

Nu-Oil and Gas plc
("Nu-Oil" or "the Company")

Unaudited Interim Results

Nu-Oil and Gas plc (AIM: NUOG), the AIM Rule 15 cash shell, reports its half year results for the six months ended 31st December 2020.

Reporting Period:

- On 8th July 2020, the Company announced that the proposed transaction, as announced on 14th April 2020 following which the Company's shares were suspended from trading on AIM pending a reverse take over, would not be proceeding. This was despite efforts to agree mutually acceptable terms.
- The Company has continued to maintain a high degree of cost discipline and cash management during the period. This is a result of targeted cost saving measures and the commitment by Directors for no cash payments to be made in respect of Directors fees until a transaction is completed.
- On 9th September 2020, the Company confirmed that it had been granted an extension to the deadline by which it must complete a reverse takeover (as set out in AIM Rule 15) by six months from 4 November 2020, which had been extended to 4th May 2021.

Post period end:

- On 8 March 2021, the company announced that it has signed heads of terms with Guardian Maritime Limited and Guardian Barriers IP Limited, to acquire those companies (the "Proposed Transaction") and was pleased to announce that subject to closing the Proposed Transaction, Gary Smith will become CEO.
- As part of the Proposed Transaction, the Company intends to apply to be admitted to the Standard Segment of the Official List of the FCA ("Standard Segment") and to trading on the Main Market for listed securities of the London Stock Exchange ("Main Market")
- Closing of the Proposed Transaction, and admission to the Standard Segment, remains subject to a number of factors. Whilst the Board is confident of completing the Proposed Transaction, there can be no certainty of that at this stage.
- The Company raised £215,000 (gross) through a placing with existing and new private investors.

Cancellation of trading on AIM:

Pursuant to AIM Rule 15, trading in the Company's shares is currently suspended. It is currently anticipated that trading in the Company's shares will not resume until the Proposed Transaction has completed and the Company has been successfully admitted to the Standard Segment. In the meantime, Nu-Oil confirms that the cancellation of the admission to trading of the Company's ordinary shares on AIM will take effect from 7.00 a.m. on 5 May 2021, in accordance with AIM Rule 41.

Enquiries

Nu-Oil and Gas plc
Jay Bhattacharjee

Tel: +44 (0)203 7400 207

Strand Hanson Limited
Rory Murphy/Ritchie Balmer

Tel: +44 (0)20 7409 3494

Novum Securities Limited
Jon Belliss

Tel: +44 (0)20 7399 9425

The information contained within this announcement is deemed by the Company to constitute inside information.

Chairman's Statement

Dear Shareholders,

Following our 2020 annual report, published in December 2020, I write to update you on the half-year results between July and December 2020.

The Company's performance shown in these accounts for the six months to December 2020 has been defined by several factors: the disciplined management of the Company's cash position; a conservative approach to managing ongoing overhead commitments; and the proactive engagement of the Company's creditor relationships. For these reasons, the Board continues to be satisfied it will meet its spending commitments as they fall due until it can complete the Proposed Transaction and admit to the Standard Segment.

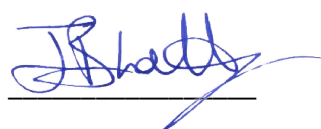
Throughout the nine months since the year end, your Board has worked to identify and secure a transaction on which the Company can build a business which warrants the re-listing of the shares on a trading exchange, and on which shareholder value can be rebuilt. After several false starts, I am pleased to report that we have identified such a transaction and have signed a Heads of terms, which was announced on 8 March 2021.

Supported by our advisers, we are preparing a UK Prospectus with which we will use to apply to be admitted to the Standard Segment and to trading on the Main Market. Full detail of the transaction will be presented in the Prospectus, together with notice of a general meeting of the Company at which all the matters will be considered and voted on through a set of resolutions.

Pursuant to AIM Rule 15, trading in the Company's shares is currently suspended. It is currently anticipated that trading in the Company's shares will not resume until the Proposed Transaction has completed and the Company has been successfully admitted to the Standard Segment. Your Board believes that the re-listing of the Company's shares will most beneficially be achieved on the Standard Listing on the London Stock exchange, which, assuming achieved, will facilitate on-market trading again in the Company's shares.

By way of conclusion, the Company continues to face the challenges I have highlighted previously around COVID-19 as well as the challenges faced in balancing the Company's preferred investment structures with the criteria set by the London Stock Exchange. Notwithstanding those ongoing challenges, and although they have delayed the return to trading, your Board continues to strive to make complete the Proposed Transaction as quickly as possible.

Finally, we want to thank you for your patience and continued support during this phase in the Company's turnaround.



Jay Bhattacharjee, Non-Executive Chairman

21 April 2021

CONSOLIDATED INCOME STATEMENT

For the 6 months ended 31 December 2019

£ '000	Note	Unaudited 6 months ended 31 Dec 20	Unaudited 6 months ended 31 Dec 19	Audited 12 months ended 30 Jun 20
Revenue		-	-	-
Cost of sales		-	-	-
Gross Profit		-	-	-
Administrative expenses		(293)	(501)	(739)
Other income	2	7	-	7
Loss from operations		(286)	(501)	(732)
Finance costs		(115)	(130)	(306)
Loss for before tax		(401)	(631)	(1,038)
<i>Discontinued operations</i>		-	-	-
Gain on disposal of subsidiaries, joint-ventures and related party initiatives		-	388	388
Taxation		-	-	-
Profit / (Loss) after tax		(401)	243	(650)
Loss attributable to discontinued operations		-	-	-
Loss attributable to continuing operations		(401)	(243)	(650)
Loss for the period		(401)	(243)	(650)
Loss per share (continuing operations)	3	(0.01p)	(0.01p)	(0.04p)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 6 months ended 31 December 2019

£ '000	Note	Unaudited 6 months ended 31 Dec 20	Unaudited 6 months ended 31 Dec 19	Audited 12 months ended 30 Jun 20
Loss for the year		(401)	(243)	(650)
Other comprehensive expense:				
Currency translation differences		-	11	-
Other comprehensive income, net of tax		-	11	-
Total comprehensive expense for the year		(401)	(232)	(650)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

£ '000	Note	Unaudited as at 31 Dec 20	Unaudited as at 31 Dec 19	Audited as at 30 June 20
Non-current assets				
Property, plant & equipment		3	5	3
		3	5	3
Current assets				
Trade and other receivables	4	105	55	122
Cash and cash equivalents		191	236	230
		296	291	352
Total assets		299	296	355
Current liabilities				
Loans	6	(200)	(2,682)	(200)
Trade and other payables	5	(885)	(765)	(655)
		(1,085)	(3,447)	(855)
Non-current liabilities				
C4 Loan		(1,081)	-	(966)
Total liabilities		(2,166)	(3,447)	(1,821)
Net liabilities		(1,867)	(3,151)	(1,466)
Shareholders' equity				
Ordinary share capital		193	3,208	193
Share premium account		32,266	31,858	32,266
Warrant reserve		415	404	415
Other reserves		3,016	(2,487)	3,016
C4 Loan reserve		1,682		1,682
Accumulated losses		(39,439)	(36,134)	(39,038)
Total equity		(1,867)	(3,151)	(1,466)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

£'000	Ordinary Share Capital	Share Premium Account	Reverse Acquisition Reserve	C4 Loan reserve	Warrant and Other Reserves	Accumulated Losses	Total Equity
Balance, 30th June 2019	3,207	31,359	9,364	-	(2,083)	(45,266)	(3,419)
Loss for the period	-	-	-	-	-	(243)	(243)
Currency translation differences	-	-	-	-	-	11	11
Comprehensive loss	-	-	-	-	-	(232)	(232)
Equity fundraise and refinancing	1	499	-	-	-	-	500
Release of reverse acq. reserve	-	-	(9,364)	-	-	9,364	-
Transactions with owners	1	499	(9,364)	-	-	9,364	500
Balance, 31st December 2019	3,208	31,858	-	-	(2,083)	(36,134)	(3,151)
Loss for the period	-	-	-	-	-	(418)	(418)
Effect of share subdivision	(3,016)	-	-	-	3,016	-	-
Equity fundraise and refinancing	1	419	-	1,682	-	-	2,102
Effect of warrants	-	(11)	-	-	2,498	(2,486)	-
Transactions with owners	1	408	-	1,682	2,498	(2,904)	1,693
Balance, 30th June 2020	193	32,266	-	1,682	3,431	(39,038)	(1,466)
Loss for the period	-	-	-	-	-	(401)	(401)
Currency translation differences	-	-	-	-	-	-	-
Comprehensive loss	-	-	-	-	-	(401)	(401)
Equity fundraise	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Balance, 31st December 2020	193	32,266	-	1,682	3,431	(39,439)	(1,867)

CONSOLIDATED STATEMENT OF CASH FLOW

For the 6 months ended 31st December 2019 and 31st December 2020 and for the year ended 30th June 2020

£ '000	Note	Unaudited 6 months ended 31 Dec 20	Unaudited 6 months ended 31 Dec 19	Audited 12 months ended 30 Jun 20
Cash flows from operating activities				
Cash used in operations		(39)	(312)	(728)
Net cash used in operating activities		(39)	(312)	(728)
Cash flows from financing activities				
Share capital issued for cash			500	920
Loan repayments			(10)	(20)
Net cash from financing activities		-	490	900
Net increase / (decrease) in cash and cash equivalents		(39)	178	172
Cash and cash equivalents at the start of the period		230	58	58
Cash and cash equivalents at the end of the period		191	236	230

NOTES TO THE INTERIM RESULTS

1. Basis of Preparation

Corporate Information

Nu-Oil and Gas plc (the 'Company') is a company incorporated in England on 13 September 2007 and has registered address of 85 Great Portland Street, London, W1W 7LT. The Company is domiciled in the UK for tax purposes and its shares are quoted on the AIM Market of the London Stock Exchange.

Accounting policies

The accounting policies adopted here are consistent with those of the previous financial periods.

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), the Companies Act 2006 that applies to companies reporting under IFRS, and IFRS-IC interpretations. In addition, they have been prepared under the historical cost convention. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are consistent with those highlighted in the Company's annual report and accounts, most recently published on 7th December 2020.

New and amending Accounting standards

In the period ended 31st December 2020, the Directors have reviewed all the new and revised Standards. The only relevant new standard that is effective for the period's financial statements is IFRS 16 'Leases'. This standard does not have a material impact on the financial statements. Furthermore, at the reporting date, the Company's only lease arrangement was for a period of 12 months. Consequently, the Company has used the exemptions provided by the accounting standards for short-term leases (less than a year).

There are no standards in issue but not yet effective which could have a material impact on the financial statements.

2. Grant income

The Company has availed of government initiatives designed to support businesses impacted by Covid-19. Regarding the job retention scheme support initiatives, the Company has recognised £7,000 in respect of grant income for employees furloughed during the year.

3. Loss per Share

Loss per share amounts are calculated by dividing the loss for the year by the weighted average number of common shares in issue during the year.

	Unaudited 6 months ended	Unaudited 6 months ended	Audited 12 months ended
£ '000	31 Dec 20	31 Dec 19	30 Jun 20
Loss attributable to shareholders of the Company (£'000)	(401)	(243)	(650)
Weighted average number of shares in issue	3,390,393,217	1,830,972,927	2,596,306,459

Basic loss per share (expressed in pence per share)	(0.01p)	(0.01p)	(0.03p)
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4. Trade and Other Receivables

£ '000	Unaudited as at 31 Dec 20	Unaudited as at 31 Dec 19	Audited as at 30 June 20
Sales taxes receivable	100	41	85
Prepayments and other receivables	5	14	37
	105	55	122

The Company's trade and other receivables at 31 Dec 20 related to sales tax receivables of £95,000 (£41,000 at 31 Dec 19). Prepayments and other receivables at primarily related to annual charges prepaid up front and amortised over the period and to overhead recharges and rental deposits recoverable.

5. Trade and Other Payables

£ '000	Unaudited as at 31 Dec 20	Unaudited as at 31 Dec 19	Audited as at 30 June 20
Trade payables	778	419	473
Accruals	81	276	157
Taxation and social security	6	8	6
Other payables	-	44	-
Pensions	20	18	19
	885	765	655

6. Net debt

£ '000	YA Global	Shard Loan	C4 Loan	Total
Balance 30 Jun 19	(181)	(2,381)	-	(2,562)
Movement in accrued interest	(11)	(119)	-	(158)
Refinancing	-	2,500	(2,500)	-
Cash flows – repayments	10	-	-	10
Balance 31 Dec 19	(182)	-	(2,500)	(1,166)
Movement in accrued interest	(28)	-	(148)	(148)
Transfer to equity loan reserve	-	-	1,682	1,682
Cash flows – repayments	10	-	-	10
Balance 30 Jun 20	(200)	-	(966)	(1,166)
Unwind of liability component	-	-	(115)	(115)
Balance 31 Dec 20	(200)	-	(1,081)	(1,281)

In October 2019, Shard Capital Management Limited ('Shard') sold its interest in the Shard Loan to C4 Energy Limited ('C4'). Following the novation of the loan, the Company agreed refinancing terms with C4 and entered into a convertible loan note instrument resulting in the issuance of loan notes with a par value of £2,500,000. The notes are convertible into ordinary shares at a fixed price of 0.05p per share at the option of the lender, are freely transferable and have a maturity date in October 2024. The notes are unsecured and carry a nil interest coupon.

In accordance with IAS 32, judgement is requirement when determining the classification of financial instruments in terms of liability or equity. These judgements include an assessment of whether the financial instrument includes any embedded derivative features, whether it includes contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party, and whether that obligation will be settled by the Company exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

Under the terms of accounting standard IAS 32, the C4 loan note instrument is assessed to be a non-derivative compound financial instrument and as such the Company is required to recognise separately the components of the financial instrument that (a) creates a financial liability and (b) grants an option to the holder of the instrument to convert it into an equity instrument of the entity. In establishing the value of these components, an effective interest rate must be used. The value of the liability component is determined by discounting the par value at the effective interest rate upon initial recognition. The discount rate used for this purpose has been assessed to be 25%. By reference, the cost of capital of the Shard loan was used as a start point in forming this judgement; a sensitivity of +/- 5% in the interest rate would result in a decrease/increase in the value of the liability component as at the reporting date of £146,000/£185,000 and an increase in the finance expense of £3,000/£2,000. The discount is then unwound over the remaining life of the loan. The value attributable to equity component represents the residual interest in the instrument upon initial recognition. Consequently, at the point of initial recognition, the sum of the carrying amounts assigned to the liability and equity components is always equal to the value of the instrument as a whole, namely £2,500,000.

The Company remains contractually obligated to settle the full £2,500,000 which remains outstanding until it is extinguished through conversion, maturity of the instrument, or some other transaction.

The Company also has a loan with YA Global. In March 2020, the Group reached a settlement agreement with YA Global regarding amounts owing to them upon satisfactory completion of a transaction constituting a reverse takeover. YA Global has indicated it may accept settlement via newly issued ordinary shares.