

Asimilar Group plc

("Asimilar" or the "Company")

Unaudited Interim Results for the six months ended 31 March 2020

Introduction and Key highlights

The Board is pleased to announce the Company's unaudited results for the six month period ended 31 March 2020. The key highlights during the period were:

- 11 October 2019: completed fund raise of £750,000 before costs at 2.5p per share
- 3 December 2019: John Taylor and Donald Stewart appointed to the Board
- 23 December 2019: change of name to Asimilar Group plc
- 20 January 2020: completed fund raise of £1,850,000 before costs at 16p per share
- 24 January 2020: completed fund raise of £4,000,000 at 40p per share
- 14 February 2020: non-binding heads of terms agreed for investments in Sentiance NV ("Sentiance") and shares suspended from trading
- 27 February 2020: completed equity investment of £470,180 in SeeQuestor Limited
- 12 March 2020: conditional fundraise of £7,500,000 announced at 60p per share
- As at 31 March 2020, Asimilar's Net Asset Value equates to 8.51p per ordinary share

The Company is working hard with its Nominated Adviser, and its other professional advisers, on preparing an admission document and is continuing its dialogue with Sentiance in relation to the proposals announced on 4 and 12 March 2020. Although there is no guarantee the proposed transaction will complete, encouraging progress is being made towards that goal.

We hope to be in a position to update shareholders on our progress in the near future.

For further details please see below:

Asimilar Group plc

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ASIMILAR GROUP PLC

CHAIRMAN'S STATEMENT FOR THE SIX MONTHS ENDED 31 MARCH 2020

Introduction

I am pleased to report that the Company has had a very active six month period ended 31 March 2020.

Following the changes to the board and its change of name in December 2019, the Company is focusing on investing in businesses in the fields of big data, machine learning, telematics and the internet of things (IoT) with content and delivery capability that engage customers, monetise the user experience and have potential to scale.

The sectors we have invested in are e-sports, OTT broadcast TV streaming, music streaming, podcasting and cyber security, all of which are enjoying significant growth in recent months in spite of the Covid-19 pandemic.

Also during the period we announced our plans to make a significant investment in Belgian AI company Sentiance NV ("Sentiance"), a leading player in artificial intelligence ("AI"), machine learning and contextual behavioural data science. Due to the aggregate size of the proposed investments relative to the Company's existing portfolio, the proposals are classified as a reverse takeover under the AIM Rules and are conditional, inter alia, upon the approval of shareholders. The Company's shares were suspended from trading on 14 February 2020 and will remain suspended pursuant to AIM Rule 40 pending publication by the Company of an admission document with further details in relation to the proposed investments and the conditional placing to raise £7.5 million announced on 12 March 2020.

As an investing company Asimilar continues to support and actively work with each of its investee companies to maximise shareholder value and build quality businesses. Our portfolio now consists of two listed and four private companies. We believe that there is significant upside to be delivered and we are working with the boards of each of our investee companies to assist them in realising their potential.

Following a number of fund raises to the end of March 2020, the Company's Net Asset Value at 31 March 2020 was £8,968,843.

Market context and background to investment strategy

Asimilar is an Investing Company which is admitted to trading on AIM and currently has an investment portfolio of six direct equity investments.

Its Investing Policy is as follows:

Investment Objective

The Company's vision is to be a successful and profitable investment company focusing on technology, travel, leisure and media sectors with a particular focus in the fields of big data, machine learning, telematics and the internet of things (IoT). The Company intends to achieve this by identifying early stage or turnaround opportunities that require investment and/or have the potential for a reverse takeover. The Company intends to invest in businesses with content and delivery capability that engage customers, monetise the user experience and have potential to scale.

Investing Strategy

The Company's investing strategy is to invest into businesses which have some or all of the following characteristics:

- strong management with a proven track record;
- ready for investment without the need for material re-structuring by the Company;

- generating positive cash flows or imminently likely to do so;
- the Company can enhance the prospects and future value of the investment through an injection of new finances or specialist management;
- able to benefit from the Directors' existing network of contacts; and
- the potential to deliver significant returns for the Company.

Whilst the Directors will be principally focused on making an investment in private businesses, they do not rule out investment in listed businesses if this presents, in their judgment, the best opportunity for shareholders.

While the Company intends primarily to invest in directly held minority equity holdings, the Directors will invest in other forms of security including bonds and loan notes which may be secured or unsecured and convertible into equity or not.

The Company intends to be an active investor in situations where the Company can make a clear contribution to the progress and development of the investment. In respect of other, more substantial investment opportunities, the Directors expect that the Company will be more of a passive investor.

The Directors believe that their broad collective experience together with their extensive network of contacts will assist them in the identification, evaluation and funding of appropriate investment opportunities. When necessary, other external professionals will be engaged to assist in the due diligence on prospective targets and their management teams.

The Company's primary objective is that of securing for shareholders the best possible value consistent with achieving, over time, both capital growth and income for shareholders through developing profitability coupled with dividend payments on a sustainable basis.

There will be no limit on the number of projects into which the Company may invest, and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules. Where the Company builds a portfolio of related assets it is possible that there may be cross-holdings between such assets. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate.

Summary of investment portfolio

The Board has been selective in the transactions made and our investment portfolio now consists of businesses with strong technology and content themes. Each of the businesses are pioneers and innovators in their sectors and are disrupting the space that they are in, which is consistent with Asimilar's investment criteria.

Simplestream:

Simplestream is a leading provider of software as a service (SaaS) based video streaming solutions. The private company is a market leader for its Live2VOD and Hybrid TV solutions, during the year launched its Sports Video Platform and also provides Cloud TV and Telco TV solutions. Clients include: News Corporation (Ball Ball); A&E Networks; AMC Networks; Nova TV Sony Traceplay; QVC TV; Box Nation; Little Dot Studios and At The Races, amongst others.

Simplestream operates a Sport Video Platform which includes low latency streaming, live event management, automated generation of video highlights and data integrations for real-time match, league and player stats, plus HTML5 based applications that can sit across any device. It delivers services across Europe, the US, Africa and the Far East.

In September 2019 Simplestream built an 'accessible' video platform and responsive website for Channel 4, specifically for online coverage for Para Sports and the Tokyo 2020 Paralympics. This successfully provided video on demand and live action services for the World Para Swimming Championships that were held in

early September 2019.

Simplestream now delivers services across Europe, the US, Africa and the Far East with further international expansion planned for 2020.

Asimilar holds 9,943 shares in Simplestream, which represents a 6.34% holding on a fully diluted basis.

Magic Media Works Ltd (“MMW”):

MMW delivers unique Made-for-TV Music Entertainment Experiences targeted at the mass market consumer. MMW's mission is to make every home happier, through the joy of Shared Music Entertainment.

MMW's flagship product, ROXi, is an affordable home music entertainment system, offering unlimited music with 35 million songs from all the major and independent labels, voice commands, music trivia games, karaoke games, worldwide radio and yoga and meditation.

The company has global rights agreements with the three major labels including Universal Music Group, Sony Music Group and Warner Music Group, plus all the major independents including Merlin.

The majority of the company's products are sold direct to consumer through Direct Response TV advertisements on mainstream TV channels. In the most recent Q4 2019 trading the company saw a 500% return on investment on core TV marketing spend.

In November 2019 Ron Dennis CBE, the former Chairman and Founder of McLaren Technology Group, joined the share register taking a 10% equity stake.

In preparation for an IPO the company has appointed Rupert Howell (ex-MD, ITV plc) as independent Non-Executive Chairman and Serene Sass (ex-Warner Music) and Carol Weatherall (ex-eVentures) as independent Non-Executive Directors.

In March 2020 the company launched a new funding raise to support expansion in the UK and internationally. This round was over-subscribed and over £2.0 million was raised.

Following closure of this round, Asimilar holds 1,646,682 Ordinary Shares in MMW, representing 7.61% percent of the issued share capital of MMW plus a £500,000 Convertible Loan Note. The Company has options over a further 95,000 ordinary shares in MMW.

SeeQuestor Limited

SeeQuestor Limited (“SeeQuestor”) brings together leaders in cyber security and computer vision to deliver an Artificial Intelligence (“AI”) tool to comb through some of the estimated 1.5 trillion hours of CCTV footage produced per year, harnessing what the Directors believe to be world leading AI technology and affordable supercomputing to turn terabytes of video into actionable intelligence.

SeeQuestor has two main products available: SeeQuestor 'Post-Event' which allows teams to comb through archives of video footage to find persons of interest or vehicles, helping to solve investigations in a fraction of the time that would otherwise be needed; and SeeQuestor 'iCCTV' which monitors surveillance cameras in real-time. Use cases range from homeland security to smart cities, airports, industrial and mining operations.

The SeeQuestor 'Post-Event' product has been used successfully to solve crimes by 20 police forces in the UK and overseas. Having successfully completed a number of pilots in the field through 2019, SeeQuestor 'iCCTV' is now being deployed at scale to secure sensitive events and sites in several countries.

On 27 February 2020, Asimilar held 47,018 ordinary shares of 1 pence each in the capital of SeeQuestor representing approximately 4.7 per cent of the issued share capital of SeeQuestor.

Sparkledun Limited:

Sparkledun Limited ("Sparkledun") is a private company which, through its trading subsidiary, Fast to Fibre Limited ("Fast to Fibre"), has rights to exploit a patented process for the extraction of the inner core of telecoms and power cables, allowing the insertion of fibre optic without the need for excavation or other disruptive techniques.

The Fast to Fibre commercial proposition is to reduce the cost of fibre optic deployment particularly in difficult to access areas such as urban and city centres, thereby increasing the pace of adoption in line with government targets around the world to provide ultra-fast internet access. Fast to Fibre has successfully completed several trials in a variety of geographical locations and complex situations and is now progressing a number of major commercial opportunities.

Fast to Fibre is in the process of completing a fundraise, with commitments of £1.5 million on a pre-money valuation of £4.4 million. It has completed its research and development programme supported by an EU grant and is now focused on conversion of commercial opportunities in the Czech Republic and Germany.

Asimilar holds 3,260 ordinary shares of £1.00 each in the issued share capital of Sparkledun. Following the completion of the fund raise this will represent 1.78% of the fully diluted share capital.

Gfinity Plc:

Gfinity Plc ("Gfinity") is an AIM quoted esports solutions provider. It focuses on designing, developing and delivering esports solutions for e-games publishers, rights holders and brands. It has contracts and partnership arrangements with EA Games, Microsoft, FIFA, Formula 1 and Indycar.

It currently accesses 20 million gamers per month on its platforms and two brands - Gfinity Sports and Real Sports 101.

In a trading update published on 16 March 2020, Gfinity announced that, due to challenging market conditions which have now been exacerbated by the impact of the COVID-19 virus, it expects lower revenue and increased losses for the year to 30 June 2020 and is implementing a significant cost reduction programme, including board and management changes, adopting a flexible variable cost operating model and sharpening its focus on three core areas of own community; building community for others; and Motorsports, with F1 as the anchor client. On 2 April 2020, Gfinity announced it had raised £2.25 million, before expenses, through a placing and subscription of 225,000,000 new ordinary shares at a price of 1 penny per share. Asimilar holds 400,000 shares in Gfinity.

AudioBoom Plc:

AIM quoted AudioBoom Plc ("AudioBoom") is one of the world's leading spoken-word audio or podcasting platforms for hosting, distributing and monetising content that enables the creation, broadcast and syndication of audio content across multiple networks and geographies.

In February 2020 AudioBoom entered into a US\$4 million secured loan facility arrangement to provide headroom to fund the company and its growth strategy through to sustainable positive cash generation on a monthly basis and retained Raine Advisors Limited to examine strategic options for the business. AudioBoom now considers itself to be in an "offer period" as defined in the Takeover Code.

Asimilar holds 53,400 shares in AudioBoom.

Proposed Transaction

Sentiance NV

As mentioned above, Asimilar is continuing to pursue its proposed investment in Sentiance NV ("Sentiance"), details of which were announced on 4 and 12 March 2020.

Sentiance is a Belgian private company headquartered in Antwerp which is in the business of developing artificial intelligence software, machine learning and contextual behavioural data science.

Sentiance has developed proprietary software technology which can be embedded in any mobile application on any connected device which collects and analyses low level IoT sensor data in real time to produce behavioural insights about user location, transport mode and base level activities, detecting and predicting personal context based on the user's current situation and historical patterns and aggregating user patterns, routines and affinities into behavioural segments and profiles. These insights enable companies to understand how customers go through their everyday lives, discover and anticipate key moments for consumers, and adapt their engagement to real-world behaviour and real-time context. Sentiance's contextual intelligence enables solutions for lifestyle-based insurance, contextual marketing and commerce, smart mobility, connected health, smart city and connected car. Sentiance's ultimate goal is to provide technology to improve people's lives.

Sentiance has closed a number of high-profile client contracts with both global industry leaders and emerging challengers, across its core solution verticals: smart mobility, user-based insurance, connected car, personalised wellbeing services and consumer loyalty programs. With a growing roster of global clients and a validated and advanced qualified pipeline of new business opportunities across the globe, the Board believes that Sentiance is poised for significant growth.

Due to the aggregate size of the proposed investment in Sentiance relative to the Company's existing portfolio, the investment is classified as a reverse takeover under the AIM Rules and will be conditional, inter alia, upon the approval of shareholders. The Company is working hard with its Nominated Adviser, and its other professional advisers, on preparing an appropriate admission document and is continuing its dialogue with Sentiance in relation to the proposals announced on 4 and 12 March 2020. Although there is no guarantee the proposed transaction will complete, encouraging progress is being made towards that goal.

We hope to be in a position to update shareholders on our progress in the near future.

I would like to thank our shareholders and advisers for continuing to support the Board and our vision.

John Taylor
Chairman

30 June 2020

ASIMILAR GROUP PLC

INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 MARCH 2020

		Unaudited six months ended 31 March 2020	Unaudited six months ended 31 March 2019
	Notes	£	£
Other income		7,000	7,000
Unrealised loss on remeasurement to fair value	3	(20,015)	(19,837)
Administrative expenses		(553,343)	(139,923)
LOSS FROM OPERATIONS BEFORE FINANCING ACTIVITIES		(566,358)	(152,760)
Finance income		775	145
LOSS BEFORE TAX		(565,583)	(152,615)
Tax		-	-
LOSS FOR THE PERIOD		(565,583)	(152,615)
TOTAL COMPREHENSIVE EXPENSE FOR THE PERIOD		(565,583)	(152,615)

Loss before tax and total comprehensive income expense for the period are all attributable to the equity shareholders of the parent.

Loss per share

Basic	(0.66)	(0.33)p
Diluted	(0.66)	(0.33)p

Income and profit from operations for the current period all derive from continuing operations.

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INTERIM STATEMENT OF FINANCIAL POSITION FOR THE SIX MONTHS ENDED 31 MARCH 2020

		Unaudited 31 March 2020 £	Audited 30 September 2019 £
ASSETS			
Non-current assets			
Investments	3	3,134,256	2,684,091
		<u>3,134,256</u>	<u>2,684,091</u>
Current assets			
Trade and other receivables	4	5,433,113	69,466
Cash and cash equivalents	5	530,533	242,415
		<u>5,963,646</u>	<u>311,811</u>
TOTAL ASSETS		<u>9,097,902</u>	<u>2,995,972</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	6	5,213,077	5,207,754
Share premium account		14,425,549	7,864,973
Retained earnings		(10,669,783)	(10,104,200)
Total equity attributable to equity holders of the parent		<u>8,968,843</u>	<u>2,968,527</u>
Current liabilities			
Trade and other payables		129,059	27,445
Total liabilities		<u>129,060</u>	<u>27,445</u>
TOTAL EQUITY AND LIABILITIES		<u>9,097,902</u>	<u>2,995,972</u>

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INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 MARCH 2020

	Share capital	Share Premium Account	Retained Earnings	Total
	£	£	£	£
Audited as at 1 October 2018	5,206,954	7,574,273	(9,372,416)	3,408,811
Total comprehensive expenses for the period	-	-	(152,615)	(152,615)
Share issue	800	299,200		300,000
Cost of new issue		(8,500)		(8500)
Unaudited as at 31 March 2019	<u>5,207,754</u>	<u>7,864,973</u>	<u>(9,525,031)</u>	<u>3,547,696</u>
Audited as at 1 October 2019	5,207,754	7,864,973	(10,104,200)	2,968,527
Total comprehensive expenses for the period			(565,583)	(565,583)
Share issue	5,323	6,678,010		6,683,333
Cost of new issue		(117,434)		(117,434)
Unaudited as at 31 March 2020	<u>5,213,077</u>	<u>14,425,549</u>	<u>(10,669,783)</u>	<u>8,968,843</u>

All equity is attributable to equity shareholders of the parent.

Share Capital

Represents the par value of shares in issue.

Share premium

Represents amounts subscribed for share capital in excess of its nominal value, net of directly attributable issue costs.

Retained earnings

Represents accumulated losses to date.

ASIMILAR GROUP PLC

INTERIM STATEMENT OF CASH FLOWS FOR THE SIX MONTHS ENDED 31 MARCH 2020

	Unaudited six months ended 31 March 2020 £	Unaudited six months ended 31 March 2019 £
Operating activities		
Loss before tax	(565,583)	(152,615)
Loss on current fair value adjustment	20,015	19,837
Changes in working capital:		
(Increase) / Decrease in trade and other receivables	(5,363,647)	15,845
Increase in trade and other payables	101,614	9,079
Net finance cost	(775)	(145)
Net cash used in operating activities	<u>(5,808,376)</u>	<u>(107,999)</u>
Investing activities		
Interest received	775	145
Investments additions	(470,180)	(100,000)
Net cash used in investing activities	<u>(469,405)</u>	<u>(99,855)</u>
Financing activities		
Net proceeds from issue of shares	6,565,899	291,500
Net cash received from financing activities	<u>6,565,899</u>	<u>291,500</u>
Net (decrease) / increase in cash and cash equivalents	288,118	83,646
Cash and cash equivalents at the start of the period	242,415	270,524
Cash and cash equivalents at the end of the period	<u>530,533</u>	<u>354,170</u>

ASIMILAR GROUP PLC

NOTES TO THE INTERIM FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 MARCH 2020

1 General information

Asimilar Group Plc ('the Company') is an investment company as defined under AIM Rule 15.

The Company is a publicly listed company on AIM, is incorporated and domiciled in England and its registered office is 4 More London Riverside, London, SE1 2AU.

This interim financial information was approved for issue on 30 June 2020.

2 Accounting policies

2.1 Basis of preparation

The interim financial information comprises the Statements of Financial Position at 31 March 2020 and 30 September 2019 and the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the periods ended 31 March 2020 and 31 March 2019 and the related notes of Asimilar Group Plc, (hereinafter referred to as 'the interim financial information').

In preparing this interim information, management has used the accounting policies set out in the Company's annual financial statements as at 30 September 2019.

This interim financial information does not constitute a set of statutory accounts under the requirements of the Companies Act 2006 and is neither audited nor reviewed. The comparative figures for the financial year ended 30 September 2019 are an extract from the Company's 2019 financial statements, which have been reported on by the Company's auditors and delivered to the Registrar of Companies. The report of the auditors was unqualified.

This document (the Interim Statement 2020) will be published on the company's website and will be publicly available from the London Stock Exchange regulatory publications. The maintenance and integrity of the Asimilar Group Plc website is the responsibility of the directors. Legislation in the UK governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

2.2 Going concern

The company's activities, together with the factors likely to affect its future development and performance, the financial position of the company, its cashflow and liquidity position have been considered by the directors and the Board is of the opinion that there are sufficient funds available to continue as a going concern for the foreseeable future. The Board is also planning to raise additional funds to continue to carry out its investment strategy as opportunities arise. Accordingly the Board consider it appropriate to adopt the going concern basis in preparing these condensed financial statements.

2.3 Investments

Financial assets and liabilities are fair valued using a hierarchy that reflects the significance of the inputs used in making the fair value assessment. The fair value hierarchy has the following levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices for identical assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

3 Investments

	Level 1	Level 3	Unaudited Total
	£	£	£
Audited fair value at 30 September 2019	107,115	2,576,976	2,684,091
Additions	-	470,180	470,180
Fair value adjustment	(20,015)	-	(20,015)
Unaudited fair value at 31 March 2020	87,100	3,047,156	3,134,256

4 Trade and other receivables

	Unaudited 31 March 2020	Audited 30 September 2019
	£	£
Trade receivables	31,800	36,000
Prepayments	52,411	7,633
Other receivables	5,348,902	34,233
	5,433,113	69,466

Included within other receivables are funds held in escrow in relation to the Company's potential investment in Sentience N.V. The funds have been derived from the financing activities of the Company and should the investment not proceed, will revert to the Company. On this basis the Directors consider presentation within other receivables to be appropriate.

5 Cash and cash equivalents

For the purpose of the interim cash flow statement, cash and cash equivalents are comprised of the following:

	Unaudited 31 March 2020	Unaudited 31 March 2019
	£	£
Cash at bank and in hand	530,533	354,170

6	Share capital	Unaudited six months ended 31 March 2020 £	Unaudited six months ended 31 March 2019 £
	Issued and fully paid		
	As at 1 October 2019		
	Ordinary shares 52,132,276 (2018: 44,132,276) shares of 0.01p each	5,213	4,413
	5 February 2019 new ordinary shares issued (8,000,000 of 0.01p each)	-	800
	11 October 2019 new ordinary shares issued (20,000,000 of 0.01p each)	2,000	-
	23 December 2019 new ordinary shares issued (10,000,000 of 0.01p each)	1,000	-
	20 January 2020 new ordinary shares issued (11,562,500 of 0.01p each)	1,156	-
	21 January 2020 new ordinary shares issued (1,666,667 of 0.01p each)	167	-
	21 January 2020 new ordinary shares issued (10,000,000 of 0.01p each)	1,000	-
	Deferred shares (44,132,276 shares of 9.99p each)	4,408,815	4,408,815
	Deferred shares (8,819,181 of 9.00p each)	793,726	793,726
		<hr/>	<hr/>
		5,213,077	5,207,754
		<hr/> <hr/>	<hr/> <hr/>

7 Dividends paid and proposed

Equity dividends on ordinary shares:

No interim dividend was paid or is proposed for the half year ended 31 March 2020.

8 Profit/(loss) per share

The calculations of loss per share are based on the following results and number of shares. For the purpose of comparatives it has been assumed that the share consolidation had already occurred.

	Unaudited six months ended 31 March 2020 £	Unaudited six months ended 31 March 2019 £
Loss for the financial period	<u>(565,583)</u>	<u>(152,615)</u>
Weighted average number of shares for diluted loss per share	<u>85,305,925</u>	<u>46,532,276</u>
Weighted average number of shares for basic loss per share	<u>85,305,925</u>	<u>46,532,276</u>

At 31 March 2020, the number of ordinary shares in issue was 105,361,443.

IAS 33 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease earnings per share, or increase the loss per share. For a loss-making Company with outstanding share options, net loss per share would be decreased by the exercise of options. Therefore, per IAS33:36 the antidilutive potential ordinary shares are disregarded in the calculation of diluted EPS.

9 Seasonality of interim operations

Asimilar Group Plc does not operate in a seasonal or cyclical business environment.