
- License agreement momentum:
  - Signed a 2 gigawatts ("**GW**") license to GHFG Ltd, a subsidiary of Alternus Energy Group Plc, over a period of up to 20 years, with production expected in 2023.
  - Technical Cooperation Agreement with Bentec GmbH, an operating company entity of Kenera Energy Solutions ("**Kenera**") providing for the manufacture of up to 30 MFE220 units for CPH2 at its manufacturing facility in Germany. Kenera is a business unit of our strategic shareholder, the KCA Deutag Group.
  - Kenera has been awarded a non-exclusive license to sell and manufacture CPH2 products in Germany, Scotland, Azerbaijan, Denmark and Norway up to a maximum of 150 MFE units per annum.
  - CPH2 has also granted Kenera an exclusive license to sell and manufacture CPH2 products across the Middle East up to a maximum level of 2GW (including Oman, Saudi Arabia, United Arab Emirates, Qatar, Kuwait and Iraq).
- The appointment of James Hobson as Chief Financial Officer ("**CFO**") and executive director joining later in the year
- Significantly invested in its workforce, increasing the head count from under 30 at IPO to over 50 as at 23 September 2022. This includes the appointment of Arash Selahi as the new Head of Production
- Period end net asset position of £27.4 million, of which £23.2 million was in cash or current assets investments (bank deposits).

Jon Duffy, CPH2 CEO commented:

"The first half of 2022 was a notable period for the Company as it listed on AIM and funded itself for a rapid ramp up and expansion. We have also seen both purchase order and license agreement momentum in the period, as customers from around the world have seen the value of the low cost, highly robust membrane free electrolyser technology owned, manufactured and licensed by CPH2. We are working successfully to overcome the engineering challenges and look to the future with confidence."

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To find out more, please visit: https://www.cph2.com

Overview of CPH2

CPH2 is the holding company of Clean Power Hydrogen Group Limited ("**Clean Power**") which has almost a decade of dedicated research and product development experience. This experience has resulted in the creation of simple, safe and sustainable technology which is designed to deliver a modular solution to the hydrogen production market in a cost-effective, scalable, reliable and long-lasting manner. The Group's strategic objective is to deliver the lowest LCOH in the market in relation to the production of green hydrogen. The Group's MFE technology is already commercially available and demonstrating cost efficiencies and technological advantages. CPH2 is listed on the AIM market and trades under the ticker LON:CPH2.

CEO statement

Introduction and IPO

H1 2022 is the first reporting period for CPH2 as a plc and it has been a period of significant progress as we gear up to production of the MFE units. The Company admitted to trading on AIM on 16 February, successfully raising £30.5 million (before expenses) in an over-subscribed Placing at 45p per share. These funds enable the Company to build out its Doncaster manufacturing facility and fund the Company's growth. At the same time, we were awarded the London Stock Exchange's Green Economy Mark, which recognises companies that derive 50% or more of their total annual revenues from products and services that contribute to the global green economy.

Order book momentum

Shortly after IPO, the Company announced that ATOME Energy purchased a 1MW MFE220 electrolyser unit to be deployed in ATOME's Paraguay mobility project. At the same time, CPH2 and ATOME entered into non-binding letters of intent confirming the parties' mutual intentions to collaborate in respect of potential future orders of electrolyser units for ATOME's international hydrogen and ammonia projects and to investigate and discuss a potential joint venture for the future production of electrolysers in country to serve the Latin American market using CPH2's technology and know-how. ATOME has confirmed that it expects that further orders will follow in due course.

This first unit for ATOME's Mobility Division will be based within the region of Asuncion, the capital of Paraguay, with commencement of production planned during 2023, which is anticipated to be the first commercial production of hydrogen for transport in Paraguay.

We were also pleased to announce a purchase order with AFCryo, a New Zealand based manufacturer of composite cryostats and cryogenic cooling systems, for the sale of a 1MW MFE220 electrolyser unit to be delivered in 2023. This is the second 1MW electrolyser unit that AFCryo has purchased within 18 months. CPH2 has an established working relationship with AFCryo and utilises the AFCryo cryogenic cooling system in its MFEs. CPH2's MFE220 runs with 1MW of input power with eight stacks and is capable of producing 450kg/day of high purity hydrogen output.

In May 2021 AFCryo placed an order for its first 1MW MFE220 electrolyser, with delivery anticipated in 2023. Additionally, in 2021, AFCryo was appointed as a non-exclusive agent for the marketing and sale of the CPH2 electrolyser system in Australia, New Zealand and the Pacific Islands.

Both of these electrolysers will be used as part of the decarbonisation of New Zealand's heavy transport fleet.

Future order momentum through license agreements

Since IPO, as well as unit sales, we have also announced two significant license agreements, which will play an important role in providing order momentum into the future as we scale up the business and expand overseas.

The first one is with GHFG for the construction of 2GW of MFE electrolysers over a period of up to 20 years. GHFG is a subsidiary of Alternus. Under the licence agreement, GHFG will produce the CPH2 MFE electrolysers at a new facility in Ireland and plans to start production during 2023. Each electrolyser produced by GHFG under this agreement will be installed alongside and powered from solar energy projects owned and operated by Alternus. Under the agreement, CPH2 will receive an upfront licence fee, and thereafter, a technology fee per unit, followed by service and maintenance licences during the unit's life, supplying key components with a margin to CPH2. The upfront licence fee is expected to be received in Q4 2022 and Q1 2023 and is to be recognised as revenue over the life of the contract.

In September 2022, we also signed a Technology Cooperation Agreement with Bentec GmbH, an operating company entity of Kenera Energy Solutions, a newly formed business unit within leading drilling, engineering and technology company KCA Deutag Group. Kenera has been formed as the platform from which the KCA Deutag Group plans to grow its offering within hydrocarbon and energy transition markets and is a significant investor in CPH2. Under the Agreement, Kenera will manufacture up to 30 MFE220 units for CPH2 at its manufacturing facility in Germany with the first units expected to be produced in late 2023. We have also granted Kenera a non-exclusive license to sell and manufacture CPH2 products in Germany, Scotland, Azerbaijan, Denmark and Norway up to a maximum of 150 MFE units per annum and we have granted Kenera an exclusive license to sell and manufacture CPH2 products across the Middle East up to a maximum level of 2GW over the length of the license (including Oman, Saudi Arabia, United Arab Emirates, Qatar, Kuwait and Iraq).

Addressing engineering issues

As we previously announced, our early-stage commissioning of our initial units highlighted certain engineering and scale up issues. A number of design changes have been made but this has resulted in delays. At the same time, we have experienced delays in the supply chain as the global situation impacted. We are working hard to overcome all these issues. However, as previously reported, these delays will have an impact on the income for the Company during 2022. We are not expecting any income from sales in this financial year as the invoice point for MFE220's shipped in 2022 will get rolled into 2023. We are expecting the first two MFE220's to leave our premises in October 2022, there will then follow a period of commissioning and testing on site. There will be an option to exchange these units for upgraded units in 2023 as design changes are implemented. These would then be upgraded to the new specifications and will be available for sale.

We recognise the importance of getting our first MFE220's working 'in the field' and are deploying all necessary resources to make this happen.

Financial Review

These sixth month interim accounts are the first to be published by the Company since its IPO in February, and this dominated the results for this six month period. The £30.5m gross fundraise transforms the Balance Sheet from a net liability position at 31st December 2021 of £0.4 million into a net asset position of £27.4 million at 30 June 2022. Of this £23.2 million was held in cash or current asset investments (cash deposits).

The Statement of Comprehensive Income for the six months set out below shows trading losses continue as the business continues to build work-in-progress on its confirmed orders, ahead of the delivery of those orders to the customer, at which time a sale is taken to Income. Losses continue as expected with administration expenses increasing, as we invest some of the IPO proceeds in building our human and technical resource capability.

Board and team

During the first half we have invested significantly in the team which has increased from 30 people to over 50 people currently, including the appointment of Arash Selahi as the new Head of Production.

Post period end we were pleased to announce the appointment of James Hobson as Chief Financial Officer and Executive Director. It is expected that James' employment will commence in Q4 2022, at which point Clive Brook will retire as an executive director and CFO of the Company. James will join CPH2 from AMTE Power plc, where he has been CFO since October 2021. James has a wealth of experience across the energy sector, having worked as a senior finance executive in the sector for ten years. I would like to take this opportunity of thanking Clive for all his support over the years and speak on behalf of the entire CPH2 team in wishing him all the best in his retirement.

I would like to take this opportunity to thank all my colleagues at CPH2 for their hard work and dedication during the first half of the year and since.

Outlook

The continued drive to net zero combined with the current geo-political situation in Ukraine, has, in the view of the directors, increased the potential market for green hydrogen and the pace at which the technology will be deployed. The Company remains confident that its significant pipeline will start to transition to sales and we expect very positive cash inflows on future orders as they are taken. Production of these orders will be in Doncaster and Germany. Whilst the Company is still planning to launch a 2MW MFE440, final design work on this has been suspended until we have working MFE220's in the field. The Company is progressing the potential opening of a CPH2 run assembly plant in Northern Ireland. Whilst engineering and scale up issues have delayed our initial MFE220 sales, our success in securing license partners of the quality of Kenera and GHFG ensures that we will be able to ramp up production quickly to meet demand.

The Company remains committed to its strategic target of 4GW MFE annual production by 2030; of this 1GW will be in-house manufacturing and assembly and 3GW will be via license agreements.

Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2022

	Note	Unaudited Six months ended 30 June 2022 £'000	Unaudited Six months ended 30 June 2021 £'000
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Other operating income		2	36
Administrative expenses excluding exceptional credits and costs		(2,158)	(872)
Exceptional net credit/(costs)	**4**	987	(1,256)
Total administrative expenses		(1,171)	(2,128)
Operating loss		(1,169)	(2,092)
Finance income		91	6
Finance expense		(28)	(3)
Loss before taxation		(1,106)	(2,089)
Taxation		-	5
Loss for the period		(1,106)	(2,084)
Other comprehensive (expense)/income			
Foreign currency translation differences		(9)	19
Loss and total comprehensive expense for the period		(1,115)	(2,065)
Loss per share (pence)			
Basic and diluted	**5**	(0.45)	(1.14)

Consolidated Statement of Financial Position

As at 30 June 2022

	Notes	Unaudited 30 June 2022 £'000	Audited 31 December 2021 £'000
ASSETS			
Non-current assets			
Intangible assets	**6**	1,527	1,176
Property, plant and equipment		1,347	1,327
Trade and other receivables	**8**	120	120
		2,994	2,623
Current assets			
Inventories	**7**	3,889	2,082
Trade and other receivables	**8**	2,085	704
Tax recoverable		-	143
Current asset investments	**9**	21,000	-
Cash and cash equivalents		2,175	480
		29,149	3,409
Total assets		**32,143**	**6,032**
LIABILITIES			
Current liabilities			
Trade and other payables	**10**	(3,530)	(2,772)
Loan from a related party		-	(382)
Lease liabilities		(117)	(131)
		(3,647)	(3,285)
Non-current liabilities			
Accruals and deferred income	**10**	(278)	(2,243)
Lease liabilities		(797)	(856)
		(1,075)	(3,099)
Total liabilities		**(4,722)**	(6,384)
Net assets/(liabilities)		**27,421**	**(352)**
EQUITY			
Share capital	**11**	2,654	1,852
Share premium account	**11**	27,638	-
Merger reserve	**11**	3,702	3,702
Currency differences reserve		(5)	4
Accumulated loss		(6,568)	(5,910)
Total equity		**27,421**	**(352)**

Consolidated Statement of Changes in Equity
As at 30 June 2022

	Share capital £'000	Share premium £'000	Merger reserve £'000	Foreign currency reserve £'000	Accumulated loss £'000	Total equity £'000
At 1 January 2021	1,815	-	3,189	(16)	(2,793)	2,195
Loss for the period	-	-	-	-	(2,084)	(2,084)
Other comprehensive income:						
Foreign currency differences	-	-	-	19	-	19
Total comprehensive expense for the period	-	-	-	19	(2,084)	(2,065)
Share based payment	-	-	-	-	91	91
Issue of share capital	37	-	513	-	-	550
Total contributions by owners	37		513	-	91	641
At 30 June 2021	**1,852**	**-**	**3,702**	**3**	**(4,786)**	**771**
Loss for the period	-	-	-	-	(1,233)	(1,233)
Other comprehensive income:						
Foreign currency differences	-	-	-	1	-	1
Total comprehensive expense for the period	-	-	-	1	(1,233)	(1,232)
Share based payment	-	-	-	-	109	109
Total contributions by owners	-	-	-	-	109	109
At 31 December 2021	**1,852**		**3,702**	**4**	**(5,910)**	**(352)**
Loss for the period	-	-	-	-	(1,106)	(1,106)
Other comprehensive expense:						
Foreign currency differences	-	-	-	(9)	-	(9)
Total comprehensive expense for the period	-	-	-	(9)	(1,106)	(1,115)
Share based payment	-	-	-	-	448	448
Issue of share capital	802	27,638	-	-	-	28,440
Total contributions by owners	802	27,638	-	-	448	28,888
At 30 June 2022	**2,654**	**27,638**	**3,702**	**(5)**	**(6,568)**	**27,421**

Consolidated Statement of Cash Flows

For the six months ended 30 June 2022

	Unaudited Six months ended 30 June 2022 £'000	Unaudited Six months ended 30 June 2021 £'000
Cash flow from operating activities		
Loss for the financial period	(1,106)	(2,084)
Adjustment for:		
Depreciation of property, plant and equipment	109	39
Impairment of right-of-use assets	-	25
Amortisation of intangible assets	10	4
Share based payments including LTIP credit	(1,517)	91
Net finance costs	(63)	(3)
Taxation credit	-	(5)
Changes in working capital:		
Increase in inventories	(1,807)	(972)
Increase in trade and other receivables	(1,381)	(204)
Increase in trade and other payables	742	2,896
Cash used in operations	(5,013)	(213)
Income tax received	143	5
Net cash used in operating activities	(4,870)	(208)
Cash flow from investing activities		
Current asset investments made (in bank term deposits)	(21,000)	-
Purchase of property, plant and equipment	(129)	(59)
Capital grants received	-	117
Purchase of intangible assets	(354)	(315)
Net cash used in investing activities	(21,483)	(257)
Cash flow from financing activities		
Issue of share capital net of issue costs (note 11)	28,440	-
Cash proceeds from financial asset held	-	400
Related party loan repaid (note 12)	(382)	-
Interest received	91	6
Interest paid	(28)	(3)
Payment of lease liabilities	(73)	(59)
Net cash generated from financing activities	28,048	344
Increase/(decrease) in cash and cash equivalents	1,695	(121)
Net cash and cash equivalents at beginning of the period	480	2,937
Net cash and cash equivalents at end of the period (all cash balances)	2,175	2,816

Notes to the condensed interim financial statements for the six months ended 30 June 2022

1. Corporate information

Clean Power Hydrogen plc is a public company incorporated in the United Kingdom and listed on the Alternative Investment Market. The registered address is Unit D Parkside Business Park, Spinners Road, Doncaster, England, DN2 4BL. The principal activity of the company and its subsidiaries (the 'Group') is the development of a patented method of hydrogen and oxygen production together with the development of a gas separation technique which enables hydrogen to be produced as 'Green Hydrogen' and oxygen to medical grade purity.

2. Basis of preparation

This unaudited condensed consolidated interim financial information for the six months ended 30 June 2022 and 30 June 2021 has been prepared in accordance with IFRS as adopted by the United Kingdom including IAS 34 'Interim Financial Reporting'.

The accounting policies applied by the Group include those as set out in the financial statements for the subsidiary company, Clean Power Hydrogen Group Limited ('CPHGL'), for the year ended 31 December 2021 and are consistent with those to be used by the Group in its next financial statements for the year ending 31 December 2022. In addition to the policies presented in the 2021 financial statements, the Group will apply the policies below applicable to consolidated financial statements and the Company becoming the parent company for Clean Power Hydrogen Group Limited and to the accounting for term deposits of cash. There are no new standards, interpretations and amendments which are not yet effective in these financial statements, expected to have a material effect on the Group's future financial statements.

The financial information does not contain all of the information that is required to be disclosed in a full set of IFRS financial statements. The financial information for the six months ended 30 June 2022 and 30 June 2021 is unreviewed and unaudited and does not constitute the Group or Company's statutory financial statements for those periods.

The comparative financial information for the full year ended 31 December 2021 has, however, been derived from the audited statutory financial statements for Clean Power Hydrogen Group Limited for that period. A copy of those statutory financial statements has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified and did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

These policies have been applied consistently to all periods presented, unless otherwise stated.

The interim financial information has been prepared under the historical cost convention with the exception of the fair values applied in accounting for share based payments. The financial information and the notes to the historical financial information are presented in thousands of pounds sterling ('£'000'), the functional and presentation currency of the Group, except where otherwise indicated.

Merger accounting and consolidated financial statements

The Company was incorporated on 19 August 2021 with one £0.01 ordinary share and on 1 February 2022, became the Group parent company when it issued 185,267,700 £0.01 ordinary shares in exchange for all the ordinary shares in CPHGL. In addition, warrants and options over ordinary shares in CPHGL were converted, on equivalent terms, to warrants and options over 26,911,940 shares in the Company. This is considered not to be a business combination within the scope of IFRS3. This is a key judgement, and as a transaction where there was no change in the shareholders or holdings, is accordingly accounted for using merger accounting with no change in the book values of assets and liabilities and no fair value accounting applied.

The consolidated financial statements present the results of the Company and its subsidiaries ("the Group") as if they have always formed a single group. Intercompany transactions and balances between Group companies are therefore eliminated in full. The share capital presented is that of Clean Power Hydrogen plc with the difference on elimination of CPHGL's capital being shown as a merger reserve.

A subsidiary is an entity over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Current asset investments

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short term, highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value. Deposits of cash with banks that are subject to maturity terms of more than 90 days are presented as current asset investments.

Going concern

The directors have considered the principal risks and uncertainties facing the business, along with the Group's objectives, policies and processes for managing its exposure to financial risk. In making this assessment the directors have prepared cash flows for the foreseeable future, being a period of at least 12 months from the expected date of approval of this financial information.

The Company has successfully raised net proceeds of £27.6m from new equity in order to fund investment in the manufacturing operations, working capital and continuing development work. The Group's forecasts and projections to 31 December 2023 based on the current trends in trading and after taking account of the funds currently held, show that the company and the Group will be able to operate within the level of cash reserves.

The directors therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and consider the going concern basis to be appropriate.

3. Segmental reporting

IFRS 8, Operating Segments, requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the company's chief operating decision maker. The chief operating decision maker is considered to be the executive Directors.

The Group at this stage comprises only one operating segment for the development and sale of equipment for the electrolytic production of clean hydrogen and oxygen. The operating segments are monitored by the chief operating decision maker and strategic decisions are made on the basis of adjusted segment operating results.

All material assets, liabilities, revenues and expenses are located in, or derived in, the United Kingdom with the exception of capitalised patent costs and the related party loan liability in the Irish subsidiary of CPHGL which are denominated in Euros.

4. Exceptional costs and credits

	Six months ended 30 June 2022 £'000	**Six months ended 30 June 2021 £'000**
Cash settled LTIP credit/(expense)	1,965	(1,256)
IPO professional fees and costs	(604)	-
Accelerated share based payment charges	(374)	-
	987	(1,256)

In addition to equity settled share based payment charges in respect of share options and warrants, the Group, prior to IPO, also had an LTIP in place with a bonus arrangement payable. Under the accounting standard this was treated as cash settled. However, the arrangement has been cancelled as of 10 February 2022 and replaced with a new equity settled arrangement and conditions. The prior LTIP was linked to the CPHGL value and share price over the 3 year period to September 2023 with the accruals booked in non-current liabilities. The charge for the period ended 30 June 2021 was £1,256,000 including the related national insurance costs and the total non-current liability accrued at 30 June 2021 was £1,965,000 reflecting a significant increase in the share price in the period following the receipt of initial customer orders. The derecognition of this liability has been disclosed as exceptional in view of its impact on the period and that no cash was payable in the short term.

The new equity settled arrangement is in respect of options over up to 10,608,980 shares at an exercise price of £0.085 per share. Exercise from 30 June 2024 of 25% is subject to remaining an employee and 75% also to sales related performance conditions.

The accrued cash settlement liability has therefore been credited to the income statement in the period ended 30 June 2022 as an exceptional credit with no liability at the period end resulting in the significant reduction in non current accruals.

The fair value of the total share based payment in respect of the new arrangement is £1,810,000 which is being expensed over the vesting period from grant date on 10 February 2022 to the vesting date of 30 June 2024 to the extent to which options are expected to vest, with a charge of £74,000 in the period to June 2022.

The share options that were in place in 2021 all vested at the date of the IPO and were exercised or replaced by options exercisable at any time with a consequential acceleration and expense of the remaining associated share based payments of £374,000.

As these earlier arrangements were linked to the IPO which is considered to be a one off event and in view of the amounts these have been shown as exceptional credits or charges in the period. The IPO related professional fees and costs directly related to the IPO of £604,000 which have been expensed in the period ended 30 June 2022 have also been disclosed as exceptional.

5. Earnings per share

The calculation of the basic and diluted loss per share is based on the following data:

	Six months ended 30 June 2022 ***£'000***	**Six months ended 30 June 2021 £'000**
Loss for the purpose of basic earnings per share being net loss attributable to the shareholders	(1,106)	(2,084)

Number of shares	**Six months ended 30 June 2022** ***£'000***	**Six months ended 30 June 2021 £'000**
Weighted average number of ordinary shares for the purposes of basic earnings per share	245,053,907	183,302,694

The weighted average is calculated applying the equivalent number of Clean Power Hydrogen plc shares to each period.

There is no dilutive effect on a loss. There are potentially dilutive options in place over 24,035,420 ordinary shares at 30 June 2022.

6. Intangible fixed assets

	Development costs £'000	Patents £'000	Software £'000	Total £'000
Cost				
At 31 December 2021	1,060	123	17	1,200
Additions	297	23	34	354
Foreign exchange movements	-	12	-	12
At 30 June 2022	**1,357**	**158**	**51**	**1,566**
Accumulated depreciation				
At 31 December 2021	-	7	17	24
Charge for the period	-	6	4	10
Foreign exchange movements	-	5	-	5
At 30 June 2022	**-**	**18**	**21**	**39**
Net book amount				
At 30 June 2022	**1,357**	**140**	**30**	**1,527**
At 31 December 2021	1,060	116	-	1,176

7. Inventories

	30 June 2022 £'000	31 December 2021 £'000
Raw materials and consumables	570	9
Work in progress	3,319	2,073
	3,889	2,082

8. Trade and other receivables

	30 June 2022 £'000	31 December 2021 £'000
Current		
Other receivables	688	282
Prepayments	1,397	422
	2,085	704
Non-current		
Other receivables	120	120

At 30 June 2022, prepayments include £1.1m of payments made in advance to suppliers.

9. Current asset investments

The cash raised from the IPO has been placed in longer term bank deposits where it is not forecast to be needed in the short term, and in accordance with the IFRS accounting policy, this £21m of bank deposits is shown in current asset investments.

10. Trade and other payables

	30 June 2022 £'000	31 December 2021 £'000
Current		
Trade payables	557	376
Other payables	48	14
Taxation and social security costs	109	48
Accruals	180	97
Deferred income	2,636	2,237
	3,530	2,772
Non-current		
Accruals	-	1,965
Deferred income	278	278
	278	2,243

£2.6m of the deferred income relates to advance payments from customers (2021: £2.1m).

11. Share capital

The movements in the Company's share capital were as follows:

	Number of £0.01 shares	Nominal *£'000*	Share premium *£'000*
One £1 share issued on incorporation, subdivided into 100 £0.01 shares	100	-	-
Shares issued in exchange for CPHGL shares	185,267,700	1,852	-
Exercise of warrants	2,075,280	21	75
Exercise of options	11,410,220	114	285
Placing shares issued at £0.45 each	66,666,667	667	29,333
Share issue costs	-	-	(2,055)
	268,419,967	2,654	27,638

The issue of shares resulted in a share premium of £27,638,000 (net of £2,055,000 of share issue costs incurred).

The issue of shares with a nominal value of £1,852,677 in exchange for the 9,263,385 £0.001 shares in CPHGL with a nominal value of £9,263 and share premium of £5,545,118 results on elimination of the difference in a credit to a merger reserve of £3,701,704 in accordance with the merger accounting principles as set out in note 2.

12. Related party transactions

A loan advanced to the group of £382,000 at 31 December 2021 (30 June 2021: £387,000) from Streamstown Mouldings Limited, incorporated in the Republic of Ireland and controlled by Joe Scott, a director of the company was interest free with no fixed repayment terms. This loan was fully repaid in February 2022. Directors remuneration during the 6 month period ended 30 June 2022 amounted to £367,264.