29 September 2022

i(x) Net Zero PLC
("i(x) Net Zero", "i(x)" or the "Company")

Interim Results

i(x) Net Zero (AIM: IX.), the investing company which focuses on Energy Transition and Sustainability in the Built Environment, is pleased to announce its unaudited results for the six months ended 30 June 2022 ("H1 2022").

Unless stated otherwise, all amounts are in USD, and USD/GBP exchange rates of 1.2146 and 1.3532 have been used throughout this announcement for financials as at 30 June 2022 and 31 December 2021, respectively.

Financial and Investment Highlights

- Unaudited fair value of investments in i(x)'s portfolio companies ("Portfolio NAV") as at 30 June 2022 increased by 8.55% to $65.94 million (31 December 2021: $60.74 million);

- Portfolio NAV per share, including cash of $11.18 million (£9.28 million), as at 30 June 2022 of $0.98 per share (£0.80 per share) (31 December 2021: $0.80 per share (£0.59 per share) based on issued number of shares at 30 June 2022);

- Profit of $0.51 million from continuing operations before non-cash deferred tax provision and share-based compensation[1] (H1 2021: $37.17 million);

- As at 30 June 2022, the Company had no borrowings and cash of $11.18 million (31 December 2021: no borrowings and cash of $2.13 million); and

- In H1 2022, i(x) made portfolio investments of $0.50 million (H1 2021: $0.95 million).

Corporate and Portfolio Highlights

- In February 2022, the Company raised gross proceeds of $14.48 million (c.£10.68 million) ($12.13 million net (c.£9.0 million)) through the placing of 14,056,811 ordinary shares and its enlarged issued share capital was admitted to trading on AIM;

- On 1 July 2022, Dmitri Tsvetkov joined the Company as Chief Financial Officer, replacing Marc Chennault who became full time CFO of WasteFuel Global LLC;

- In September 2022, WasteFuel announced the launch of its Methanol Module, a new technology that will significantly accelerate the use of organic waste to produce green methanol;

- i(x) agreed to make a $1.5 million accretive follow-on investment in Enphys Management Company to further enable Enphys to meet its goal of becoming the regional sustainable energy champion in Latin America. The investment comprised an initial payment of $0.5 million made in H1 2022, and 10 monthly payments of $0.1 million each which commenced in July 2022;

- Context Labs announced a partnership with Williams (NYSE: WMB), a Fortune 500 American energy company with operations across the natural gas value chain for large-scale enterprise-wide deployment of its Decarbonization as a Service™ ("DaaS™") platform;

- Carbon Engineering's strategic partner, Occidental (NYSE: OXY) and its subsidiary 1PointFive announced it plans to begin detailed engineering and early site construction for its first large-scale Direct Air Capture (DAC) plant in Ector County, Texas;

- SLI's 15 storey apartment building at 303 Battery in Seattle, the world's first net zero energy high-rise apartment building, completed the placement of the top floor panels which is expected to be completed before year-end, in line with SLI's targeted 13-15 month construction cycle from the pouring of the foundation;

- MultiGreen Properties was awarded Certified B Corporation™ status in recognition of its meeting the highest standards of verified social and environmental performance; and

- i(x) Net Zero was awarded the LSE Green Economy Mark, in recognition of the role it plays in helping decarbonise industries in their transition to their net zero goals.

[1] Profit of $0.51 million from continuing operations before non-cash deferred tax provision and share-based compensation is derived as operating loss before financing activities of $0.27 million excluding share-based compensation expense of $0.78 million

Steve Oyer, Chief Executive Officer of the Company, said:
"Companies that are involved in sustainability and the green energy transition need governmental support in the form of legislation in order to achieve their stated objectives. To that end, the passing of the Inflation Reduction Act of 2022 in the US is a crucial milestone in the attempt to successfully tackle climate change. This landmark piece of legislation allocates approximately $369 billion to reduce greenhouse gas emissions by up to an additional 1 billion metric tonnes and incentivises the expanded production and use of clean energy. The Act will accelerate the deployment of clean energy and electric vehicles, carbon capture in industrial sectors, spur efficiency improvements in the built environment, and reduce methane emissions. This legislation will be of direct benefit to i(x)'s portfolio companies by helping them accelerate their stated objectives and supporting future growth, driving $3.5 trillion or more in cumulative capital investment into new energy supply infrastructure over the next decade. We see this as the beginning of a trend with like-minded governments around the world enacting similar legislation to establish a unified global approach to accomplishing scalable positive change."

The information contained within this announcement is deemed to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

— Ends —

For further information visit https://ixnetzero.com/ or contact:

i(x) Net Zero	Via Buchanan below
Steve Oyer - Chief Executive Officer	
Pär Lindström - Chief Investment Officer	
Dmitri Tsvetkov – Chief Financial Officer	
H & P Advisory Limited	
Financial Adviser & Joint Broker	+44 20 7907 8500
Neil Passmore	
Ernest Bell	
Andy Crispin (Sales)	
Shore Capital	+44 20 7408 4050
Nominated Adviser & Joint Broker	
Tom Griffiths	
David Coaten	
Iain Sexton	
Buchanan	
Helen Tarbet	+44 7872 604 453
Simon Compton	+44 7979 497 324

Notes to Editors

About i(x) Net Zero PLC

i(x) Net Zero PLC is an AIM quoted investing company that provide its shareholders the opportunity to create long-term capital growth with positive, scalable, measurable and sustainable impact on the environment and on the communities it serves.

i(x) Net Zero focuses on two critical areas in which it aims to make a positive impact: (i) Energy Transition and (ii) Sustainability in the Built Environment. The Company uses a multi-strategy investment approach, providing the companies in which it invests with the expertise and catalytic capital to help them grow. To date, i(x) Net Zero has invested in biofuels, direct air capture (carbon removal), renewable energy, sustainable workforce housing and net zero construction technology.

i(x) Net Zero is a provisional signatory to the UN Principles for Responsible Investing. The Company has received the London Stock Exchange's Green Economy Mark.

Operational Review

The following are brief descriptions of the scope and scale of each of our investee companies:

Investee Company	Equity interest (30/6/2022)	$m Unaudited Portfolio NAV as at (30/6/2022)	$m Audited Portfolio NAV as at 31/12/2021	$m Increase/ (Decrease) during H1 2022
WasteFuel Global, LLC	36.17%	**46.90**	**46.82**	0.08
Enphys Management Company, LLC	14.50%	**10.40**	**5.73**	4.67
MultiGreen Properties, LLC	10.40%	**5.00**	**4.81**	0.19
Sustainable Living Innovations	0.10%	**0.74**	**0.50**	0.24
Carbon Engineering Ltd	0.45%	**2.38**	**2.38**	-
Context Labs B.V.	0.53%	**0.51**	**0.50**	0.01
Other – Discontinued operations				-
Total		**65.94**	**60.74**	**5.20**

WasteFuel Global, LLC ("WasteFuel") is focused on developing renewable, non-fossil fuels to help reduce the carbon emissions of the transportation sector with a particular focus on waste to energy for trucks, planes and ships.

During the period, the launch of WasteFuel Methanol Module was announced, a new technology that will significantly accelerate the use of organic waste to produce green methanol. The Methanol Module is designed to facilitate the production of up to 100 metric tons per day of fuel grade methanol from a variety of waste sources, including landfill gas and biogas from anaerobic digestion. The Company has filed a provisional patent application for the novel approach and unique configuration.

WasteFuel Marine's business line has embarked upon a commercial-scale bio-methanol partnership with A.P. Moller - Maersk ("Maersk"), the global container logistics company. Maersk intends to buy a minimum of 30,000 tons per year of WasteFuel's green bio-methanol, which is generated from municipal waste, to fulfil the demand of Maersk's 12 new green methanol powered ships starting from the second half of 2025.

WasteFuel also strengthened its management team with the appointment of Marc Chennault as full time CFO. Marc will work closely with WasteFuel CEO, Trevor Neilson, to drive forward the company's growth and to take full advantage of the significant demand for its sustainable fuel products and services.

Enphys Management Company, LLC ("EMC") is i(x) Net Zero's partnership with the Latin America Investment Group, a business development and investment group. EMC pursues private and public opportunities focused on renewables and energy transition in Latin America and has a direct ownership in Enphys Acquisition Sponsor, LLC ("EAS"), the sponsor company of Enphys Acquisition Corp. ("EAC"), a NYSE-listed SPAC targeting renewable energy businesses in Latin America, in which EMC also has an ownership. Its strategy is to create a regional champion in the Americas for alternative energy through the aggregation of existing, cash-flow positive wind and solar assets. Latin America provides a rapidly growing energy market where alternative energy production is often the lowest cost source. This provides Enphys the opportunity to execute at scale and become a significant publicly traded leader in energy transition.

i(x) Net Zero agreed to invest an additional $1.5 million (including $0.5 million paid in H1 2022 and 10 monthly payments of $0.1 million each commencing in July 2022) in cash in Enphys to enable the company to actively pursue merger opportunities as announced at its listing. Enphys expects to announce a merger opportunity in the first half of 2023 creating a renewables juggernaut that will be a regional champion for sustainability in the Americas

MultiGreen Properties, LLC ("MultiGreen") is a developer of sustainable, multi-family properties that aims to supply affordable workforce rental housing by reducing construction costs and duration. MultiGreen intends to become the first net zero energy operator of multi-family projects in the US by 2025. The company is delivering on its mission to provide attainable, tech-enabled rental apartments in supply-constrained US markets.

It is executing on its pipeline of developments at scale with 1,106 units currently under construction. ViaVerde, its multi-phase development in Albuquerque, New Mexico, is progressing with Phase I leasing, due to commence in October 2022, and demand already overpacing supply. A ground breaking is scheduled for Phase II of the project in Q4 2022. Further key initiatives are underway in supply-constrained affordable rental markets such as Phoenix, Las Vegas, Seattle, Portland and Dallas that will yield significant development opportunities.

During the period, MultiGreen Properties was awarded Certified B Corporation™ status in recognition of it meeting the highest standards of verified social and environmental performance, granted by B Lab, a global non-profit organisation.

Sustainable Living Innovations ("SLI") is a construction technology and product development company producing panelised buildings to address housing affordability, while delivering a new standard in sustainable living. SLI continues to capture market share as a leader in delivering net zero buildings at scale. Its factory-assembled and cost-effective steel panel technology addresses both the inflationary pressure on material costs and supply chain issues.

SLI is due to complete its 15-storey apartment complex in Seattle ready for occupancy in early 2023. This will be the world's first multi-family tower designed to meet the net zero energy criteria set by the International Living Future Institute's Living Building Challenge.

During the period, SLI broke ground with Downtown Emergency Service Center (DESC), a non-profit housing organization in Seattle, for a 5 storey 124-unit energy-efficient permanent supportive apartment building as a solution for long term homelessness. SLI is also expanding its assembly plant locations on the West Coast of the US and plans eventually to move eastwards to serve additional markets.

In May 2022, i(x) Net Zero participated in SLI's US$53 million accelerated growth round, which will allow the company to expand into other US markets. The company completed its conversion from a limited liability company to a C Corporation, which triggered a 50 per cent. increase in i(x) Net Zero's share ownership in SLI due to the preference rights it acquired when it made its initial investment.

Carbon Engineering Ltd. ("Carbon Engineering") has developed a proprietary Direct Air Capture ("DAC") technology that removes carbon dioxide directly from the atmosphere for sequestration and storage. With its DAC and carbon-to-value proposition, it represents the next generation of industrial scale decarbonisation. The company has a clear path to global opportunity and is focused on licensing its technology to industrial partners to build and operate.

The company, through its strategic partner 1PointFive, an initiative with Occidental Petroleum's (NYSE: OXY) Low Carbon Ventures business, anticipates building and operating 70 DAC facilities by 2035, each with an expected capacity of up to 1 million tonnes per year. The partnership announced it plans to begin detailed engineering and early site construction in Q3 2022, for its first large-scale DAC plant in Ector County, Texas. Upon completion and becoming operational in late

2024, the first DAC plant will be the world's largest of its kind, expected to capture up to 500,000 metric tons of carbon dioxide per year with the capability to scale up to 1 million metric tons per year.

Context Labs B.V. ("Context Labs") is an impact software company whose blockchain technology platform enables the harvesting and processing of data to help businesses track their carbon emissions and their compliance with regulatory frameworks.

Context Labs secured a multi-year partnership with Williams, a Fortune 500 American energy company with operations across the natural gas value chain for large-scale enterprise-wide deployment of its Immutably™-based Decarbonization as a Service™ ("DaaS™") platform. The Context Labs solution will target Williams' facilities, along with its upstream and downstream ecosystem partners representing 30 percent of the natural gas in the United States, to facilitate Williams' energy transition and affirm its commitment to provide transparency and strong governance regarding its decarbonisation ambitions.

During the period, Context Labs announced the launch of its CLEAR Path™ Platform, which converges advanced machine learning/AI and blockchain technologies to form new empirical data-driven registry capabilities, ensuring that data for environmental attributes and differentiated commodities are transparent, trusted and traceable.

The company also announced the appointment of distinguished American writer on business management practices, Thomas J. Peters, to join the business as an Advisor and member of the Board of Directors.

Financial Review

The Company continued delivering an improvement in the fair value of investments in its portfolio companies ("Portfolio NAV") which increased by 8.55% or, $5.20 million to $65.94 million as at 30 June 2022 (31 December 2021: $60.74 million). The increase in Portfolio NAV over the period of $5.20 million (H1 2021: $38.98 million) comprises unrealised gains of $4.70 million (H1 2021: $38.98 million) due to the change in fair value of portfolio investments and $0.50 million of additions to investments (H1 2021: $0.95 million). The majority of unrealised gains relates to an increase in fair value of Enphys Management Company, LLC as a result of the Company's investment made in H1 2022. As at 30 June 2022, Portfolio NAV per share, including cash of $11.18 million (£9.28 million), was $0.98 per share (£0.80 per share) (31 December 2021: $0.80 per share (£0.59 per share) based on the issued number of shares at 30 June 2022).

Profit from continuing operations before non-cash deferred tax provision and share-based compensation was $0.51 million in H1 2022 (H1 2021: $37.17 million) ($0.51 million is derived as operating loss before financing activities of $0.27 million minus share-based compensation of $0.78 million).

During H1 2022, stock options were granted to management employees under the 2022 Company's Equity Incentive Plan and non-cash share-based compensation of $0.78 million was recognised (H1 2021: nil).

General and administrative costs increased by $2.75 million to $4.96 million (H1 2021: $1.81 million), largely due to non-cash share-based compensation expense and costs incurred in the preparation and execution of the listing.

As a result of the corporate inversion and resulting IPO transaction, i(x) Net Zero PLC is being treated as a U.S. domestic corporation for all purposes of the U.S. tax code as of the date of the transaction and there will be non-cash deferred tax implications related to the Company's temporary difference in the book and tax basis of its assets, the most material of which is the difference between the tax basis and the fair value of the Company's investments. For the period ended June 30, 2022, non-cash deferred tax expense of $12.69 million was recognised in the statement of profit or loss. This deferred tax expense would not have been recognised by i(x) investments LLC, if the IPO transaction did not occur.

Net loss amounted to $12.97 million in H1 2022 primarily as a result of non-cash deferred tax provision and share-based compensation (H1 2021: net profit of $37.09 million).

The Company continues to be in a strong financial position and as at 30 June 2022 had no borrowings, cash of $11.18 million (31 December 2021: no borrowings and cash of $2.13 million) and net current assets of $10.20 million (31 December 2021: $2.77 million).

In February 2022, the Company raised gross proceeds of approximately $14.48 million (£10.68 million) ($12.13 million (c.£9.0 million) net)) through the placing of 14,056,811 ordinary shares at 76 pence per share and its enlarged share capital was admitted to trading on AIM. During the period from the beginning of 2021 and until the listing, i(x) investments, LLC, the Company's predecessor, had capital contributions of approximately $1.64 million.

In January 2022, Lion Point Capital, LP, on behalf of funds managed by it, ("Lion Point") and the Company entered into a strategic relationship to identify and pursue certain transactions together, with an initial focus on opportunities in Energy Transition. Lion Point is a global special situations investment firm that seeks to invest in equity and debt securities of undervalued public and private companies. At the time of the Company's IPO, Lion Point Master, LP ("Lion Point Master") entered into a subscription agreement and subscribed for $6.8 million (approximately £5.0 million) in ordinary shares of the Company at the placing price as part of the fundraising. Lion Point Master was granted a put option and pursuant to the put option, the Company is obliged to repurchase Lion Point Master's holding of 6,672,161 Ordinary Shares at the placing price (£0.76 per share ($1.02 per share)) amounting up to $6.8 million at any time during the three year term following the Company's admission to trading on AIM. Lion Point has also granted the Company a call option to purchase $6.8 million of common shares of Suniva, Inc, which has one of the largest solar cells manufacturing facilities in North America. Further details are set out in paragraph 5.6 of Part 1 and paragraphs 18.1(j), (k) and (l) of Part 7 of the Company's Admission document dated 4 February 2022, which is available on the Company's website https://ixnetzero.com/.

Prior to its IPO, the Company undertook a reorganisation in which i(x) Merger LLC, a wholly owned subsidiary of the Company merged with i(x) investments, LLC, with i(x) investments continuing as the surviving entity and as a wholly owned subsidiary of the Company. Prior to the reorganisation of the Company, i(x) Financial Services, LLC ("i(x) Financial Services"), (a wholly owned subsidiary of ix investments), i(x) Securities, LLC (a wholly owned subsidiary of i(x) Financial Services) and certain other assets held by i(x) investments were transferred to i(x) Sustainable Holdings, LLC, an entity owned by the shareholders of the Company. This transaction was reflected as an equity distribution of $1.62 million assets.

Outlook

Despite challenging market conditions and the global economic volatility that has unfolded since the Company's listing in February 2022, the global trend towards decarbonisation and the net zero energy transition continues apace, with the backing of government legislation and corporate commitments. i(x) Net Zero's investee companies are therefore resilient, continue to be well positioned for long-term sustainable growth and value creation, as shown by the various partnerships and initiatives begun or continued in the period.

In August 2022, the US Congress passed the "Inflation Reduction Act of 2022," which includes key legislation aimed at tackling climate change. This historic and significant piece of legislation allocates approximately $369 billion to reducing greenhouse gas emissions and incentivises expanded production and use of domestic clean energy.

The sustainable fuel, renewable power, battery development and carbon capture industries are expected to benefit from these tax credits and associated incentives, which the Board expects will lead to further increased demand for the products and services provided by the Company's portfolio companies, and to act as a powerful driver of their further growth.

Elsewhere in the world, governments continue to enact legislation and offer incentives for companies and industries to reduce their carbon emissions. The transition to net zero is widely seen as a key part of the global economic recovery from the Covid-19 pandemic, and the innovative technology that i(x)'s portfolio companies provide, is essential to this recovery.

The Board of i(x) is actively exploring opportunities to enhance the growth of its portfolio companies and to make increased investments where appropriate, thereby enhancing shareholder value. The Company looks to the future with confidence.

Steve Oyer
Chief Executive Officer
29 September 2022

i(x) Net Zero Plc
Consolidated Statements of Financial Position
June 30, 2022

(Expressed in US dollars)

	Notes	(Unaudited) June 30, 2022	(Unaudited) June 30, 2021	(Audited) December 31, 2021
ASSETS				
Current assets				
Cash and cash equivalents	2	$ 11,178,604	$ 3,388,479	$ 2,134,764
Assets held for disposal	5	-	-	1,216,841
Prepaid expenses and other assets		225,620	157,592	1,549,716
Accounts receivable		-	252,950	40,374
Cash advances for future investment		86,165	848,226	86,165
Total Current Assets		11,490,389	4,647,247	5,027,860
Non-current assets				
Investments, at fair value	2	65,936,183	55,696,788	60,740,752
Right-of-use asset	6	503,443	799,370	653,426
Furniture and equipment, net of accumulated depreciation		8,567	22,432	15,311
Security deposit		82,942	84,942	82,942
Member tax advance		11,500	11,500	11,500
Total Non-Current Assets		66,542,635	56,615,032	61,503,931
Total Assets		$ 78,033,024	$ 61,262,279	$ 66,531,791
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities				
Accounts payable and accrued expenses	7	$ 890,348	$ 201,123	$ 1,872,513
Professional fees payable		-	56,903	-
Lease liability	6	349,950	322,417	335,946
Security deposit payable		49,202	49,533	49,202
Total Current Liabilities		1,289,500	629,976	2,257,661
Non-current liabilities				
Deferred tax liability	2	12,685,897	-	-
Lease liability	6	216,954	566,904	396,386
Total Non-Current Liabilities		12,902,851	566,904	396,386
Total Liabilities		14,192,351	1,196,880	2,654,047
Shareholders' Equity				
Share Capital, no par value (authorised, issued and outstanding - 79,056,811 ordinary shares) and other reserves		76,701,569	-	-
Members' capital		-	60,065,399	63,877,744
Retained earnings		(12,860,896)	-	-
Total Shareholders' Equity		63,840,673	60,065,399	63,877,744
Total Liabilities and Shareholders' Equity		$ 78,033,024	$ 61,262,279	$ 66,531,791

i(x) Net Zero Plc
Consolidated Statements of Profit or Loss
For the Six Months Ended June 30, 2022

(Expressed in US dollars)

	Notes	(Unaudited) June 30, 2022	(Restated, note 2) June 30, 2021	(Audited) December 31, 2021
Revenue		$ 156	$ 496	$ 561
Net changes in fair value on financial assets at fair value through profit or loss	2	4,695,431	38,978,807	40,852,816
General and administrative expenses		(4,964,208)	(1,813,912)	(4,832,105)
OPERATING (LOSS)/PROFIT BEFORE FINANCING ACTIVITIES		(268,621)	37,165,391	36,021,272
Finance income		-	-	-
Finance cost		(15,839)	-	(43,220)
(LOSS)/PROFIT FROM CONTINUING OPERATIONS BEFORE TAX		(284,460)	37,165,391	35,978,052
Tax provision - deferred tax expense	2	(12,685,897)	-	-
(LOSS)/PROFIT FROM CONTINUING OPERATIONS AFTER TAX		(12,970,357)	37,165,391	35,978,052
DISCONTINUED OPERATIONS (b) (Loss)/profit from operations of discontinued segment		-	(76,364)	(226,665)
(LOSS)/PROFIT AFTER TAX		$ (12,970,357)	$ 37,089,027	$ 33,751,387
(Loss)/Earnings per share: Basic and diluted	3	$ (0.16)	$ -	$ -

Notes:

a) There is no comprehensive income or loss for the periods ended June 30, 2022 and 2021 and the year ended December 31, 2021.

b) Discontinued operations represent i(x) Financial Services, LLC and its subsidiary, i(x) Securities, LLC. These entities were spun off from i(x) investments in a reorganisation which occurred prior to the merger of i(x) investments with a subsidiary of i(x) Net Zero, PLC, as described in Note 1 to the financial statements.

c) As a result of the corporate inversion and resulting IPO on AIM, i(x) Net Zero PLC is being treated as a U.S. domestic corporation for all purposes of the U.S. tax code as of the date of the IPO and there will be non-cash deferred tax implications related to the Company's temporary difference in the book and tax basis of its assets, the most material of which is the difference between the tax basis and the fair value of the Company's investments. For the period ended June 30, 2022, deferred tax expense of $12,685,897 was recognised in the statement of profit or loss. This deferred tax expense would not have been recognised by i(x) investments, if the IPO had not occurred.

i(x) Net Zero Plc
Consolidated Statements of Changes in Shareholders' Equity/Members' Capital
For the Six Months Ended June 30, 2022

(Expressed in US dollars)

	Members' Capital	Share Capital and Other Reserves	Retained Earnings	Total
At 1 January 2022	$ 63,877,744	$ -	$ -	$ 63,877,744
Capital contributions	1,644,981	-	-	1,644,981
Distribution of assets held for disposal to i(x) Sustainable Holdings, LLC	(1,216,841)	-	-	(1,216,841)
Distribution of cash to i(x) Sustainable Holdings, LLC	(400,000)	-	-	(400,000)
Net loss for the period (January 1, 2022 - February 8, 2022)	(109,461)	-		(109,461)
At 9 February 2022	**$ 63,796,423**	$ -	$ -	**$ 63,796,423**
Conversion from Members' capital to Shareholders' Equity	(63,796,423)	63,796,423	-	-
Subscriptions for Net Zero shares, net of expenses (note 3)	-	12,125,421	-	12,125,421
Net Loss for the period (February 9, 2022 - June 30, 2022)	-	-	(12,860,896)	(12,860,896)
Share option expense	-	779,725	-	779,725
At 30 June 2022	**$ -**	**$ 76,701,569**	**$ (12,860,896)**	**$ 63,840,673**
At 1 January 2021	$ 22,976,372	$ -	$ -	$ 22,976,372
Net Income for the period (January 1, 2021 - June 30, 2021)	37,089,027	-	-	37,089,027
At 30 June 2021	**$ 60,065,399**	**$ -**	**$ -**	**$ 60,065,399**
At 1 January 2021	$ 22,976,372	$ -	$ -	$ 22,976,372
Capital contributions	5,149,985	-	-	5,149,985
Net Income for the period (January 1, 2021 - December 31, 2021)	35,751,387	-	-	35,751,387
At 31 December 2021	**$ 63,877,744**	**$ -**	**$ -**	**$ 63,877,744**

i(x) Net Zero Plc
Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2022

(Expressed in US dollars)

	Notes	June 30, 2022	(Restated, note 2) June 30, 2021	December 31, 2021
(Loss)/profit attributable to members		$ (12,970,357)	$ 37,089,027	$ 35,978,052
Adjustments for:				
Depreciation expense		6,744	7,663	14,784
Loss on cash advances for future investments		-	133	-
Amortisation of right-of-use asset		149,983	142,480	288,424
Net changes in fair value on financial assets at fair value through profit or loss	2	(4,695,431)	(38,978,940)	(40,852,816)
Bonus expense paid in shares	7	1,000,000		
Decrease in lease liability		(165,428)	(105,989)	(262,978)
Incentive stock option grant expense	4	779,725		
Purchases of investments		(500,000)	(950,000)	(4,369,955)
Cash advances for future investments		-	(132,518)	238,773
Changes in operating assets and liabilities				
Decrease/(increase) in accounts receivable		40,374	418	56,041
Decrease/(increase) in prepaid expenses and other current assets		1,324,096	(60,957)	(1,463,959)
Decrease/(increase) in security deposits		-	4,000	4,600
Increase in member tax advance		-	(11,500)	(11,500)
(Decrease)/increase in accounts payable and accrued expenses		(982,165)	(5,735)	,685,329
Increase in deferred tax liability	2	12,685,897	-	-
Increase/(decrease) in professional fees payable		-	56,903	49,202
Net Cash Used in Operating Activities – Continuing Operations		(3,326,562)	(2,857,191)	(8,646,003)
FROM DISCONTINUED OPERATIONS				
(Loss)/profit attributable to members		-	(76,354)	(226,665)
Changes in operating assets and liabilities				
Decrease (increase) in accounts receivable		-	121,600	36,823
Increase in prepaid expenses and other current assets		-	9,444	(6,441)
Increase in accounts payable and accrued expenses		-	(57,191)	151,344
Increase in security deposits		-	(1,400)	-
Increase in commissions payable		-	49,533	-
Increase in loan payable		-	671	10,630
Net Cash Used in Operating Activities - Discontinued Operations		-	46,303	(34,309)
Net Cash Used in Operating Activities		(3,326,562)	(2,810,888)	(8,680,312)
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash from discontinued operation transferred to disposal group		-	-	(534,276)
Purchases of furniture and equipment		-	(3,902)	(3,902)
Net Cash Used in Investing Activities		-	(3,902)	(538,178)
CASH FLOWS FROM FINANCING ACTIVITIES				
FROM CONTINUING OPERATIONS				
IPO Proceeds, net of expenses	3	12,125,421	-	-
Distribution to i(x) Sustainable Holdings, LLC	5	(400,000)	-	-
Purchase of i(x) Net Zero shares	7	(1,000,000)	-	-
Capital contributions		1,644,981	-	5,149,985
Net Cash Provided by Financing Activities - Continuing Operations		12,370,402	-	5,149,985
Net Increase (Decrease) in Cash and Cash Equivalents		9,043,840	(2,814,790)	(4,068,505)
CASH AND CASH EQUIVALENTS				
Beginning of period		2,134,764	6,203,269	6,203,269
End of period		$ 11,178,604	$ 3,388,479	$ 2,134,764

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

Non-cash investing activity - assets transferred to disposal group				
Cash advances for future investment		$ -	$ -	$ 390,770
Investments				250,000
Noncash net assets of discontinued operation				41,795
Non-cash financing activity				
Share-based compensation	3	779,725	-	-
Distribution of assets held for disposal	5	1,216,841	-	-
Bonus expense paid in shares	7	1,000,000	-	-

$ 2,996,566	$ -	$ 682,565

i(x) Net Zero Plc
Consolidated Schedule of Investments
June 30, 2022

(Expressed in US dollars)

Principal Amount/Shares/ Units	Description	Percent of Members' Capital	Fair Value
Private Operating Companies			
United States			
Limited Liability Company Interests			
	Biofuel Developer		
10,380,581	WasteFuel Global, LLC	73.5%	$ 46,902,564
	Real estate development		
1,228,063	MultiGreen Properties, LLC	7.8%	5,000,000
	Total Limited Liability Company Interests (cost $4,069,597)	81.3%	51,902,564
Limited Partnership Interest			
	Building technology		
	Sustainable Living Innovations (FKA Multigreen SLI Partners, LP)	1.2%	742,000
	Total Limited Partnership Interests (cost $500,00)	1.2%	742,000
	Total United States (cost $4,569,597)	82.5%	$ 52,644,564
Canada Common Shares			
	Carbon Capture Technology		
21,876	Carbon Engineering, Ltd. (1)	3.7%	2,383,698
	Total Common Shares - Canada (cost $1,005,809)	3.7%	2,383,698
Cayman Islands			
Limited Liability Company Interest			
Renewable Energy			
15,000	Enphys Management Company	16.3%	10,396,921
	Total Limited Liability Company Interest – Cayman Islands (cost $3,870,000)	16.3%	10,396,921
Netherlands			
Convertible Note - (8% due April 2022)			
499,955	Software/Information Technology	0.8%	511,000
	Total Convertible Note - Netherlands (cost $499,955)	0.8%	511,000
	Total Investments (cost $9,445,361)	103.3%	$ 65,936,183

(1) Shares of Carbon Engineering, Ltd. are held indirectly through investments in RCM Carbon Engineering Partners, LLC (12,603 common shares) and C12 Equity Ltd. (9,273 common shares).

i(x) Net Zero Plc
Consolidated Schedule of Investments
June 30, 2021

(Expressed in US dollars)

Principal Amount/Shares/ Units	Description	Percent of Members' Capital	Fair Value
Private Operating Companies			
United States			
Convertible Note - (5% due September 2020)			
50,000	Finance Technology	0.1%	$50,000
	Total Convertible Note (cost $50,000)	0.1%	50,000
Common Stock			
199,722	Finance Technology	0.3%	200,000
	Total Common Stock (cost $200,000)	0.3%	200,000
Limited Liability Company Interests			
	Biofuel Developer		
10,380,581	Wastefuel Holdings, LLC	78.9%	47,371,058
	Real estate development		
1,228,063	MultiGreen Properties, LLC	8.5%	5,080,000
	Total Limited liability Company Interests (cost $4,069.597)	87.4%	52,451,058
Limited Partnership Interest			
	Building technology	0.8%	500,000
	Total Limited Partnership Interests (cost $500,00)	0.8%	500,000
	Total United States (cost $4,819,597)	88.6%	$ 53,201,058

i(x) Net Zero Plc
Consolidated Schedule of Investments
June 30, 2021

(Expressed in US dollars)

Principal Amount/Shares/ Units	Description	Percent of Members' Capital	Fair Value
Canada Common Shares			
	Carbon Capture Technology		
21,763	Carbon Engineering, Ltd. (1)	3.4%	$ 2,045,730
	Total Common Shares - Canada (cost $1,005,809)	3.4%	2,045,730
Cayman Islands			
Limited Liability Company Interest			
	Renewable Energy	0.3%	200,000
	Total Limited Liability Company Interests - Cayman Islands (cost $200,000)	0.3%	200,000
Netherlands			
Convertible Note - (8% due April 2022)			
250,000	Software/Information Technology	0.4%	250,000
	Total Convertible Note - Netherlands (cost $250,000)	0.4%	250,000
	Total Investments (cost $6,275,406)	4.1%	$ 55,696,788

(1) Shares of Carbon Engineering, Ltd. are held indirectly through investments in RCM Carbon Engineering Partners, LLC (12,490 common shares) and C12 Equity Ltd. (9,273 common shares).

i(x) Net Zero Plc
Consolidated Schedule of Investments
December 31, 2021

(Expressed in US dollars)

Principal Amount/Shares/ Units	Description	Percent of Members' Capital	Fair Value
Private Operating Companies			
United States			
Limited Liability Company Interests			
	Biofuel Developer		
10,380,581	Wastefuel Holdings, LLC	73.3%	$ 46,822,213
	Real estate development		
1,228,063	MultiGreen Properties, LLC	7.5%	4,810,000
	Total Limited liability Company Interests (cost $4,069,597)	80.8%	51,632,213
Limited Partnership Interest			
	Building technology		
	Multigreen CLI Partners, LP	0.8%	500,000
	Total Limited Partnership Interests (cost $500,000)	0.8%	500,000
	Total United States (cost $4,569,597)	81.6%	52,132,213
Canada Common Shares			
	Carbon Capture Technology		
21,763	Carbon Engineering, Ltd. (1)	3.7%	2,383,698
	Total Common Shares - Canada (cost $1,005,809)	3.7%	2,383,698
Cayman Islands			
Limited Liability Company Interest			
	Renewable Energy	9.0%	5,724,886
	Total Limited Liability Company Interests - Cayman Islands (cost $3,370,00	9.0%	5,724,886
Netherlands			
Convertible Note - (8% due April 2022)			
499,955	Software/Information Technology	0.8%	499,955
	Total Convertible Note - Netherlands (cost $499,955)	0.8%	499,955
	Total Investments (cost $9,445,361)	95.1%	$ 60,740,752

(1) Shares of Carbon Engineering, Ltd. are held indirectly through investments in RCM Carbon Engineering Partners, LLC (12,490 common shares) and C12 Equity Ltd. (9,273 common shares).

(Expressed in US dollars)

1. Organization and Nature of Business

i(x) Net Zero, PLC (the "Company") is a company incorporated and domiciled in Jersey, British Isles. The Company's shares are admitted to trading on the AIM market of the London Stock Exchange (ticker: IX). The Company is an investment company that provides its shareholders with an opportunity to create long-term capital growth with sustainable impact on the environment and communities it serves. The Company was founded as i(x) investments, LLC ("i(x) investments"), a limited liability company formed in the United States of America under the laws of the State of Delaware on October 6, 2015.

On February 9, 2022, the Company completed its initial public offering ("IPO") on the AIM market. The Company issued 14,056,811 ordinary shares at no par value in the IPO. The shares were issued at £0.76 per share, resulting in total share capital of £10,683,000 ($14,481,736) from the IPO. In addition, the members' capital in i(x) investments was converted to 65,000,000 shares in the Company as of the date of the IPO, bringing the total shares issued and outstanding as of February 9, 2022 to 79,481,736.

Prior to the IPO, the Company undertook a reorganisation in which i(x) Merger LLC, a wholly owned subsidiary of the Company merged with i(x) investments, with i(x) investments continuing as the surviving entity and as a wholly owned subsidiary of the Company. Prior to the reorganisation of the Company, i(x) Financial Services, LLC ("i(x) Financial Services"), (a wholly owned subsidiary of ix investments), i(x) Securities, LLC (a wholly owned subsidiary of i(x) Financial Services) and certain other assets held by i(x) investments were transferred to i(x) Sustainable Holdings, LLC ("i(x) Sustainable Holdings"), an entity owned by the members of i(x) investments, prior to the reorganisation.

The Company is governed in accordance with Companies (Jersey) Law 1991.

2. Summary of Significant Accounting Policies and Key Accounting Estimates

Basis of Presentation

The Company's financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards ("IFRS"). The Company adopted IFRS as its reporting standard effective January 1, 2018 and did not issue financial statements prior to this date. The financial statements have been prepared on the historical cost basis, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss. The Company reports cash flows from operating activities using the indirect method.

Group reorganisation accounting

The Company acquired its 100% interest in i(x) investments on February 9, 2022 by way of a reverse merger. This is a business combination involving entities under common control and the consolidated financial statements are issued in the name of i(x) Net Zero, but they are a continuance of those of i(x) investments. Therefore, the assets and liabilities of i(x) investments have been recognised and measured in these consolidated financial statements at their pre combination carrying values. The retained earnings and other equity balances recognised in these consolidated financial statements are the retained earnings and other equity balances of the Company and i(x) investments. The equity structure appearing in these consolidated financial statements (the number and the type of equity instruments issued) reflect the equity structure of the Company including equity instruments issued by the Company to effect the consolidation.

The audited financial statements of the Company for 2021 and the unaudited financial statements for the period ended June 30, 2021 represent the results of operations of i(x) investments. Comparative consolidated statements of profit and loss and cash flows for the six month period ended June 30, 2021 were restated to separate results of discontinued operations in order to comply with the current period presentation.

Judgments and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies and making any estimates. Changes in assumptions might have a significant impact on the financial statements in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the Company's financial statements are fairly presented. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 2 under Fair Value Estimation.

As of December 31, 2021, management determined that the transfer of the Company's broker/dealer subsidiary should be treated as a discontinued operation.

Foreign Currency

The financial statements are presented in the functional currency of US Dollars, since the majority of its revenue and operating expenditure is denominated in this currency. Foreign currency transactions are translated into the functional currency using the rates of exchange prevailing at the dates of the transactions. At each end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies, if any, are translated at the rates prevailing on the reporting end date. Gains and losses arising on translation, if any, are included in other income in the statement of profit or loss for the period.

Assessment as an Investment Entity

Management of the Company has determined that it meets the definition of an investment entity within IFRS 10 and, therefore, is required to measure its subsidiaries held as investments at fair value through profit and loss rather than consolidate them. Management of the Company considered exit strategies and all the Company's activities to conclude whether the following criteria are satisfied:

- The entity obtains funds from one or more investors for the purpose of providing those investors with investment services;
- The entity commits to its investors that its business purpose is to invest funds solely for

returns from capital appreciation, investment income or both;

- The entity measures and evaluates the performance of substantially all of its investments on a fair value basis.

Management determined that the Company meets the definition of investment entity in accordance with IFRS 10, *Consolidated Financial Statements*, as all of the above criteria are met by the Company.

The Company was established to obtain funds from its investors and with a view to manage the investments made from those funds.

- The only sources of profit for the Company are capital appreciation and investment income. The Company aims to maximize value of its investments and to monetize this value through dividend inflow, interest revenue and disposal of investments at the right time and at the right price. The Company does not obtain any other benefit from its investments that are not available to other parties that are not related to the respective investee.

In addition to the above, while assessing whether the Company meets the definition of investment entity, management considered the following typical characteristics of the investment entity (as indicated in IFRS 10):

- investment entity has more than one investment;
- investment entity has more than one investor;
- investment entity has investors that are not related parties of the entity;
- investment entity has ownership interests in the form of equity or similar interests.

Assessment as an Investment Entity

The Company has all of the above typical characteristics of an investment entity.

Management has concluded that the Company meets the definition of an investment entity. This conclusion will be reassessed on an annual basis, if any of these criteria or characteristics change.

Basis of Consolidation and Control of Subsidiary Entity

As of December 31, 2021, the statement of financial position of the Company includes the unconsolidated accounts of the Company. The Company's subsidiary, i(x) Financial Services is not consolidated with the Company due to the Company's plan as of December 31, 2021, to distribute i(x) Financial Services and certain other assets, to a newly formed entity. The assets to be distributed are reported as assets held for disposal on the statement of financial position as of December 31, 2021. These assets were distributed to a newly formed entity on February 2, 2022, and are no longer included in the i(x) Net Zero balance sheet at June 30, 2022.

The Statement of Profit or Loss for the period ended June 30, 2021 and the year ended December 31, 2021 are not consolidated and reflect the profit or loss from i(x) Financial Services as a discontinued operation.

Valuation of Investments

The Company's investments consist of investments in private operating companies. These investments are valued by the Company's management at the end of each financial reporting period at fair value. As of June 30, 2022 and 2021 and December 31, 2021, the fair values of these investments were determined by the Company's management, as described under Fair Value Estimation.

The fair value of all other assets and liabilities held by the Company are determined at their fair value as reasonably determined in good faith by the Company's management.

Although the Company's management uses its best judgment in determining the fair value of its investments, there are inherent limitations in any such process. The fair value presented is not necessarily indicative of an amount the Company could realize in a current transaction and the differences could be material.

New Standards and Interpretations

The following new standard was adopted by the Company as of January 1, 2018.

IFRS 15 Revenue from Contracts with Customers

This standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer. An entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue from contracts with customers is recognised when, or as, the entity believes it has satisfied its performance obligations by transferring the promised goods or services to its customers. Revenue is recognised in the amount which the entity expects to receive in exchange for such goods or services. A distinct good or service, referred to as a performance obligation, is transferred to a customer when the customer obtains control of, or derives benefit from, that good or service. Revenue from a performance obligation satisfied over time is recognised by measuring progress towards satisfying the performance obligation in a manner that depicts the transfer of the goods or services to the customer. The guidance provides for a five-step process to be applied before revenue can be recognised and provides disclosure requirements for revenue recognition.

The following new standard was adopted by the Company retrospectively, as of January 1, 2018.

IFRS 16 Leases

This standard, which is effective January 1, 2019, requires a lessee to recognize a right-of- use asset representing its right to use the underlying leased asset and a lease liability, representing its obligation to make lease payments.

The following new standards or modifications to existing standards have been adopted by the Company as of January 1, 2020.

IFRIC 23 Uncertainty over Income Tax Treatments

IFRIC 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of IAS 12 (often referred to as "uncertain tax positions").

The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments.

The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances.

Upon adoption of the interpretation, the Company considered whether it has any uncertain tax positions arising from the investment activities. However, the interpretation did not have any significant impact on the Company's consolidated financial statements.

Amendments to References to the Conceptual Framework in IFRS Standards

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the Conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standard in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts.

Financial Assets and Liabilities

Financial assets includes cash and cash equivalents, investments, cash advances for future investments, accounts receivable, prepaid expenses and other assets.

Financial liabilities include accounts payable and accrued expenses, and professional fees payable.

Financial Assets and Liabilities at Fair Value through Profit or Loss

The Company classifies all of its investment portfolio as financial assets at fair value through profit or loss. The portfolio of financial assets is managed and performance is evaluated on a fair value basis. The Company is primarily focused on fair value information, and it uses that information to assess the assets' performance and to make decisions. The Company has not taken the option to irrevocably designate any equity securities as fair value through other comprehensive income. The contractual cash flows of the Company's debt securities are solely principal and interest, but these securities are neither held for the purpose of collecting contractual cash flows nor held both for collecting contractual cash flows and for sale. The collection of contractual cash flows is only incidental to achieving the objective of the Company's business model. Consequently, all investments are measured at fair value through profit or loss. The Company recognizes net changes in fair value on financial assets at fair value through profit or loss on the statement of profit or loss. The Company's accounting policies for measurement and fair value estimation of financial assets are discussed under Measurement and Fair Value Estimation in the notes to the consolidated financial statements.

Recognition

The Company recognizes financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Purchases and sales of financial assets are recognised on the trade date. From this date any gains and losses arising from changes in fair value of the financial assets or financial liabilities are recorded in the statements of profit or loss.

Income and expense are recognised on an accrual basis. Transactions for private obligations are recorded on the date when the terms of the transaction are fully negotiated and known. Realised gains and losses from investment transactions are determined using the specific identification method.

Dividend income and expense are recorded on the ex-dividend date. Interest expense is recognised as incurred. Interest and dividends have not been accrued for securities or other obligations when the Company's management believes there is substantial doubt of collection.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control of a product or service to a customer.

Measurement

Financial assets and financial liabilities are measured initially at cost which is the fair value of the consideration given or received.

All recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortized cost or fair value based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Subsequent to initial recognition, all financial assets and financial liabilities are measured at fair value and accounted for through profit or loss. Gains and losses arising from changes in the fair value of the financial assets or financial liabilities at fair value through profit or loss are presented in the consolidated statements of profit or loss in revenue, in the period in which they arise.

Cash and Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when acquired to be cash equivalents.

Cash Advances for Future Investments

The Company may pay direct expenditures on behalf of a private operating company which the Company's management expects to invest in, in the future. When such expenditures are paid, they are recorded as cash advances for future investment on the Company's statements of financial position. Such expenditures may be reimbursable by the private operating company that they were paid on behalf of, or they may be converted to equity or debt securities issued by the private operating company in future periods. If the Company determines that such expenditures are not collectible from the private operating company or will not be converted to equity or debt securities, then the Company recognizes a loss on such expenditures in the year in which such loss is determined. The balance in cash advances for future investments was $86,165 as of June 30, 2022, and December 31, 2021, and $848,226 as of June 30, 2021 and is reflected on the Company's statements of financial position.

Prepaid Expenses

Prepaid expenses as of December 31, 2021, include expenses incurred in connection with the initial public offering of i(x) Net Zero, PLC ("i(x) Net Zero"). These expenses were accrued as of December 31, 2021 and deducted from the equity of i(x) Net Zero upon completion of the IPO. The total of these expense amounted to $1,416,000 as of December 31, 2021.

Current Liabilities

The balances in the accompanying statements of financial position for accounts payable and accrued expenses, professional fees payable and the current portion of the lease liability are due and payable within one year from June 30, 2022 and 2021 and December 31, 2021 respectively.

Lease Accounting

The Company accounts for leases by recognizing a right-of-use asset and a lease liability. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless this rate is not readily determinable, in which case the Company's incremental borrowing rate on commencement of the lease is used. Right-of- use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for lease payments made at or before commencement of the lease, initial direct costs incurred and the amount of any provision where the Company is contractually required to dismantle, remove or restore the leased asset. Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease.

The Company has a lease agreement with lease and non-lease components. Such non- lease components are accounted for separately.

The Company has elected not to recognize right-of-use assets and liabilities for short-term leases that have a lease term of 12 months or less, or leases of low value assets. These lease payments are expensed on a straight-line basis over the lease term.

Income Taxes

The results of the corporate inversion and resulting IPO transaction result in i(x) Net Zero being treated as a U.S. domestic corporation for all purposes of the U.S. tax code under Internal Revenue Code Section 7874(b) as of the date of the transaction. As a result of the transaction, there will be deferred tax implications related to the Company's temporary difference in the book and tax basis of its assets, the most material of which is the difference between the tax basis and the fair value of the Company's investments. As of June 30, 2022, the U.S. federal and state corporate deferred tax impact of the above referenced transaction on the investments listed on the Company's schedule of investments at fair value is projected to result in a deferred tax liability of approximately $12,686,000 at the Company's effective federal and state tax rates of 21% and 3.29%, respectively.

Deferred Income Taxes

The Company recognizes a deferred tax asset for the tax benefit of a net operating loss that, in the judgement of the Company's management, is more likely than not of being realised in a future year.

The tax benefit of a net operating loss will be realised if it can be offset against taxable income in a future year. Currently, federal net operating losses carryforward indefinately and the carryforward periods in the states where the Company files income tax returns is 20 years. A valuation allowance is established for any portion of a deferred tax asset that is not likely to be realised in a future year. The valuation allowance is evaluated and adjusted annually by management for changes in the estimated amount of deferred tax assets that are not likely to be realised in future years, based on evidence currently available.

The Company also recognizes deferred income tax liabilities for the tax effect of temporary differences between the tax basis of assets and liabilities and their reported amounts in the financial statements.

Deferred tax assets and liabilities are determined based on enacted tax laws and income tax rates expected to be in effect at the time the deferred tax assets and liabilities are expected to affect taxable income.

A balance sheet approach is used to determine the deferred income tax provision or benefit to be recognised in the Company's statements of operations. The current year provision or benefit is determined based on the difference between the prior and current year balances in the deferred tax asset and deferred tax liability accounts. The change in valuation allowance for the deferred tax asset is determined using the same approach.

The following are the deferred tax liabilities of the Company as of June 30, 2022:

	Total	Federal	State
Deferred Tax Liability	$ 12,685,897	$ 12,359,843	$ 326,054

There were no deferred tax assets as of June 30, 2022.

Accounting for Uncertainties in Income Taxes

The Company's management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities. The Company's management has determined that there are no uncertain tax positions and, as a result, has identified no matters that require further disclosure in the financial statements. As of December 31, 2021, the tax years that remain subject to examination by United States federal and state tax jurisdictions under the statute of limitations, are the calendar years 2018 through 2021.

Fair Value Estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. If there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Company measures fair value using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1: Assets and liabilities with inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.

- Level 2: Assets and liabilities with inputs other than quoted prices included within Level 1, that are observable either directly or indirectly, including quoted market prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are considered less active or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

- Level 3: Assets and liabilities with inputs that are unobservable. Level 3 includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. The valuation technique used is dependent on the level of data, the circumstances and the availability of observable inputs and may include discounted cash flow analysis, market comparables and option pricing models.

Level 3 instruments include investments in private operating companies, which comprise 100% of the Company's investment portfolio. The Company's management determines the fair value of these investments using valuation techniques applicable to Level 3 investments. Typically, the Company's best estimate of fair value at inception is the transaction price, excluding transaction costs. When evidence supports a change to the carrying value from the transaction price, adjustments are made to reflect expected exit values in the investment's principal market under current market conditions.

In estimating the value of Level 3 investments, the inputs generally used by the Company's management include the original transaction price, completed or pending third-party transactions in the underlying investment or comparable issuers, subsequent rounds of financing, recapitalizations and other transactions across the capital structure, offerings in the equity or debt capital markets, and changes in financial ratios or cash flows. The Company also considers specific events which may impact the fair value of investee companies, including the following:

- Corporate, political or operating events that may have a material impact on the investee company's prospects and therefore, its fair value.
- The investee company is placed into receivership or bankruptcy.
- The investee company is unlikely to continue as a going concern.
- Management changes at the investee company that may have a positive or negative impact on the investee company's ability to achieve its objectives and build value for shareholders.

Level 3 investments may also be adjusted to reflect illiquidity and/or non-transferability, with the amount of such discount estimated by the Company's management in the absence of market information. The fair value measurement of Level 3 investments does not include transaction costs that may have been capitalized as part of the security's cost basis. Assumptions used by the Company's management due to the lack of observable inputs may significantly impact the resulting fair value and therefore the Company's results of operations.

Investments in Private Operating Companies

The following table presents information about the Company's assets measured at fair value as of June 30, 2022 and 2021, and December 31, 2021:

	Level 3		
	June 30, 2022	June 30, 2021	December 31, 2021
Investments at Fair Value			
Common Stock	$ 2,383,698	$ 2,245,730	$ 2,383,698
Convertible Note	511,000	300,000	499,955
Limited Liability Company Interests	62,299,485	52,651,058	57,357,099
Limited Partnerships	742,000	500,000	500,000
Total investments at Fair Value, End of Period	$ 65,936,183	$ 55,696,788	$ 60,740,752

The following tables present the changes in assets classified in Level 3 of the fair value hierarchy for the periods ended June 30, 2022 and 2021 and the year ended December 31, 2021:

	Common Stock	Convertible Note	Limited Liability Company Interests	Limited Partnerships	Totals
Balance at December 31, 2021	$ 2,383,698	$ 499,955	$ 57,357,099	$ 500,000	$ 60,740,752
Purchases of investments	-	-	500,000	-	500,000
Unrealised gain	-	11,045	4,442,386	242,000	4,695,431
Balance at June 30, 2022	$ 2,383,698	$ 511,000	$ 62,299,485	$ 742,000	$ 65,936,183

	Common Stock	Convertible Note	Limited Liability Company Interests	Limited Partnerships	Total
Balance at December 31, 2020	$ 1,338,151	$ 50,000	$ 14,379,697	$ -	$ 15,767,848
Advisory fees paid-in kind	-	-	-	500,000	-
Purchases of investments	-	250,000	200,000	-	950,000
Unrealised gain	907,579	-	38,071,361	-	38,978,940
Balance at June 30, 2021	$ 2,245,730	$ 300,000	$ 52,651,058	$ 500,000	$ 55,696,788

	Common Stock	Convertible Note	Limited Liability Company Interests	Limited Partnerships	Total
Balance at December 31, 2020	$ 1,338,151	$ 50,000	$ 14,379,697	$ -	$ 15,767,848
Purchases of investments	-	499,955	3,370,000	500,000	4,369,955
Transfer to assets held for disposal	(200,000)	(50,000)	-	-	(250,000)
Unrealised gain	1,245,547	-	39,607,402	-	40,852,949
Balance at December 31, 2021	$ 2,383,698	$ 499,955	$ 57,357,099	$ 500,000	$ 60,740,752

During the six-month periods ended June 30, 2021, and 2020, and the year ended December 31, 2021, there were no transfers of securities between Levels.

The following tables summarize the methods and significant assumptions used to measure investments categorized in Level 3 of the fair value hierarchy and whose values were determined by management as of June 30, 2022 and 2021, and December 31, 2021:

	Fair Value at June 30, 2022 (in thousands)	Valuation Technique	Unobservable Input	Average
Investments				
Common Stock				
Carbon Capture Technology	$ 2,384	Market Approach	Implied value of equity financing	$109.53/share
Total Common Stock	2,384			
Limited Liability Company Interests				
Biofuel Developer (1)	46,902	Market Approach	Recent transaction - capital raise (90% weight)	$4.52/unit
	.	Option Pricing Method (backsolve)	Risk free rate - 3%, volatility - 138.8%; time to liquidity event - 5 years (10% weight)	
Real Estate Development	5,000	Income Approach - Discounted Cash Flow	Discount rate - 55%	$3.92/unit
Renewable Energy	9,697	Options Pricing Method (Management Company)	Risk free rate - 3%, volatility - 4%; time to liquidity event - 5 years	
		Monte Carlo Simulation (Founders' shares owned indirectly by management company)	Risk free rate - 2.9%, volatility - 4%; term to maturity -1.8 years (lockup period)	
	700	Transaction cost	Transaction cost	N/A
Total Renewable Energy	10,397			
Software/Information Technology	511	Market Approach	Recent transaction - capital raise (50% weight)	$46.56/unit
		Option Pricing Method (backsolve)	Risk free rate - 3%, volatility - 180.0%; time to liquidity event - 5 years (50% weight)	
Total Limited Liability Company Interests	62,810			
Limited Partnership Interest				
Building technology	742	Transaction cost	Transaction cost	$225/unit
Total	$ 65,936			

	Fair Value at June 30, 2021 (in thousands)	Valuation Technique	Unobservable Input	Average
Investments				
Convertible Notes				
Finance Technology	$ 50	Transaction Cost	Transaction cost	$50,000
Software	250	Transaction Cost	Transaction cost	$250,000
	300			
Common Stock				
Carbon Capture Technology	2,046	Market Approach	Implied value of equity financing round	$94.01/share
Finance Technology	200	Market Approach	Transaction cost plus advisory fees paid in kind	$1.00/share
Total Common Stock	2,246			
Limited Liability Company Interests				
Biofuel Developer (1)	47,371	Market Approach	Recent transaction - capital raise (90% weight)	$4.56/unit
	.	Option pricing method (backsolve)	Risk free rate - .9%, volatility - 170%; time to liquidity event - 5 years (10% weight)	
Real Estate Development	5,080	Income Approach - Discounted Cash Flow	Discount rate – 15%; long term growth rate - 2%; tax rate – 26%	$4.14/unit
Renewable Energy	200	Transaction Cost	Transaction cost	$200,000
Total Limited Liability Company Interests	52,651			
Limited Partnership Interest				
Building Technology	500	Transaction Cost	Transaction cost	$500,000
Total	$ 55,697			

	Fair Value at December 31, 2021 (in thousands)	Valuation Technique	Unobservable Input	Average
Investments Common Stock				
Carbon Capture Technology	2,384	Market Approach	Implied value of equity	$109.53/shares
Total Common Stock	2,384			
Limited Liability Company Interests Biofuel Developer (1)	46,822	Market Approach	Recent transaction - capital raise (90% weight)	$4.51/unit
		Option Pricing Method (backsolve)	Risk free rate – 1.3%, volatility – 137.9%; time to liquidity event – 5 years (10% weight)	
Real Estate Development	4,180	Income Approach – Discounted Cash Flow	Discount rate – 15%	$3.92/unit
Renewable Energy	5,025	Options Pricing Method (Management Company)	Risk free rate - 1.3%, volatility - 20%; expected life of option – 5 years	
		Monte Carlo Simulation (Founders' shares owned indirectly by management company)	Risk free rate - .85%, volatility - 10%; term to maturity - 2.3 years (lockup period)	
	700	Transaction cost	Transaction cost	N/A
Total Renewable Energy	5,725			
Software/Information Technology	500	Transaction cost	Transaction cost	N/A
Total Limited Liability Company Interests	57,857			
Limited Partnership Interest Building technology	500	Transaction cost	Transaction cost	N/A
Total	**$ 60,741**			

(1) The investment in Biofuels represents the Company's interest in WasteFuel Global, LLC ("WasteFuel Global"). In January 2021, WasteFuel Holdings, LLC was reorganized into WasteFuel Global, LLC and the Company contributed its interest in WasteFuel Holdings to the new company, in exchange for 10,841,000 units of the new company.

The per unit price of WasteFuel Global in the most recent capital raise was given a 90% weight in the June 30, 2022, June 30, 2021 and December 31, 2021 valuations and a 10% weight was ascribed to the backsolve method, which is a method that derives the equity value for a company from a transaction involving the company's own securities. The rights and preferences of each class of equity, market interest rates, industry sector volatility data, and an estimated time period to a liquidity event are all considered and included in an option pricing model under the backsolve method. The weighting of these two valuation methods and the unobservable inputs used in the valuation were based on management judgment. The unobservable inputs are presented in the Level 3 valuation table as of June 30, 2022 and 2021 and December 31, 2020, in Note 2 above.

On a semi-annual basis, the Company's management reviews the fair value calculation for each Level 3 security and assesses, among other things, the reasonableness of the pricing models, the inputs to the pricing models and the significant assumptions developed internally or by independent valuation experts.

3. Share Capital

The Company has 79,056,811 ordinary shares authorized, issued and outstanding as of June 30, 2022.

Basic earnings per share is calculated by dividing the earnings attributable shareholders by the weighted average number of ordinary shares outstanding during the period. Fully diluted earnings per share is calculated based on the weighted average number of shares assuming all stock options are exercised. Due to losses in the period from January 1, 2022 to June 30, 2022, the effect of stock options on earnings per share is anti-dilutive and therefore stock options are not included in the calculation of diluted earnings per share. Earnings per share are set out below:

	Basic
Earnings attributable to the ordinary shareholders of the Company	$ (12,860,896)
Weighted average number of shares	79,056,811
Basic and diluted loss per share	$ (0.16)

Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. The gross and net proceeds from the IPO are as follows:

	Amount	Shares
Gross proceeds from IPO	$ 14,481,736	14,056,811

Less: IPO expenses	(2,356,315)	-
Proceeds, net of expenses from IPO	$ 12,125,421	14,056,811

4. Share-Based Compensation

Pursuant to the Company's Equity Incentive Plan for 2022 (the "Incentive Plan"), stock options were granted to management employees during the period from January 1, 2022 to June 30, 2022. Each management employee was granted the option to purchase shares of the Company's stock in accordance with each employee's Stock Option Grant. The options are exercisable at £0.76 per share and the options expire ten years from the grant date, as specified in each employee's Stock Option Grant. The shares subject to the Incentive Plan vest over three years and will only vest upon the Company's achievement of a total shareholder return compound growth per annum target for the Performance Period of 8% or more. The Performance Period is the period of three years from the date the Company's shares were admitted for trading on the AIM market. Options are forfeited if an employee leaves the Company before the options vest.

Details of the share options outstanding during the period from January 1, 2022 to June 30, 2022 are as follows:

	Period from January 1, 2022 to June 30, 2022
Outstanding at beginning of period	-
Granted during the period	5,779,277
Forfeited during the period	(909,153)
Excercised during the period	-
Expired during the period	-
Outstanding at end of period	4,870,124

The aggregate fair value of the options granted as of the dates granted was $4,303,000, which was determined using the Black Scholes options pricing model. The expected volatility used to determine the fair values of the options granted ranged from 123.4% to 125.2% and the average expected volatility was 124.4%. The risk free rates used in the determination of the fair values of the options ranged from 1.86% to 2.85% and the average risk free rate was 2.38%.

The expense recognised for the period from January 1, 2022 to June 30, 2022 was $779,725 and is included in general and administrative expenses on the consolidated statement of profit or loss.

5. Commitments and Contingencies, Assets Held for Disposal and Discontinued Operations

The following table sets out the assets and liabilities as of December 31, 2021, which were transferred from i(x) investments to i(x) Sustainable Holdings upon completion of the Company's IPO in February 2022:

	i(x) Financial Services, LLC	i(x) investments, LLC	Total
Current Assets			
Cash and cash equivalents	$ 534,276	$ -	$ 534,276
Cash advances for future investment	-	390,770	390,770
Accounts receivable	337,727	-	337,727
Prepaid expenses and other assets	26,763	-	26,763
Non-current Assets			
Investments	-	250,000	250,000
Total Assets	898,766	640,770	1,539,536
Current Liabilities			
Accounts payable	220,820	-	220,820
Loans payable	101,875	-	101,875
	322,695	-	322,695
Members' Capital	$ 576,071	$ 640,770	$ 1,216,841

In addition to the above, $400,000 was transferred from i(x) investments to i(x) Sustainable Holdings in January 2022 based upon the Transfer Agreement, as amended, between i(x) investments and i(x) Sustainable Holdings.

In the normal course of business, the Company enters into contracts that contain a variety of representations and warranties, and which provide indemnifications. The Company's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Company that have not yet occurred. However, based on experience, the Company expects the risk of loss to be remote.

The Company has non-binding commitments to invest $2.475 million in Enphys Management Company over the 18-month period beginning in January 2022. The total amount funded through December 31, 2021, plus non-binding commitments over the next 2 years totals $6.0 million. In addition, i(x) Net Zero has agreed to invest an additional $1.5 million in cash in Enphys Management Company, LLC ("EMC"). The investment comprises an initial payment of $500,000 and 10 monthly payments of $100,000 each commencing in July 2022, each of which is expected to be funded from i(x) Net Zero's existing cash resources. Following the initial payment, i(x) Net Zero's holding in EMC will increase by 3.5% to 14.5%. However, if the Company fails to make any of the payments agreed to, the 3.5% is subject to clawback in its entirety. This investment also indirectly increases i(x) Net Zero's stake in Enphys Acquisition Corp ("EAC"). The Company expects this additional investment to be accretive to its net asset value.

In January 2022, Lion Point Capital, LP, on behalf of funds managed by it, ("Lion

Point") and the Company entered into a strategic relationship to identify and pursue certain transactions together, with an initial focus on opportunities in Energy Transition. At the time of the Company's IPO, Lion Point Master, LP ("Lion Point Master") entered into a subscription agreement and subscribed for $6.8 million (approximately £5.0 million) in ordinary shares of the Company at the placing price as part of the fundraising. Lion Point Master was granted a put option and pursuant to the put option, the Company is obliged to repurchase Lion Point Master's shareholding of 6,672,161 Ordinary Shares at the placing price (£0.76 per share ($1.02 per share)) amounting up to $6.8 million at any time during the three year term following the Company's admission to trading on AIM. Lion Point has also granted to the Company a call option to purchase $6.8 million of common shares of Suniva, Inc. Further details are set out in paragraph 5.6 of Part 1 and paragraphs 18.1(j), (k) and (l) of Part 7 of the Company's Admission document dated 4 February 2022, which is available on the Company's website https://ixnetzero.com/.

6. Leases

The Company's lease for office space at 1149 Third Street, Santa Monica, CA commenced in December 2018 and expires in January 2024. Upon initial recognition of the lease liability, such amount was measured at the present value of the contractual payments due to the lessor, using the Company's incremental borrowing rate of 5% as the discount rate. The amount of the initial liability and the right of use asset was $1,549,998. For the period from January 1, 2022 to June 30, 2022, information pertaining to this operating lease was as follows:

Supplemental Information		*Total*
Operating lease ROU asset as of December 31, 2021	$	653,426
Amortisation of ROU assets for the six months ended June 30, 2022		(149,983)
Operating lease ROU asset as of June 30, 2022	$	503,443
Total operating lease costs included in occupancy expense for the six months ended June 30, 2022	$	288,425
Remaining lease term		19 months
Discount rate		5.0%

Maturities of operating lease liability for fiscal years ending December 31		
2022	$	182,173
2023		374,342
2024		32,051
Total lease payments		588,566
Less imputed interest		(21,662)
Total operating lease liability as of June 30, 2022	$	566,904

Interest expense on lease liabilities for the periods ended June 30, 2022 and 2021 and the year ended December 31, 2021 was $15,839, $23,342 and $43,220, respectively.

The Company sublet its office space in Santa Monica, California, effective August 1, 2021. In accordance with the terms of the sublease agreement, the subtenant is obligated to pay rent to the Company monthly, totalling $460,668 over the remaining life of the lease, which terminates on January 31, 2024. In addition, the subtenant is obligated to pay the Company's share of operating expenses which are payable to the lessor under the terms of the original lease.

7. Related Parties

As disclosed in the Company's Admission Document, upon Admission, Steven Oyer, the CEO and Director of i(x) Net Zero plc would have been entitled to $2,000,000 as an investor liquidity bonus under the terms of his service agreement. However, he voluntarily agreed to amend his agreement. Under the amendment proposed by Steven Oyer, he would receive a cash bonus of $1,050,000, and $700,000 of his $2,000,000 bonus would at his direction and request instead be paid to other members of the i(x) executive team, including the CIO, CFO, COO and Director, Strategic Initiatives, for a total of $1.75 million in cash bonus to be paid to the executive team. The executive team then agreed that an aggregate of $1,000,000 of the cash bonus payments (being approximately the aggregate after-tax amount of the cash bonus to the executive team) would be used to fund the acquisition by the executive team of $1,000,000 of Ordinary Shares at the Placing Price (£0.76 per share) from an affiliate of a founder, former CEO and Director of i(x) investments.

The remaining $250,000 due to Steven Oyer under his original service agreement was paid to him via an option grant made on Admission to purchase any time after Admission such number of Ordinary Shares as equals $250,000 at the Placing Price. This option grant was in addition to the incentive grant awarded to Steven Oyer under the Company's Equity Incentive Plan on Admission.

On 9 February 2022 the five members of the executive team purchased 981,201 i(x) Net Zero ordinary shares from an affiliate of a founder, former CEO and Director of i(x) investments for $1,000,000, which the Company paid on their behalf. The Company recorded that payment as IPO bonus expense of $1,000,000. The Company then recorded the remaining $750,000 of the aggregate cash bonus, plus a small additional amount to cover additional employee income tax liability, for a total of $765,182, to be paid in 2022. The amount of the bonus that is payable as of June 30, 2022 is $654,182, and is reported on the consolidated statements of financial position as bonus payable.

A former CEO and Director of the Company, who served through December 2020, and served as a consultant to the Company through August 2021, was paid consulting fees totalling $444,167 in 2021. This former CEO and Director is also a shareholder in the Company, serves as the Chairman and CEO of an investee company and is a shareholder in another investee company. In addition, two of the Directors of the Company are investors in an investee company and invested on the same terms as the Company.

8. Subsequent Events

There were no subsequent events identified by the Company's management which would require adjustment to, or disclosure in, the consolidated financial statements.

* * * * *