

# Sure Ventures plc

## Unaudited Interim Report and Financial Statements

For the six months ended 30 September 2020

Company Number: 10829500

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# 1 Chairman's Statement

# Chairman's Statement

Dear Shareholders.

On behalf of my fellow directors, I am delighted to present the interim results of Sure Ventures plc (the 'Company') for the six months ended 30 September 2020.

## FINANCIAL PERFORMANCE

The Company's performance for the half year to 30 September 2020 continues to be broadly in line with expectations producing a net asset value return of +3.43% (30 September 2018 +0.08%) and a life to date performance of -4.21%, which takes into account the Company's initial formation costs incurred at incorporation as well as ongoing operational costs. Throughout the period the Company experienced one significant uplift in an underlying portfolio valuation as a result of a completed funding round, booked profit on a partial holding of one its two listed holdings by selling stock to the value of the original investment, as well as experiencing some volatility in the Company's other listed holding, in what continues to be a challenging environment for investment managers globally. During the period total shareholders' funds continued to grow steadily by over £600k to £5.125m as at 30 September 2020.

## PORTFOLIO UPDATE

The Company's holdings comprise its 25.9% investment in Sure Valley Ventures Sub-Fund of Suir Valley Fund ICAV (the 'Fund') to which the Company has made a total commitment of €7m (increasing its initial commitment from €4.5m in September 2019), as well as investments the Company holds directly - in Immotion Group plc ('Immotion'), a listed immersive virtual reality ("VR") entertainment group and VividQ Limited, a privately owned deep technology company pioneering the application of holography in augmented reality ('AR') and VR. The Fund portfolio includes one listed entity, VR Education Holdings plc ('VR Education') a developer of VR software and immersive experiences with a specific focus on education, and as at 30 September, a further twelve privately held companies in the AR, VR, internet of things ('IoT') and artificial, intelligence ('AI') space, including the Fund's investment in VividQ held alongside the Company's direct investment. During the period the Fund announced the following additional portfolio investments:

- Buymie Technologies, an AI app-based home grocery delivery service currently available in Dublin and Bristol allowing shoppers to order from a selection of local stores including Tesco, Lidl and Dunnes Stores in Ireland and the Co-op and Asda in the UK, enabling grocery orders to be delivered by a personal shopper in as little as one hour. The Fund invested in Buymie's Seed round, followed by a Series A round less than three months later in June 2020 at a valuation representing a x2 uplift of the initial investment.
- Volograms Limited, a reality capture and volumetric video company that allows users to capture volumetric holograms of individuals that can then be incorporated in AR and VR creative content for use in apps, social media and VR headsets. The mobile AR market is forecast to grow from 1bn devices in 2019 to 2.5bn compatible devices in 2024, representing potential revenue growth from US\$8bn to US\$60bn.

These two additional investments bring their own unique qualities and add to the already diverse and well-balanced composition of the Fund's portfolio of investee companies.

The half year also featured extremely positive developments from several of the investee companies including VR Education, which was given a substantial boost on the announcement that HTC had taken a stake in the company and entered into strategic partnership agreements for the distribution and licence of the company's Engage platform. On the back of this news the Fund sold stock to the value of its original investment but continue to retain equity to the equivalent of 4.38% of VR Education.

VividQ also entered into a tie-up with the major technology player Arm, with the announcement of a collaboration enabling the integration of holographic display in AR wearables and to make VividQ's software compatible with Arm Mali graphic processing units. VividQ represents the Company's largest exposure by virtue of its direct investment and investment held in the Fund and the move by Arm further endorses VividQ's technology.

Further information on the investment portfolio is provided in the report of the Investment Manager which follows this statement.

## COMMITMENTS AND FUNDING

As previously mentioned, the Company has increased its subscription to the Fund by €2.5m from its original investment of €4.5m taking its total commitment to €7m, thereby increasing its share in the Fund from 21.6% to 25.9%. This commitment was made shortly before the Fund closed to new subscribers validating the Company's belief that the Fund portfolio is now at a mature stage and, with a number of investee companies preparing for further funding rounds, there is demonstrable potential for further uplifts to occur from initial valuations.

The Company believes that it will have sufficient access to funding to meet its commitments to the Fund over the term of the Fund's investment cycle, through a combination of available cash, anticipated subscriptions and access to undrawn facilities.

## INVESTMENT ENVIRONMENT

COVID-19 continues to have an impact on global economies and whilst positive recoveries have been witnessed in many global stock markets, particularly in recent weeks on the welcome news of the development and rollout of effective vaccines, the investment environment is likely remain challenging for a while to come. However, the Company is confident that the Investment Manager will continue to identify new businesses in which to invest within the Company's chosen verticals of AR, VR, IoT and AI. Furthermore, the Company and Investment Manager remain vigilant of risks associated with COVID-19 and its effect on the portfolio companies.

## DIVIDEND

During the half year to 30 September 2020, the Company has not declared a dividend (30 September 2019: £nil), in line with its dividend policy. Pursuant to the Company's dividend policy the directors intend to manage the Company's affairs to achieve shareholder returns through capital growth rather than income. During the six month period ending 30 September, the Company received income following a distribution from the Fund in respect of the partial sale of its holding of VR Education equity and the Board considered that the working capital requirements and anticipated draw down cycle of their current commitments did not allow for sufficient excess liquidity as to declare a special dividend.

The Company does not expect to receive a material amount of dividends or other income from its direct or indirect investments. It should not be expected that the Company will pay a significant annual dividend, if any.

## GEARING

The Company may deploy gearing of up to 20% of net asset value (calculated at the time of borrowing) to seek to enhance returns and for the purposes of capital flexibility and efficient portfolio management. The Company's gearing is expected to primarily comprise bank borrowings but may include the use of derivative instruments and such other methods as the Board may determine. During the period to 30 September 2020 the Company did not employ any borrowing (30 September 2019: £nil).

The Board will continue to review the Company's borrowing, in conjunction with the Company's Investment Manager on a regular basis pursuant with the Company's overall cash management and investment strategy.

## OUTLOOK

Several investee companies remain at different stages of Series A fundraising and upon completion the Company anticipates further positive announcements to this effect within the next one-two quarters. The investment pipeline remains robust and the Company anticipates news in the near term of further portfolio additions, subject to the completion of the Investment Manager's rigorous filter process and satisfactory due diligence.

As noted in my Chairman's Statement that accompanied the annual report for the year ending 31 March 2020, COVID-19 has forced structural changes in the way that tasks are performed in the workplace, in education and in entertainment. With physical restrictions again being implemented by lockdown measures designed to combat the spread of the virus, the Company believes that its portfolio of investee companies and its investment strategy continue to be well placed to benefit from new technologies being adopted increasingly in our day-to-day lives.

## SUBSCRIPTIONS

Following a subscription of 230,769 ordinary shares in July 2020, the total shares in admission as at 30 September 2020 stood at 5,350,725.

The Investment Manager's Report following this Statement gives further detail on the affairs of the Company. The Board is confident of the long-term prospects for the Company in pursuit of its investment objectives

**Perry Wilson**  
Chairman  
**24 November 2020**

# 2 Investment Manager's Report

# Investment Manager's Report

## THE COMPANY

Sure Ventures plc (the "Company") was established to enable investors to gain access to early stage technology companies in the three exciting and expansive market verticals of augmented reality and virtual reality (AR/VR), artificial intelligence (AI) and the internet of things (IoT).

The Company gains access to deal flow ordinarily reserved for venture capital funds and ultra-high net worth angel investors, establishing a diversified software-centric portfolio with a clear strategy. Listing the fund on the London Stock Exchange offers investors:

- Relative liquidity
- A quoted share price
- A high level of corporate governance.

It is often too expensive, too risky and too labour intensive for investors to build a portfolio of this nature themselves. We are leveraging the diverse skillsets of an experienced management team who have the industry network to gain access to quality deal flow, the expertise to complete extensive due diligence in target markets and the entrepreneurial skills to help these companies to mature successfully. Those investing in the Company will get exposure to Sure Valley Ventures which in turn makes direct investments in the above sectors in the UK & Ireland.

### Augmented Reality & Virtual Reality

The AR/VR market is evolving at a rapid pace. The market is expected to grow into a US\$298 billion industry by 2023 growing at a CAGR of over 60% during the forecast time frame [1]. Significant investment in hardware capability and headset development has been made by major industry players such as Facebook (through its Oculus division), Microsoft, Sony (through its PlayStation division), HTC, Samsung and others. This investment has ignited a new and exciting industry within the technology sector. Hardware manufacturers and AR/VR users are now searching for software capabilities/support and content, and we believe that exposure to this industry via the Fund and direct investment into software companies in the space will offer significant upside potential for investors. Through our network of technology accelerators, angel investor partners and industry contacts in the AR/VR space, we expect to have a strong chance of discovering the industry leaders of tomorrow.

### Internet of Things

The Internet of Things (IoT) as a segment of the market is a broad investment area; it is defined as the interconnection, via the internet, of computing devices embedded in everyday objects, enabling them to send and receive data. The market was estimated to be worth US\$212 billion dollars by the end of 2019 and is predicted to reach a size of US\$1.6 trillion by 2025[2]. The global growth and advancement of internet coverage, the increased speed and capability of connectivity and the mass market penetration of smartphones/tablet sales has created significant opportunities for software companies. Businesses from many industries are embracing the efficiencies, cost savings and the "direct to consumer" penetration this technological advancement has offered. We see continued growth in this area and believe that investor returns will benefit from exposure to the space.

### Artificial Intelligence

According to the market research firm Tractica, the global artificial intelligence software market is expected to experience massive growth in the coming years, with revenues increasing from around US\$9.5 billion in 2018 to an expected US\$118.6 billion by 2025[3]. The overall AI market includes a wide array of applications such as natural language processing, robotic process automation, and machine learning. McKinsey did an analysis comparing the value created by advanced analytics versus AI and machine learning across common enterprise use cases. McKinsey found that 82% of enterprises adopting machine learning and AI have gained a financial return from their investments. For companies across all industries, the median return on investment from cognitive technologies is 17%. AI and machine learning have the potential to create an additional US\$2.6T in value by 2020 in Marketing and Sales, and up to US\$2.0T in manufacturing and supply chain planning.

[1] ARC market research Sep 2019

[2] Statista 2019

[3] Tractica 2019

## PORTFOLIO BREAKDOWN

On 6 February 2018 the Company entered into a €4.5m commitment to Sure Valley Ventures (the “Fund”), the sole sub-fund of Suir Valley Funds ICAV and its investment was equalised into the Fund at that date. On 31 August 2019 a further €2.5m was committed to the Fund, taking the total investment in Sure Valley Ventures to €7m. The first drawdown was made on 5 March 2018 and as at 30 September 2020, a total of €3,595,468 had been drawn down against this commitment.

On 26 April 2019 the Company made a direct investment of £500,000 into VividQ Limited, a deep tech start up with world leading expertise in 3D holography. This investment represents the second direct investment of the Company, alongside Immotion Group PLC, which was announced on 24th April 2018. As detailed in the Statement of Position included in the following financial statements, these two investments alongside the Fund investment represent the entire portfolio of Sure Ventures plc as at 30 September 2020.

On 3 July 2020, the Company announced a placing of 230,769 ordinary shares which were admitted to trading on the Specialist Fund Segment of the London Stock Exchange on 9 June 2010, under the existing ISIN: GB00BYWYZ460, taking the total shares in admission as at 30 September 2020 to 5,350,725.

## SUIR VALLEY FUNDS ICAV

Suir Valley Funds ICAV (the “ICAV”) is a close-ended Irish collective asset-management vehicle with segregated liability between sub-funds incorporated in Ireland pursuant to the Irish Collective Asset-management Vehicles Act 2015 and constituted as an umbrella fund insofar as the share capital of the ICAV is divided into different series with each series representing a portfolio of assets comprising a separate sub-fund.

The ICAV was registered on 18 October 2016 and authorised by the Central Bank of Ireland as a qualifying investor alternative investment fund (“QIAIF”) on 10 January 2017. The initial sub-fund of the ICAV is Sure Valley Ventures, or the Fund, which had an initial closing date of 1 March 2017. The Fund invests in a broad range of software companies with a focus on companies in the AR/VR, AI and IoT sectors.

As at 30 September 2020 the Fund had commitments totalling €27m and had made thirteen direct investments into companies spanning the AR/VR, AI and IoT sectors. One of these investments was sold in the prior year, giving the Fund its first realised gain on exit of around 5X return on investment. On 12 March 2018, Immersive VR Education Limited, the Fund’s first investment, completed a flotation on the London Stock Exchange (AIM) and the Dublin Stock Exchange (ESM). The public company is now called VR Education Holdings PLC – ticker VRE. VRE was the first software company to list on the ESM since that market’s inception. Following an increase in the share price of VRE, in June 2020 the Fund sold 3.3m of its 13.8m holding in order to fully recover the costs of its initial investment.

## PERFORMANCE

In the period to 30 September 2020 the Company’s performance was broadly in line with expectations, returning a net asset value of £0.96 per unit, which is an increase of £0.03 from the 31 March 2020 audited year end figure. This can largely be explained by the positive performance in Sure Valley Ventures Fund. The NAV has also benefitted slightly from an increased share price in Immotion Group PLC, closing the period at 3.05p (March 2020: 1.85p) which, whilst improved, continues to suffer as a result of the recent Covid-19 pandemic.

## FUTURE INVESTMENT OUTLOOK

The Fund has achieved one very positive realised gain and more recently realised some additional gains by recovering its initial investment in VRE, as well as a number of unrealised gains across the portfolio and continues to have access to quality deals in our chosen high growth sectors. The portfolio of current investments is now beginning to mature and approach series A funding rounds, which if successful, will begin to provide the NAV growth that was set out to achieve from inception.

We remain confident in the future outlook of the Company in the forthcoming financial year and in line with the prospectus, reserve the right to make further direct investments provided there is sufficient working capital to do so.

**Shard Capital AIFM LLP**  
Investment Manager  
**24 November 2020**

# 3 Interim Management Report

# Interim Management Report

The report below together with the Chairman's Statement, Investment Manager's report and related party disclosures in the notes to the financial statements constitute the Interim Management Report for the six months ended 30 September 2020.

## Principal risks and uncertainties

The principal risks and uncertainties associated with the Company's business are divided into the following main areas:

- Operational risks, including risks associated with reliance on third party service providers, reliance on key individuals at the Investment Manager and fluctuations in the market price of the Company's shares;
- Investment risks, including risks associated with the investment objective, borrowing and liquidity of investments; and
- Regulatory risks, including risks associated with maintenance of investment trust status and compliance with applicable legislative obligations.

The above risks are described further in the Company's Annual Report for the year ended 31 March 2020 together with measures that have been put in place to mitigate and manage those risks.

In the view of the directors, the principal risks and uncertainties reported in the latest Annual Report for the year ended 31 March 2020 remain unchanged and will be applicable to the remaining six months of the financial year.

## COVID-19 PANDEMIC

In the first quarter of 2020, the World Health Organization declared a global health pandemic due to the spread of the "COVID-19" virus. The effects of COVID-19 are causing significant market volatility and have had an effect on the Company through price volatility of the Company's investments. The ongoing economic and broader impacts of COVID-19 will have an effect on the financial statements and operations in the future, though it is not possible to quantify likely impacts at this stage.

The Board and the Investment Manager continue to closely monitor developments on a regular basis and have invoked internal controls and risk management procedures to mitigate any related risk that may arise.

## GOING CONCERN

The Board and the Investment Manager believe that the operational viability and going concern status of the Company remains intact and will continue for the next financial 12 months ahead and foreseeable future. The Board has no concerns in regards to the ongoing existence of the Company.

The Board is also satisfied that the key service providers have the ability to continue to operate efficiently in a remote or virtual working environment.

## STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors confirm that, to the best of their knowledge that:

a) the condensed set of unaudited financial statements contained within the half-yearly financial report have been prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting as required by the Disclosure and Transparency Rule 4.2.4R, and give a true and fair view of the assets, liabilities and financial position of the Company;

b) the Interim Management Report includes a fair review, as required by Disclosure and Transparency Rule 4.2.7R, of important events that have occurred during the first six months of the financial year, their impact on the condensed set of unaudited financial statements, and a description of the principal risks and perceived uncertainties for the remaining six months of the financial year; and

c) the Interim Management Report includes a fair review of the information concerning related parties' transactions as required by Disclosure and Transparency Rule 4.2.8R.

For and on behalf of the board of directors

**Perry Wilson**

Chairman

**24 November 2020**

# 4 Alternative Performance Measures (APMs)

## Alternative Performance Measures (APMs)

APMS are often used to describe the performance of investment companies although they are not specifically defined under IFRS. Calculations for APMs used by the Company are shown below.

### ONGOING CHARGES

A measure expressed as a percentage of average net assets, of the regular, recurring annual costs of running an investment company, calculated in accordance with the AIC methodology.

Period ended 31 September 2020		
Average NAV (£'000)	a	£5,094
Recurring costs (£'000)	b	£341.3
	b/a	6.70%

### PREMIUM

The amount, expressed as a percentage, by which the share price is more than the NAV per share.

As at 30 September 2020		
NAV per ordinary share	a	95.79p
Share price	b	97.0p
	(b-a)/a	1.26%

### TOTAL RETURN

A measure of performance that includes both income and capital returns. This takes into account capital gains and reinvestment of any dividends paid out by the Company, with reinvestment on ex-dividend date

Year ended 31 March 2020		NAV	Share price
Opening as at 31 March 2020 (p)	A	92.61	95.00
Closing at 30 September 2020 (p)	B	95.79	97.00

# 5 Financial Statements

## Condensed Statement of Comprehensive Income

For the six months ended 30 September 2020 (unaudited)

	Revenue £	Capital £	Total £
<b>Income</b>			
Other net changes in fair value on financial assets at fair value through profit or loss	-	231,188	231,188
Other income	-	79,883	79,883
<b>Total net income</b>	<b>-</b>	<b>311,071</b>	<b>311,071</b>
<b>Expenses</b>			
Custodian, secretarial and administration fees	(43,095)	-	(43,095)
Other expenses	(103,820)	-	(103,820)
<b>Total operating expenses</b>	<b>(146,915)</b>	<b>-</b>	<b>(146,915)</b>
<b>Profit / (Loss) before Taxation and after finance costs</b>	<b>(146,915)</b>	<b>311,071</b>	<b>164,156</b>
Taxation	-	-	-
<b>Profit / (Loss) after taxation</b>	<b>(146,915)</b>	<b>311,071</b>	<b>164,156</b>
<b>Earnings per share</b>	<b>(2.75)p</b>	<b>5.81p</b>	<b>3.07p</b>

For the six months ended 30 September 2019 (unaudited)

	Revenue £	Capital £	Total £
<b>Income</b>			
Other net changes in fair value on financial assets at fair value through profit or loss	-	111,913	111,913
Other income	-	-	-
<b>Total net income</b>	<b>-</b>	<b>111,913</b>	<b>111,913</b>
<b>Expenses</b>			
Management fee	-	-	-
Custodian, secretarial and administration fees	(42,478)	-	(42,478)
Other expenses	(88,033)	-	(88,033)
<b>Total operating expenses</b>	<b>(130,511)</b>	<b>-</b>	<b>(130,511)</b>
<b>(Loss) / Profit before Taxation and after finance costs</b>	<b>(130,511)</b>	<b>111,913</b>	<b>(18,598)</b>
Taxation	-	-	-
<b>(Loss) / Profit after taxation</b>	<b>(130,511)</b>	<b>111,913</b>	<b>(18,598)</b>
<b>Earnings per share</b>	<b>(2.68)p</b>	<b>2.30p</b>	<b>(0.38)p</b>

The total comprehensive income and expense for the period is attributable to shareholders of the Company. The accompanying notes on pages 19 to 21 form part of these condensed interim financial statements.

# Condensed Statement of Financial Position

As at 30 September 2020

	Notes	30 September 2020 (unaudited) £	31 March 2020 (audited) £
<b>Non-current assets</b>			
Investments held at fair value through profit or loss	7	3,657,599	3,078,560
		<b>3,657,599</b>	<b>3,078,560</b>
<b>Current assets</b>			
Receivables		13,290	18,620
Cash and cash equivalents		1,477,366	1,700,601
		<b>1,490,656</b>	<b>1,719,221</b>
<b>Total assets</b>		<b>5,148,255</b>	<b>4,797,781</b>
<b>Current liabilities</b>			
Other payables		(22,930)	(287,862)
		<b>(22,930)</b>	<b>(287,862)</b>
<b>Total assets less current liabilities</b>		<b>5,125,325</b>	<b>4,509,919</b>
<b>Total net assets</b>		<b>5,125,325</b>	<b>4,509,919</b>
<b>Shareholders' funds</b>			
Ordinary share capital	8	53,449	48,699
Share premium		5,146,088	4,699,588
Revenue reserves		76,460	223,375
Capital reserves		(150,672)	(461,743)
<b>Total shareholders' funds</b>		<b>5,125,325</b>	<b>4,509,919</b>
<b>Net asset value per share</b>		<b>95.79p</b>	<b>92.61p</b>

The accompanying notes on pages 19 to 21 form part of these condensed interim financial statements.

The financial statements on pages 15 to 18 were approved by the board of directors and authorised for issue on 24<sup>th</sup> November 2020.

They were signed on its behalf by:

**Perry Wilson, Chairman**

## Condensed Statement of Changes in Equity

### For the six months ended 30 September 2020 (unaudited)

	Ordinary Share Capital £	Share Premium £	Revenue Reserves £	Capital Reserves £	Total Reserves £	Total Equity £
<b>For the year ended 31 March 2020</b>	48,699	4,699,588	223,375	(461,743)	(238,368)	4,509,919
Ordinary shares issued	4,750	470,250	-	-	-	475,000
Ordinary shares issue costs	-	(23,750)	-	-	-	(23,750)
Profit / (Loss) after taxation	-	-	(146,915)	311,071	164,156	164,156
Dividends paid in the period	-	-	-	-	-	-
<b>Balance at 30 September 2020</b>	<b>53,449</b>	<b>5,146,088</b>	<b>76,460</b>	<b>(150,672)</b>	<b>74,212</b>	<b>5,125,325</b>

### For the six months ended 30 September 2019 (unaudited)

	Ordinary Share Capital £	Share Premium £	Revenue Reserves £	Capital Reserves £	Total Reserves £	Total Equity £
<b>For the year ended 31 March 2019</b>	45,647	4,428,290	(501,420)	(182,429)	(683,849)	3,790,088
Ordinary shares issued	3,052	290,186	-	-	-	293,000
Ordinary shares issue costs	-	(18,650)	-	-	-	(18,650)
(Loss) / Profit after taxation	-	-	(130,511)	111,913	(18,598)	(18,598)
Dividends paid in the period	-	-	-	-	-	-
<b>Balance at 30 September 2019</b>	<b>48,699</b>	<b>4,699,588</b>	<b>(631,931)</b>	<b>(70,516)</b>	<b>(702,447)</b>	<b>4,045,840</b>

The accompanying notes on pages 19 to 21 form part of these condensed interim financial statements.

# Condensed Statement of Cash Flows

For the six months ended 30 September 2020

	30 September 2020 (unaudited) £	30 September 2019 (unaudited) £
<b>Cash flows from operating activities:</b>		
Profit / (Loss) after taxation	164,156	(18,598)
Adjustments for:		
Decrease in receivables	5,330	(6,900)
Decrease in payables	(264,932)	1,522
Unrealised Profit on foreign exchange	(66,576)	(45,187)
Loss on sale of investment	1,790	-
Net changes in fair value on financial assets at fair value through profit or loss	(156,338)	(68,570)
<b>Net cash (outflow) from operating activities</b>	<b>(316,570)</b>	<b>(137,732)</b>
<b>Cash flows from investing activities:</b>		
Purchase of investments	(424,828)	(827,937)
Sale of investments	66,913	-
<b>Net cash (outflow) from investing activities</b>	<b>(357,915)</b>	<b>(827,937)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issue of ordinary shares	475,000	293,000
Share issue costs	(23,750)	(18,650)
<b>Net cash inflow from financing activities</b>	<b>451,250</b>	<b>274,350</b>
<b>Net change in cash and cash equivalents</b>	<b>(223,235)</b>	<b>(691,319)</b>
Cash and cash equivalents at the beginning of the period	1,700,601	2,139,842
<b>Net cash and cash equivalents</b>	<b>1,477,366</b>	<b>1,448,523</b>

The accompanying notes on pages 19 to 21 form part of these condensed interim financial statements.

# Notes to the Condensed Interim Financial Statements

## 1) GENERAL INFORMATION

Sure Ventures plc (the "Company") is a company incorporated in England and Wales (registration number: 10829500) on 21 June 2017, commencing trading on 19 January 2018 upon listing. The registered office of the Company is 23rd Floor, 20 Fenchurch Street, London, United Kingdom, EC3M 3BY.

The Company is an investment company within the meaning of section 833 of the Companies Act 2006.

The Company operates as an investment trust in accordance with Chapter 4 of Part 24 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011. In the opinion of the directors, the Company has conducted its affairs so that it is able to maintain its status as an investment trust. Approval of The Company's application for approval as an investment trust was received from HMRC on 22 November 2018, applicable from the accounting period commencing 1 April 2018.

The Company is an externally managed closed-ended investment company with an unlimited life and has no employees.

The information set out in these unaudited condensed interim financial statements for the period ended 30 September 2020 does not constitute statutory accounts as defined in section 435 of Companies Act 2006. Comparative figures 31 March 2020 are derived from the financial statements for that period. The financial statements for the period ended 31 March 2020 have been delivered to the Registrar of Companies and contain an unqualified audit report and did not contain a statement under emphasis of matter or statements under section 498(2) or (3) of the Companies Act 2006. The financial statements of the Company for the year ended 31 March 2020 are available upon request from the Company's registered office at 23<sup>rd</sup> Floor, 20 Fenchurch Street, London, United Kingdom, EC3M 3BY.

## 2) BASIS OF ACCOUNTING

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations (IFRS IC) as adopted by the European Union. They do not include all the information required for the full annual financial statements, and should be read in conjunction with the annual financial statements of the Company for the period ended 31 March 2020. The principal accounting policies adopted in the preparation of the financial information in these unaudited condensed interim financial statements are unchanged from those used in the Company's financial statements for the year ended 31 March 2020. This report does not itself contain sufficient information to comply with IFRS.

## 3) ESTIMATES

The preparation of the unaudited condensed interim financial statements requires management to make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unaudited condensed interim financial statements, the significant judgement made by management in applying the Company's accounting policies and the key sources of estimation were the same as those that applied to the Company financial statements as at and for the period ended 31 March 2020.

## 4) FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company financial statements as at and for the year ended 31 March 2020.

## 5) TAXATION

As an investment trust the Company is exempt from corporation tax on capital gains. The Company's revenue income is subject to tax, but offset by any interest distribution paid, which has the effect of reducing that corporation tax to nil. This means the interest distribution may be taxable in the hands of the Company's shareholders.

## 6) EARNINGS PER SHARE

For the six months period ended 30 September 2020	Revenue pence	Capital pence	Total pence
Earnings per ordinary share	(2.75)p	5.81p	3.07p
For the financial period ended 31 from March 2020			
Earnings per ordinary share	14.88p	(5.74)p	9.15p

The calculation of the above is based on revenue return loss of £146,915 (31 March 2020: profit £724,795), capital return profit of £311,071 (31 March 2020: loss £279,314) and total return profit of £164,156 (31 March 2020: profit £445,481) and weighted average number of ordinary shares of 5,350,725 (31 March 2020: 4,869,956) as at 30 September 2020.

## 7) INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 September 2020 £	As at 31 March 2020 £
<b>Opening cost</b>		
Opening fair value	<b>3,078,560</b>	<b>1,700,900</b>
Purchases at cost	424,828	1,894,014
Sale	(66,913)	(279,301)
<b>Cost at fair value measurement</b>		
Realised loss	(1,790)	(22,136)
Unrealised gain/(loss)	156,338	(291,347)
Unrealised gain on foreign exchange	66,576	76,430
<b>Closing fair value</b>	<b>3,657,599</b>	<b>3,078,560</b>

## 8) ORDINARY SHARE CAPITAL

The table below details the issued share capital of the Company as at the date of the Financial Statements.

Issued and allotted	No. of shares 30 September 2020	No. of shares 31 March 2020	Ordinary Share Capital 30 September 2020 £	Ordinary Share Capital 31 March 2020 £
Ordinary shares of 1 penny each	<b>5,350,725</b>	<b>4,869,956</b>	<b>53,507</b>	<b>48,699</b>

On incorporation, the issued share capital of the Company was £0.01 represented by one ordinary share of £0.01. Redeemable preference shares of 50,000 were also issued with a nominal value of £1 each, of which 25% were paid. The redeemable shares were issued to enable the Company to obtain a certificate of entitlement to conduct business and to borrow under section 761 of the Companies Act 2006. The redeemable shares were redeemed on listing from the proceeds of the issue of the new ordinary shares upon admission on 19 January 2018.

The following table details the subscription activity for the period ended 30 September 2020.

	30 September 2020	31 March 2020
<b>Balance as at 31 March 2020</b>	<b>4,869,956</b>	<b>4,564,748</b>
Ordinary shares issued	480,769	305,208
<b>Balance as at 30 September 2020</b>	<b>5,350,725</b>	<b>4,869,956</b>

During the period ended 30 September 2020, all proceeds from this issue was received (31 March 2020 all proceeds from this issue was received)

## 9) RELATED PARTY TRANSACTIONS AND TRANSACTIONS WITH THE MANAGER

**Directors** – There were no contracts subsisting during or at the end of the period in which a director of the Company is or was interested and which are or were significant in relation to the Company's business. There were no other transactions during the period with the directors of the Company. The directors do not hold any ordinary shares of the Company.

At 30 September 2020, there was £nil (31 March 2020: £1,473) payable in respect of directors fees and expenses.

**Manager** – Shard Capital AIFM LLP (the 'Manager'), a UK-based company authorised and regulated by the Financial Conduct Authority, has been appointed the Company's manager and authorised investment fund manager for the purposes of the Alternative Investment Fund Managers Directive. Details of the services provided by the manager and the fees paid are given in the prospectus dated 17 November 2017.

During the period the Company incurred £31,938 and was rebated the full amount (31 March 2020 £55,495) of fees and at 30 September 2020, there was £nil (31 March 2020: nil) payable to the manager.

During the period the Company paid £23,750 (31 March 2020: £18,650) of placement fees to Shard Capital Partners LLP.

During the period the Company paid £6,000 (31 March 2020: £12,000) of advisory fees to Shard Capital Partners LLP.

## 10) SUBSEQUENT EVENTS

There was no subsequent events which would require disclosure in the financial statements.