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Cogenpower PLC
07 September 2017

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

7 September 2017

Cogenpower Plc
("Cogenpower" or the "Company")

Green Certificate update
Italian Parliament passes new anti-monopoly law and receipt of c.€400,000 from GSE

Cogenpower, the AIM-quoted low-carbon technology energy business, is pleased to announce that the Italian legislature has enacted a new law ("*Legge annuale per il mercato e la concorrenza*", generally referred to as the Competition Law) which prohibits state monopolies from retroactively revising decisions they have previously made, if such revisions would be detrimental to the affected party.

This law is particularly relevant to Cogenpower. As previously announced Cogenpower's subsidiary, Cogenpower S.r.l. ("SRL"), has been in dispute with the GSE, the Italian state entity overseeing the disbursement of Green Certificate environmental incentives, with regards to the Company's entitlement to Green Certificates. The GSE had sought to revise downwards SRL's previously audited and approved entitlement to Green Certificates and had consequently claimed a repayment of over €900,000 which it subsequently offset against 2015 certificates issued.

This new legislation comes just over two months after SRL had a positive decision from the Regional Court in Rome, as announced on 27 June 2017, in which SRL had successfully contested the GSE's right to offset their demand for repayment against entitlements to Green Certificates for 2015 and 2016 and that the GSE's basis of recalculation of entitlements was flawed. The preliminary judgement was that the Company's case had merit, although the full judgement of the court would not be announced until March 2018, due to its significance as a legal precedent.

The Company also announces that the GSE has made an initial payment to SRL of €392,000. These funds have predominantly been used to settle amounts owed to certain trade creditors of SRL and put the Company in an improved working capital position. There has been no further acknowledgement of indebtedness by the GSE. However, with the enactment of this new law, the Board is confident of recovering the outstanding amount of approximately €1 million which the Company is owed by the GSE.

On 26 June 2017 Cogenpower announced that it had become apparent that the Company would not be in a position to publish its audited report and accounts for the year ended 31 December 2016 by 30 June 2017 in accordance with rule 19 of the AIM Rules for Companies. As a result the Company's shares were suspended from trading on AIM. The Company continues to make good progress with the audit and anticipates being in a position to publish the annual report and accounts, along with the half yearly report to 30 June 2017, by the end of September 2017. The Company's ordinary shares remain suspended pending publication of its annual report and accounts.

Dr. Francesco Vallone, CEO of the Company, commented:

"We are pleased that this law has been passed, reinforcing the regional court's decision in June, which fully supports the Company's position. Despite the damage this dispute has done to the Company's prospects, we are now looking forward to settling the matter and growing our business again."

-ENDS-

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Notes to Editors

Energy efficiency through smart technology: Anaconda technology

Cogenpower (CGP.L) designs, builds or transforms, owns and operates high efficiency district heating and cooling schemes, scalable to serve communities from 3,000 to 50,000 people. At the heart of the business is Cogenpower's Anaconda Artificial Intelligence technology, an automated, Artificial Intelligence energy generation and control system equipped with a heat storage facility that delivers heat to customers and electricity to the grid with proven energy efficiency of more than 90%. Cogenpower was admitted to trading on AIM in February 2016.

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