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Strategic Report, Report of the Directors and

Financial Statements for the Year Ended 30 June 2020

for

Eurovestech Plc

Contents of the Financial Statements for the Year Ended 30 June 2020

Company Information
for the Year Ended 30 June 2020

DIRECTORS:	R P Bernstein R H Grogan Q C M Solt
SECRETARY:	Q C M Solt
REGISTERED OFFICE:	164 Field End Road Eastcote Middlesex HA5 1RH
REGISTERED NUMBER:	03913197
INDEPENDENT AUDITORS:	Lawrence Johns Registered Auditors 164 Field End Road Eastcote Middlesex HA5 1RH
BANKERS:	HSBC Bank Plc Level 6 71 Queen Victoria Street London EC4V 4AY
REGISTRARS:	Link Asset Services 6th Floor 65 Gresham Street London EC2V 7NQ

Chairman's Report
for the Year Ended 30 June 2020

Last month, I wrote to you regarding a proposed equity fundraise of £1.4 million. I am pleased to report that this was fully subscribed. As I explained, between 2010 and 2017, Eurovestech returned to you, the shareholders, a total of £27.9 million - effectively the proceeds from investment gains. I had originally hoped that this fundraise would not have been unnecessary. However, like so many companies, the pandemic has had business consequences. In our case, it prevented us from completing on an agreed partial sale of one of our investments. So, in order to protect our assets and optimise their realisation, Eurovestech launched the capital raise. This was only made available on a pre-emptive basis, to our shareholders and I can confirm that all funds raised came from existing shareholders.

Within the Circular sent to shareholders, I included a summary of developments at portfolio companies. Let me now update you and provide further details.

Toluna Holdings Limited ("Toluna")

It is now more than 20 years since our original investment in Toluna, Shareholders will recall that its Chief Executive came to us with a business idea, and a plan. We shared his vision and his enthusiasm. As well as being its sole provider of capital, we did everything possible to support the business, including, in 2005, spearheading its AIM listing. This proved pivotal. Revenues jumped from £1 million in 2004 to £74 million in 2010. Profits surged to £12.6 million a year. Under our guidance and stewardship, the business consistently under promised and over delivered.

A decade ago, the business was taken private, with Verlinvest S.A. ("Verlinvest") becoming its largest shareholder. Verlinvest has an impressive record: it is the largest investor in Oatly and a long term investor in Vita Coco. However, the success Verlinvest has achieved elsewhere in its portfolio has not been seen at Toluna. Whilst in the last decade, turnover has risen by close to 90%, we must report that profits did not. Indeed, in the year to December 2020, sales of £138.6 million resulted in a net loss of £7.1 million. In the prior year, the loss was £7.4 million.

Last month, I referred to Charlie Munger's statement: "think of the basic intellectual dishonesty that comes when you start talking about adjusted EBITDA. You're almost announcing you're a flake." Toluna's Chief Executive regards EBITDA of £22 million as pertinent. I do not. I consider a mathematical question to be relevant. If revenues are £138.6 million and the loss is £7.1 million, what are the costs? The answer of course is £145.7 million. The supplementary and key question is why have costs for an online business, risen to this extent and why have they not been reduced, so that the business delivers at least a double digit net margin?

The sector in which Toluna operates is highly rated: YouGov (which when Toluna was listed, was valued at less than Toluna), now trades on a multiple of more than six times revenue and is valued at more than £1 billion. Toluna's management has failed to achieve either a sale or a stock market listing. Separately, Eurovestech has held discussions with both a private equity fund and a potential trade buyer: the common conclusion is "great space but the cost base is too high." In our spirit of openness, we have reported on Toluna's performance. In that same spirit, and with our equity raise completed, we can assure you that we intend to increase pressure on Toluna, to do all we can to crystallise value.

As I explained last month, Toluna's management recently accepted £15 million of investment from Verlinvest. This investment was structured as participating preference shares, which has the effect of diluting Eurovestech's 14.8 per cent. shareholding (the extent of this dilution is dependent upon the ultimate sale proceeds). This creates uncertainty as to the appropriate value to be attributed to Eurovestech's holding. As a result, the Board regarded it as prudent to reduce the carrying value of its Toluna shareholding by £12.7 million to £15.7 million. The participating preference shares contain anti-dilution provisions for management but not to shareholders. Shortly after the participating preference share agreement was concluded, Toluna received government backed loans of more than £17 million.

Audionamix S.A ("Audionamix")

Audionamix provides stemming solutions for the music industry. It won the coveted award of "Company To Watch 2020" at ADE (Amsterdam Dance Event), the biggest electronic music conference in the world. Its XTRAX STEMS was the only software product nominated for Best DJ Production Technology for the 2020 TEC Awards, celebrating technical excellence in the fields of audio and sound production. Its professional services offering has just secured a major enterprise subscription solution, offering a client unlimited access to its separation algorithms without cloud dependency. Audionamix has recently signed a subscription with the largest TV company in France. An affiliate marketing programme, which allows users to make 10 per cent. commission from sharing and supporting the sale of its products, also further strengthens the connection between Audionamix's brand and the target market.
Audionamix suffered a setback in October 2020 when a licensee contracted to pay minimum $600,000 annual revenues defaulted on its obligations. Audionamix is exploring legal redress.

Eurovestech owns 99 per cent of Audionamix. The shareholding is valued at £4.4 million.

LogNet

LogNet is an innovative software vendor of customer experience solutions for multiple verticals including travel, airlines, utility, telecoms and gaming. The company is a leading travel tech supplier with a product suite that Eurovestech believes is positioned to capture a significant share of the multi-billion-dollar travel market once the industry recovers from COVID-19. LogNet's billing product suite for the utility, telecom and gaming sectors have not been impacted by the COVID-19 crisis and the demand for LogNet's services continues to enjoy steady growth. The company's business model and revenue streams are diverse and based on recurring Software as a Service ("SaaS") income, selling perpetual licences to new customers and generating fees for providing professional and maintenance services to its existing customer base.

For the year to December 2020, LogNet recorded revenues of £5 million and a profit of around £300,000. In January 2021, LogNet raised funds for investment from existing shareholders. Eurovestech was unable to participate.

The directors value of Eurovestech's shareholding in LogNet at £2.7 million.

MaxOptra

Eurovestech owns 45.3 percent of MaxOptra's issued share capital.

MaxOptra was spun out of Magenta to create what is now the UK's leading independent route optimisation and vehicle planning software solution. In contrast with the Magenta fleet management software, MaxOptra has been designed to provide its solution as SaaS. MaxOptra's SaaS solution currently supports over three million routes every month. The business is also expanding internationally, with customers in more than ten countries.

The MaxOptra service is designed to integrate with customers' key ERP/CRM solutions and to interface in live-time through drivers' own in-vehicle devices (typically standard Android or Apple mobile phones).

During 2020, MaxOptra made significant investment in strengthening its core UK-based IT team and in developing its underlying technology with a view to "future proofing" it. This is an ongoing process. In addition new features have been developed and are planned for release in the coming months. Planned strategic developments over the coming years are intended to enhance the value of the company's embedded revenues.

The business has weathered the COVID-19 storm, turning adversity to advantage as it identified companies implementing new delivery services, which its SaaS model was ideally positioned to optimise. Revenues for the year to December 2020 exceeded £2 million and the company delivered a profit of £375,000. The current year has begun well, with the business achieving further profit growth. The Board expects that the company will remain profitable and continue to self-fund the planned continued investment with a view to securing an exit in two to three years. More than 80 per cent. of MaxOptra's income is derived from SaaS revenues. Eurovestech values its holding at £3.1 million.

Magenta

Eurovestech owns 47 per cent. of Magenta.

At the beginning of 2020, Magenta was developing its Echo solution for the airline industry. The pandemic forced the business to pivot and focus on its core legacy fleet management software business, which supports large historic corporate customers with bespoke solutions. Whilst these highly tailored solutions are currently delivering profits, creating new sales opportunities is increasingly difficult in the current climate. Eurovestech values its holding at £0.4 million.

VizEat

Eurovestech owns 18.6 percent of VizEat.

Chairman's Report
for the Year Ended 30 June 2020

Eurovestech is a founder shareholder in VizEat, which trades under the name Eatwith. Now with local hosts in 130 countries, the business offers dinners, food tours, cooking classes, both in person and online. We regard Eatwith as the "Airbnb of food."

Inevitably, the COVID-19 pandemic had a major and adverse effect on trading. VizEat immediately responded by reducing its cost base by 70 per cent. and recently signed a deal with Trip.com, which has 400 million users, relating to domestic dining. Critically, the business is well funded and has more than 12 months' cash, even assuming zero revenue. Having secured partnerships with Marriott, TripAvisor, TUI, Expedia, Alibaba, BBC Good Food and Masterchef, VizEat is now seeing some potentially exciting strategic opportunities. As the third largest shareholder, Eurovestech should be well placed to benefit.

At 30th June 2020, Eurovestech valued its holding at £4.3 million.

At our year end, net assets were £27.6 million, equivalent to 7.9p a share. Our operating expenses for the year were £0.4m, equilalent to 0.1p a share. The total direct expenses principally relate to provisions against the investment portfolio and excludes upward revaluations of the portfolio, which are included within other operating income. Since our June year end, reflecting our operating and financing costs and equity issuance, net assets are currently estimated to be £28.5 million, equivalent to 5.4p a share.

Despite global economic uncertainties, we remain resolute in our determination to optimise and realise value within the portfolio.

R H Grogan
Chairman

29 March 2021

Strategic Report
for the Year Ended 30 June 2020

The directors present their strategic report for the year ended 30 June 2020.

This strategic report has been prepared in compliance with Section 414C of the Companies Act 2006 for the purpose of informing the members and helping them assess how the directors have performed their duty under Section 172 of the Companies Act 2006 to promote the success of the company.

REVIEW OF BUSINESS
The company recorded a loss for the financial year after taxation amounting to £13,013,238 (30 June 2019: Profit of £829,870).This is due to the impairment of investments in the year. Further details of the company's performance are given in the Chairman's Report on pages 2 to 4 of these financial statements.

The directors do not recommend any dividends for the year ended 30 June 2020 (30 June 2019: £nil) and no dividend was paid in the year ended 30 June 2020 (30 June 2019: £nil).

Future developments
Details of future developments are detailed in the Chairman's statement on pages 2 to 4 of these financial statements.

Key performance indicators
The Company considers its key performance indicators to include growth in the value of its investment portfolio and total funds returned to shareholders. The company is actively looking to sell the investments held in the portfolio with a view to returning funds to shareholders.

The performance of the company is reflected in the performance of the Company's investment portfolio which shows a carrying value of £30.8 million at 30 June 2020 compared to £40.3 million for 30 June 2019. There was one minor investemnt in the year for £11,321 in Maxoptra. There were no disposals. The movement in the carrying value of the portfolio is down to revaluations at 30 June 2020 of Audionamix SA, Lognet Information Systems Limited, VizEat Limited and Maxoptra Limited and the impairments of Magenta Limited, Toluna Holdings Limited and Supponor Limited.

In the last year no surplus funds were returned to shareholders.

PRINCIPAL RISKS AND UNCERTAINTIES
The principal risk regarding the future financial performance of Eurovestech Plc is the future performance of its portfolio.

A key risk for Eurovestech Plc is the identification and evaluation of investments. Executive management seeks to moderate the risk by undertaking comprehensive studies in co-operation with outside resources provided by appropriate industry and professional specialists of potential investments, and hence having greater assurance over the future success of investments it enters into. A further key risk is the successful performance of the existing investment portfolio. This is mitigated through monitoring of regular reporting by investee companies and working closely with their management, often through holding board positions at each investee company.

Financial Risk management
The company's strategy is to follow an appropriate risk policy, which effectively manages exposures related to the achievement of business objectives. The company's activities expose it to a variety of risks: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance. Risk management is carried out by the board and their policies are outlined below.

Foreign exchange risk
The Company is exposed to translation and transaction foreign exchange risk as it operates primarily within Europe and the US with transaction denominated in Sterling, Euros and US dollars. The Company policy is to try to match the timing of the settlement of sales and purchase invoices so as to aim to eliminate currency exposure.

The Company does not hedge any transactions and foreign exchange differences on re-translation of foreign assets and liabilities are taken to the Profit and Loss Account. The Company does not consider there to be a significant risk from its investments.

Sensitivity to reasonably possible movements in exchange rates can be measured on the basis that all other variables remain constant. Strengthening or weakening of the Euro or US dollar against Sterling would impact equity and the results for the year.

The majority of the Company's financial assets are held in Sterling but movements in the exchange rate of the Euro and the US dollar against Sterling have an impact on both the result for the year and equity.

Interest rate risk
The Company finances its operations through equity fundraising and therefore does not carry significant borrowings. As the Company carries no long-term borrowings, the Directors consider that there is no significant interest rate risk.

Price risk
The Company is exposed to equity securities price risk because investments are held by the Company classified in the Balance Sheet "at fair value through profit or loss". During the last year share prices have remained volatile and had the quoted prices of theses investments increased or decreased the net result for the year would have been affected. As changes in valuation are taken to the Profit and Loss Account, the equity of the Company would have impacted by the same amount.

Credit risk
Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Company. In order to minimise the risk, the Company endeavours only to deal with companies (including investee companies) which are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the value of the outstanding amount.

Provision of services by the Company results in trade debtors which the management considers to be of low risk. Other debtors include subscription monies from shareholders and are likewise considered to be low risk. Management do not consider that there is any concentration of risk within either trade or other debtors. No trade or other debtors have been impaired. Credit risk on cash and cash equivalents is considered to be small as the counter-parties are all substantial banks with high credit ratings. The maximum exposure is the amount of the deposit.

Liquidity risk
The Company currently holds substantial cash balances in Sterling to provide funding for normal trading activity. The Company also has access to additional equity funding and, for short term flexibility, overdraft facilities would be arranged with the Company's bankers. Trade and other creditors are monitored as part of normal management routine.

Capital risk management
The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other members. The Company will also seek to minimise the cost of capital and attempt to optimise the capital structure. Capital for further development of the Company's activities is achieved by disposals and share issues. No dividends were declared during the year or the previous year. There is no material difference between the fair values and the carrying values of these financial instruments.

Covid-19 pandemic risk
The directors have considered the potential impact of the coronavirus, and the various measures taken to contain it, on the operations of the company. They note that the impact on the company's profitability and cash generation since the start of the pandemic has been limited but will ultimitely fall on the profitability of its investee companies, which in turn has been limited but has been reflected in their valuations.

ON BEHALF OF THE BOARD:

R P Bernstein - Director

29 March 2021

Report of the Directors
for the Year Ended 30 June 2020

The directors present their report with the audited financial statements of the company for the year ended 30 June 2020.

PRINCIPAL ACTIVITIES
The principal activities of the company in the year under review were those of investment in technology businesses.

DIVIDENDS
No dividends will be distributed for the year ended 30 June 2020.

RESEARCH AND DEVELOPMENT
The Company does not perform any research and development activities.

EVENTS SINCE THE END OF THE YEAR
Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS
The directors shown below have held office during the whole of the year from 1 July 2019 to the date of signing this report.

R P Bernstein
R H Grogan
Q C M Solt

The Directors have all occupied, or occupy, senior positions in UK and/or non-UK listed companies and have substantial experience in business. All of the Directors will submit themselves for re-election at the forthcoming Annual General Meeting in accordance with the Code.

Financial instruments
The company's principle financial instruments comprise cash, trade debtors and loans, investments and creditors. The main risks associated with these financial assets and liabilities are set out in the strategic report. There is a detailed analysis of financial instruments in note 16 to the financial statements.

Corporate governance
The Company is committed to a high standard of corporate governance and supports the principles laid down in the Combined Code 2010 (the "Code").

The board
The board of Directors (the "board") currently has three members, comprising the Non-Executive Chairman, Chief Executive, Director of investments and one further independent Non-Executive Director. All of the Directors bring strong judgement to the board's deliberations. The board is of sufficient size and diversity that the balance of skills and experience is considered to be appropriate for the requirements of the business. For the Non-Executive Directors who have served a term greater than nine years, a thorough review of their continued independence and suitability to continue as Directors is performed each year. The Non-Executive Directors may continue to serve more than nine years, subject to a thorough review of their continued independence and suitability.

The Chairman and Chief Executive
The Directors confirm that the Company has complied with the requirement to be headed by an effective board and to lead and control the Company. The division of responsibilities between the Chairman of the board and the Chief Executive is clearly defined. The Chairman leads the board in the determination of it s strategy and in the achievement of its objectives. The Chairman is responsible for organising the business but has no involvement in the day-to-day business of the Company. The Chief Executive has direct charge of the Company on a day-to-day basis and is accountable to the board for the financial and operational performance of the Company.

Role of the board
The board is collectively responsible for the proper management of the Company. The board has a formal schedule of matters reserved to it for decision making, including responsibility for the overall management, performance and strategy of the Company, approval of annual and interim results, material acquisitions and disposals, material agreements and assessment of its going concern position.

Board members are given appropriate documentation in advance of each board or committee meeting, This normally includes information on current trading if its investee companies and additional information on other matters where the board is required to reach a decision.

Board committees
There are a number of committees of the board to which various matters are delegated. Details are set out below:

Remuneration Committee
The Remuneration Committee consists of the two Non-Executive Directors of the Company. Richard Grogan acts as the Chairman. The committee is responsible for: (i) making recommendations to the board on the Company's policy on the remuneration of the Executive Directors; (ii) the determination of the remuneration packages for each of the Executive Directors including any compensation payments and benefits; and (iii) the determination of awards under the Company's employee share plans to the Executive Directors and other employees of the Company. The Chairman of the committee reports the outcome of its meetings to the board.

Nomination Committee
The Nomination Committee comprises Richard Grogan and Quentin Solt, who acts as its Chairman. The committee meets as necessary and is responsible for considering and recommending to the board persons who are appropriate for appointment as Executive and Non-Executive Directors. There is a formal, rigorous and transparent procedure for the appointment of new Directors to the board under which the Nomination Committee considers suitable candidates who are proposed either by existing board members or by an external search firm. Careful consideration is given to ensure proposed appointees have enough time available to devote to the role and that the balance of skills, knowledge and experience on the board is maintained. When the committee has found a suitable candidate, the Chairman of the committee will make a proposal to the whole board, which has retained responsibility for all such appointments. The Chairman of the committee reports the outcome of its meetings to the board.

Audit Committee
The Audit Committee comprises Quentin Solt as Chairman and Richard Grogan. No Non-Executive Director currently has recent and relevant financial experience as required by the Code and this matter is under consideration by the Nomination Committee as part of their review of the existing board composition. Senior financial employees of the Company are also invited to attend by the committee as appropriate.

The role of the Audit Committee is to monitor the financial reporting process, the integrity of the Company's annual financial statements and the statutory audit of the financial statements. It is also responsible for reviewing the Company's internal financial control and risk management systems and the Company's relationship with the external auditors.

Shareholder relations
The Committee is committed to maintaining good communications with shareholders. The Chairman and Chief Executive have dialogue with individual shareholders in order to develop an understanding of their views which are fed back to the board. Presentations are made to analysts, investors and prospective investors covering the annual and interim results. The Company Secretary generally deals with questions from individual shareholders. All shareholders have the opportunity to ask questions to any of the Directors at the Company's Annual General Meeting each year. The Chairman will advise shareholders on proxy voting details.

Directors and Directors' interests
The present membership of the board is set out below. All Directors served during the year and up to the date of signing the financial statements.

	Salary and fees £	Benefits in kind £	Bonus £	2020 Total £	2019 Total £
Executive Director					
Richard Philip Bernstein	**48**	-	-	**48**	181
Non-Executive Directors					
Richard Henry Grogan	-	**2**	-	**2**	17
Quentin Colin Maxwell Solt	-	-	-	-	31
	48	**2**	-	**50**	229

Save for the employee incentive arrangements, no Director had either during or at the end of the year a material interest in any contract which was significant in relation to the Company's business.
Directors' interests in shares
The interests of the Directors and their families in the shares of the Company at 30 June 2020 and 30 June 2019 were as follows:

	30 June 2020 Number of shares	30 June 2019 Number of shares	30 June 2020 Number of options	30 June 2019 Number of options
Richard Philip Bernstein	**13,263,568**	13,263,568	-	-
Quentin Colin Maxwell Solt	**3,365,019**	3,365,019	-	-
Richard Henry Grogan	-	-	-	-

Directors' Indemnities
The Company has entered into indemnities with each of the Directors. The indemnities are in the form of Qualifying Third Party Indemnity Provisions consistent with Section 234 of the UK Companies Act 2006 and have been in force throughout the year and to the date of signing the financial statements. These are available for inspection at the Company's registered office.

Internal control
The board is responsible for the Company's system of internal controls and reviewing its effectiveness, Internal control systems are designed to meet the particular needs of the company concerned and the risks to which it is exposed and, by their nature, can provide reasonable but not absolute assurance against material misstatement or loss.

The Executive Director monitors the Company's investments regularly, through receipt of financial reporting and frequent communication with investee management, including attendance at board meetings. Where possible, and prior to investing, the Company will seek to ensure that portfolio company Shareholder Agreements provide the Company with the right to receive timely monthly financial information.

The Executive Director also monitors the system of internal controls at subsidiary companies and review their effectiveness. Whenever the Company deals in quoted investments, controls are placed on the execution of trades and all transactions are confirmed in writing on the same day as the trade is executed. The Chief Executive monitors all current asset investments on a daily basis.

The Company remains mindful to the requirements of the Bribery Act and no changes were deemed necessary to its existing policy during the year.

The Directors have considered whether it is appropriate to have an internal audit function. Given the scale of the Company, it is not considered appropriate at this time.

Charitable donations
During the year to 30 June 2020 charitable donations were made of £nil (2019: £nil). There were no political donations.

Payment policy and practice
It is the Company's policy to settle the terms of payment with suppliers when agreeing the terns of the transaction and to abide by them. Company trade creditors represented 30 days (30 June 2019: 30 days) of related expenditure in the year. All investment transactions are settled as they become due.

DISCLOSURE IN THE STRATEGIC REPORT
The review of business is now disclosed in the Strategic Report on pages 4 to 5 of these financial statements.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO INDEPENDENT AUDITORS
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

INDEPENDENT AUDITORS
The independent auditors, Lawrence Johns, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R P Bernstein - Director

29 March 2021

Report of the Independent Auditors to the Members of
Eurovestech Plc

Opinion
We have audited the financial statements of Eurovestech Plc (the 'company') for the year ended 30 June 2020 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:
- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Reporting on other information
The directors are responsible for the other information. The other information comprises the information in the Annual Report, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility

Responsibilities of directors
As explained more fully in the Statement of Directors' Responsibilities set out on page ten, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report
This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

164 Field End Road
Eastcote
Middlesex
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Timothy O'Keeffe (Senior Statutory Auditor)
for and on behalf of
Lawrence Johns
Registered Auditors

29 March 2021

Statement of Comprehensive Income
for the Year Ended 30 June 2020

	Notes	30.6.20 £	30.6.19 £
TURNOVER	3	33,065	72,677
Direct expenses		19,622,178	35,329
GROSS (LOSS)/PROFIT		(19,589,113)	37,348
Administrative expenses		879,278	523,140
		(20,468,391)	(485,792)
Other operating income		7,318,315	903,649
OPERATING (LOSS)/PROFIT	5	(13,150,076)	417,857
Interest receivable and similar income		332,390	555,723
		(12,817,686)	973,580
Interest payable and similar expenses	6	195,552	143,710
(LOSS)/PROFIT BEFORE TAXATION		(13,013,238)	829,870
Tax on (loss)/profit	7	-	-
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		(13,013,238)	829,870

Balance Sheet
30 June 2020

	Notes	30.6.20 £	£	30.6.19 £	£
FIXED ASSETS					
Tangible assets	8		931		5,883
Investments	9		30,761,863		40,260,412
			30,762,794		40,266,295
CURRENT ASSETS					
Debtors	10	496,420		2,442,871	
Investments	11	19		19	
Cash at bank and in hand	12	32,894		73,170	
		529,333		2,516,060	
CREDITORS					
Amounts falling due within one year	13	3,648,235		418,225	
NET CURRENT (LIABILITIES)/ASSETS			(3,118,902)		2,097,835
TOTAL ASSETS LESS CURRENT LIABILITIES			27,643,892		42,364,130
CREDITORS					
Amounts falling due after more than one year	14		18,000		2,000,000
NET ASSETS			27,625,892		40,364,130
CAPITAL AND RESERVES					
Called up share capital	18		3,518,227		3,468,227
Share premium account	19		859,736		634,736
Capital redemption reserve	19		4,465,826		4,465,826
Other reserves	19		100,000		100,000
Retained earnings	19		18,682,103		31,695,341
SHAREHOLDERS' FUNDS			27,625,892		40,364,130

The financial statements on pages 15 to 31 were approved by the Board of Directors and authorised for issue on 29 March 2021 and were signed on its behalf by:

R P Bernstein - Director

Eurovestech Plc (Registered number: 03913197)

Statement of Changes in Equity
for the Year Ended 30 June 2020

	Called up share capital £	Retained earnings £	Share premium account £
Balance at 1 July 2018	3,468,227	30,865,471	634,736
Changes in equity			
Total comprehensive income	-	829,870	-
Balance at 30 June 2019	3,468,227	31,695,341	634,736
Changes in equity			
Issue of share capital	50,000	-	225,000
Total comprehensive income	-	(13,013,238)	-
Balance at 30 June 2020	3,518,227	18,682,103	859,736

	Capital redemption reserve £	Other reserves £	Total equity £
Balance at 1 July 2018	4,465,826	100,000	39,534,260
Changes in equity			
Total comprehensive income	-	-	829,870
Balance at 30 June 2019	4,465,826	100,000	40,364,130
Changes in equity			
Issue of share capital	-	-	275,000
Total comprehensive income	-	-	(13,013,238)
Balance at 30 June 2020	4,465,826	100,000	27,625,892

The notes form part of these financial statements

Cash Flow Statement
for the Year Ended 30 June 2020

	Notes	30.6.20 £	30.6.19 £
Cash flows from operating activities			
Cash generated from operations	1	(1,557,938)	(379,041)
Interest paid		(195,552)	(143,710)
Amounts owed by participating interests		-	(1,461,015)
Net cash from operating activities		(1,753,490)	(1,983,766)
Cash flows from investing activities			
Purchase of tangible assets		-	(1,675)
Purchase of investments		(11,321)	-
Interest received		332,390	555,723
Net cash from investing activities		321,069	554,048
Cash flows from financing activities			
New loans in year		1,107,000	2,000,000
Loan repayments in year		-	(980,000)
Amount introduced by directors		10,145	351,054
Share issue		50,000	-
Share premium		225,000	-
Net cash from financing activities		1,392,145	1,371,054
Decrease in cash and cash equivalents		(40,276)	(58,664)
Cash and cash equivalents at beginning of year	2	73,170	131,834
Cash and cash equivalents at end of year	2	32,894	73,170

The notes form part of these financial statements

Notes to the Cash Flow Statement
for the Year Ended 30 June 2020

1. **RECONCILIATION OF (LOSS)/PROFIT BEFORE TAX ON LOSS TO CASH GENERATED FROM OPERATIONS**

	30.6.20	30.6.19
	£	£
(Loss)/profit before tax on loss	(13,013,238)	829,870
Depreciation charges	4,952	10,961
Movement on investee company balances	1,875,232	-
Revaluations and impairments	9,509,870	-
	-	(868,320)
Finance costs	195,552	143,710
Finance income	(332,390)	(555,723)
	(1,760,022)	(439,502)
Decrease in trade and other debtors	71,219	222,532
Increase/(decrease) in trade and other creditors	130,865	(162,071)
Cash generated from operations	(1,557,938)	(379,041)

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2020

	30.6.20	1.7.19
	£	£
Cash and cash equivalents	32,894	73,170

Year ended 30 June 2019

	30.6.19	1.7.18
	£	£
Cash and cash equivalents	73,170	131,834

3. **ANALYSIS OF CHANGES IN NET DEBT**

	At 1.7.19	Cash flow	At 30.6.20
	£	£	£
Net cash			
Cash at bank and in hand	73,170	(40,276)	32,894
	73,170	(40,276)	32,894
Liquid resources			
Current asset investments	19	-	19
	19	-	19
Debt			
Debts falling due within 1 year	-	(3,089,000)	(3,089,000)
Debts falling due after 1 year	(2,000,000)	1,982,000	(18,000)
	(2,000,000)	(1,107,000)	(3,107,000)
Total	(1,926,811)	(1,147,276)	(3,074,087)

1. **COMPANY INFORMATION**

Eurovestech Plc is a limited company domiciled and incorporated in England and Wales. The registered office is 164 Field End Road, Eastcote, Middlesex HA5 1RH.

2. **ACCOUNTING POLICIES**

Accounting convention
These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

The financial statements have been prepared on the historical cost convention, however some financial assets have been modified by revaluation to be held at fair value through the profit and loss. The principal accounting policies adopted are set out below.

Turnover
Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT.

Tangible assets
Depreciations is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	-	25% on cost
Computer equipment	-	25% on cost

Investments in subsidiaries
Investments in subsidiary undertakings are recognised at cost.

Hire purchase and leasing commitments
Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Investments
Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

continued...

2. **ACCOUNTING POLICIES - continued**

Financial assets
The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets consist of loans and receivables and investments at fair value through profit or loss.

Financial assets are classified into specific categories. The classification depends on the nature and purpose of the financial assets and is determined at the point of recognition.Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Investments - non-current
As the Company's business is investing in financial assets with a view to profiting from their total return in the form of increases in fair value, non-current investments are designated at fair value through profit or loss on initial recognition. The Company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy and investment information provided to the board of Directors.

De-recognition of investments occurs when the rights to receive cashflows from the investments expire or are transferred and substantially all of the risks and rewards of ownership have been transferred.

Fair value represents the amount for which an asset could be exchanged between knowledgeable, willing parties in an arm's length transaction. In estimating fair value, the Directors use a methodology which is appropriate in light of the nature, facts and circumstances of the investment and its materiality in the context of the total investment portfolio.

Methodologies are applied consistently from one year to another except where a change results in a better estimate of fair value. Only where fair value cannot be reliably measured is cost used as the basis of valuation.

The principal methodologies applied in valuing unlisted investments include the following:

- earnings multiple;

- price of recent investment; and

- net assets.

In applying the earnings multiple methodology, the Directors apply a market-based multiple that is appropriate and reasonable to the sustainable earnings of the Company. In the majority of cases the enterprise value of the underlying business is derived by the use of a multiple of earnings before interest and tax applied to current year's earnings where these can be forecast with a reasonable degree of certainty and are deemed to represent the best estimate of maintainable earnings. Where this is not the case, historic earnings will generally be used in their place. For companies which are early stage or not profitable, a multiple of revenue is used as the key measurement.

Listed investments held for long-term gain are valued on the basis of the bid price at the year-end date.

Investments - current
Current asset investments are classified as held for trading and are measured at fair value with gains and losses arising on their fair value recorded in the Profit and Loss Account. Listed current investments are stated at bid price at the year-end date. Convertible loan notes are classified as loans and receivables and recorded at fair value.

continued...

2. **ACCOUNTING POLICIES - continued**

Investments - derivatives

Where the company invests in Contract for difference investments, the investments are not held as assets as they are never actually owned. Any gains and losses arising are recorded in the Profit and Loss Account less any commission, interest charges, dividend adjustments and fees.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Trade debtors

Trade debtors are recognised and carried at the original invoice amount less an allowance for uncollectable amounts. An estimate of uncollectable amounts is made when collection of the full amount is no longer probable. Uncollectable amounts are written off to the Profit and Loss Account when identified.

Fair value estimation

The Company classifies financial assets using a fair value hierarchy that reflects the significance of the inputs used in making the related fair value measurements. The level in the fair value hierarchy within which a financial asset is classified is determined on the basis of the lowest level input that is significant to that asset's fair value measurement. The fair value hierarchy has the following levels:

- Level 1 - Quoted prices in active markets;

- Level 2 - Inputs other than quoted prices that are observable. such as prices from market transactions; and

- Level 3 - One or more inputs that are not based on observable market data.

Financial liabilities

The Company's financial liabilities consist of trade and other creditors and other loans.

Financial liabilities are recognised when the Company becomes a party to the contractual arrangements of the instrument. Liabilities are recognised initially at their fair value, net of transaction costs, and subsequently measured at amortised cost less settlement payments, using the effective interest method, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, unless it is not material.

Financial liabilities are classified according to the substance of the contractual arrangements entered into. Where the contractual obligations of financial instruments, including share capital, are equivalent to a similar debt instrument, those instruments are classed as financial liabilities. Financial liabilities are classified as creditors in the Balance Sheet.

Where the contractual terms of issued shares do not have any terms meeting the definition of a financial liability then this is classified as an equity instrument.

Derecognition of financial liabilities

Financial liabilities are derecognised only when the company's obligations are discharged, cancelled, or they expire.

Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the dates of the transaction. Foreign currency monetary assets and liabilities are translated at year-end exchange rates and any exchange gains and losses are recorded in the Profit and Loss Account.

Borrowing costs

All borrowing costs are expensed to the Profit and Loss Account as incurred.

continued...

2. **ACCOUNTING POLICIES - continued**

Exceptional items

Exceptional items are those that the Directors consider are of unusual size or nature that they are required to be separately disclosed to allow the user of the financial statements to understand the underlying performance of the Company.

Impairment of non-financial assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes an estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is written down to its recoverable amount. Recoverable amount is the higher of fair value less costs to sell and value in use and is determined for an individual asset. If the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount of the cash-generating unit to which the asset belongs is determined. Discount rates reflecting the asset specific risks and the time value of money are used for the value in use calculation.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events and it is likely that an outflow of resources embodying economic benefits will be required to settle the obligation and that amount can be reasonably estimated. Where the Company expects all or some of the obligation to be reimbursed, the reimbursement is recognised as a separate asset to the extent that it is virtually certain to be reimbursed. The expense relating to any provision is presented in the Profit and Loss Account net of any reimbursement.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the year-end date. If material. provisions are determined by discounting the expected future cashflows using rates that reflect current market assessments of the time value of money.

Leases

For finance leases, where the Company bears substantially all the risks and rewards related to ownership of the leased asset, the related asset is capitalised at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments. Finance costs are charged to the Profit and Loss Account over the period of the lease in accordance with the capital balance outstanding.

Operating leases, where the lessor retains substantially all the risks and rewards of ownership, are charged to the Profit and Loss Account on a straight line basis over the lease term. Lease incentives are spread over the term of the lease.

Long term incentive employee compensation

The Company operates a profit sharing scheme for the remuneration of its Directors and employees. Due to the long-term nature of this incentive scheme, the Company's future liabilities are contingent liabilities that are uncertain in their timing and amount and as such are exluded from the balance sheet of these financial statements.

Equity instruments

Equity instruments issued by the company are recorded as the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Issued share capital

Ordinary shares are classified as equity.

Share premium

The share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of the expenses of the share issue.

Capital redemption reserve

The capital redemption reserve represents share premium that has been redeemed by the Company.

continued...

2. **ACCOUNTING POLICIES - continued**

Other reserve

The other reserve represents equity-settled share-based employee expense until such share options are exercised.

Retained earnings

Retained earnings include all current and prior year results for the Company.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current corporate tax assets and liabilities comprise those obligations to fiscal authorities in the UK where the Company carries out its operations, based on the taxable profit for the year. They are calculated according to the tax rates and tax laws enacted or substantively enacted in the fiscal period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. All changes to current tax liabilities are recognised as a component of tax expense in the Profit and Loss Account.

Deferred tax

Deferred corporate taxes are calculated using the liability method on temporary differences. This involves the comparison of the carrying amount of assets and liabilities in the financial statements with their respective tax bases. Deferred tax liabilities are provided for in full. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the year-end date.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the Profit and Loss Account, except where they relate to items that are charged or credited directly to equity in which case the related deferred tax is also charged or credited directly to equity.

Dividends

Final equity dividends to the shareholders of Eurovestech Plc are recognised in the year that they are approved by shareholders. Interim equity dividends are recognised in the period that they are paid.

Dividends receivable are recognised when the Company's right to receive payment is established.

Use of key accounting estimates and judgements

Many of the amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised
below:

Critical accounting assumptions and estimates

(a) The valuation of non-current investments. Valuation of non-current investments requires a number of judgements including assessing the appropriate valuation multiples based on the stage of development of the portfolio companies and relevant industry comparators. Should the valuation show a diminution of value, a decision as to whether an impairment occurred is carried out. A number of factors are involved and include the likelihood of prolonged reduction in value, the overall economic outlook and industry or sector specific factors.

continued...

2. **ACCOUNTING POLICIES - continued**

(b) Accounting for the value of the Executive Directors' long-term incentive requires judgement over the period of ownership of the related investments, expected overall profit on disposal and the effective rate of interest.

Going concern

The company does not trade as such and its value is in its investee companies. The company has a strong balance sheet and cash position. The directors have also considered the impact of the COVID-19 pandemic and related containment measures on the company's activities and whilst the ultimate impact cannot be quantified, the impact on operations to date has not been significant and the directors do not expect it to become significant in the foreseeable future. The company raised £1.4m in March 2021 via an equity issue to existing shareholders. As a result, the directors have, at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in existence for at least 12 months from the date of approval of these financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

3. **TURNOVER**

The turnover and loss (2019 - profit) before taxation are attributable to the principal activities of the company.

An analysis of turnover by class of business is given below:

	30.6.20	30.6.19
	£	£
Consultancy	20,000	20,000
Other income	-	52,677
Government grants (Covid 19)	13,065	-
	33,065	72,677

An analysis of turnover by geographical market is given below:

	30.6.20	30.6.19
	£	£
United Kingdom	33,065	72,677
	33,065	72,677

4. **EMPLOYEES AND DIRECTORS**

	30.6.20	30.6.19
	£	£
Wages and salaries	118,400	282,266
Social security costs	6,619	36,229
Other pension costs	1,896	4,326
	126,915	322,821

The average number of employees during the year was as follows:

	30.6.20	30.6.19
Directors	3	3
Administration	2	2
	5	5

continued...

4. **EMPLOYEES AND DIRECTORS - continued**

	30.6.20	30.6.19
	£	£
Directors' remuneration	48,000	180,750

5. **OPERATING (LOSS)/PROFIT**

The operating loss (2019 - operating profit) is stated after charging:

	30.6.20	30.6.19
	£	£
Other operating leases	1,430	881
Depreciation - owned assets	4,952	10,961
Auditors' remuneration	20,000	20,000

6. **INTEREST PAYABLE AND SIMILAR EXPENSES**

	30.6.20	30.6.19
	£	£
Interest payable	195,552	143,710

7. **TAX ON LOSS**

Analysis of the tax charge
No liability to UK corporation tax arose for the year ended 30 June 2020 nor for the year ended 30 June 2019.

Reconciliation of total tax charge included in profit and loss
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	30.6.20	30.6.19
	£	£
(Loss)/profit before tax	(13,013,238)	829,870
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(2,472,515)	157,675
Effects of:		
Expenses not deductible for tax purposes	2,338,675	11,269
Income not taxable for tax purposes	-	(259,221)
Tax losses	133,840	90,277
Total tax charge	-	-

continued...

8. TANGIBLE ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 July 2019			
and 30 June 2020	12,008	37,613	49,621
DEPRECIATION			
At 1 July 2019	9,307	34,431	43,738
Charge for year	2,701	2,251	4,952
At 30 June 2020	12,008	36,682	48,690
NET BOOK VALUE			
At 30 June 2020	-	931	931
At 30 June 2019	2,701	3,182	5,883

9. INVESTMENTS

	Shares in group undertakings £
COST OR VALUATION	
At 1 July 2019	40,260,412
Additions	11,321
Revaluations	7,318,315
Impairments	(16,828,185)
At 30 June 2020	30,761,863
NET BOOK VALUE	
At 30 June 2020	30,761,863
At 30 June 2019	40,260,412

Cost or valuation at 30 June 2020 is represented by:

	Shares in group undertakings £
Valuation in 2015	(3,870,229)
Valuation in 2016	9,630,794
Valuation in 2017	(2,613)
Valuation in 2018	(3,617,395)
Valuation in 2019	868,320
Valuation in 2020	(9,509,870)
Cost	37,262,856
	30,761,863

continued...

9. **INVESTMENTS - continued**

There was an addition of £11,321 during the year. There were no disposals during the year.

The Company's investments in associated companies at 30 June 2020 were as follows;

Name of Investment	Percentage interest in ordinary shares at 30 June 2020 (%)	Fair value at 30 June 2020 £
Audionamix SA	99.90	4,437,000
Magenta Corporation Limited	47.00	439,000
Maxoptra Limited	45.28	3,109,000
Lognet Information Systems Limited	21.73	2,709,000
VizEat Limited	18.62	4,346,000
Toluna Holdings Limited	14.80	15,660,000
PierianDX	2.00	50,863
Supponor Limited	0.09	11,000
Investments carrying value		30,761,863

The registered offices of the investments are as follows;

Name of Investment	Registered Office Address
Magenta Corporation Limited	Third Floor, 8 Golden Square, London
Audionamix SA	164 Field End Road, Eastcote, Middlesex
VizEat Limited	Acre House, 11/15 William Road, London
Lognet Information Systems Limited	42-50 Hersham Road, Walton-On-Thames, Surrey
Toluna Holdings Limited	Ealing Cross 85 Uxbridge Road, Ealing, London
PierianDx	77 Maryland Plaza, St. Louis, Missouri, USA
Supponor Limited	12 Hammersmith Grove, Suite 3125, London
Maxoptra Limited	Third Floor, 8 Golden Square, London

10. **DEBTORS**

	30.6.20 £	30.6.19 £
Trade debtors	15,731	19,156
Amounts owed by participating interests	-	1,875,232
Other debtors	316,629	468,692
Prepayments and accrued income	164,060	79,791
	496,420	2,442,871

The fair value of trade and other debtors approximates to their carrying value.

11. **INVESTMENTS**

	30.6.20 £	30.6.19 £
Listed investments	19	19

Market value of listed investments at 30 June 2020 - £ 19 (2019 - £ 19).

Listed investments are carried at market value.

continued...

12. CASH AT BANK AND IN HAND

Cash at bank and on call at the year end was £32,894 (2019: £73,170).

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.20	30.6.19
	£	£
Other loans (see note 15)	3,089,000	-
Trade creditors	93,102	156,863
Taxation and social security	1,241	3,047
Other creditors	111,421	128,264
Directors' current accounts	25,710	15,565
Accruals and deferred income	327,761	114,486
	3,648,235	418,225

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	30.6.20	30.6.19
	£	£
Bank loans (see note 15)	18,000	-
Other loans (see note 15)	-	2,000,000
	18,000	2,000,000

15. LOANS

An analysis of the maturity of loans is given below:

	30.6.20	30.6.19
	£	£
Amounts falling due within one year or on demand:		
Other loans	3,089,000	-
Amounts falling due between one and two years:		
Other loans - 1-2 years	-	2,000,000
Amounts falling due between two and five years:		
Bank loans - 2-5 years	18,000	-

continued...

15. LOANS - continued

The key terms of the brought forward loan of £2,000,000 with HLF S.à.r.l. are that that it is unsecured, at an interest rate of 8.0% (accrued), was repayable in December 2020 and subject to certain conditions, confers on the lender the right to purchase up to £2 million of Eurovestech's shareholding in ITWP at a discount of 25%. The loan includes a further liability of £500,000 which has been accrued to recognise a redemption fee in December 2020. The loan has been extended. It is anticipated that this loan will be repaid shortly.

Further borrowing occured during the year to 30 June 2020 as follows;

In December 2019 a loan of £200,000 was taken out with a private individual. The key terms are that interest of 10% per annum is to be accrued and the capital and interest are to be repaid on or before 6 March 2021. The loan and interest were repaid in March 2021.

In February 2020, a loan of £294,000 was taken out with a private individual. The key terms are that £5,250 of interest is payable monthly for a period of 2 years when the loan is repayable. From 25 March 2021, the loan has been re-negotiated to reduce the interest charge to £3,000 per month with repayment on or before 30 June 2022.

Between March and June 2020 a loan of £95,000 was taken out with Crystal Amber Advisors (UK) LLP. The key terms are that the loan is interest free and repayable on demand. The loan was repaid in August 2020.

In May 2020, a COVID 19 Government bounce back loan of £18,000 was taken out. The key terms are that the Government guarantees 100% of the loan and there are no fees or interest to pay for the first 12 months of the loan. After 12 months the interest rate will be 2.5% per annum.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	30.6.20	30.6.19
	£	£
Within one year	90,873	137,493
Between one and five years	3,572	549,972
	94,445	687,465

17. FINANCIAL INSTRUMENTS

Categories of financial instrument

	30 June 2020	30 June 2019
£ £		
Financial Assets		
Cash and cash equivalents	32,894	73,170
Loans and debtors	330,360	2,363,080
Financial assets at fair value through profit and loss - non-current	30,761,863	40,260,412
Financial assets at fair value through profit and loss - current	19	19
Financial liabilities		
Borrowings	3,107,000	2,000,000
Creditors	231,474	303,739
Fair Value of financial assets		
Listed equity securities	19	19
Unlisted equity securities	30,761,863	40,260,412

continued...

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.20 £	30.6.19 £
351,822,727	Ordinary	£0.01	3,518,227	3,468,227

During the year 5,000,000 ordinary shares which a par value of £0.01 each were issued for cash of £275,000.

19. RESERVES

	Retained earnings £	Share premium account £	Capital redemption reserve £	Other reserves £	Totals £
At 1 July 2019	31,695,341	634,736	4,465,826	100,000	36,895,903
Deficit for the year	(13,013,238)				(13,013,238)
Cash share issue	-	225,000	-	-	225,000
At 30 June 2020	18,682,103	859,736	4,465,826	100,000	24,107,665

At 30 June 2020, the company's distributable reserves were £4,605,644 (2019: £8,109,012). All gains which remain unrealised at the balance sheet date are not distributable.

20. CONTINGENT LIABILITIES

In 2008, the Company entered into shareholder approved employee incentive arrangements with the Company's two Executive Directors. These incentive arrangements provide for each of the Executive Directors to receive 7.5 per cent of the net profits (after disposal costs) made by the Company in relation to its investments above a 5 per cent internal rate of return. In 2012, the incentive arrangements lapsed relating to one executive director. Given the significant degree of estimation in respect of the calculation of the amount to be paid, the timing of its payment and the likelihood of losses on the investments the amount of obligation cannot be measured with sufficient reliability and no provision is therefore recognised.

21. CAPITAL COMMITMENTS

The Company had no capital commitments at 30 June 2020 (2019: £nil).

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22. RELATED PARTY DISCLOSURES

During the year the Company charged Toluna Holdings Limited £20,000 (2019: £20,000) in fees for Non-Executive Directors' services and re-charged expenses of £28 (2019: £nil). At 30 June 2020, £12,033 (2019: £18,000) was due from Toluna Holdings Limited, inclusive of vat. Toluna Holdings Limited is one of Eurovestech Plc's investee companies.

During the year the Company provided additional loan funding of €660,000 (£586,374) (2019: €945,554 (£852,634)) to Audionamix SA, charged transfer pricing of €nil (£nil) (2019: €59,259 (£52,657)) to Audionamix SA and charged interest of €380,170 (£332,387) (2019: €629,163 (£555,723)) to Audionamix SA. At 30 June 2020, €3,136,782 (£2,793,993) (2019: €2,096,612 (£1,875,232) was due from Audionamix SA. The directors decided to provide against the year end balance due from Audionamix SA to reduce the balance due to £nil. Audionamix SA is a Eurovestech Plc investee company.

At the Balance Sheet date, included within other debtors, is an amount owed by a non-executive director of £37,588 (2019: £63,842).

At the Balance Sheet date, included within creditors, is an amount owed to a director of £25,710 (2019: £15,565).

The Company has a profit sharing agreement with its Executive Directors. Refer to note 20 for further details.

There were no other related party transactions.

23. SUBSEQUENT EVENTS

In March 2021 a loan of £200,000 plus £25,000 interest was repaid.

In March 2021, the company raised £1,400,000 via an issue of 140,000,000 equity shares to existing shareholders at a nominal value of 1p per share.

24. FINANCIAL STATEMENTS

Copies of these financial statements are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ (www.companieshouse.gov.uk) and from the Eurovestech PLC website (www.eurovestech.co.uk).