RNS Number : 5257E
Valereum PLC
30 June 2023

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")

30 June 2023

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

Final results for the year ended 31 December 2022

Valereum Plc, the Gibraltar technology group, is pleased to announce its final results covering the 12 months to 31st December 2022. The full set of accounts can be found on the company's website www.valereum.gi.

Highlights

- Secured transfer of ownership permission to acquire the Gibraltar Stock Exchange ("GSX"), subject only to regulatory sign-off
- Commercially agreed total acquisition will be 100% of the GSX
- Secured a substantially reduced price for the remaining 50% of the GSX not acquired in the initial agreement
- Plan to focus GSX on growth companies in the Middle East, Africa and India remains valid as their need for capital markets investment remains unmatched
- Fundraising process underway with positive outcome expected imminently
- Launched Valereum Collections building on the work done linking NFTs to physical real world assets
- Sold Bitcoin mining assets to Vinanz Ltd in return for shares in Vinanz worth around £800,000 on its listing.
- Raised £2.3m primarily from a partial drawdown on the $10m facility announced in January 2022. Repayments during the year and during the first half of 2023 have reduced the balance outstanding to $800,000.

Richard Poulden, Chairman of Valereum, said: *"It has been a year of progress and patience for Valereum as we waited for the final permission to secure ownership of the GSX. Our strategic ambitions for the exchange remain undiminished and we expect, once the current fundraise is completed, to be able to set about bringing these plans to life which will deliver enhanced shareholder value."*

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

Chairman's Statement
Year ended 31 December 2022

Dear Shareholders,

When we announced in October 2021 that we had taken an option to acquire 80% of the Gibraltar Stock Exchange ("GSX"), we did not anticipate that it would take another twelve months, until October 2022, to obtain the transfer of ownership permission.

Since then, the crypto markets and broader financial markets have been in a period of flux, with increased volatility and deteriorating investor sentiment. The high-profile collapse of FTX led to a clamp down on crypto worldwide in the final quarter of last year and this was followed in March 2023 with the collapse of Silicon Valley Bank and Credit Suisse. This has impacted investor sentiment around the world but particularly in London. Small cap funding declined in 2022 and the first six months of 2023 has seen very little investment overall.

This context is important because, as a financial services business, Valereum is in the midst of this. We are in the process of raising money to enable the roll out of our plans for the GSX and elsewhere and I firmly believe the outcome of our ongoing discussions will be welcomed by all shareholders.

The Gibraltar Stock Exchange ("GSX")

It has been a long road to get to this point but all of our initial analysis which underpinned our strategy for the renewed GSX has proven to be correct. The focus on growth companies in the Middle East, Africa and India is correct as their need for capital markets investment remains unmatched. We have continued our international discussions in the Middle East and in Asia, so once the acquisition is complete, we are well positioned to begin the execution of our strategy.

In June 2023, we have renegotiated our agreement, subject to contract, with the GSX group to acquire 100% of the GSX for a substantially reduced price for the remaining 50% of the business. As you will see in the accounts, in accordance with IAS 36, we impair the initial investment to reduce the holding value to the same price as the remaining tranche. We believe that accepting this technical write-down of the value, and saving over £1m in cash, is in the best interests of shareholders.

As security for the payments made thus far, Valereum holds a fixed charge over the 50% already paid for, together with draft blank transfer forms for the ultimate transfer of the shares. Therefore, we view those payments as secure.

Valereum Collections

During the year we also announced the launch of Valereum Collections. This is building on the work we have done linking NFTs (Non-Fungible Tokens) to physical real-world assets. The Collections strategy is separate from any linking of securities to the blockchain through NFTs but builds on the work done on this during last year.

Sale of Bitcoin Assets

In August 2022, we announced the conditional sale of our Bitcoin mining assets to Vinanz Ltd for shares in Vinanz. This sale was completed in April 2023 when Vinanz listed on the AQUIS Stock Exchange. Valereum now holds shares in Vinanz with a current market value of approximately £800,000 which are restricted for 12 months.

We believe Bitcoin remains a very attractive investment and that Vinanz is pursuing a robust strategy to deliver this value to shareholders.

Financing and Markets

During the year, we raised £2.23m ($3m) primarily from a partial drawdown on the $10m facility announced in January 2022. Repayments during the year and during the first half of 2023 have reduced the balance outstanding to $800,000.

As always, I would particularly like to thank you all: staff, shareholders and advisers for your hard work and support.

Richard Poulden

Chairman

29 June 2023

Statement of Total Comprehensive Income

for the year ended 31 December 2022

	Notes	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Administrative expenses		(4,277,717)	(1,860,478)
Operating loss	4	(4,277,717)	(1,860,478)
Foreign exchange gain/(loss)		1,536	(1,676)
Interest expense		-	(5,000)
Interest income		31,021	29,331
Loss before taxation		(4,245,160)	(1,837,823)
Tax on loss	6	-	-
Loss for the financial year		(4,245,160)	(1,837,823)
Other comprehensive income			
Items that may not be reclassified subsequently to profit or loss:			
Unrealised (loss)/gain on crypto assets		(23,677)	85,957
Other comprehensive income for the year		(23,677)	85,957
Total comprehensive loss for the year		(4,268,837)	(1,751,866)

Basic and diluted loss per share	7	(0.057)	(0.029)

There are no recognised gains or losses other than disclosed above and there have been no discontinued activities during the year.

Statement of Financial Position

as at 31 December 2022

	Notes	31 December 2022	31 December 2021
		£	£
Current assets			
Loans and other receivables	8	274,352	332,331
Cash and cash equivalents		92,528	1,432,377
		366,880	1,764,708
Non-current assets			
Property, plant and equipment	9	61,010	108,243
Intangible asset	10	62,280	85,957
Investments	11	750,000	777,001
		873,290	971,201
Total assets		1,240,170	2,735,909
Current liabilities	12	1,946,556	224,948
Equity			
Share capital	13	4,131,220	4,125,594
Share premium	13	22,888,797	22,066,933
Revaluation reserve	10	62,280	85,957
Translation reserve		257,478	257,478
Share-based payments reserve	14	377,500	153,500
Accumulated losses		(28,423,661)	(24,178,501)
		(706,386)	2,510,961
Total equity and liabilities		1,240,170	2,735,909

The financial statements were approved by the board and authorised for issue on 29 June 2023 and signed on its behalf by:

Richard O'Dell Poulden **Alan David Gravett**

Director **Director**

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