2 June 2016

AFC Energy PLC

("AFC Energy", “AFC” or “the Company")

Interim Results

AFC Energy (AIM: AFC), the industrial fuel cell power company, is pleased to announce its interim results for the six-month period ended 30 April 2016.

Highlights

- Cash balance at 30 April 2016: £2.84 million (30 April 2015: £3.89 million) with a further €1.95 million of EU funding due to be received imminently
- Raised £3.6 million through a placing and offer for subscription
- Commissioning of KORE System and production of power at Stade, Germany
- Heads of Agreement entered with DNR Industries Ltd., part of the Dutco Group of Companies
- Receipt of €1.07 million from EU’s FCH JU
- Strategic Partnership Agreement entered with plantIng GmbH
- Issued 2016 Strategic Milestones and Outcomes
- Appointment of Cantor Fitzgerald as Nominated Adviser (NOMAD) and Joint Broker

Adam Bond, CEO of AFC Energy, commented:

"During the period we advanced our alkaline fuel cell technology to demonstrate power output of 204kW, at the Stade industrial facility in Germany. Following this success, we committed to a demanding work program and further milestones in 2016, against which the team is making sound progress in relation to technical/operational targets. In parallel, we are progressing the development of further strategic and technical partnerships for new power projects in our target markets."

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About AFC Energy

AFC Energy plc has developed and successfully operated an alkaline fuel cell system ("KORE"), which converts hydrogen into "clean" electricity. AFC Energy's key project POWER-UP demonstrated the world's largest operational alkaline fuel cell system at Air Products' industrial gas plant in Stade, Germany in January 2016. The Company is now looking to build upon an already established pipeline of commercial opportunities and drive the findings from the development phase of the technology into a technically optimised and commercially relevant fuel cell system. For further information, please visit our website: www.afcenergy.com

Chief Executive Officer's Report

Overview

In the 6 months ended 30 April 2016, AFC Energy has continued to make great strides forward in the development of its alkaline fuel cell technology platform.

Key to this is the progress made in 2015 towards delivery of an ultimate 204kW at the Stade industrial gas facility in Germany in January 2016. The fast tracking of this development has now enabled AFC Energy to conduct a formal review of the individual fuel cell stacks and the whole of system Balance of Plant in an industrial setting to identify areas where the Company can enhance and improve as a precursor to delivery of a robust, reliable and commercially viable fuel cell system. Completion of Milestone 11 in January enabled our team to assess the optimal combination of technical, operational and commercial targets required in order to advance in 2016 towards commercial deployment of the fuel cell system. Our 2016 Milestones were announced in March, and I am pleased to report that the working groups are making excellent progress towards achievement of their respective targets by year end. The aggressive pursuit of our end target has not ceased and we continue to see the fruits of our labour in technical advancement of our fuel cell platform.

The growing opportunity for development of the global hydrogen economy remains abundantly clear – increasing demand for cutting edge technology that efficiently creates clean and sustainable energy. Our belief in this opportunity was vindicated by the support of our loyal shareholders in very volatile and challenging market conditions, during which we raised £3.6 million by way of a subscription and shareholder offer, which was several times oversubscribed, in January. The net proceeds of the offer enabled AFC to complete pre-commissioning activities for the POWER-UP project, in relation to 2015's Milestone 11, as well as support the short-term working capital requirements of the Company.

In support of our commercialisation agenda, AFC Energy, in January 2016, appointed Cantor Fitzgerald as AFC's new NOMAD and Joint Broker. The firm not only provides AFC with vast international reach in its broking and research capabilities, but also a credible understanding of the clean energy industry to support our positioning with existing and prospective strategic and institutional investors. Cantor Fitzgerald has published initiation research on AFC Energy and the Board is working closely with Cantor Fitzgerald to broaden the Company's institutional investor base.

Technical and Operations

Achieving the penultimate Milestone 10 in October 2015 demonstrated for the first time the capability of the KORE fuel cell system in Stade Germany, on a tier level (each of the three tiers comprising eight fuel cell cartridges, for a total of 24 cartridges in the KORE system), at an industrial scale, delivering power into the local grid.

Following this, in January 2016, we completed our final Milestone 11, achieving a gross electrical output of 204kW from the KORE fuel cell system. The accelerated twelve month fuel cell development programme which created this result provided a number of significant technical “firsts” for the Company. This was the first time that all three tiers of the KORE fuel cell system had operated simultaneously, in parallel with each other. While the total power achieved was less than the nameplate 240kW, a maximum output of 11.7kW per stack was achieved, exceeding the 10kW nameplate capacity. The majority of the 24 stacks trialled achieved 10kW or more of power output. In addition, over 1.3MWh of power was generated and sold into the grid under the Power Purchase Agreement which was entered with the local power utility, Stadtwerke Stade.

The trial of the KORE fuel cell system also generated a significant quantity of highly valuable technical and operational data, which has enabled the team to fully assess and identify further areas where enhancements can be made to optimise the fuel cell system. The second generation (“Gen 2”) of our fuel cell system will incorporate many enhancements to improve the existing design. Work is now well underway internally and with our third party consultants to further accelerate the delivery of the next generation of fuel cell stack.

The Stade facility will be utilised going forward to further test our technology developments. At the time of writing, incremental testing of several individual stack enhancements is underway at Stade. We plan to operate the plant intermittently during 2016.

Commercial Partnerships

The POWER-UP programme in Stade has been our main point of focus and its success would not have been possible without the involvement of our key partners. The system is located at an industrial plant owned by Air Products in Germany, an important partner of the Company in the POWER-UP programme. Engineering and design work associated with delivering the POWER-UP programme on site was supported by our engineering partners, plantIng and Artelia. The Power Purchase Agreement which we entered with the utility Stadtwerke Stade has enabled us to learn how to integrate and interface our KORE power plant with a modern, established power grid, with the inverter used to dispatch the power developed for AFC Energy by Siemens.

While the market potential exists for AFC Energy's fuel cell systems across a range of different capacity sizes, including smaller scale systems, the Company's immediate focus remains firmly on large stationary systems in markets where positive environmental and fiscal conditions prevail.

In February, following Milestone 11, we entered a long-term strategic engineering partnership and services agreement with German consultancy, plantIng GmbH (“plantIng”). Since plantIng has provided engineering support and Engineering Procurement Construction Management services to AFC's POWER-UP project at Stade for well over a year, the firm already has a deep knowledge and understanding of AFC 's fuel cell technology. This new agreement provides for a significant investment by plantIng of their time and resources in accessing deployment opportunities that exist in Germany, Europe and internationally, for AFC’s fuel cell.

The scope of the agreement primarily includes: (1) assistance to AFC Energy in identifying and implementing improvements on the fuel cell Balance of Plant (“BoP”), so as to generate optimised designs, ranging from 240kW to initially 1MW hydrogen fuel cell projects; and, (2) undertaking feasibility studies in conjunction with AFC Energy for commercial fuel cell projects globally. The decision by plantIng to invest their own time into this optimisation exercise further demonstrates the market potential of the technology and the quality of the partners that wish to join us. PlantIng are further working with AFC Energy in the BoP design work for the 10kW and 1MW system currently underway. This work is progressing well with continued evidence of the new designs being available to AFC Energy on schedule.

In addition, we continue to hold extensive discussions with other prospective strategic, technical and project-related partners for the development and international deployment of our fuel cell systems.

2016 Strategic Milestones and Outcomes

While our 2015 milestones focused primarily on technical and project specific developments to support the POWER-UP project at Stade, in 2016 we are focusing on three strategic areas:

1. optimization of the design of our fuel cell stack and BoP;
2. product development of our power plants, ranging from 10kW to 1MW; and
3. secure value added strategic partnerships with recognised industrial and institutional groups, as well as commencing scoping studies and securing contracts for at least two fuel cell projects.

The eight specific milestones which were announced earlier this year are designed to progress AFC Energy to its goal of becoming an industry leading, commercially relevant stationary fuel cell company, focusing on large industrial installations, while recognising the further potential for optimisation of the system capacity necessary to meet the demands of our future customers.

In addition, the Company aims to build upon an already established pipeline of commercial opportunities and drive the findings from the development phase into a technically optimised and relevant fuel cell system. Importantly, we are in dialogue with several new companies where strategic synergies exist to not only grow and improve the core technology platform, but also afford opportunities for new project development opportunities. To this extent, AFC Energy continue to aggressively pursue a number of strategic partnership opportunities and potential commercial projects.

In order to facilitate the acceleration of potential commercial projects, it was decided to design and seek deployment of an entry-level single cartridge 10kW system before the end of 2016 and have available for deployment our larger systems in 2017. The 10kW system provides a lower barrier to a larger scale commercial deal without taking the higher cost associated with an initial larger fuel cell system.

I wish to emphasise that AFC's prime objective continues to centre on the development and deployment of large-scale industrial fuel cell plants, given we expect stationary fuel cell applications to remain the largest sub-sector in a hydrogen economy.

Outlook

AFC now has a fuel cell cartridge capable of operating at or above its nameplate capacity and we are continuing the momentum generated in 2015 to confirm the longevity and availability of our fuel cell system, so as to meet industry demands for commercial deployment.

Following announcement of the 2016 Milestones in March, I am pleased to report that our working groups are making real solid progress towards achievement of their respective targets by year end.

I would like to thank all the staff and contractors working with AFC together with the FCH JU and the

Board for their continued support and look forward to reporting back to shareholders as we achieve the 2016 Milestones.

Adam Bond

Chief Executive Officer

2 June 2016

Financial Review

During the six months to 30 April 2016, AFC recorded a post-tax loss of £3.46 million (30 April 2015: £1.73 million profit). In the period, the Company continued to recognise grant income under the European Framework Programme 7 for Laser-cell, POWER-UP and Alkammonia projects. Direct labour and material costs associated with these projects were recognised in cost of sales.

Cost of sales rose by £0.92 million to £2.07 million (30 April 2015: £1.15 million) as work neared completion at the POWER-UP site at Stade in Germany and fuel cell cartridges were manufactured for operations at Stade, but administrative expenses remained static, reflecting tight control of costs. There was a financial loss of £0.15 million (30 April 2015: £4.47 million gain), mainly arising from the final settlements received in respect of the Lanstead equity swap which terminated in April 2016. Over the full life of the equity swap, which commenced in October 2014, a net gain of £2.5m was realised.

The net cash inflow in the six months to 30 April 2016 was £1.08 million (30 April 2015: £0.97 million net outflow) as a result of the Company's careful control of operating and capital costs, the monthly settlements received from Lanstead, and the successful placing and offer for subscription which raised a total of £3.60 million net of costs.

The cash balance at 30 April 2016 was £2.84 million (30 April 2015 £3.89 million).

The Board of AFC Energy does not intend to declare a dividend in respect of this period.

Statement of Comprehensive Income

For the period ended 30 April 2016

	Note	Six months to 30 April 2016 £ Unaudited	Six months to 30 April 2015 £ Unaudited	Year to 31 October 2015 £ Audited
EU Grant income		763,204	736,145	2,262,506
Cost of sales		(2,072,480)	(1,145,404)	(4,846,933)
Gross (loss)		(1,309,276)	(409,259)	(2,584,427)
Other Income		80,164	7,881	51,080
Administrative expenses		(2,583,185)	(2,536,944)	(6,112,856)
Operating (loss)		(3,812,297)	(2,938,322)	(8,646,203)
Financial (loss)/income	**1g**	(148,787)	4,472,563	3,294,272
(Loss)/profit before taxation		(3,961,084)	1,534,241	(5,351,931)
Taxation	**3**	500,429	198,242	569,706
(Loss)/profit for the period and total comprehensive loss attributable to owners of the Company		(3,460,655)	1,732,483	(4,782,225)
Basic and diluted (loss)/earnings per share	**4**	(1.15) p	0.60 p	(1.66)p

All amounts relate to continuing operations. ,

Statement of Financial Position

As at 30 April 2016

	Note	Six months to 30 April 2016 £	Six months to 30 April 2015 £	Year to 31 October 2015 £
Assets		Unaudited	Unaudited	Audited
Non-current assets				
Intangible assets	**5**	360,524	330,281	338,176
Property, plant and equipment	**6**	99,596	507,858	116,328
Investment in associate		-	52,500	-
		460,120	890,639	454,504
Current assets				
Inventory and work in progress		-	144,809	219,421
Derivative financial instrument		-	4,796,571	1,308,859
Trade and other receivables	**7**	3,812,294	2,556,958	3,458,340
Cash and cash equivalents		2,837,130	3,889,830	1,756,445
Restricted cash		91,105	-	91,105
		6,740,529	11,388,168	6,834,170
Total assets		7,200,649	12,278,807	7,288,674
Capital and reserves attributable to owners of the Company				
Equity attributable to shareholders				
Share capital	**8**	308,344	289,012	289,904
Share premium		37,604,267	33,640,089	33,947,857
Other reserves		2,772,061	1,992,145	2,207,441
Retained deficit		(34,290,742)	(24,217,962)	(30,830,087)
Total equity		6,393,930	11,703,284	5,615,115
Current liabilities				
Trade and other payables	**9**	806,719	575,523	1,673,559
Total equity and liabilities		7,200,649	12,278,807	7,288,674

Cash flow statement

For the period ended 30 April 2016

	Six months to 30 April 2016 £ Unaudited	Six months to 30 April 2015 £ Unaudited	Year to 31 October 2015 £ Audited
Cash flows from operating activities			
Profit/(loss) before tax for the period	(3,961,084)	1,534,241	(5,351,931)
Adjustments for:			
Depreciation and amortisation	72,577	125,850	278,291
Impairment of intangible asset investment	-	-	52,500
Loss on disposal of tangible assets	-	-	286,743
Equity-settled share-based payment expenses	564,620	98,323	216,202
Payment of shares in lieu of cash	85,850	310,939	331,000
Finance income	(900)	(2,702)	(5,775)
R&D tax credits receivable		-	(174,937)
(Gain)/loss on derivative financial instrument	149,687	(4,469,861)	(3,288,497)
Cash flows from operating activities before changes in working capital and provisions	(3,089,250)	(2,403,210)	(7,656,404)
R&D tax credits received	-	366,039	813,696
(Increase) in restricted cash	-		(91,105)
(Increase)/decrease in inventory and work in progress	219,421	12,239	(62,373)
(Increase)/decrease in trade and other receivables	146,475	778,137	(24,500)
(Decrease)/increase in trade and other payables	(866,840)	(555,765)	542,271
Cash absorbed by operating activities	(3,590,194)	(1,802,560)	(6,478,415)
Cash flows from investing activities			
(Purchase) of plant and equipment	(35,901)	(13,234)	(36,845)
Additions to intangible assets	(42,292)	(62,241)	(98,980)
Proceeds of disposal of tangible assets	-	-	4,800
Interest received	900	2,702	5,775
Net cash absorbed by investing activities	(77,293)	(72,773)	(125,250)
Cash flows from financing activities			
Proceeds from the issue of share capital	3,600,000	-	288,599
Cost of issue of share capital	(11,000)	-	-
Derivative financial asset	1,159,172	906,960	3,213,308

Net cash from financing activities	4,748,172	906,960	3,501,907
Net increase/(decrease) in cash and cash equivalents	1,080,685	(968,373)	(3,101,758)
Cash and cash equivalents at start of period	1,756,445	4,858,203	4,858,203
Cash and cash equivalents at end of period	2,837,130	3,889,830	1,756,445

Statement of Changes in Equity

As at 30 April 2016

	Share capital	**Share premium**	**Other reserve**	**Retained loss**	**Total**
	£	**£**	**£**	**£**	**£**
	Audited	Audited	Audited	Audited	Audited
Balance at 1 November 2014	285,684	33,332,478	3,032,472	(27,089,095)	9,561,539
Loss after tax for the period	-	-	-	(4,782,225)	(4,782,225)
Total comprehensive (loss) for the period	-	-	-	(4,782,225)	(4,782,225)
Issue of equity shares	4,220	615,379	-	-	619,599
Equity-settled share-based payments	-	-	(825,031)	1,041,233	216,202
Transactions with owners	4,220	615,379	(825,031)	1,041,233	835,801
Balance at 31 October 2015	289,904	33,947,857	2,207,441	(30,830,087)	5,615,115

	Share capital	**Share premium**	**Other reserve**	**Retained loss**	**Total**
	£	**£**	**£**	**£**	**£**
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Balance at 1 November 2015	289,904	33,947,857	2,207,441	(30,830,087)	5,615,115
Loss after tax for the period	-	-	-	(3,460,655)	(3,460,655)
Total comprehensive (loss) for the period	-	-	-	(3,460,655)	(3,460,655)
Issue of equity shares	18,440	3,656,410	-	-	3,674,850
Equity-settled share-based payments	-	-	564,620	-	564,620
Transactions with owners	18,440	3,656,410	564,620	-	4,239,470
Balance at 30 April 2016	308,344	37,604,267	2,772,061	(34,290,742)	6,393,930

	Share capital	**Share premium**	**Other reserve**	**Retained loss**	***Total***
	£	**£**	**£**	**£**	**£**
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
Balance at 1 November 2014	285,684	33,332,478	3,032,472	(27,089,095)	9,561,539
Profit after tax for the period	-	-	-	1,732,483	1,732,483
Total comprehensive income for the	-	-	-	1,732,483	1,732,483

period					
Issue of equity shares	3,328	307,611	-	-	310,939
Equity-settled share-based payments	-	-	(1,040,327)	1,138,650	98,323
Transactions with owners	3,328	307,611	(1,040,327)	1,138,650	409,262
Balance at 30 April 2015	289,012	33,640,089	1,992,145	(24,217,962)	11,703,284

Share capital is the amount subscribed for shares at their nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of these shares net of share issue expenses.

Other reserve represents the credit/debit to equity in respect of equity-settled share-based payments.

Retained loss represents the cumulative loss of the Company attributable to equity shareholders.

Notes forming part of the interim financial statements

1 *Significant accounting policies*

Details of the significant accounting policies are set out below:

a *Basis of preparation*

The interim results for the six months ended 30 April 2016 are unaudited. They have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU.The interim results have been drawn up using the accounting policies and presentation consistent with those disclosed and applied in the annual report and accounts for the year ended 31 October 2015. The comparative information contained in the report does not constitute the accounts within the meaning of S240 of the Companies Act 1985 and section 435 of the Companies Act 2006. The accounting policies used in the interim statement are consistent with those used in the financial statements for the year ended 31 October 2015 and are in accordance with International Financial Reporting Standards.

b *Revenue*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and other sales taxes or duty. Revenue arising from the provision of services is recognised when and to the extent that the Company obtains the right to consideration in exchange for the performance of its contractual obligations. Licence income is recognised in accordance with the substance of the agreement. When a licence has the right to use certain technology for a period of time, this is usually recognised on a straight-line basis over the life of the agreement in accordance with IAS 18.

c *Grants*

The Company participates in three projects, LASERCELL, ALKAMMONIA and POWER-UP, which receive funding from the European Union. These grants are based on periodic claims for qualifying expenditure incurred by all the entities participating in each project consortium. The Company acts as coordinator for all three projects and submits claims and receives funding on behalf of the other participants in each project consortium. Grant funds of other participants are paid over to them as soon as they are received and only the grant funding specifically relating to the Company's activities is reflected in the statement of comprehensive income. The qualifying expenditure is shown in the statement of comprehensive income as cost of sales. Grants, including grants from the European Union, are recognised in the statement of comprehensive income in the same period as the expenditure to which the grant relates.

d *Research and Development costs*

Expenditure on research activities is recognised in the income statement as an expense as incurred. Development expenditure does not meet the strict criteria for capitalization under IAS38 and has been recognised as an expense.

e *Intangible assets*

Intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and impairment losses.

Amortisation of intangible assets is charged using the straight-line method to administrative expenses over the following period:

– Patents 20 years

f *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment charges. Depreciation is charged to the income statement within cost of sales and administrative expenses on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

– Leasehold improvements 1 to 3 years
– Fixtures, fittings and equipment 1 to 3 years

– Vehicles	3 to 4 years

g ***Valuation of derivative financial asset***

The Company has placed shares with Lanstead Capital L.P. and at the same time entered into an equity swap agreement in respect of the subscriptions for which consideration was received monthly over an 18 month period which ended in April 2016. The amount receivable each month was dependent on the Company's share price performance and gains and losses arising on monthly settlements are reflected in the income statement in finance (loss)/income. At each period end the financial instrument was valued at fair value based on the share price of the Company at that date. The instrument is accounted for as fair value through profit and loss; any change in the fair value of the derivative financial instrument is reflected in the statement of comprehensive income in finance (loss)/income.

h ***Taxation***

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or recoverable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date together with any adjustment to tax payable in respect of previous years.

Deferred tax assets are not recognised due to the uncertainty of the period over which they will be recovered.

i ***Equity-settled share-based payments***

The Company awards share options and warrants to certain Directors and employees to acquire shares of the Company. The fair value of options and warrants granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the Directors and employees become unconditionally entitled to the options or warrants. The fair value of the options and warrants granted is measured using the Black-Scholes or the Monte Carlo option valuation models, taking into account the terms and conditions upon which the options and warrants were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options and warrants that vest only where vesting is dependent upon the satisfaction of service and non-market vesting conditions or where the vesting periods themselves are amended by the introduction of new schemes and the absorption of earlier schemes by agreement between the Company and the relevant Directors and employees. Where options or warrants granted are cancelled, all future charges arising in respect of the grant are charged to the income statement on the date of cancellation.

j ***Financial Assets***

All of the Company's financial assets are loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets at fair value and comprise trade and other receivables and cash and cash equivalents.

2 Segmental Analysis

Operating segments are determined by the chief operating decision maker based on information used to allocate the Company's resources. The information as presented to internal management is consistent with the Statement of Comprehensive Income. It has been determined that that there is one operating segment, the development of fuel cells. In the period to 30 April 2016, the Company operated mainly in the United Kingdom and in Germany. All non current assets are located in the United Kingdom.

3	**Taxation**	**Six months to 30 April 2016**	**Six months to 30 April 2015**	**Year to 31 October 2015**
		£	£	£
	Recognised in the income statement:	Unaudited	Unaudited	Audited
	Research and development tax credit – current year	500,429	198,242	569,706
	Total tax credit	500,429	198,242	569,706

4	**Earnings/(loss)per share**	**Six months to 30 April**	**Six months to 30 April**	**Year to 31 October**
		2016	**2015**	**2015**
		Unaudited	Unaudited	Audited
	The calculation of the basic earnings/(loss) per share is based on the net loss after tax attributable to the ordinary shareholders of £3,460,655 (30 April 2015: profit of £1,732,483; 31 October 2015: loss of £4,782,225) and a weighted average number of shares in issue for the period 1 November 2015 to 30 April 2016 of 301,332,128 (six months to 30 April 2015: 287,151,393; year to 31 October 2015: 288,431,626).			
	Basic earnings/(loss) per share	(1.15)p	0.60p	(1.66)p
	Diluted earnings/(loss) per share	(1.15)p	0.60p	(1.66)p

There are share options and warrants outstanding as at 30 April 2016 which, if exercised, would increase the number of shares in issue. However, the diluted loss per share is the same as the basic loss per share, as the loss for the period has an anti-dilutive effect.

5 Intangible assets

	Patents
	£
	Unaudited
Cost	
At 31 October 2014	748,113
Additions	62,241
At 30 April 2015	810,354
Retirements	(401,166)
Additions	36,739
At 31 October 2015	445,927
Additions	42,292
At 30 April 2016	488,219
Amortisation	
At 31 October 2014	469,040
Charge for the period	11,033
At 30 April 2015	480,073
Retirements	(401,166)
Charge for the period	28,844
At 31 October 2015	107,751
Charge for the period	19,944
At 30 April 2016	127,695
Net book value	
At 30 April 2016	360,524
At 30 April 2015	330,281
At 31 October 2015	338,176

6 Property, plant and equipment	Leasehold improvements	Fixtures, fittings and equipment	Motor Vehicles	Total
	£	£	£	£
	Unaudited	Unaudited	Unaudited	Unaudited
Cost				
At 31 October 2014	272,759	2,693,951	10,495	2,977,205
Additions	6,334	-	6,900	13,234
At 30 April 2015	279,093	2,693,951	17,395	2,990,439
Transfers	45,852	(45,852)	-	-
Additions	12,517		11,094	23,611
Disposals	-	(1,326,821)	(10,495)	(1,337,316)
At 31 October 2015	337,462	1,321,278	17,994	1,676,734
Additions	-	35,901	-	35,901
At 30 April 2016	337,462	1,357,179	17,994	1,712,635
Depreciation				
At 31 October 2014	240,104	2,117,457	10,203	2,367,764
Charge for the period	16,905	97,020	892	114,817
At 30 April 2015	257,009	2,214,477	11,095	2,482,581
Transfers	9,783	(9,783)	-	-
Charge for the period	22,740	97,862	2,995	123,597
Disposals	-	(1,035,277)	(10,495)	(1,045,772)
At 31 October 2015	289,532	1,267,279	3,595	1,560,406
Charge for the period	23,965	25,313	3,355	52,633
At 30 April 2016	313,497	1,292,592	6,950	1,613,039
Net book value				
At 30 April 2016	23,965	64,587	11,044	99,596
At 30 April 2015	22,084	479,474	6,300	507,858
At 31 October 2015	47,930	53,999	14,399	116,328

7 Trade and other receivables	30 April 2016	30 April 2015	31 October 2015
	£	£	£
	Unaudited	Unaudited	Audited
Current			
R&D tax credits receivable	1,218,452	619,278	718,023
EU grants receivable	2,342,625	1,074,564	2,513,395
Other receivables	251,217	863,116	226,922
	3,812,294	2,556,958	3,458,340

8	**Share capital**	**30 April 2016**	**30 April 2015**	**31 October 2015**
		£	£	£
		Unaudited	Unaudited	Audited
	Issued			
	308,343,943 Ordinary shares of 0.1p each	308,344	289,012	289,904

9	**Trade and other payables**	**30 April 2016**	**30 April 2015**	**31 October 2015**
		£	£	£
		Unaudited	Unaudited	Audited
	Trade payables	421,217	211,232	1,066,600
	Deferred income	228,020	-	115,698
	Other payables	77,394	352,245	319,483
	Accruals	80,088	12,046	171,778
		806,719	575,523	1,673,559

Related-party Transactions

During the six months ended 30 April 2016:

- £20,100 (ex VAT) was invoiced by Locana Corporation Ltd (a company registered in England & Wales) for consultancy services (April 2015: £ 20,891). Mr Tim Yeo is a Director and shareholder of Locana Corporation Ltd. At 30 April 2016, the sum owing to Locana Corporation Ltd was £3,350 (April 2015: £3,350).

- £68,155 was invoiced by Linc Energy Ltd (a company registered in Australia) for the services of Adam Bond as Director and CEO of AFC Energy plc (April 2015: £91,881). Linc Energy Ltd was, until 30 September 2015, a major shareholder in the Company. At 30 April 2016 the amount owing to Linc Energy Ltd was nil (April 2015: £29,610).

Publication of Non-Statutory Accounts

The financial information contained in this interim statement does not constitute accounts as defined by the Companies Act 2006. The financial information for the preceding period is based on the statutory accounts for the year ended 31 October 2015. Those accounts, upon which the auditors issued an unqualified opinion, have been delivered to the Registrar of Companies.

Copies of the interim statement may be obtained from the Company Secretary, AFC Energy PLC, Unit 71.4 Dunsfold Park, Cranleigh, Surrey GU6 8TB, and can be accessed from the company's website at www.afcenergy.com.