

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014. The directors take responsibility for this announcement.

17 August 2021

SulNOx Group Plc (the "**Company**" or "**SulNOx**")

Final Results and Audited Annual Report and Accounts for the Year to 31 March 2021

(Aquis Stock Exchange: SNOX)

Final Results

The Board of Directors of SulNOx is pleased to announce the publication of the audited annual report and accounts for the year to 31 March 2021 (the "**Annual Report**").

The Annual Report will be published on the Company's website in compliance with its articles of association and the electronic communications provisions of the Companies Act 2006. A copy of the Annual Report can also be accessed through the link below.

Annual Report - http://www.rns-pdf.londonstockexchange.com/rns/9555I_1-2021-8-17.pdf

Key extracts from the Annual Report can also be viewed below.

Ben Richardson, CEO, commented,

"As set out in Radu's statement below, SulNOx has now come of age. After eight years of development, two weeks ago we launched our UK sales arm which has already brought in c. 50 sales and multiple further appointments offering cost saving opportunities for individuals and businesses alike. In recent months, we have sold and sent samples across the globe for testing including to Australia, Chile, Germany, Greece, Hong Kong, Indonesia, New Zealand, Romania, Peru and the USA and our presence and opportunities in South Africa continues to be strong despite recent disruptions. Revenue generation remains our number one short term priority and to this end we will be gathering our team and Independent Sales Organisations together in person for a strategy day at the end of the month.

As per our plans, our new CFO, Steven Cowin, has started and is already making a very positive impact and we will shortly welcome a new Chief Branding Officer and Non-Executive Board member to develop our sales further. We are also investing further in technical sales and research personnel, along with R&D testing and equipment to augment our emerging client trial data.

In line with our own green credentials, I am also very proud of our specialty chemicals provider, Nouryon, who has been awarded a Gold rating by EcoVadis for its sustainability achievements. We hope to announce further ESG partnerships in the near future and will look to have a significant presence at COP26 in November.

We are a committed and passionate Board with tremendous products and opportunities ahead, I very much look forward to announcing our successes to you all as they arise in the coming months."

Annual General Meeting

Any shareholders who wish to attend the Annual General Meeting, announced on 13 August 2021, should RSVP to accounts@sulnoxgroupplc.com (not the email address set out in the previous announcement) at least 7 days (1 September 2021) in advance as the venue requires details of attendees and so they are able to cater for the reception after the meeting.

- Ends -

For further information please contact:

SulNOx Group plc

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Allenby Capital Limited

(AQSE Corporate Adviser)

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Chairman's Statement

Business Review

In many years shareholders like to focus on the simple financial numbers as a way of assessing how a company is progressing. This financial year is definitely not one of those years.

As the financial year to 31st March 2021 progressed, a number of large shareholders made it clear that the management team were not moving the company forward in the correct way or indeed fast enough. Matters came to a head in the autumn of 2020 and three shareholders requisitioned a General Meeting of the shareholders and proposed a "vote of no confidence" in the entire board of directors. This vote was overwhelmingly carried and your new board was appointed on December 4th 2020.

The first task of the new directors was to have a thorough review of the company and not only decide what needed to be done but implement it as soon as practical. As a result, looking at the accounts to the 30th March 2021 is simply looking at a picture of the past and not particularly helpful. As your Chairman, might I suggest that you read all the 21 Regulatory News Service (RNS) announcements that have been published by the new team since December 2020, which show how fast the company is moving forward and what has been achieved in such a short passage of time. These RNS's can be seen on the investor section of our website - <https://sulnoxgroup.com/>

Clearly, the SulNOx products work, but the world we live in requires written and certified proof of these facts by independent third parties in addition to client testimonials. Therefore, during 2021, Bureau Veritas (a 78,000 strong, world class specialised testing, inspection and certification group) was commissioned and subsequently certified that using our SulnoxEco Fuel Conditioner does not take the mixed fuel outside the regulatory parameters of Diesel, Petrol and Biofuels. What this means for the shareholders of the SulNOx Group, is that our products can improve the performance of all these hydrocarbon fuels, whilst reducing their toxic emissions. Indeed, SulNOx can save users money and save our planet at the same time.

The SulNOx Group does not manufacture its products, which are continuing to be made by Nouryon. In order to maximise revenues in the shortest time period, we will continue to sell product through Independent Sales Organisations (ISOs). Please read the RNS releases to see recent announcements around the four new collaborations.

The company will now also be collaborating with The Hythe Group who have all the Marine

Engineering capability that our company needs as the future unfolds. This is an important step forward in further professionalising our offerings to the vast market that is the maritime sector.

In terms of the balance sheet, any shareholder or investment observer, looking at our accounts will quickly appreciate that there was not enough cash to drive this company forward. The new team identified how much capital will be required to make the dreams of The SulNOx Group become a reality.

It is therefore my pleasure, as your Chairman, to ask you to read the RNS dated 13th July 2021 in which it states that a total of £2.59m has been raised to further the business of The SulNOx Group. I wish to thank Ben Richardson and all the directors for their outstanding work and I hope all the shareholders will be happy to applaud it. The future of our "Green Technology" company will become increasingly understood and heard in the year ahead.

Developments Since December 2020

In the years between 2013 to 2019 when we referred to "trials" the understanding was that potential new customers were seeing whether our products were "fully developed". Over the last twelve months a construction company has used SulNOx's eco-conditioner in its fuel. They have driven over a 1.2 million miles and have saved 8-10% in fuel and maintenance costs whilst also dramatically reducing their toxic emissions. As we trial in the future we are simply asking companies to see how much they can save themselves whilst contributing to improving air quality. There are circa 11 billion litres of Diesel & Petrol used each and every day worldwide. With a proven product available today, a global market of unimaginable size awaits us and we now have the funds in our Balance Sheet to deliver the dream.

Without doubt the last twelve months have been dominated by the COVID-19 pandemic and the SulNOx Group has been badly affected by this global crisis. To add to this, as mentioned previously, some of the large shareholders asked for the removal of the CEO, who in their opinion was not the person to take the company to where it needed to be. The Board of directors at the time, responded badly to this request and as a result, a General Meeting of shareholders was required and this led to a completely new team being appointed.

Since December 2020, the information flow has become ever more positive and as the Chairman of the Board, I would like to emphasise the dramatic and exciting developments that are now visible, from the steady stream of RNS announcements that have been issued:

- The SulNOx Group and Nouryon have extended their License agreement for a further three years. The significance of this is extremely important, as it means that SulNOx never have to take the responsibility for manufacturing and blending our unique environmental chemical products.
- A Collaboration Agreement with the Rigworld Group of Ghana has been announced and their intention is to take the proprietary technology of the SulNOx Group throughout the continent. In fact, Dr Kofi Amoa-Abban, the CEO of Rigworld, wishes to bring the Green Revolution to all of Africa and indeed beyond.
- A&S International, who have 50 distributors in 40 countries, have agreed to become an ISO for the SulNOx Group.
- Remnox, based in Scotland, has agreed to become an ISO and has already created over 140 outlets and wishes to sell way beyond the confines of their nation.
- The SulNOx Group has been accepted onto the Apex Section of Aquis Exchange as its 21st member. This is a major step forward in the recognition of our Green/Environmental business.
- Bureau Veritas, have confirmed that Diesel with the SulNOxEco Fuel Conditioner does not breach the EN590 Guidelines.
- Bureau Veritas also confirms that Petrol with the SulNOxEco Fuel Conditioner does not breach the EN 228 Guidelines.

- Bureau Veritas has certified that High FAME B20 & B30 diesel fuels using the SulnoxEco™ Fuel Conditioner are compliant with EN16709. These "Biodiesel Fuels" are critical in the path to Zero Emissions by 2050.
- In the last three years, the company has filed both UK and Worldwide Patents and to date there have been no challenges to the uniqueness of our proprietary technology.
- Twelve months ago, we were in talks with a handful of potential customers but today that figure is more than 250.
- Raising approximately £2.59 million, providing SulNOx with the required resources to accelerate our growth plans (including in the USA) and capitalise on the increasing number of market opportunities:
 - We can now expand our Research and Development further including into biofuels and oil reclamation products where we have other unique offerings and considerable revenue potential;
 - We have engaged a specialist Public Relations and Public Affairs firm to promote the relatively unknown SulNOx brand further;
 - Our newly established outsourced direct salesforce is already winning new clients daily; and
 - We have hired Steven Cowin as our full-time CFO to further strengthen and professionalise our Board. Other key hires are in the wings.

As the SulNOx Group continues its current financial year, the foundations have been put in place for us to become recognised as a major ESG (Environmental, Social & Governance) story and with the COP 26 meeting coming up in Glasgow in November, our story is going to become increasingly recognised.

The politicians of the world want Zero Emissions by 2050 and they may or may not achieve that goal. For the shareholders of the SulNOx Group, we can currently offer the world c.30% reductions in toxic emissions in 2021 and save users money at the same time. The company's story has always been excellent, but the year ahead looks very exciting indeed. As previously stated, it is the Board's intention to consider the admission of the Company's ordinary shares to trade on the London Stock Exchange AIM market.

Group Statement of Comprehensive Income for the year to 31 March 2021

	Notes	2021 £	2020 as restated £
Revenue	3	17,896	42,666
Cost of sales		(12,382)	(33,986)
		<hr/>	<hr/>
Gross profit		5,514	8,680
Administrative expenses		(861,217)	(1,823,064)
		<hr/>	<hr/>
Operating loss	4	(855,703)	(1,814,384)
Income tax income	8	32,462	11,593
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Loss and total comprehensive income for the year	33	(823,241)	(1,802,791)
		<hr/>	<hr/>

Profit and total comprehensive income for the year is all attributable to the owners of the Parent Company.

Loss per share	9		
Basic		(0.96 pence)	(2.19 pence)
Diluted		(0.96 pence)	(2.19 pence)

The income statement has been prepared on the basis that all operations are continuing operations.

Group Statement of Financial Position as at 31 March 2021

		2021	2020 as restated
	Notes	£	£
Non-current assets			
Intangible assets	11	8,280,334	8,680,881
Property, plant and equipment	13	3,528	4,704
		<hr/>	<hr/>
		8,283,862	8,685,585
		<hr/>	<hr/>
Current assets			
Inventories	17	119,501	111,438
Trade and other receivables	18	36,332	51,602
Cash and cash equivalents		42,271	87,734
		<hr/>	<hr/>
		198,104	250,774
		<hr/>	<hr/>
Current liabilities			
Trade and other payables	21	261,399	139,327
Current tax liabilities		9,755	-
Borrowings	23	-	45,000
		<hr/>	<hr/>
		271,154	184,327
		<hr/>	<hr/>
Net current (liabilities)/assets		(73,050)	66,447
		<hr/>	<hr/>
Net assets		8,210,812	8,752,032

Equity

Called up share capital	30	1,710,057	1,695,782
Share premium account	31	11,049,435	10,781,690
Share based compensation reserve	32	307,439	307,439
Retained earnings	33	(4,856,119)	(4,032,879)
		<hr/>	<hr/>
Total equity		8,210,812	8,752,032
		<hr/>	<hr/>

Group Statement of Cashflows for the year to 31 March 2021

		2021		2020 as restated	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	39		(324,702)		(1,516,360)
Tax refunded			42,219		11,593
			<hr/>		<hr/>
Net cash outflow from operating activities			(282,483)		(1,504,767)
Financing activities					
Proceeds from issue of shares		287,600		1,476,849	
Share issue costs		(5,580)		(19,650)	
Repayment of borrowings		(45,000)		(71,539)	
		<hr/>		<hr/>	
Net cash generated from financing activities			237,020		1,385,660
			<hr/>		<hr/>
Net decrease in cash and cash equivalents			(45,463)		(119,107)
Cash and cash equivalents at beginning of year			87,734		206,841
			<hr/>		<hr/>
Cash and cash equivalents at end of year			42,271		87,734
			<hr/>		<hr/>