Dekel Agri-Vision

2021 Interim Results and Shareholder Call

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Dekel Agri-Vision PLC
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Dekel Agri-Vision Plc ('Dekel' or the 'Company')
2021 Interim Results and Shareholder Call

Dekel Agri-Vision Plc, the West Africa-focused agriculture company, is pleased to announce its interim results for the six months ended 30 June 2021.

The Company will be hosting a shareholder conference call at 2pm UK time on 28 September 2021. The call will be hosted by Executive Director, Lincoln Moore and Deputy CEO Shai Kol, who will discuss the interim results and provide an update on activity across its portfolio of projects. Further information about the call can be found at the end of this announcement, as well as in the presentation, which will be uploaded to the corporate website prior to the conference call.

Key Highlight s

Palm Oil Operation

- Record H1 2021 Revenue of €21.7m, an increase of 40.9% compared to H1 2020
- Record H1 2021 EBITDA of €3.9m, an increase of 105.3% compared to H1 2020
- A near record H1 2021 Net Profit of €2.0m, an increase of 400% compared to H1 2020. An excellent result given this included pre-production cashew operating expenses for the first time, in addition to timing issues which resulted in a higher than normal CPO inventory being sold post period end.

Cashew Project

- Construction of the cashew processing plant has made huge strides in H1 2021. We are on the cusp of first production within the next 50 days, with the commissioning phase now also commenced

Financial Overview

As set out in the table below - the Company's first half financial performance has been excellent, particularly when set against the backdrop of COVID-19.

	H1 2021	*H1 2020*	*% change*
Revenue	*€21.7m*	€15.4m	40.9%
Gross Margin	*€4.9m*	€2.6m	88.4%
Gross Margin %	*22.6%*	16.8%	34.5%
G&A	*(€1.7m)*	(€1.4m)	-21.4%
EBITDA	*€3.9m*	€1.9m	105.3%
Net profit / (loss) after tax	*€2.0m*	€0.4m	400.0%

Production - palm oil project, Ayenouan Côte d'Ivoire

- A very strong first-half year of global Crude Palm Oil ('CPO') prices and an improvement in CPO volumes produced and sold during H1 2021 drove the material improvement in results
- 35.7% increase in average realised sales price of €817 per tonne of CPO (H1 2020: €602)
  - CPO prices rallied strongly during the first half to around a 10-year high. Current prices post 30 June 2021 remain even higher than the price average of H1 2021, with current prices being achieved of over €900 per tonne
- 26,515 tonnes of CPO produced in first half, 11.0% higher than H1 2020 production of 23,882 tonnes. We believe this is due to the stabilisation of operations and logistics following the peak Covid-19 disruption in H1 2020
- The extraction rate remained solid at 21.4%, although below H12020 result of 22.5% due to lower oil content in the Fresh Fruit Bunches ('FFB')
- 3.7% increase in CPO sales of 24,784 tonnes (H1 2020: 23,906 tonnes). Higher levels of stock on hand at the end of H1 2021 compared to H1 2020 have now been sold post period end
- ESG milestones achieved included completion of final pre-audit of the Roundtable on Sustainable Palm Oil (RSPO) certification process setting us up to deliver our goal of RSPO certification

Imminent production - cashew processing project at Tiebissou in Côte d'Ivoire

- Production on course to commence within the next 50 days at which point Tiebissou will become Dekel's second producing asset and provide exposure to the high margin, global cashew market
- Tiebissou expected to lead to step-up in Dekel's revenue and profitability as operations ramp up in 2022

New Ventures - proceeding cautiously due to significant focus upon bringing Tiebissou to production and COVID-19 market volatility

- New commodity project - one venture in Côte d'Ivoire being actively considered as a new project for the Company is currently undertaking an independent feasibility process

- Hybrid power project - feasibility study being undertaken by JV partner Green Enesys on the development of a 30MW solar PV plant and a 5-6MW biomass plant using feedstock from Ayenouan

Dekel Executive Director Lincoln Moore said, "Following a two to three year period of challenging trading conditions due to low CPO prices and more recently, Covid-19, we believe H1 2021's record results have been an outstanding outcome for the Company and come at an important moment as we shortly commence production at our Cashew project. In addition, with global crude palm oil prices currently trading at cyclical highs, we are extremely confident that our H2 2021 results will also show material improvement compared to H2 2020.

"Looking forward into 2022, we believe that the Company is well positioned to enter a period of sustained growth in financial performance. Together with the current high palm oil prices, the other key catalyst behind the step-up in performance will be, we expect, the incorporation of the first full year of Cashew production, which will diversify and significantly increase our profitability profile. We look forward to providing further updates on progress made over what appears to be a very exciting next six months for the Company."

Conference Call

Lincoln Moore and Shai Kol will provide a live presentation relating to the Interim results for the six months ended 30 June 2021 via the Investor Meet Company platform on 28th Sep 2021 at 2:00pm BST.

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 9am the day before the meeting or at any time during the live presentation.

Investors can sign up to Investor Meet Company for free and add to meet DEKEL AGRI-VISION PLC via:

https://www.investormeetcompany.com/dekel-agri-vision-plc/register-investor

Investors who already follow DEKEL AGRI-VISION PLC on the Investor Meet Company platform will automatically be invited.

An updated presentation will be uploaded to the Company's website on the morning of the call which will be referred to throughout the call.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR'). Upon the publication of this announcement via a Regulatory Information Service ("RIS"), this inside information is now considered to be in the public domain.

ENDS

For further information please visit the Company's website at www.dekelagrivision.com or contact:

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CHAIRMAN'S STATEMENT

For the first half of 2021, Dekel Agri-Vision reported record revenues and EBITDA for its palm oil operations and is on the cusp of production for its Tiebissou cashew processing project.

Revenues were up by 40.9% to €21.7 million; EBITDA rose by 105.3% to €3.9 million; net profits were also up by 400% to €2.0 million: the Company's first half financial performance, specifically that of our producing project, the crude palm oil ('CPO') operation at Ayenouan, Cote d'Ivoire, together with the advancement of the Cashew project to imminent production, by a number of measures represents the strongest H1 interim results we have reported since joining AIM.

Ayenouan Palm Oil Project
The table below shows the improved first half performance at Ayenouan compared to H1 2020. It also shows a summary of our results for the last six years.

	H1 2021	***H1 2020***	***H1 2019***	***H1 2018***	***H1 2017***	***H1 2016***
Revenue	*€21.7m*	*€15.4m*	*€14.6m*	*€14.1m*	*€19.6 m*	*€16.0m*
EBITDA	*€3.9m*	*€1.9m*	*€1.4m*	*€1.1m*	*€3.7m*	*€3.1m*
Net profit / (loss) after tax	*€2.0m*	*€0.45m*	*(€0.1m)*	*(€0.5m)*	*€2.4m*	*€1.8m*
FFB collected (tonnes)	*123,684*	*106,188*	*131,917*	*96,195*	*117,706*	*123,157*
CPO production (tonnes)	*26,515*	*23,882*	*28,934*	*22,242*	*26,947*	*28,550*
Average CPO price per	*€817*	*€602*	*€505*	*€549*	*€707*	*€542*

tonne						

Clearly, the stand-out drivers of Dekel's very strong performance in H1 2021 are:

- CPO pricing, the highest price achieved since operations commenced; and
- FFB collected, the second highest since operations commenced

Global CPO prices continue to remain strong early in the second half of 2021, with even higher prices in the range of €900-950 per tonne being achieved in Q3 to date. Whilst a host of factors impact the short-term pricing of CPO at a macro level, global stock levels remain relatively tight as low stock levels in the key producing nations pre Covid-19 are coupled together with improving demand as global markets reopen, resulting in higher CPO consumption levels. Should prices continue at current levels, we are well positioned to deliver a strong H2 2021 during the low season and potentially even a further improvement in results in the next high season in H1 2022.

Whilst CPO prices are supportive, we continue to work hard to maximise our production levels. As previously reported, 2012 saw the start of a major multi-year planting programme in the region. It takes on average 6-8 years for plants to mature, so we are now entering a period where this planting should start to bear fruit. With strong local community relationships, critical infrastructure in place and proven logistics networks established, Ayenouan is in a strong position to capitalise on any increase in local fruit production. We also continue to work hard to foster close relationships with the local community to secure supplies - supplying discounted plants from our nursery; setting up logistics hubs to facilitate delivery of fruit to the mill, and rolling out fertiliser programmes with innovative funding mechanisms to encourage the use of fertiliser at a manageable cost to the farmer. In 2021, we added a health insurance initiative for our small farmers and their families, which has been very well received by the community at a challenging time during Covid-19.

Tiebissou Cashew Project

While COVID-19 led to a delay in the commencement of construction work and later in the process also hampered international shipping logistic timetables, first production remains on course for Q4 2021. This is a challenging yet exciting period with the major initial goal being to stabilise operations by year end 2021, before striving to ramp up production considerably in 2022, the first full year of production. It is expected that after stabilising operations the Cashew project can quickly become cash generative for the Company.

We believe in time, the Cashew project could potentially exceed the Palm Oil project in terms of profit contribution to the Group. The Cashew project is being developed in such a way that capacity can be increased significantly in short order. With a nameplate capacity of 15,000 tonnes per annum (tpa), production at the plant can be ramped up by 50% at no extra cost by simply increasing the number of shifts from two to three. From 15,000tpa and at a cost of €5-6 million, the mill's capacity can be doubled to 30,000tpa, which we estimate could generate revenues in the region of €40 million per annum based on today's prices.

Other projects

With Ayenouan firmly established and Tiebissou set to commence production within the next 50 days low-cost work continues to be carried out to establish a pipeline of projects in line with our objective to build Dekel into a major West Africa-focused, agro-industrial business. Proceeding cautiously is the order of the day with regards to these plans given the current uncertain macro environment.

Our ambitions in clean energy remain and we continue low-cost work in the background as part of our medium-term strategy to develop a biomass project utilising the empty fruit bunch waste materials and we have similar aspirations with the Cashew processing plant, where cashew shells can underpin a biomass project at the Cashew project site.

Also, as previously disclosed, we have identified a third commodity which is now in external feasibility where we believe we can leverage our existing infrastructure, logistics network and technical expertise. As with the clean energy joint venture, current work is low cost and will remain so, at least until Tiebissou is up and running.

Environment, Social, and Governance ("ESG")

During H1, RSPO certification pre-audit work was conducted by Proforest, an Oxford-based environmental consultancy. Over the past few months, we have been working on the audit points which are primarily of an administrative nature and we believe will be ready for the final audit process in H2 this year. Organising consultant visits to complete both internal work and external audits has been and remains challenging due to Covid-19 but we can now see a pathway to completion for this project which remains one of our top priorities. The main unknown at this stage is booking the timing of the final RSPO certification process review, which we are coordinating and will update the market once set dates are put in place. Once certified, Ayenouan will be one of the few operations in the region with the RSPO stamp of approval. Together with the clear social benefits our palm oil project, as well as our cashew project will deliver, we believe the Company can be proud of its ESG credentials.

Financial

During the six-month period under review, total revenues at Ayenouan were €21.7 million, a 40.9% increase on the €15.4 million reported for H1 2020. A 35.7% increase in CPO prices achieved and a 11.0% increase in CPO production were the key drivers of the increase in Revenue. This also flowed through to the profit lines where EBITDA increased by 105.3% to €3.9m and net profit after tax increased by 400% to €2.0m.

While Ayenouan has always been a low-cost and efficient operation, with like-for-like group overheads related to the Palm Oil operation remaining at €1.4m. An additional €0.3m relates to new overheads associated with the Cashew operation. Whilst the cashew overheads will increase as production commences there are substantial synergies in the overhead line meaning the majority of gross profit delivered from the Cashew project is expected to fall direct to the bottom line.

Outlook

In spite of the challenges posed by the Covid-19 pandemic, the Company was still able to achieve record H1 results and the outlook for Dekel is looking very positive. The Ayenouan palm oil project is firmly established and moving from strength to strength; the Tiebissou cashew project is set to commence production within the next 50 days and there is a healthy pipeline of possible new projects under review in line with our objective to build Dekel into a major West Africa-focused, agro-industrial business. As always, I would like to thank the Board, management, our employees and advisers for their support and hard work over the course of H1 and I look forward to continuing working with them closely during what promises to be an exciting period for Dekel.

Andrew Tillery
Non-Executive Chairman Date: 20 September 2021

DEKEL AGRI-VISION PLC.

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 JUNE 2021

EUROS IN THOUSANDS

UNAUDITED

INDEX

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30 June 2021	31 December 2020
	Unaudited	Audited
	Euros in thousands	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	2,341	202
Trade receivables	538	-
Inventory	4,323	1,283
Accounts and other receivables	186	292
Total current assets	7,388	1,777
NON-CURRENT ASSETS:		
Deposits in banks	752	282
Property and equipment, net	43,658	41,249
Total non-current assets	44,410	41,531
Total assets	51,798	43,308

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	30 June 2021	31 December 2020
	Unaudited	Audited
	Euros in thousands	
EQUITY AND LIABILITIES		
CURRENT LIABILITIES:		
Short-term loans and current maturities of long-term loans	4,985	5,676
Trade payables	1,177	893
Advance payments from customers	-	1,971
Other accounts payable and accrued expenses	1,767	1,824

Total current liabilities	7,929	10,364
NON-CURRENT LIABILITIES:		
Long-term lease liabilities	186	192
Accrued severance pay, net	355	283
Long-term loans	24,984	20,052
Loan from Non-controlling interests	661	-
Total non-current liabilities	26,186	20,482
Total liabilities	34,115	30,846
EQUITY		
Share capital	143	142
Additional paid-in capital	39,864	35,570
Accumulated deficit	(16,656)	(18,728)
Capital reserve	2,532	2,532
Capital reserve from transactions with non-controlling interests	(8,711)	(7,754)
Non-controlling interests	511	700
Total equity	17,683	12,462
Total liabilities and equity	51,798	43,308

The accompanying notes are an integral part of the interim consolidated financial statements.

20 September, 2021			
Date of approval of the financial statements	**Youval Rasin** **Director and Chief Executive Officer**	**Yehoshua Shai Kol** **Director and Chief Finance Officer**	**Lincoln John Moore** **Executive Director**

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Six months ended 30 June		**Year ended 31 December**
	2021	**2020**	**2020**
	Unaudited	**Unaudited**	**Audited**
	Euros in thousands (except share and per share amounts)		
Revenues	21,691	15,423	22,546
Cost of revenues	(16,841)	(12,794)	(20,207)
Gross profit	4,850	2,629	2,339
General and administrative	1,745	1,413	2,761
Operating profit (loss)	3,105	1,216	(422)

Other expenses	-	7	-
Share of loss of associate	-	47	167
Finance expense	1,069	706	1,582
Income (loss) before taxes on income	2,036	456	(2,171)
Taxes on income	15	53	55
Net income (loss) and total comprehensive income (loss)	2,021	403	(2,226)
Attributed to :			
Equity holders of the Company	2,072	403	(2,226)
Non-controlling interest	(51)	-	-
	2,021	403	(2,226)
Income (loss) per share (in Euros):			
Basic and diluted income (loss) per share	0.00	0.00	(0.01)
Weighted average number of shares used in computing basic and diluted income (loss) per share	520,302,349	423,895,851	428,930,844

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Additional paid-in capital	Accumulated deficit	Capital reserve	Capital reserve from transactions with non-controlling interests	Total	Non - controlling interest	Total Equity
	Euros in thousands							
Balance as of 1 January 2021 (audited)	142	35,570	(18,728)	2,532	(7,754)	11,762	700	12,462
Net income and total comprehensive income	-	-	2,072	-	-	2,072	(51)	2,021
Issuance of shares	1	3,743	-	-		3,744	-	3,744
Transaction with								

minority holders	-	404	-	-	(957)	(553)	(254)	(807)
Contribution to equity by non-controlling interest	-	-	-	-	-	-	116	116
Share-based compensation	-	147	-	-	-	147	-	147
Balance as of 30 June 2021 (unaudited)	143	39,864	(16,656)	2,532	(8,711)	17,172	511	17,683

	Attributable to equity holders of the Company					
	Share capital	Additional paid-in capital	Accumulated deficit	Capital reserve	Capital reserve from transactions with non-controlling interests	Total Equity
	Euros in thousands					
Balance as of 1 January 2020 (audited)	141	34,368	(16,502)	2,532	(7,754)	12,785
Net income and total comprehensive income	-		403			403
Issuance of shares	-	15				15
Share-based compensation		147				147
Balance as of 30 June 2020 (unaudited)	141	34,530	(16,099)	2,532	(7,754)	13,350

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							
	Share capital	Additional paid-in capital	Accumulated deficit	Capital reserve	Capital reserve from transactions with non-controlling interests	Total	Non-controlling interests	Total Equity
	Euros in thousands							
Balance as of 1 January 2020	141	34,368	(16,502)	2,532	(7,754)	12,785	-	12,785
Loss and total comprehensive loss	-	-	(2,226)	-	-	(2,226)	-	(2,226)
Issuance of shares	1	907	-	-	-	908	-	90 8
Non-controlling interests arising from initially consolidated subsidiary	-	-	-	-	-	-	700	700
Share-based compensation	-	295	-	-	-	295	-	295
Balance as of 31 December 2020	142	35,570	(18,728)	2,532	(7,754)	11,762	700	12,462

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended 30 June		Year ended 31 December
	2021	2020	2020
	Unaudited	Unaudited	Audited
	Euros in thousands (except share and per share amounts)		
Cash flows from operating activities:			
Net income (loss)	2,021	403	(2,226)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Adjustments to the profit or loss items:			
Depreciation	747	669	1,369
Share-based compensation	147	147	295
Accrued interest on long-term loans and non-current liabilities	891	618	1,141
Change in employee benefit liabilities, net	117	27	205
Share of loss of associate	-	47	167
Changes in asset and liability items:			
increase in inventories	(3,040)	(35)	(366)
increase in accounts and other receivables	(432)	(602)	(39)
Decrease in short-term deposit	(470)	-	(18)
Increase in trade payables	301	522	83
decrease in advance payments from customers	(1,971)	(1,169)	(802)
Increase (decrease) in accrued expenses and other accounts payable	(57)	710	325
	(3,767)	1,278	3,964
Cash paid during the year for:			
Income tax	-	-	(9)
Interest	(693)	(729)	(1,296)
	(693)	(729)	(1,053)

Net cash provided by (used in) operating activities	(2,439)	608	433

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended 30 June		Year ended 31 December
	2021	2020	2020
	Unaudited	Unaudited	Audited
	Euros in thousands (except share and per share amounts)		
Cash flows from investing activities:			
Cash acquired upon acquisition of subsidiary	-	-	89
Investment in Pearlside	-	-	(378)
Purchase of property and equipment	(3,156)	(58)	(118)
Net cash provided by (used in) investing activities	(3,156)	(58)	(407)
Cash flows from financing activities:			
Issue of shares (offering net proceeds)	3,726	-	-
Long-term lease, net	(6)	(12)	(12)
Repurchase of shares from non-controlling interests by subsidiaries	(807)	-	-
Receipt of short-term loans, net	(670)	756	945
Receipt of long-term loans	5,991	-	1,220
Receipt of Loan from Non-controlling interest in subsidiary	765	-	-
Repayment of long-term loans	(1,265)	(1,250)	(2,250)
Net cash provided by (used in) financing activities	7,734	(506)	(97)
Increase in cash and cash equivalents	2,139	44	(71)
Cash and cash equivalents at beginning of period	202	273	273
Cash and cash equivalents at end of period	2,341	317	202
Supplemental disclosure of non-cash activities:			

Issuance of shares in consideration for investment in Pearlside	404	-	884

The accompanying notes are an integral part of the interim consolidated financial statements.

NOTE 1:- GENERAL

a. These financial statements have been prepared in a condensed format as of June 30, 2021, ("interim consolidated financial statements"). These financial statements should be read in conjunction with the Company's annual financial statements as of December 31, 2020, and for the year then ended and accompanying notes ("annual consolidated financial statements").

b. Dekel Agri-Vision PLC ("the Company") is a public limited company incorporated in Cyprus on 24 October 2007. The Company's Ordinary shares are admitted for trading on the AIM, a market operated by the London Stock Exchange. The Company is engaged through its subsidiaries in developing and cultivating palm oil plantations in Cote d'Ivoire for the purpose of producing and marketing Crude Palm Oil ("CPO"). The Company's registered office is in Limassol, Cyprus.

c. CS DekelOil Siva Ltd. ("DekelOil Siva") a company incorporated in Cyprus, is a wholly-owned subsidiary of the Company. DekelOil CI SA, a subsidiary in Cote d'Ivoire currently held 99.85% by DekelOil Siva, is engaged in developing and cultivating palm oil plantations for the purpose of producing and marketing CPO. DekelOil CI SA constructed and is currently operating its first palm oil mill.

d. Pearlside Holdings Ltd. ("Pearlside") a company incorporated in Cyprus, is a subsidiary of the Company since December 2020 (see also note 3). The assets and liabilities of Pearlside are included for the first time by the Company in the consolidated statement of financial position as at 31 December 2020. Pearlside has a wholly-owned subsidiary in Cote d'Ivoire, Capro CI SA ("Capro"). Capro is currently constructing a Raw Cashew Nut (RCN) processing plant in Cote d'Ivoire near the village of Tiebissou.

e. DekelOil Consulting Ltd. a company located in Israel and a wholly-owned subsidiary of DekelOil Siva and is engaged in providing services to the Company and its subsidiaries.

f. The recent outbreak of Coronavirus, a virus causing potentially deadly respiratory tract infections originating in China and spreading in various jurisdictions, had a significant effect on the global economic conditions and CPO prices but it had no significant effect on the Company's operations during the reported year. The outbreak of Coronavirus may resume its negative affect on economic conditions regionally as well as globally, disrupt operations situated in countries particularly exposed to the contagion, affect the Company's customers and suppliers or business practices previously applied by those entities, or otherwise impact the Company's activities. Governments in affected countries are imposing travel bans, quarantines and other emergency public safety measures. Those measures, though apparently temporary in nature, may continue and increase depending on developments in the virus' outbreak. The ultimate severity of the Coronavirus outbreak is uncertain at this time and therefore the Company cannot reasonably estimate the impact it may have on its end markets and its future revenues, profitability, liquidity and financial position.

NOTE 1:- GENERAL (Cont.)

g. Working capital deficiency.

As of 30 June 2021, the Group's working capital position has significantly improved from a deficit of €8.6m as at 31 December 2020 to a deficit of approximately € 0.5 million. The Company's management believes it will have sufficient funds necessary to continue its operations and meets its obligations as they become due for at least a period of twelve months from the date of approval of the financial statements.

NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of the interim consolidated financial statements:

The interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting", and in accordance with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

The significant accounting policies applied in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements for the year ended 31 December, 2020.

c. Fair value of financial instruments:

The carrying amounts of the Company's financial instruments approximate their fair value.

NOTE 3:- SIGNIFICANT EVENTS DURING THE PERIOD

On 25 January 2021 a subsidiary of the company, DekelOil CI SA completed a bond raise totaling approximately €6 million pursuant to an Ivorian regulator approved bond facility of approximately €15.2 million. The key bond terms are: 7 year tenure, 3 years principal grace and interest rate of 7.75%

On 28 January 2021 the Company raised £3.27 million (app. €3.69 million after deducting fund raising costs of €258 thousands) via the placement of 70,000,000 new Ordinary Shares at an Issue Price of 5 pence per share.

On 6 February 2021 the company entered into an agreement to purchase an additional 16.7% interest in Pearlside Holdings Ltd ("Pearlside") from a minority holder for a total consideration of £1,062,000 approximately €1,210,000. Consideration consisted of £708,000 (app. €807,000) cash and £354,000 app. €404,000) in ordinary shares settled by issuing 7,080,000 of the Company's shares to the seller. The transaction was completed, and the Company increased its interest in Pearlside from 54% to 70.7%.

On 8 February 2021 the shareholders of Pearlside held an AGM and agreed to provide a pro rata shareholders loan to Pearlside. The loan will not bear interest, not secured subordinated to the bank loans of Pearlside,its repayment will be upon the decision board of director decision.
According to this decision the non-controlling interest provided a loan of €765 thousands. The loan is presented at its estimated fair value.

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