RNS Number : 1608D
Valereum PLC
17 October 2022

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR")*

17 October 2022

**Valereum Plc**

("**Valereum**" or the "**Company**")

**Interim results for the six months to 30 June 2022**

Following discussions with its new adviser, First Sentinel Corporate Finance,Valereum has concluded it should re-state its interim results. These were approved by the Company's previous adviser for release on 30th September 2022.

Valereum Plc announces its interim results for the period ended 30 June 2022. Shareholders are reminded that these results are unaudited and based on the Company's management accounts.

The first half of 2022 has been an exciting period for the Company, as it continues the transformation announced last year. This included in January 2022, the change of the Company name from Valereum Blockchain Plc to Valereum Plc, reflecting the Company's broader portfolio of interests.

Valereum's entire management team is focused on completing the Gibraltar Stock Exchange ("GSX") acquisition and looks forward to announcing its future plans and executing them in the near future.

## Interim Operational Highlights

1) On 23 February, Valereum's option over the shares in the Gibraltar Stock Exchange increased from 80% to 90%. Valereum paid a total of £2.9m in consideration for 50% of GSX's shares, which are held by the Company under a fixed charge structure.
2) Throughout the period the management team have been working closely with Hassans, the Company's Gibraltar lawyers, to move through the regulatory change of control of the GSX with the Gibraltar Financial Services Commission ("GFSC").
3) On 16 June 2022, the Company announced plans to launch a new global marketplace platform for Non-Fungible Tokens ("NFTs"); the platform being developed will create a new investment opportunity for investors which the board believes will bring significant revenue to the Company. This platform is regulated independently from the GSX and outside Gibraltar although the technology will be shared across all the Company's platforms.

4) On 13 June, Z/Yen Group Ltd was appointed as the Company's strategic adviser and was engaged to provide a commercial review of the Company's business plans for the GSX, as a prelude to seeking an additional listing on a larger European market.

## Interim Financial Highlights

1) During the first half of 2022, the Company drew down £2.3m ($3m) from the $10m drawdown facility announced in January 2022.

2) The Company has also issued 499,796 new ordinary shares of 0.1 pence each following the receipt of conversion notice for $250,000 in March 2022.

3) The Company cash balance on 30th June 2022 was £656,405 (31st December 2021: £1,432,377). In additional to the cash balance in the bank, the Company has overdraft/bridge loan facilities of £6m available to cover the requirements of any capital expenditure and operation cost. Previously this facility had been stated on both sides of the balance sheet. This re-statement does not have any impact on our Profit and Loss or the net balance sheet position.

**Commenting on the results, Richard Poulden, Chairman of Valereum, said**: "We remain focused on establishing the Gibraltar Stock Exchange not only as one of the world's first fully regulated exchanges crossing the digital divide, but also linking into markets not touched by other European exchanges. Combined with our plans for an NFT platform and listing on another European market, we believe we have the technology and experience to execute our plan and deliver value for shareholders."

The Directors of the Company accept responsibility for the contents of this announcement.

**END**

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For more information, please visit the Company's website at valereum.gi

**Valereum Plc**
**Statement of Total Comprehensive Income**

**for the six months ended 30 June 2022**

| | 6 Months Ended 30 June 2022 £ | 6 Months Ended 30 June 2021 £ | 12 Months Ended 31 December 2021 £ |
|---|---|---|---|
| Revenue | - | 11,210 | - |
| Cost of sales | - | - | - |
| **Gross profit** | - | 11,210 | - |
| Administration expenses | (1,031,309) | (519,532) | (1,860,478) |
| **Operating loss** | (1,031,309) | (508,322) | (1,860,478) |
| Foreign exchange gain/(loss) | (2,608) | 6,844 | (1,676) |
| Interest expense | - | - | (5,000) |
| Interest income | - | - | 29,331 |
| **Loss on ordinary activities before taxation** | (1,033,917) | (501,478) | (1,837,823) |
| Tax on loss on ordinary activities | - | - | - |
| **Loss for the financial period** | (1,033,917) | (501,478) | (1,837,823) |
| Loss for the year from discontinued operations | - | - | - |
| **Retained loss for the financial period** | (1,033,917) | (501,478) | (1,837,823) |
| Change in foreign currency | - | - | - |
| **Other comprehensive income** | | | |
| Items that may not be reclassified subsequently to profit or loss: | | | |
| Unrealised gain on crypto assets | 43,532 | - | 85,957 |
| **Other comprehensive income for the year/period** | 43,532 | - | 85,957 |
| Total comprehensive loss for the financial period | (990,385) | (501,478) | (1,751,866) |

**Valereum Plc**
**Statement of Financial Position**
**as at 30 June 2022**

| | 6 Months Ended 30 June 2022 *(Re-stated)* £ | 6 Months Ended 30 June 2021 £ | 12 Months Ended 31 December 2021 £ |
|---|---|---|---|
| **Current assets** | | | |
| Trade and other receivables | 332,331 | 20,000 | 332,331 |
| Cash and cash equivalents | 656,405 | 1,051,702 | 1,432,377 |
| | 988,736 | 1,071,702 | 1,764,708 |
| **Non-current assets** | | | |
| Property, plant and equipment | 84,626 | 137,278 | 108,243 |
| Intangible assets | 129,488 | - | 85,957 |
| Investments | 2,964,501 | - | 777,001 |
| | 3,178,615 | 137,278 | 971,201 |
| **Total assets** | 4,167,351 | 1,208,980 | 2,735,909 |
| **Current liabilities** | 2,462,751 | 21,131 | 224,948 |
| **Capital and reserves** | | | |
| Share capital | 4,126,094 | 4,118,394 | 4,125,594 |
| Share premium | 22,250,459 | 19,876,633 | 22,066,933 |
| Revaluation reserve | 85,957 | - | 85,957 |
| Translation reserve | 257,478 | - | 257,478 |
| Foreign exchange reserve | - | - | - |
| Share based payment reserve | 153,500 | - | 153,500 |
| Retained earnings | (25,168,887) | (22,807,178) | (24,178,501) |
| | 1,704,601 | 1,187,849 | 2,510,961 |
| **Total equity and liabilities** | 4,167,351 | 1,208,980 | 2,735,909 |

**Valereum Plc**
**Statement of Cash Flows**
**for the six months ended 30 June 2022**

| | 6 Months Ended | Six Months | 12 Months Ended |
|---|---|---|---|

| | Ended | | |
|---|---|---|---|
| | **30 June 2022** ***(Re-stated)*** | **30 June 2021** | **31 December 2021** |
| | **£** | **£** | **£** |
| **Cash flows from operating activities** | | | |
| Loss before tax | (990,385) | (501,478) | (1,751,866) |
| Reconciliation to cash generated from operations: | | | |
| Foreign exchange (gain)/loss | - | (6,844) | - |
| Purchase of Equipment | - | (137,278) | - |
| *Operating cash flow before changes in working capital* | (990,385) | (645,600) | (1,751,866) |
| Unrealised gain on crypto | (43,532) | - | (85,957) |
| Share-based payments expense | - | - | 376,000 |
| Depreciation | 23,617 | - | 33,457 |
| Decrease/(increase) in receivables | - | (3,299) | (318,881) |
| Increase/(decrease) in payables | 2,237,802 | (57,242) | 146,574 |
| *Cash outflow from operations* | 1,227,502 | (706,141) | (1,600,673) |
| **Cash flows from financing activities** | | | |
| Issue of shares for cash | 184,026 | 1,751,000 | 3,948,500 |
| *Net cash flow from financing activities* | 184,026 | 1,751,000 | 3,948,500 |
| **Cash flows from investing activities** | | | |
| Payment for acquisition of property, plant and equipment | - | - | (141,700) |
| Payment for acquisition of investments | (2,187,500) | - | (777,001) |
| *Net cash flow from investing activities* | (2,187,500) | - | (918,701) |
| **Net increase/(decrease) in cash** | (775,972) | 1,044,859 | 1,429,126 |
| Effects of exchange rates on cash and cash equivalents | - | 6,843 | - |
| | (775,972) | 1,051,702 | 1,429,126 |
| Cash at bank at beginning of period | 1,432,377 | - | 3,251 |
| Cash at bank at period end | 656,405 | 1,051,702 | 1,432,377 |

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