Aggregated Micro Power Holdings plc
("AMP", the "AMP Group" or the "Company")

Unaudited Interim Results for the six months ended 30 September 2016, Acquisition of PEL (Fuel) Limited and Fundraising to raise £1.9m

Aggregated Micro Power Holdings plc (AIM: AMPH), which specialises in the sale of wood fuels and the development of distributed energy projects, is pleased to announce today a further wood fuels acquisition and a £1.9 million fundraising and its Unaudited Interim Results for the six months ended 30 September 2016*.

Highlights

- AMP Group revenues increased to £3.549m (H1 2015: £0.093m)
- Gross profit increased to £0.674m (H1 2015: loss of £0.046m)
- Loss before tax decreased to £1.932m (H1 2015: loss of £4.553m)
- Successful fundraising in August 2016 of £5.0m comprising a placing of ordinary shares of 0.5p each ("Ordinary Shares") raising gross proceeds of £1.535m and issue of £3.47m** nominal of 8% Convertible Notes redeemable on 30 March 2021
- Successful completion of the acquisitions of Midlands Wood Fuel in August 2016 and the acquisition of the Mi-Generation customer base in September 2016

* Comparatives for six months ended 30 September 2015. Accounting reference date amended during 2016 from 31 December to 31 March
** Includes a subscription of Convertible Notes by the vendors of Midland Wood Fuels

Post Period End

- On 20 October 2016, AMP assisted Aggregated Micro Power Infrastructure 2 plc ("AMPIL2"), a third party purchaser of biomass boilers, to secure £10.2m of funding for further boiler development projects from AMP and other third parties[b]
- On 4 November 2016, AMP was granted planning permission on three grid balancing projects comprising 60 MWs in aggregate which we are aiming to develop in 2017

Acquisition and Fundraising

- Acquisition of 100% of PEL (Fuel) Limited ("PEL")[a], a profitable wood pellet supply business, for a consideration of £5.0m comprising £4.5m in new Ordinary Shares to be issued at a deemed price of 68 pence per Ordinary Share and £0.5m in cash (the "Acquisition")
- Issue of £1.9 million nominal of convertible loan notes (the "Convertible Notes") at par (the "CLN Issue") from a combination of existing holders and new investors[c]

Richard Burrell, Chief Executive of Aggregated Micro Power Holdings plc, said:

"With the acquisition of PEL, we have transformed Forest Fuels[(i)] *into being one of the leading suppliers of wood fuels in the UK and combined with our ability to finance and maintain biomass boilers we are becoming one of the leading players in the biomass heat sector which means in the year to 31 March 2017 we should achieve in excess of £15m of group turnover. On 14 December 2016, the Government announced a favorable outcome to its consultation on the Renewable Heat Incentive through to 2021 which supports AMP's strategy of developing larger biomass installations with commercial heat users. AMP's growing pipeline of project developments should continue to generate upfront development fees as well as deferred development fees in subsequent years and hence we look forward to the future with confidence."*

(i) *Forest Fuels is 100% owned by AMP and is the customer facing brand in the UK wood fuels market*

(a) PEL is the owner of a profitable premium grade wood pellet supply business following a transfer of that business to it from Patchwork Energy Limited ("Patchwork") immediately prior to AMP acquiring PEL. Patchwork's wood fuels customer base delivered turnover in the year ended 31 March 2016 of £10.1m and profit before tax of £0.27m (unaudited). This profit before tax represents the historical gross profit relating to the Patchwork customer contracts being acquired together with an apportionment of estimated administrative and financing costs which will not be transferring to AMP. At the time of Acquisition PEL consists only of customer contracts and assets of £370,000, being plant & machinery. The consideration for the acquisition is up to £5.0m on a debt free, cash free basis, comprising an issue of £4.5m of new Ordinary Shares ("Consideration Shares") to be issued at 68 pence per Ordinary Share to the vendors of PEL and up to £0.5m in cash, dependent on the novation of certain PEL contracts to AMP. For a period of 36 months from completion of the acquisition, the vendors of PEL have agreed not to transfer their Consideration Shares (save in limited circumstances). The share purchase agreement also includes warranties and a tax indemnity from the vendors in favour of AMP which are subject to customary limitations on liability.

(b) AMPIL2 is a special purpose vehicle which is wholly owned by Law Debenture Intermediary Corporation plc as trustee for general charitable purposes. AMPIL2 can issue listed loan notes on a regular basis to fund renewable energy projects acquired from AMPH and/or other developers. AMPIL2 is the second special purpose vehicle which AMP Group has been able to access for its pipeline of biomass boiler developments and it follows on from the first AMPIL (Aggregated Micro Power Infrastructure Limited) special purpose vehicle which raised £12.4m from institutional and other investors in 2014 and 2015.

(c) The CLN Issue is for £1.9 million nominal. The Convertible Notes have an 8 per cent. coupon per annum, paid quarterly in arrears and redeem at par, if not previously converted, on 30 March 2021. The Convertible Notes will have a conversion price equal to 86 pence per Ordinary Share. The Company can redeem the Convertible Notes at par after 31 March 2018 or the Convertible Note holder can convert the Convertible Notes into Ordinary Shares. The Convertible Notes will be listed on Channel Islands Securities Exchange shortly and will rank parri passu with the second tranche of Convertible Notes which were issued in August 2016 at a nominal value of £3.47m. The first tranche of Convertible Notes were issued in March 2016 for a nominal value of £4.07m and are identical in every respect, save for the conversion price, which is 70 pence per Ordinary Share for the first tranche.

The following Directors of the Company are subscribing for Convertible Notes in the CLN Issue:

Director	***Role***	***Convertible Notes subscribed for (£nominal)***
Richard Burrell	Chief Executive	£400,000
Laurie Magnus	Non-Executive Director	£15,000

Related Party Transactions

The participation in the CLN Issue of Richard Burrell and Laurie Magnus as Directors of the Company constitute related party transactions under the AIM Rules for Companies (the "Related Party Transactions"). The Independent Directors consider, having consulted with finnCap, the Company's nominated adviser, that the terms of the Related Party Transactions are fair and reasonable insofar as shareholders of the Company are concerned.

Admission

Application has been made to the London Stock Exchange for the 6,617,648 Consideration Shares to be admitted to trading on AIM ("Admission"). The Consideration Shares are being issued at a deemed price of 68 pence per Consideration Share.

It is expected that Admission will become effective and trading will commence in the Consideration Shares at 8.00 a.m. on 21 December 2016. On Admission the Company's issued share capital will comprise 37,810,422 Ordinary Shares, of which none are held in treasury. Therefore the total number of Ordinary Shares in the Company with voting rights will be 37,810,422. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the FCA's Disclosure Guidance and Transparency Rules.

Contacts

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About Aggregated Micro Power Holdings plc

The AMP Group was established to develop, own and operate renewable energy generating facilities. It specialises in the sale of Wood Fuels and in the installation of distributed energy projects. AMP's wholly owned subsidiary Forest Fuels sells high quality wood chip and wood pellet to end customers throughout the UK, while its projects division installs biomass boiler and biomass CHP systems for a wide range of applications and customers. AMP is also active in developing projects for stand-by power generation facilities which aim to balance the transmission grid at times of peak demand.

http://www.ampplc.co.uk

The information communicated in this announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) No. 596/2014.

Executive Chairman's Statement

This is the first interim statement since we changed our financial year end to 31 March. This change enables the market and investors to gain greater clarity and understanding of the enlarged business model and trading following the acquisitions of Forest Fuels, Midlands Wood Fuel and the Mi-Generation customer base. It also aligns the Group's financial year with the seasonal sales calendar of the wood fuels market where the second half of the financial year should generate significantly more turnover than the first half.

During this first six month period, AMP Group revenues increased to £3.549m (H1 2015: £0.093m), gross profit increased to £0.674m (H1 2015: loss of £0.046m) and the loss before tax decreased to £1.932m (H1 2015: loss of £4.553m). These results, whilst demonstrating the strategic direction of travel, do not yet fully reflect the positive impact of our wood fuels acquisitions as most of this turnover is anticipated to be generated in the second half of the financial year (October through to March) where the heating season is at its busiest.

Integration of Forest Fuels

During the last six months, we have been extremely busy integrating the three wood fuels businesses and we have restructured our customer offering under the Forest Fuels brand which we believe is the strongest brand to retain and attract new customers. We now have over 2,000 customers and a nationwide presence operating from around 40 depots. The integration process has gone well and we have a clearly defined management and reporting structure which is focused on providing high quality and timely wood fuels deliveries to our expanding customer base. At the same time, we have been able to offer our biomass boiler customers access to funding for existing and new biomass boiler developments using the project finance and management expertise within the AMP Group.

Biomass boiler funding

We announced on 20 October 2016 the successful launch of AMPIL2, a third party purchaser of biomass boiler development projects, which raised £10.2m to finance the acquisition of currently operating biomass boilers as well as new boiler project developments from AMP and other third parties. AMPIL2 is similar to AMPIL which raised £12.4m in 2014 and 2015. This will enable AMP to grow its revenues from development fees which are typically 10% of the initial capital expenditure on each boiler development project sold to AMPIL 2 and in the future, subject to portfolio performance, to also benefit from deferred development fees. Going forward, Forest Fuels is also able to supply fuel, operation and maintenance services to the boilers owned by AMPIL and AMPIL2 under arm's length, long term contracts. We believe this end-to-end solution is attractive to our customers and it seems to be gaining significant traction in the biomass market and at the same time, it helps to build up future deferred development fees for the AMP Group.

Industry developments

The Renewable Heat Incentive (RHI) has been an important policy for driving the increase of renewable heat across the UK. The RHI is currently being reformed and on 14th December 2016, the Government announced the details around the shape of the RHI that will apply from 1st April 2017 through to March 2021. This announcement is an extremely positive step for the renewable heat sector in the UK as it confirms ongoing support for the shift to low carbon heating and it ensures that biomass heat remains a vital part of the Renewable Heat Incentive.

AMP is well placed to benefit from the move to a single tariff band for biomass heat which favours larger installations and offers a number of new policy benefits. As expected and from 01 April 2017, biomass heating support will be at the same level across all sizes of project. This is a rate of 2.91p per kWh (Tier 1) and 2.05p per kWh (Tier 2). The tiering thresholds have also been changed to significantly increase the amount of heat available under tier 1 (increased from 15% to 35%). These changes together with a lock-in mechanism for the tariff during construction of consented projects, helps to de-risk the development process and should enable us to develop out our pipeline of new installs through to 2021.

Grid balancing projects

We continue to be active in finding development projects using gas-powered reciprocating engines to help balance the national grid at times of peak demand. We currently have over 80MWs of projects which have received planning permission and grid connection offers and we are aiming to reach financial close on at least one of these projects before the end of this financial year. As is the case with our biomass projects, we are aiming to finance our grid balancing portfolio using finance committed by third party infrastructure funds which should enable AMP to earn upfront development fees, operation and maintenance fees and future deferred development fees.

Full year outlook

We are now entering the busiest period of the year for wood fuels sales and we remain confident that group revenues will exceed £15m in the 12 months to 31 March 2017. Our growing pipeline of project developments continues to generate development fees as well as deferred development fees in future years and hence we look forward to the future with confidence.

Neil Eckert, Executive Chairman
19 December 2016

Independent Review Report to Aggregated Micro Power Holdings plc

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2016 which comprises the condensed consolidated statement of comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated cash flow statement, the consolidated statement of changes in equity and the related notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors' responsibilities

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on AIM which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the company's annual accounts having regard to the accounting standards applicable to such annual accounts.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Our report has been prepared in accordance with the terms of our engagement to assist the company in meeting the requirements of the rules of the London Stock Exchange for companies trading securities on AIM and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, ''Review of Interim Financial Information Performed by the Independent Auditor of the Entity'', issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2016 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

BDO LLP
Chartered Accountants and Registered Auditors
Location
United Kingdom
Date

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Condensed consolidated statement of comprehensive income

For the six months ended 30 September 2016

	Note	Six months ended 30 Sep 2016 Unaudited £	Six months ended 30 Sep 2015 Unaudited £	Three months ended 31 Mar 2016 Audited £
Revenue		3,548,662	93,622	203,901
Cost of sales		(2,874,350)	(134,245)	(75,397)
Gross profit		674,312	(40,623)	128,504
Other operating income	3	138,532	34,249	16,250
Administrative expenses	3	(2,417,124)	(1,758,297)	(695,175)
Total administrative expenses before exceptional items		(2,278,592)	(1,724,048)	(678,925)
Loss from operations before exceptional items		(1,604,280)	(1,764,671)	(550,421)
Fair value adjustment on deferred consideration		-	-	43,514
Impairment Loss		-	(2,792,005)	-
Acquisition expenses		(71,051)	-	-
Total exceptional items		(71,051)	(2,792,005)	43,514
Total administrative expenses after exceptional items		(2,349,643)	(4,516,053)	(635,411)
Loss from operations		(1,675,331)	(4,556,676)	(506,907)
Finance income		1,744	39,749	130
Finance expense		(283,766)	(36,198)	(16,358)
Loss before tax		(1,957,353)	(4,553,125)	(523,135)
Tax credit		-	-	169,680
Loss for the year and other total comprehensive losses for the period		(1,957,353)	(4,553,125)	(353,455)
Earnings per share attributable to the ordinary equity holders of the parent				
Basic and diluted loss per share	8	(6.69p)	(17.72p)	(1.33p)

(Company Registration Number: 08372177)

Condensed consolidated statement of financial position

As at 30 September 2016

	Note	30 Sep 2016 Unaudited £	31 Mar 2016 Audited £
Non-current assets			
Property, plant and equipment	4	1,588,293	785,390
Intangibles	5	4,533,967	2,720,334
Total non-current assets		6,122,260	3,505,724
Current assets			
Inventories		2,556,837	1,257,780
Trade and other receivables		2,473,088	4,721,285
Cash and cash equivalents		2,026,873	801,871
Total current assets		7,056,798	6,780,936
Total assets		13,179,058	10,286,660
Current liabilities			
Trade and other payables		2,868,030	3,934,047
Loans and borrowings	6	240,049	90,024
Total current liabilities		3,108,079	4,024,071
Non-current liabilities			
Loans and borrowings	6	6,992,146	3,454,821
Deferred consideration	11	8,218	8,218
Deferred tax liability		387,718	307,977
Total non-current liabilities		7,388,082	3,771,016
Total liabilities		10,496,161	7,795,087
Net assets		2,682,897	2,491,573
Equity attributable to equity holders of the company			
Paid up share capital	7	155,964	144,423
Share premium	7	12,552,705	11,069,200
Merger reserve		6,648,126	6,648,126
Other Reserves		4,546,180	4,546,180
Convertible debt option reserve		1,212,910	559,279
Retained deficit		(22,432,988)	(20,475,635)
Total equity		2,682,897	2,491,573

The financial statements were approved by the Directors on 19/12/16 and signed on their behalf by:

Richard Burrell, Chief Executive Officer

Condensed consolidated statement of changes in equity

For the six months ended 30 September 2016

	Share capital £	Share premium £	Retained deficit £	Merger reserves £	Other reserves £	Convertible debt option reserve £	Total £
Equity as at 1 January 2016	128,473	9,484,658	(20,122,180)	6,648,126	4,546,180	-	685,257
Issue of share capital	15,950	1,706,650	-	-	-	-	1,722,600
Total comprehensive loss for the period	-	-	(353,455)	-	-	-	(353,455)
Equity element of convertible debt	-	-	-	-	-	587,399	587,399
Share issue cost	-	(122,108)	-	-	-	(28,120)	(150,228)
Equity as at 31 March 2016	**144,423**	**11,069,200**	**(20,475,635)**	**6,648,126**	**4,546,180**	**559,279**	**2,491,573**

	Share capital £	Share premium £	Retained deficit £	Merger reserve £	Other reserves £	Convertible debt option reserve £	Total £
Equity as at 1 April 2016	144,423	11,069,200	(20,475,635)	6,648,126	4,546,180	559,279	2,491,573
Issue of share capital	11,541	1,523,459	-	-	-	-	1,535,000
Total comprehensive loss for the period	-	-	(1,957,353)	-	-	-	(1,957,353)
Equity element of convertible debt	-	-	-	-	-	667,972	667,972
Share issue cost	-	(39,954)	-	-	-	(14,341)	(54,295)
Equity as at 30 September 2016	**155,964**	**12,552,705**	**(22,431,988)**	**6,648,126**	**4,546,180**	**1,212,910**	**2,682,897**

Share capital: Nominal value of shares issued.

Share premium: Amount subscribed for share capital in excess of the nominal value.

Retained deficit: All other net losses and transactions with owners (e.g. dividends) not recognised elsewhere.

Merger reserve: Created on the issue of shares on acquisition of its subsidiary accounted for in line with the Companies Act 2006 provisions.

Other reserve: Amount raised through the use of a cashbox structure.

Convertible debt option reserve: Amount recorded as equity on the initial fair value measurement of issued convertible loan notes.

Condensed consolidated statement of cash flows

For the six months ended 30 September 2016

	Six months ended 30 Sep 2016 Unaudited £	Three months ended 31 Mar 2016 Audited £
Operating activities		
Loss for the period before tax	(1,957,353)	(353,455)
Adjustments for:		
Tax credit	-	(169,680)
Interest Income	(1,744)	(130)
Fair value adjustment on financial liabilities at fair value through profit and loss	-	(43,514)
Provision for doubtful debt	25,004	-
Profit on disposal of property, plant and equipment	(55,155)	-
Interest expense	255,729	15,468
Movement in foreign exchange	5,279	406
Depreciation of property, plant and equipment	196,949	723
Cashflows from operating activities before changes to working capital	(1,531,291)	(550,182)
Change in working capital, net of effects from acquisition of subsidiaries:		
(Increase)/decrease in inventories	(123,583)	60,692
(Increase)/decrease in trade and other receivables	1,267,889	493,475
Increase/(decrease) in trade and other payables	(1,985,049)	(162,312)
	(840,743)	391,855
Cash generated from operations	(2,372,034)	(158,327)
R&D tax credit received	-	169,680
Net cash flows from operating activities	(2,372,034)	11,353
Investing activities		
Acquisition of a subsidiary, net of cash acquired	49,821	(2,810,888)
Purchase of property, plant and equipment	(57,575)	(700)
Proceeds from sale of asset	139,921	-
Acquisition of intangible assets	(300,000)	-
Loans to third party	(52,452)	(58,150)
Bank Interest Received	-	129
Net cash used in investing activities	(220,285)	(2,869,609)
Financing activities		
Proceeds from issue of shares	3,257,600	-
Proceeds from issue of convertible notes	1,160,000	2,833,519
Share issue cost	(39,954)	(122,108)
CLN issue cost	(89,395)	(195,019)
Payments of borrowings	(135,300)	-
Payments of interest on borrowings	(255,729)	(30,544)
Payments of finance lease	(79,901)	(1,657)
Net cash used in financing activities	3,817,321	2,984,191
Net increase in cash and cash equivalents	1,225,002	125,935
Cash and cash equivalents at beginning of period	801,871	675,936
Cash and cash equivalents at end of period	**2,026,873**	**801,871**

Notes to condensed consolidated financial statements

For the six months ended 30 September 2016

1. Basis of preparation

The financial information in these interim results is that of the holding company and all of its subsidiaries (the Group). It has been prepared in accordance with the recognition and measurement requirements of International Financial Reporting Standards as adopted for use in the EU (IFRSs). The accounting policies applied by the Group in this financial information are the same as those applied by the Group in its financial statements for the period ended 31 March 2016 and which will form the basis of the financial statements for the year ending 31 March 2017.

New interpretations and a number of amendments are effective for the first time for periods beginning on (or after) 1 April 2016, and have been adopted in these financial statements. None of the amendments resulted in effect on the group's consolidated financial statements

The Group's results are considered to be affected by seasonal variations and do not yet fully reflect the positive impact of our wood fuels business acquisitions as most of this turnover is anticipated to be generated in the second half of the financial year (October through to March) where the heating season is at its busiest

The comparative financial information for the six months ended 30 September 2015 in this interim report does not constitute statutory accounts for that period. The statutory accounts for period ended 31 March 2016 have been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

2. Use of estimates and judgements

There have been no material revisions to the nature and amount of changes in estimates of amounts reported in the financial statements for the period ended 31 March 2016.

Valuation of intangible assets

A valuation exercise on intangibles has been performed as part of a Purchase Price Allocation exercise. The values of these intangibles and of the balance sheet acquired are provisional and within one year of the date of acquisition may be adjusted as a result of the finalisation of valuations. Please refer to note 9 for further information on the key assumptions used in this exercise.

3. Segmental information

For management purposes, the Group is organised into business units based on its products and services. During the period, the Group's two main operating segments were: project development of biomass boiler "ESCO" projects and grid balancing projects (which includes all head office functions and costs) and wood fuel sales. The Low Plains decommissioning segment constitutes the final costs associated with decommissioning Low Plains. The Low Plains decommissioning and Project Development segments for the period ending 30 September 2016 can be compared with the Gasification and Boiler Development segments for the period ending March 2016; otherwise the results have been prepared using consistent accounting policies for each segment as detailed in Note 1 of the audited consolidated financial statements for the period ended 31 March 2016

The Group was exclusively focused on UK operations. The performance of each segment is reported below.

Operating segments - six months ending 30 September 2016

	Low Plains decommissioning	Project development	Wood fuels	Total
	£	£	£	£
Revenue	41,426	41,896	3,465,340	3,548,662
Cost of sales	(6,194)	-	(2,868,156)	(2,874,350)
Gross profit	35,232	41,896	597,184	674,312
Other operating income	-	42,500	96,032	138,532
Administrative expenses	(86,816)	(1,400,076)	(854,570)	(2,341,462)
Depreciation	-	(2,329)	(144,384)	(146,713)
Loss from operations	(51,585)	(1,318,009)	(305,738)	(1,675,331)
Segment assets	119,727	6,874,077	6,047,068	13,040,872
Segment liabilities	11,988	5,951,837	4,394,150	10,357,975
	107,739	922,240	1,652,918	2,682,897

Operating segments – three months ending 31 March 2016

	Gasification projects	Boiler development	Wood fuels	Total
	£	£	£	£
Revenue	19,578	184,323	-	203,901
Cost of sales	(5,773)	(69,624)	-	(75,397)
Gross profit	13,805	114,699	-	128,504
Other operating income	16,250	-	-	16,250
Fair value adjustment on deferred consideration	-	43,514	-	43,514
Administrative expenses	(377,357)	(317,095)	-	(694,452)
Depreciation	-	(723)	-	(723)
Loss from operations	(347,302)	(159,605)	-	(506,907)
Segment assets	173,353	4,579,090	5,534,216	10,286,660
Segment liabilities	87,834	3,668,367	4,038,885	7,795,087
	85,519	910,723	1,495,331	2,491,573

4. Property, plant and equipment

	Assets Under Construction	Farm & Upgrade	Plant & Machinery	Office Equipment	Motor Vehicles	Total
	£	£	£	£	£	£
Cost						
As at 1 January 2016	**47,740**	**6,906,294**	**757,848**	**4,628**	**38,000**	**7,754,510**
Additions for the period	-	-	-	700	-	700
Addition on acquisition of subsidiary	-	-	486,680	147,148	149,003	782,831
As at 31 March 2016	**47,740**	**6,906,294**	**1,244,528**	**152,476**	**187,003**	**8,538,041**
Additions for the period	-	-	12,350	17,681	165,627	195,658
Disposals for the period	-	-	(165,483)	(9,945)	(18,586)	(194,014)
Addition on acquisition of subsidiary	-	-	326,735	80,525	458,387	865,648
As at 30 September 2016	**47,740**	**6,906,294**	**1,418,130**	**240,737**	**792,431**	**9,405,332**

Depreciation						
As at 1 January 2016	**47,740**	**6,906,294**	**757,999**	**2,896**	**38,000**	**7,751,929**
Charges for the period	-	-	398	325	-	723
As at 31 March 2016	**47,740**	**6,906,294**	**757,397**	**3,221**	**38,000**	**7,752,651**
Charge for the period	-	-	58,294	39,144	49,275	146,713
Disposals for the period	-	-	(106,162)	(6,596)	(2,119)	(114,877)
Adjustment / impairment	-	-	32,553	-	-	32,533
As at 30 September 2016	**47,740**	**6,906,294**	**742,082**	**35,769**	**85,156**	**7,817,040**
Net book value						
As at 1 January 2016	-	-	849	1,732	-	2,581
As at 31 March 2016	-	-	487,131	149,254	149,003	785,390
As at 30 September 2016	-	-	676,048	204,968	707,275	1,588,293

5. Intangible assets

	Long term contracts and customer relationships	Brand	Goodwill	Total
	£	£	£	£
Cost				
As at 1 January 2016	**-**	**-**	**-**	**-**
Additions for the period	611,804	785,833	1,322,697	2,720,334
As at 31 March 2016	**611,804**	**785,833**	**1,322,697**	**2,720,334**
Additions for the period	651,542	-	**-**	**651,542**
Additions on acquisition of subsidiary	469,062	-	743,265	**1,212,327**
As at 30 September 2016	**1,732,408**	**785,833**	**2,065,962**	**4,584,203**
Amortisation				
As at 1 January 2016	-	-	-	-
As at 31 March 2016	**-**	**-**	**-**	**-**
Amortisation charge for the period	**(30,590)**	**(19,646)**	**-**	**(50,236)**
As at 30 September 2016	**(30,590)**	**(19,646)**	**-**	**(50,236)**
Net book value				
As at 1 January 2016	**-**	**-**	**-**	**-**
As at 31 March 2016	**611,804**	**785,833**	**1,322,697**	**2,720,334**
As at 30 September 2016	**1,701,818**	**766,187**	**2,065,962**	**4,533,967**

At the half year date, no indicators of impairment have been identified. The long term contracts and customer relationships additions of £651,542 in the period include contingent consideration of £351,542, which is based on the volume of future sales.

6. Loans and borrowings

Current liabilities	**Period ended 30 Sep 2016**	**Period ended 31 Mar 2016**
	£	**£**
Other loan - finance lease	240,049	90,024
	240,049	**90,024**

Non-current liabilities	**Period ended 30 Sep 2016**	**Period ended 31 Mar 2016**
	£	**£**
Convertible Loan Notes	6,351,889	3,319,452
Other loan - finance lease	460,257	135,369
	6,992,146	**3,454,821**

<u>Convertible loan notes</u>

On 8 August 2016, the Group issued Convertible Loan Notes of £3.47m (of which £1.2m was cash proceeds). The Convertible Loan Notes were issued at a coupon rate of 8% and the conversion price applicable to the Notes is £0.86.

Should full conversion take place, 4,034,884 shares will be issued.

In the previous period, the Group issued Convertible Loan Notes of £4.07m (of which £2.83m was cash proceeds). The Convertible Loan Notes were issued at a coupon rate of 8% and the conversion price applicable to the Notes is £0.70. Should full conversion take place, 5,818,571 shares will be issued.

The liability and equity elements of the various Loan Notes were determined at the date the instrument was issued. The fair value of the liability, included in non-current borrowings, was calculated using a market interest rate for an equivalent instrument without a conversion feature.

7. Share capital

	No of shares (Authorised/Issued)	Issued capital	Share premium
	Nos.	**£**	**£**
Ordinary shares of £0.005 each			
As at 1 January 2016	**25,694,502**	**128,473**	**9,484,658**
Issued for cash during the period	3,190,000	15,950	1,706,650
Share issues expenses	-	-	(122,108)
As at 31 March 2016	**28,884,502**	**144,423**	**11,069,200**
As at 1 April 2016	**28,884,502**	**144,423**	**11,069,200**
Issued for cash during the period	2,308,271	11,541	1,523,459
Share issues expenses	-	-	(39,954)
As at 30 September 2016	**31,192,773**	**155,964**	**12,552,705**

8. Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Group by the weighted average number of ordinary shares in issue during the year:

	Six months ended 30 Sep 2016 Unaudited	Six months ended 30 Sep 2015 Unaudited	Three months ended 31 Mar 2016 Audited
	£	**£**	**£**
Loss attributable to equity holders of the Company	(1,957,353)	(4,553,125)	(353,455)
Weighted average number of shares	29,616,085	25,694,502	26,500,766
Basic and diluted loss per share (Pound Sterling)	(6.69p)	(17.72p)	(1.33p)

The basic and diluted earnings per share have been calculated using the loss attributable to shareholders of the parent company, Aggregated Micro Power Holdings plc. The basic and dilutive loss per share are the same as the Group have made a loss in the period.

9. Business combination during the period

On 8 August 2016, the Group completed on the acquisition of 100% of the share capital of Midlands Wood Fuels Limited ('MWF'), a wood fuel supplier, for a consideration of £1,400,000. The acquisition was made to further strengthen the Group's position in the wood fuel market and was funded from the issue of £3.47m Convertible Loan Notes (see Note 6) and the placing of 2,308,271 Ordinary Shares at 66.5 pence per Ordinary Share (see Note 7). As part of the acquisition £910,000 of shareholder loans held by the sellers of MWF were novated to Aggregated Micro Power Holdings plc before being exchanged for £910,000 of Convertible Loan Notes. The Group also repaid an existing loan of £135,299 between MWF and Funding Circle. The remaining £2,559,701 balance of funds (being the £5,005,000 combined issue size less the consideration paid of £1,400,000 less the shareholder and Funding Circle Loans of £1,045,299) will be used to acquire the customer contracts from MiGeneration Ltd and for growth working capital.

The Group has recognised the provisional fair values of identifiable assets and liabilities for MWF as follows:

		8 August 2016	
	Opening book value	**Fair value adjustment**	**Closing fair value**
	£	**£**	**£**
Intangibles	-	469,062	469,062
Tangible assets	865,646	-	865,646
Cash	49,112	-	49,112
Inventory	1,175,473	-	1,175,473
Receivables	444,779	-	444,779
Total Assets	**2,535,010**	**469,062**	**3,004,072**
Trade and other payables	765,571	**-**	765,571
Deferred tax liability	-	79,741	79,741
Non-Current liabilities	1,495,544	**-**	1,495,544
Total Liabilities	**2,261,115**	**79,741**	**2,340,856**
Net Assets	**273,895**	**389,321**	**663,216**
Fair value of consideration paid			**1,400,000**
Goodwill			**736,784**

10. Related party transactions

Richard Burrell, Chief Executive Officer of the Group, has a significant interest in Mathieson Capital Investment Management Limited to which the Group paid consultancy fees of £51,250 (2015: £51,250). The Group also paid £18,300 (2015: £18,000) rent for its office in Tattenhall Chester to Mathieson Capital Investment Management Limited. Mathieson Capital Fund Management LLP an entity owned by Richard Burrell holds 30,000 shares in the Group.

Neil Eckert owns £795,000 nominal of Convertible Notes as at 30 September 2016.

Sir Laurence Magnus, Non Executive Director of the Group, owns £31,250 nominal of Convertible Notes as at 30 September 2016.

Sir Brian Williamson, Non Executive Director of the Group, owns £20,000 nominal of Convertible Notes as at 30 September 2016.

Robert Bland, Non Executive Director of the Group, owns £290,613 nominal of Convertible Notes as at 30 September 2016.

Board member shareholdings in the Group as at 30 September 2016 are as follows:

Board member	Number of shares
Neil Eckert	7,704,000
Richard Burrell	2,730,000
Mark Tarry	230,000
Sir Laurence Magnus	175,000
Sir Brian Williamson	100,000
Sir Nicholas Soames	50,000

The group has a deferred contingent consideration agreement in place with Neil Eckert and Mathieson Capital LLP's (an entity controlled by Richard Burrell). The derived contingent value of all 3,999,999 options has been calculated at £6,574 (on 31 March 2016), of which £4,383 is allocated to Neil Eckert and £2,191 to Mathieson Capital LLP. More details can be found in note 11.

11. Deferred contingent consideration and employee options

AMP Energy Services and Mathieson Biomass

The final terms of the deferred consideration, which relates to the Group's acquisition of AMP Energy Services Limited (formerly Environova Consulting Limited) and Mathieson Biomass Limited, were amended and agreed on the 25 June 2014 ("Valuation Date"). The deferred consideration is subject to performance criteria linked to Total Shareholder Returns ("TSR") over the period 30 June 2014 through to 31 December 2017 ("Performance Period").

The vesting criteria are as follows:

- Annualised TSR is greater than 12% over the Performance Period; all shares vest;
- Annualised TSR is less than 8% over the Performance Period; no shares vest;
- Annualised TSR is between 8% and 12% over the Performance Period; a pro rata proportion of shares vest; and,
- At any time during the Performance Period annualised TSR exceeds 15%, all shares vest immediately.

A Monte Carlo Simulation model is used to determine the fair value of the deferred consideration as at the Valuation Date. Inputs to the model include the market price of the call options at the Valuation date, the exercise price, the assumed volatility of the share price, the current level of risk free rates of return, the dividend yield and the expected exit date. The biggest driver of value in the model is the assumed volatility rate, which was derived by applying a weighting to volatility rates observed from a portfolio of publicly traded companies in the renewable energy and power generation sectors and from the Group's share price since admission on AIM.

For the period ending March 2016, the Group conducted an independent valuation of Neil Eckert's and Mathieson

Capital LLP's (an entity controlled by Richard Burrell) deferred contingent consideration which could lead to a maximum of 3,999,999 Ordinary Shares, or 2,666,666 and 1,333,333 Ordinary Shares respectively being issued. The valuation was conducted in accordance with the principles set out in IFRS 3.

The derived contingent value of all 3,999,999 options was calculated at £6,574, allocated £4,383 to Neil Eckert and £2,191 to Mathieson Capital LLP. The valuation was based on an assumed volatility of 20% which was in line with the observed volatility of other traded companies in the Group's sector peer group and was higher than the volatility seen in the Group's share price since admission to AIM.

The directors believe that these values still represent a fair value of the options given that they remain out of the money and that there has been little in the way of share price volatility during the period 1 April 2016 to 30 September 2016; and, hence the options remain in the balance sheet at £8,218. Further details on the options can be found in the audited Group accounts for the period to 31 March 2016 which are publicly available.

Forest Fuels

Additionally, on 30 March 2016, the Company entered into an acquisition agreement for the purchase of Forest Fuels Holdings Limited and its controlled entities. This agreement also included a deferred consideration element based on the same TSR performance measures as noted above. The maximum number of shares which could vest is 1,000,000.

For the period ending March 2016, a further Monte Carlo Simulation model was used to determine the fair value of the deferred consideration based on the terms of the AMP Energy Services Limited and Mathieson Biomass Limited model. The derived contingent value of all the 1,000,000 options was calculated at £1,644. The directors believe that this still represents fair value of the options for the same reasons as set out above.

The Forest Fuels agreement includes a further deferred consideration element based on EBTIDA performance measures in the years to 31 December 2016, 31 December 2017 and 31 December 2018. The maximum number of shares which could vest is 1,500,000 and this will depend on future EBITDA in 2017 and 2018. Accordingly, no value is currently being ascribed to the EBTIDA performance measures in these accounts.

In addition to the deferred consideration, 425,000 share options issued under the Group's EMI plan are outstanding at 30 September 2016. The options are subject to the same TSR criteria as the deferred consideration and are subject to strike prices between £0.54 and £1.00 and therefore are expected to have an immaterial contingent value as at 30 September 2016.

12. Events after the reporting period

There were no significant events after the reporting period.