

Harland & Wolff Group Holdings Plc

Unaudited Consolidated Statement of Comprehensive Income

for the Period Ended 31 December 2021

		17 months to 31 December 2021 (Unaudited) £	12 months to 31 July 2020 £
	Note		
Continuing operations		-	-
Revenue	3	18,518,239	1,482,081
Cost of sales		(13,293,198)	(1,178,534)
Gross profit		5,225,041	303,547
Management and administrative expenses		(28,091,875)	(9,482,379)
Other income		495,220	-
Operating loss		(22,371,614)	(9,178,832)
Finance income		278	5
Finance costs		(3,137,053)	(1,231,046)
Loss before tax		(25,508,389)	(10,409,873)
Taxation		-	-
Loss for the year		(25,508,389)	(10,409,873)
Items that may be subsequently reclassified to profit or loss			
Surplus/(deficit) on revaluation of fixed assets		-	6,074,895
Total comprehensive income for the period		(25,508,389)	(4,334,978)
Total comprehensive income for the period attributable to:			
Owners of the Company		(25,508,389)	(4,334,978)
Earnings Per Share			
Basic and diluted	5	(26.51)p	(0.34)p

Harland & Wolff Group Holdings Plc

(Registration number: 06409712)

Unaudited Consolidated Statement of Financial Position as at 31 December 2021

	Note	31 December 2021 (Unaudited) £	31 July 2020 £
Assets			
Non-current assets			
Intangible assets	6	11,923,019	11,206,831
Property, plant and equipment	7	24,734,782	11,389,254
Right of use assets		12,955,693	14,018,517
Total non-current assets		49,613,494	36,614,602
Current assets			
Inventories		1,176,641	331,465
Trade and other receivables	8	6,825,944	1,933,254
Cash and cash equivalents		5,278,002	6,723,236
Total current assets		13,280,587	8,987,955
Current liabilities			
Trade and other payables	9	22,288,776	6,102,983
Grant received in advance		-	24,272
Short-term borrowings	10	-	863,655
Short-term financial liability	10	3,167,287	1,917,885
Total current liabilities		25,456,063	8,908,795
Net current assets/(liabilities)		(12,175,476)	79,160
Non-current liabilities			
Loans and borrowings	10	16,006,460	15,789,579
Financial liability	10	200,000	200,000
Total non-current liabilities	10	16,206,460	15,989,579
Net assets		21,231,558	20,704,183
Shareholders' funds			
Share capital	11	12,444,853	11,457,457
Share premium		58,736,711	33,923,172
Merger reserve		8,988,112	8,988,112
Share based payment reserve		360,501	125,673
Revaluation reserve		6,074,895	6,074,895
Retained earnings		(65,373,514)	(39,865,126)
Total equity		21,231,558	20,704,183

Harland & Wolff Group Holdings Plc

Unaudited Consolidated Statement of Changes in Equity for the Period Ended 31 December 2021

	Share capital £	Share premium £	Revaluation reserve £	Merger reserve £	Share based payment reserve £	Retained earnings £	Total equity £
At 1 August 2019	10,949,504	18,427,728	-	8,988,112	113,220	(29,455,253)	9,023,311
Loss for the period	-	-	-	-	-	(10,409,873)	(10,409,873)
Other comprehensive income	-	-	6,074,895	-	-	-	6,074,895
Total comprehensive expense	-	-	6,074,895	-	-	(10,409,873)	(4,334,978)
Transactions with owners recorded directly in equity:	-	-	-	-	-	-	-
Shares issued	507,953	14,995,444	-	-	-	-	15,503,397
Share option expense	-	-	-	-	12,453	-	12,453
Warrant issue	-	500,000	-	-	-	-	500,000
Total transactions with owners recorded directly in equity	507,953	15,495,444	-	-	12,453	-	16,015,850
At 31 July 2020	11,457,457	33,923,172	6,074,895	8,988,112	125,673	(39,865,126)	20,704,183

Harland & Wolff Group Holdings Plc

Unaudited Consolidated Statement of Changes in Equity for the Period Ended 31 December 2021

	Share capital £	Share premium £	Revaluation reserve £	Merger reserve £	Share based payment reserve £	Retained earnings £	Total equity £
At 1 August 2020	11,457,457	33,923,172	6,074,895	8,988,112	125,673	(39,865,125)	20,704,183
Loss for the period	-	-	-	-	-	(25,508,389)	(25,508,389)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	(25,508,389)	(25,508,389)
Transactions with owners recorded directly in equity:							
Shares issued	987,396	26,392,697	-	-	-	-	27,380,093
Share option expense	-	-	-	-	234,828	-	234,828
Share issue costs	-	(1,579,158)	-	-	-	-	(1,579,158)
Total transactions with owners recorded directly in equity	987,396	24,813,539	-	-	234,828	-	26,035,763
At 31 December 2021	12,444,853	58,736,711	6,074,895	8,988,112	360,501	(65,373,514)	21,231,558

Share capital: This represents the nominal value of equity shares in issue.

Share premium: This represents the premium paid above the nominal value of shares in issue.

Revaluation reserve: This represents the difference between the carrying value and fair value of certain assets.

Merger Reserve: The merger reserve represents the difference between the nominal value of the shares issued on the demerger and the combined share capital and share premium of Harland & Wolff Group Holdings Plc at the date of the demerger.

Share-based payments reserve: This represents the value of share-based payments provided to employees and Directors as part of their remuneration as part of the consideration paid. The reserve represents the fair value of options and performance share rights recognised as an expense. Upon exercise of options or performance share rights, any proceeds received are credited to share capital and share premium.

Retained earnings: This represents the accumulated profits and losses since inception of the business and adjustments relating to options and warrants.

Harland & Wolff Group Holdings Plc

Unaudited Consolidated Statement of Cash Flows for the Period Ended 31 December 2021

	Note	17 months to 31 December 2021 (Unaudited) £	12 months to 31 July 2020 £
Cash flows from operating activities			
Loss for the year		(25,508,389)	(10,409,873)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	3,372,860	1,224,655
Foreign exchange loss		3,702	717
Finance income		(278)	(5)
Finance costs		3,137,053	1,231,046
Share option expense		234,828	12,453
		(18,760,224)	(7,941,007)
Working capital adjustments			
Increase in inventories	15	(845,176)	(331,465)
(Increase)/decrease in trade and other receivables	16	(4,892,691)	(706,815)
Decrease in deferred income		678,278	-
Increase in trade and other payables	18	9,326,798	4,491,542
Net cash flow from operating activities		(14,493,015)	(4,487,745)
Cash flows from investing activities			
Acquisitions of property plant and equipment		(15,652,737)	(5,776,709)
Acquisition of intangible assets	12	(719,017)	(1,030,043)
Grants received in advance		-	1,130,149
Net cash flows from investing activities		(16,371,754)	(5,676,603)
Net increase/(decrease) in cash & cash equivalents		(30,864,769)	(10,164,348)
Cash flows from financing activities			
Interest received		278	5
Short term borrowing		83,345	908,560
Long term borrowing		6,152,628	2,090,000
Proceeds from issue of shares, net of share issue costs		25,800,835	15,503,396
Repayment of borrowings and lease liabilities		(1,615,378)	(1,245,041)
Interest paid		(1,002,173)	(379,588)
Net decrease in cash and cash equivalents		(1,445,234)	6,712,984
Cash and cash equivalents at 1 August 2020		6,723,236	10,252
Cash and cash equivalents at 31 December 2021 & July 2020		5,278,002	6,723,236

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021

1 General information

Basis of preparation

The unaudited interim financial information in this report has been prepared using accounting policies consistent with UK adopted IFRS. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the IFRS Interpretations Committee and there is an ongoing process of review. The financial information has been prepared on the basis of UK adopted IFRS applicable as at 31 December 2021.

Non-statutory accounts

The financial information contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The financial information for the seventeen months ended 31 December 2021 is unaudited and the information relating to the financial year ended 31 July 2020 is extracted from the audited financial statements for that year. A copy of the statutory accounts of the Company for the year ended 31 July 2020 has been delivered to the Registrar of Companies. The audit report on these accounts is unqualified and did not contain a statement under Sections 498(2) or (3) of the Companies Act 2006. In their report, which was not qualified, the auditors included a material uncertainty in respect of going concern

The financial information for the seventeen months ended 31 December 2021 is unaudited and 31 July 2020 is audited.

The report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 July 2020, which was prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), and any public announcements made by Harland & Wolff Group Holdings Plc during the reporting period.

2 Accounting policies

The interim financial information has been prepared under the historical cost convention except for certain items that are shown at fair value as disclosed in the accounting policies.

The same accounting policies, presentation and methods of computation are followed in preparing the interim financial information as were applied in preparation of the Group's financial statements for the year ended 31 July 2020.

The financial statements are presented in Sterling which is the functional currency of the group and all values are rounded to the nearest Pound Sterling (£).

Basis of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform to the group's accounting policies.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Going concern

The financial statements have been prepared on a going concern basis. The Group's assets are now generating revenue following the acquisition of Harland & Wolff (Belfast), Harland & Wolff (Appledore), Harland & Wolff (Methil) and Harland & Wolff (Arnish). Operating cash outflows have been incurred in the year and an operating loss has been recorded in the profit and loss account for the year. The Group has raised £20.27 million (before expenses) in the 17-month period to 31 December 2021. There is a baseload level of work flowing through all the facilities and there is a robust pipeline of opportunities for which the Group is bidding. However, given the uncertainty surrounding bid success and the lack of bid to success history, management have prepared a worst-case scenario for a period of 12 months from the date of these financial statements in respect of their going concern assumptions. This assumes no bid contract wins and that the sole revenue generated by the Group will arise from the existing contracts that the Company has in place currently. The scenario includes all expected costs associated with such works as well as the repayment of all liabilities that fall due within this twelve month period and takes into account all cost savings and process efficiencies considered achievable as well as any residual COVID-19 related impacts, continued global supply chain issues and the ongoing crisis in Ukraine.

Based on this worst case forecast scenario the Directors have a reasonable expectation that the Group has access to adequate resources to continue in operational existence for the foreseeable future. Should the Group be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities which might arise and to classify fixed assets as current.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful economic lives as follows:

Asset class	Amortisation method and rate
Storage facility	None until facility available for use.

Harland

Heritage

Project

Project costs related to Harland Heritage are capitalised as incurred. The Harland Heritage Project has been put on hold temporarily and no material costs are being incurred except for maintenance and safeguarding of the various assets and artefacts that will be utilised for this project.

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Artefacts	Over 20 years - Straight line basis
Trademarks	Over 20 years - Straight line basis
Gas storage facility	None until facility available for use.
Development costs	Over 20 years - Straight line basis
Harland Heritage Project	None until facility available for use.
Floating Storage Regasification Project	None until facility available for use.

Tangible assets

Property, plant and equipment

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Freehold land	Not depreciated
Leasehold land and buildings	Over 50 years Straight line basis
Modular buildings	Over 20 years Straight line basis
Right of use	Over the lease term
Plant and machinery	Over 10 years Straight line basis
Motor vehicles	Over 5 years Straight line basis
Office equipment	Over 5 years Straight line basis

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Trade receivables

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, inventories are assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Leases

Definition

A lease is a contract, or a part of a contract, that conveys the right to use an asset or a physically distinct part of an asset ("the underlying asset") for a period of time in exchange for consideration. Further, the contract must convey the right to the group to control the asset or a physically distinct portion thereof. A contract is deemed to convey the right to control the underlying asset if, throughout the period of use, the group has the right to:

- Obtain substantially all the economic benefits from the use of the underlying asset, and;
- Direct the use of the underlying asset (e.g. direct how and for what purpose the asset is used)

Where contracts contain a lease coupled with an agreement to purchase or sell other goods or services (i.e., non-lease components), the group has made an accounting policy election, by class of underlying asset, to account for both components as a single lease component.

Initial recognition and measurement

The group initially recognises a lease liability for the obligation to make lease payments and a right-of-use asset for the right to use the underlying asset for the lease term. The lease liability is measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments, purchase options at exercise price (where payment is reasonably certain), expected amount of residual value guarantees, termination option penalties (where payment is considered reasonably certain) and variable lease payments that depend on an index or rate. The right-of-use asset is initially measured at the amount of the lease liability, adjusted for lease prepayments, lease incentives received, the group's initial direct costs (e.g., commissions) and an estimate of restoration, removal and dismantling costs.

Subsequent measurement

After the commencement date, the group measures the lease liability by:

- (a) Increasing the carrying amount to reflect interest on the lease liability;
- (b) Reducing the carrying amount to reflect the lease payments made; and
- (c) Re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised substance fixed lease payments or on the occurrence of other specific events.

Interest on the lease liability in each period during the lease term is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability. Interest charges are [presented separately as non-operating /included in finance cost] in the income statement, unless the costs are included in the carrying amount of another asset applying other applicable standards. Variable lease payments not included in the measurement of the lease liability, are included in operating expenses in the period in which the event or condition that triggers them arises.

The related right-of-use asset is accounted for using the Cost model in IAS 16 and depreciated and charged in accordance with the depreciation requirements of IAS 16 Property, Plant and Equipment as disclosed in the accounting policy for Property, Plant and Equipment. Adjustments are made to the carrying value of the right of use asset where the lease liability is re-measured in accordance with the above. Right of use assets are tested for impairment in accordance with IAS 36 Impairment of assets as disclosed in the accounting policy in impairment.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

2 Accounting policies (continued)

Lease modifications

If a lease is modified, the modified contract is evaluated to determine whether it is or contains a lease. If a lease continues to exist, the lease modification will result in either a separate lease or a change in the accounting for the existing lease.

The modification is accounted for as a separate lease if both:

(a) The modification increases the scope of the lease by adding the right to use one or more underlying assets; and
(b) The consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

If both of these conditions are met, the lease modification results in two separate leases, the unmodified original lease and a separate lease. The group then accounts for these in line with the accounting policy for new leases.

If either of the conditions are not met, the modified lease is not accounted for as a separate lease and the consideration is allocated to the contract and the lease liability is re-measured using the lease term of the modified lease and the discount rate as determined at the effective date of the modification.

For a modification that fully or partially decreases the scope of the lease (e.g., reduces the square footage of leased space), IFRS 16 requires a lessee to decrease the carrying amount of the right-of-use asset to reflect partial or full termination of the lease. Any difference between those adjustments is recognised in profit or loss at the effective date of the modification.

For all other lease modifications which are not accounted for as a separate lease, IFRS 16 requires the lessee to recognise the amount of the re-measurement of the lease liability as an adjustment to the corresponding right-of-use asset without affecting profit or loss.

Short term and low value leases

The group has made an accounting policy election, by class of underlying asset, not to recognise lease assets and lease liabilities for leases with a lease term of 12 months or less (i.e., short-term leases). The group has made an accounting policy election on a lease-by-lease basis, not to recognise lease assets on leases for which the underlying asset is of low value. Lease payments on short term and low value leases are accounted for on a straight-line basis over the term of the lease or other systematic basis if considered more appropriate. Short term and low value lease payments are included in operating expenses in the income statements.

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

2 Accounting policies (continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period.

Right-of-use assets are measured at cost which comprises the following:

- The amount of the initial measurement of the lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

3 Revenue

The analysis of the group's revenue for the period from continuing operations is as follows:

	17 months to 31 December 2021 (Unaudited)	12 months to 31 July 2020
	£	£
Sale of goods	133,527	-
Rendering of services	18,384,712	1,482,081
	<u>18,518,239</u>	<u>1,482,081</u>

The above income is wholly generated in the UK and no single customer accounted for more than 10% of revenue.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

4 Directors remuneration

The directors' remuneration for the year was as follows:

12 months to 31 July 2020	Salary & fees	Bonus	Share based payments	Pension	Total 2020
	£	£	£	£	£
Executive Directors					
John Wood	448,656	554,718	-	8,333	1,011,707
Arun Raman	398,530	519,906	-	7,733	926,169
Non-Executive Directors					
Clive Richardson (appointed 01 February 2020)	22,500	-	-	-	22,500
Deborah Saw (appointed 01 February 2020; resigned 27 August 2020)	18,000	-	-	-	18,000
Malcolm Groat (appointed 22 March 2019)	6,000	-	-	240	6,240
Judith Tweed	46,500	-	-	1,453	47,953
	940,186	1,074,624	-	17,759	2,032,569

12 months to 31 July 2021	Salary & fees	Bonus	Pension	Total 2021
	£	£	£	£
Executive Directors				
John Wood	330,846	-	12,000	342,846
Arun Raman	319,782	-	11,400	331,182
Non-Executive Directors				
Clive Richardson (resigned 24 September 2021)	50,000	-	-	50,000
Deborah Saw (resigned 27 August 2020)	3,000	-	-	3,000
Malcolm Groat	7,000	-	280	7,280
Judith Tweed	36,000	-	1,440	37,440
	746,628	-	25,120	771,748

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

5 months to 31 December 2021	Salary & fees	Bonus	Pension	Total 2021
	£	£	£	£
Executive Directors				
John Wood	167,308	-	6,292	173,600
Arun Raman	149,442	-	5,978	155,420
Non-Executive Directors				
Clive Richardson (resigned 24 September 2021)	22,917	-	-	22,917
Deborah Saw (resigned 27 August 2020)	-	-	-	-
Malcolm Groat	3,333	-	133	3,466
Judith Tweed	15,000	-	600	15,600
Jonathon Band (appointed 1 September 2021)	15,000	-	-	15,000
	373,000	-	13,003	386,003

All amounts are short term in nature except for pension benefits which are considered to be long term.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (Continued)

5 Earnings per Share

	2021 £	2020 £
The loss for the purposes of basic and diluted earnings per share being the net loss attributable to equity shareholders		
Continuing operations	(25,508,389)	(10,409,875)
Number of shares		
Weighted average number of ordinary shares for the purpose of:		
Basic earnings per share	96,223,075	3,066,492,177
Basic and diluted earnings per share		
Continuing Operations	(26.51)p	(0.34)p

Given the Group made a loss during the current financial year no diluted EPS is shown.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

6 Intangible assets

Group

	Artefacts £	Trademarks £	Development costs £	Gas storage development £	Project costs £	Total £
Cost						
At 1 August 2019	-	-	-	10,168,605	-	10,168,605
Grant accrual during year	-	-	-	(1,130,149)	-	(1,130,149)
Additions	200,000	170,000	55,000	583,311	21,732	1,030,043
Revaluation	447,395	693,192	-	-	-	1,140,587
At 31 July 2020	647,395	863,192	55,000	9,621,767	21,732	11,209,086
At 1 August 2020	647,395	863,192	55,000	9,621,767	21,732	11,209,086
Additions	-	-	-	406,572	312,445	719,017
At 31 December 2021	647,395	863,192	55,000	10,028,338	334,177	11,928,102
Amortisation						
Amortisation charge	-	-	2,255	-	-	2,255
At 31 July 2020	-	-	2,255	-	-	2,255
At 1 August 2019	-	-	2,255	-	-	2,255
Amortisation charge	-	-	2,828	-	-	2,828
At 31 December 2021	-	-	5,083	-	-	5,083

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

6 Intangible assets (continued)

Net book value	Artefacts £	Trademarks £	Development costs £	Gas storage development £	Project costs £	Total £
At 31 December 2021	647,395	863,192	49,917	10,028,338	334,177	11,923,019
At 31 July 2020	647,395	863,192	52,745	9,621,767	21,732	11,206,831

Intangible assets carried at revalued amounts

The fair value of the company's Artefacts was revalued on 30 June 2019 by Hilco Valuation services.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £200,000.

The revaluation surplus (gross of tax) recognised in profit and loss amounted to £447,395.

The revaluation surplus (gross of tax) recognised in other comprehensive income amounted to £447,395.

The fair value of the company's Trademarks was revalued on 30 June 2019 by Hilco Valuation Services.

Had this class of asset been measured on a historical cost basis, their carrying amount would have been £170,000.

The revaluation surplus (gross of tax) recognised in profit and loss amounted to £693,192.

The revaluation surplus (gross of tax) recognised in other comprehensive income amounted to £693,192.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period from 1 August 2020 to 31 December 2021 (continued)

7 Property, plant and equipment

Group

	Land and buildings £	Office equipment £	Motor vehicles £	Plant & machinery £	Total £
At 1 August 2019	730,799	8,918	-	-	739,717
Revaluation recognised in other comprehensive income	3,066,738	25,972	373,464	2,346,331	5,812,505
Additions	2,806,171	203,574	297,056	2,469,908	5,776,709
At 31 July 2020	6,603,708	238,464	670,520	4,816,239	12,328,931
At 1 August 2020	6,603,708	238,464	670,520	4,816,239	12,328,931
Additions	5,347,811	36,511	11,680	10,256,970	15,652,972
Transfers	-	-	(127,683)	127,683	-
At 31 December 2021	11,951,519	274,975	554,517	15,200,892	27,981,903
At 1 August 2019	-	892	-	-	892
Charge for year	276,050	62,974	55,478	544,283	938,785
At 31 July 2020	276,050	63,866	55,478	544,283	939,677
At 1 August 2020	276,050	63,866	55,478	544,283	939,677
Charge for the year	605,890	72,558	63,364	1,565,632	2,307,444
At 31 December 2021	881,940	136,424	118,842	2,109,915	3,247,121
Carrying amount	11,069,579	138,551	435,675	13,090,977	24,734,782

At 31 December 2021

At 31 July 2020

6,327,658	174,598	615,042	4,271,956	11,389,254
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Harland & Wolff Group Holdings Plc

**Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December
2021 (continued)**

Included within the net book value of Plant and machinery above is £3,267,466 (2020: £Nil) in respect of work in progress which has been capitalised.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

8 Trade and other receivables

	Group		Company	
	31 December 2021 (Unaudited) £	31 July 2020 £	31 December 2021 (Unaudited) £	31 July 2020 £
Trade receivables	2,310,323	225,276	-	-
Receivables from related parties	-	-	45,547,667	17,158,325
Accrued income	2,084,519	-	-	-
Other receivables	1,103,328	1,397,183	261,662	158,539
Prepayments	1,327,774	310,795	91,997	61,647
	6,825,944	1,933,254	45,903,326	17,378,511

The trade and other receivables classified as financial instruments are disclosed below. The group's exposure to credit and market risks, including maturity analysis, relating to trade and other receivables is disclosed in note 24 "Financial risk review".

9 Trade and other payables

	Group		Company	
	31 December 2021 (Unaudited) £	31 July 2020 £	31 December 2021 (Unaudited) £	31 July 2020 £
Trade payables	7,897,248	2,127,487	1,137,817	202,039
Social security and other taxes	4,779,356	1,786,782	113,829	1,028,267
Outstanding defined contribution pension costs	60,510	50,352	28,376	2,626
Other payables	491,439	278,347	21,566	12,321
Accruals and deferred income	9,060,223	1,860,015	84,357	69,455
	22,288,776	6,102,983	1,385,945	1,314,708

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

11 Share capital

Allotted, called up and fully paid shares

	31 December 2021 (Unaudited)		31 July 2020	
	No.	£	No.	£
Ordinary shares 1p of £0.01 (2020: £0.01) each	162,887,840	1,628,878	64,160,082	641,601
Deferred shares 1p of £0.01 each	895,424,391	8,954,244	895,424,391	8,954,244
Second deferred shares 1p of £0.01 each	18,616,118,301	1,861,612	18,616,118,301	1,861,612
Preference shares of £0.25 each	-	-	50,000	12,500
	<u>19,674,430,532</u>	<u>12,444,734</u>	<u>19,575,752,774</u>	<u>11,469,957</u>

Authorised share capital

The Company's articles do not specify an authorised share capital.

Harland & Wolff Group Holdings Plc

Notes to the Unaudited Interim Financial Statements for the Period Ended 31 December 2021 (continued)

11 Share capital (continued)

Objectives, policies and processes for managing capital

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to achieve its operational objectives.

The Group defines capital as being share capital plus reserves. The Board of Directors monitors the level of capital as compared to the Group's forecast cash flows and long-term commitments and when necessary issues new shares. Dilution of existing shareholder value is considered during all processes which may result in an alteration of share capital in issue.

Ordinary share capital in issue is managed as capital and the redeemable preference shares in issue are managed as current liabilities.

The Group is not subject to any externally imposed capital requirements and there are no restrictions in place over the different types of shares.

12. Dividend

The Directors do not recommend payment of a dividend for the period to 31 December 2021.

13. Publication of this announcement

This announcement is available on the Company's website <https://www.harland-wolff.com>