GREENCARE CAPITAL PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 OCTOBER 2020

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Company number
12237710 (England and Wales)

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Nicholas Lee, Independent Non-Executive Director
Guy Winterflood, Independent Non-Executive Director

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Introduction
Greencare Capital plc (the “Company” or “Greencare”) is an investment company quoted on the Aquis Stock Exchange (“AQSE”) Growth Market, the successor to NEX Exchange Growth Market. The Company was incorporated on 1 October 2019 and its shares were admitted to trading on 30 December 2019, raising £514,344 before expenses.

The Company’s investment strategy is to focus on investments in the cannabis sectors within countries whose jurisdictions have well-developed and reputable laws and regulations for its production, research and distribution, together with the CBD and Hemp sectors. The law and regulation governing the cannabis sector are, however, continually evolving and the Company’s investments, where applicable, will only focus on businesses and organisations with activities that are entirely lawful under the jurisdiction in which they operate and are either already lawful or are capable of being lawful in the UK. The Directors therefore believe that such activities should not amount to any offences under the POCA 2002 in the UK.

The Company will invest directly or indirectly in public or private companies, in supply and distribution chains, or other business associated with the sector. Investments may take the form of debt or equity and it is expected that such investments will ordinarily seek capital growth in the medium term in preference to income.

The Company plans to identify investment opportunities in the cannabis sector predominantly in Europe. The Directors believe that there are numerous investment opportunities within the wellness industry and the fast-growing production, distribution and other associated businesses that will be of interest to the Company. The Company will not invest in the recreational cannabis sector, or in entities or activities supported by it, nor any other related activities which would be deemed illegal under UK legislation.

Activities during the year
At the time of Admission, the Directors were aware of a number of potentially attractive investment opportunities. One such opportunity had progressed to a stage whereby the Directors were hopeful that an investment could be made shortly after flotation, subject to appropriate due diligence. The target investee company had an, exclusive, market leading position in the distribution of cannabis products in its home country, one of the largest European economies. The exclusive distribution capability was across more than 30,000 points- of-sale and the investee company was in discussions to expand these points of sale by approximately 15,000 more. As a result, the investee company would be the largest single distributor within its home market.

However, since early last year, the Covid-19 pandemic has, together with various changes in legislation, significantly impacted the rate of progress that the Company has been able to make in advancing the several investment opportunities referred to in its Admission Document Specifically, due to certain changes in legislation and the results of due diligence, the Company decided not to proceed with the investment opportunity described above.

On 30 June 2020, the Company announced that it had raised additional funds of £1,367,500 by way of a further placing. The proceeds of this placing have provided additional investment funds for the Company. This fundraising was completed at a price significantly higher than the placing price at the time of admission in December 2019 and demonstrates the strength of investor interest in this sector.

During the period, the Company has continued to review a number of investment opportunities. On 1 April 2021, post the period end, it announced that it had agreed to make its first investment of £100,000 in Clearly Supplements Limited ("Clearly"), as part of a £500,000 fund raising by Clearly. The investment was by way of a convertible loan note ("CLN") with a 5 per cent coupon and a 12-month term. Under the terms of the conversion, the CLN would convert at the time of a listing by Clearly, at a 30 per cent discount to the then placing price, subject to a maximum price.

Clearly has developed a wide range of products under the Clearly CBD brand. It is also establishing a number of distribution channels which include direct selling and the capability to enter the Asian market, including China, through distributors in Hong Kong. It is also focused on certain other key market segments such as the fitness sector and will, at the same time, be looking to build a retail presence and to operate online. Clearly has also entered into a supply agreement with Hempflax International, Europe's largest independent hemp grower and processor and is planning to seek its own stock market listing in the short to medium term.

Furthermore, on 23 April 2021, the Company agreed to make an equity investment of £100,000 in Voyager Life Limited ("Voyager"), as part of a £671,000 fund raising by Voyager.

Voyager, a health and wellness business focused on CBD and hemp seed oil, has developed a range of products under the Voyager and Voyager Life brands, including oils, gummies, bath and skincare products and is already generating revenues. It is currently developing a number of distribution channels which include direct sales, drop shipping, specialist retailers and online marketplaces.

The CBD sector is expected to grow significantly in the short term, with the UK being the world's second largest market after the US. Voyager's management team have significant experience in the sector and to date, have made good progress in securing a novel foods licence which is now a requirement in order to be able to operate in this sector. Market regulation is therefore increasing, with the UK leading the way, and Voyager is very much focused on building a platform that is strictly regulatory compliant. This is particularly important in order to develop the right distribution channels for CBD products.

Voyager has also already started the process of seeking its own stock market listing on the Aquis Stock Exchange Growth Market.

Outlook

The Directors strongly believe that the market sector which the Company is focused upon investing in is going through a very exciting, transitional period. At the same time, they also believe that the Company is well placed to deploy funds in line with the Company's stated aims and that these investments in Clearly and Voyager demonstrate the exciting opportunities available for investment. The Board very much looks forward to updating the market further in the near future.

Fabio Carretta
Chief Executive Officer
29 April 2021

The Directors present their strategic report for Greencare Capital plc (the "Company") for the financial period from 1 October 2019 to 31 October 2020.

Principal activity
Greencare Capital plc is an investment company quoted on the Aquis Stock Exchange ("AQSE") Growth Market. Its shares were admitted to trading on AQSE on 30 December 2019.

The Company's principal activity is to focus on investments in the cannabis sectors within countries that have well-developed and reputable laws and regulations for its production, research and distribution, and the CBD and Hemp sectors.

Business review
The Statement of Comprehensive Income and Statement of Financial Position for the year are set out on pages 17 and 18 respectively. A review of developments affecting the Company during the year and of its prospects for the future appear in the CEO Statement on page 2.

Key performance indicators
The Key Performance Indicators ("KPIs") for the Company are listed as follows:

	2020
Earnings/(loss) per share (pence)	(£0.04)

The Company only commenced trading in the period to 31 October 2020 therefore there are no comparative figures for previous years. During the period under review, the Company did not make any investments. However, going forward as the as the Company commences its investment activities, the monitoring of cash and the return on investments will become key performance indicators that the Board will use as a basis to monitor performance of the company.

Future developments
The CEO Statement on page 2 provides information on the outlook for the Company.

Principal risks and uncertainty
The Company's strategy is to follow an appropriate risk policy, which effectively manages exposures related to the achievement of business objectives. The Board is responsible for approving the Company's strategy and determining the appropriate level of risk. The key risks which the Company faces are detailed as follows:

Business and investment performance risk
Business performance risk is the risk that the Company may not perform as expected either due to internal factors or due to competitive pressures in the markets in which they operate. The Company seeks investments in companies with growth potential. The Directors identify suitable investment opportunities in accordance with its investment strategy.

By their nature, smaller businesses, whether quoted or unquoted, are more volatile than larger, more established businesses and less robust to withstand economic pressures.

Principal risks and uncertainty (continued)

Business and investment performance risk (continued)
The risk is that the Company's investments may encounter circumstances that result in a loss of value which could in turn damage the Company's share price.

The Board is of the view that obtaining timely information on the position of its investments is the most effective management tool and to reduce this risk has put in place monitoring reports on the performance of, and regular dialogue with the boards of the Company's investments.

Valuation risk
Valuation risk is the risk that the value of the investment when made was overstated. The Board seeks to mitigate this risk by conducting due diligence on the history and prospects of investment targets and sourcing independent valuations and opinions. The risk is further mitigated by seeking to invest where there is a high valuation margin (valuation per share compared to price paid per share) and the prospect of early returns.

Market conditions
Market conditions, especially in the context of the COVID-19 pandemic, may have a negative impact on the Company's ability to make investments in suitable entities which generate acceptable returns, or to disinvest in a timely manner such that acceptable returns can be realised.

This risk is mitigated by selecting quoted investments listed on liquid markets and unquoted investments where due diligence has indicated near-term liquidity events.

Brexit
The UK's withdrawal from the European Union is likely to lead to increased market volatility and could make it more difficult to do business in Europe. However, the likely future impact is difficult to assess at this stage but the Company will continue to monitor the situation closely.

COVID-19
It is clear that the spread of the COVID-19 coronavirus has had and will have a material impact on many economies globally both through the effects of the virus itself and the measures taken by governments to restrict its spread.

The principal impact of COVID-19 on the Company's operations, however, is limited such that it has only slowed down the speed with which the Company can make investments. Given that no investments had been made by the period end the, Company has not suffered any impact from COVID-19 on any of its investments and so the measurement of assets and liabilities in the accounts have not been adjusted for its potential impact. Further information about the impact of COVID-19 on going concern is set out in the relevant section in the Directors' Report.

Promotion of the Company for the benefit of the members as a whole
The Directors believe they have acted in the way most likely to promote the success of the Company for the benefit of its members as a whole, as required by s172 of the Companies Act 2006.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term;
- Act fairly between members of the Company;
- Maintain a reputation for high standards of business conduct;

- Consider the interest of the Company's employees;
- Foster the Company's relationships with suppliers, customers and others;
- Consider the impact of the Company's operations on the community and the environment.

The period to 31 October 2020 was the Company's first period of operation, however it has sought to act in a way that upholds these principals. The Directors believe that the application of S172 requirements can be demonstrated in relation to some of the key decisions made and actions taken during 2020.

Category	**How the directors have engaged**	**Impact of action**
Shareholders and investors	The Directors have communicated regularly with its shareholders and investors via public announcements and the publication of an interim statement. The Company has raised additional funds from investors in order to ensure that it is well positioned to make investments and generate attractive returns for investors.	The Company's share price has been maintained and it is in excellent financial position.
Suppliers	The Company has focused on developing long term and mutually beneficial relationships with its suppliers	Relationships have been maintained with all suppliers in place at the beginning of the period.
Employees	Whilst the Company is small, it makes sure that it works closely with its employees and directors, keeping them all closely and regularly informed of all developments at the Company	There has been no change in personnel during the period.

The Company is a quoted early-stage investment company and its members will be fully aware, through detailed announcements, shareholder meetings and financial communications, of the Board's broad and specific intentions and the rationale for its decisions. The Company pays its employees and creditors promptly and keeps its costs to a minimum to protect shareholders funds. When selecting investments, issues such as the impact on the community and the environment have actively been taken into consideration.

This strategic report was approved by the board of directors on 29 April 2021 and signed on its behalf by:

Fabio Carretta
Chief Executive Officer

The Directors present their report and the audited financial statements of the Company for the period from 1 October 2019 to 31 October 2020.

Directors

The Directors of the Company during the year were:

Fabio Carretta	CEO (appointed 1 October 2019)
Nicholas Lee	Independent Non-Executive Director (appointed 19 December 2019)
Guy Winterflood	Independent Non-Executive Director (appointed 19 December 2019)

The Directors' biographies can be found on page 10.

Dividends

The Directors do not recommend payment of a dividend for the period ended 31 October 2020 (2019: £nil).

Directors' remuneration

The total remuneration of the Directors for the year was as follows:

	Fees/salary £
Fabio Carretta	**32,463**
Nicholas Lee	**24,800**
Guy Winterflood	**20,000**
	77,263

Of these fees, £19,468 remains unpaid at the period end and is due to the directors.

Pensions

The Company had no pension schemes in place during the period under review.

Directors' interests

The Directors had no interests in the shares of the Company at the end of the year.

Option scheme

On 29 May 2020, the Company adopted an unapproved share option scheme and made a grant of options to directors. A summary of the option granted to each director is shown below. See note 12 for further details on the options.

	Number of options granted
Fabio Carretta	218,182
Nicholas Lee	174,545
Guy Winterflood	174,454
	567,272

Events after the balance sheet date
Details of significant events since the balance sheet date are contained in Note 17 to the financial statements and covered in the outlook section of the CEO Statement.

Future developments
The CEO Statement on page 2 provides information on the outlook of the Company.

Substantial shareholdings
As far as the Directors are aware, as at 29 April 2021, the following shareholders are interested in 3% or more of issued share capital of the Company.

Shareholder	Number of Ordinary Shares of 1p each	% of Issued Share Capital
E Value One Limited	8,000,000	54.1%
Eight Capital Partners plc	2,560,000	17.3%
Carolina Filippini	500,000	3.4%

Going concern
As at 31 October 2020, the Company had a cash balance of £1.5 million. As an investment business, the Company has limited operating cash flow and is dependent on the performance of its investments and its cash balances for its working capital requirements. Annualised normal running costs of the Company are circa £300,000. As at the date of this report, the Company had approximately £1.2 million of cash at bank.

The Directors are therefore of the opinion that the Company has adequate financial resources to enable it to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

The Company's employees can carry out their duties remotely, via the network infrastructure in place. As a result, there was no disruption to the operational activities of the Company during the COVID-19 social distancing and working from home restrictions. All key business functions continue to operate at normal capacity.

Statement of directors' responsibilities
The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit and loss for that period.

In preparing these financial statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure of information to auditors
Each Director in office at the date of approval of this Directors' report confirms that:
- So far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The Director has taken all the steps that he ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.
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Independent auditor
Jeffries Henry LLP have expressed their willingness to continue in office as auditor and will be proposed for reappointment at the next Annual General Meeting.

This report was approved by the Board of Directors on 29 April 2021 and signed on behalf of the board by:

Fabio Carretta
Chief Executive Officer

Board of Directors

As at the date of this report, the Board of Directors comprised:

Fabio Carretta
CEO (appointed 1 October 2019)
Since 2019 Fabio has managed the Italian office of Epsion Capital Ltd, an independent boutique investment bank advising on UK and European capital markets. He has over 23 years of experience in investment banking and financial sectors, where he has worked for major international banks such as Deutsche Bank, BNP Paribas and Barclays Bank performing investment strategy and management activities for institutional and professional clients. Most recently, Fabio has served as Head of Sales for investment management, financial intermediaries and corporate finance advisory firms becoming a key contributor to the development of those companies.

Nicholas Lee
Independent Non-Executive Director (appointed 19 December 2019)
Nicholas has more than 30 years of experience in international investment banking and working as a company director. Nicholas was with Dresdner Kleinwort and its antecedent firms from 1988 to 2009, starting at Kleinwort Benson Group plc and rising to Managing Director, Head of Banking, Hedge Fund Solutions Group. Previously as a Managing Director in mergers and acquisitions at Dresdner Kleinwort Wasserstein, Nicholas advised leading companies from a number of different industries, including the natural resources, financial services, consumer and retail sectors. Nicholas is currently investment director of AIM-listed RiverFort Global Opportunities plc and non-executive director of AIM-listed Immotion Group plc, as well as being involved with a number of other companies, both listed and private. Nicholas qualified as a chartered accountant with Coopers & Lybrand and has an MA in engineering from St John's College, Cambridge.

Guy Winterflood
Independent Non-Executive Director (appointed 19 December 2019)
Guy has had a 30 year career with extensive experience in financial markets, management, operations, strategy, marketing and technology in sectors as diverse as share trading and executive jets. A significant part of his career was spent at Monument Securities (which was acquired by Insinger de Beaufort) trading in options and leveraged products. Guy is currently Chairman of Hempflax, one of Europe's largest growers of hemp for industrial.

Independent auditor's report to the members of Greencare Capital plc
For the period ended 31 October 2020

Opinion
We have audited the financial statements of Greencare Capital Plc (the "Company") for the period ended 31 October 2020 which comprise the statement of comprehensive income, the company statements of financial position, the company statements of changes in equity, the company statements of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 October 2020 and of the Company's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006;

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included, as part of our risk assessment, review of the nature of the business of the Company, its business model and related risks including where relevant the impact of the COVID-19 pandemic and Brexit, the requirements of the applicable financial reporting framework and the system of internal control. We evaluated the directors' assessment of the Company's ability to continue as a going concern, including challenging the underlying data and key assumptions used to make the assessment, and evaluated the directors' plans for future actions in relation to their going concern assessment.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Summary of our audit approach

Materiality
The materiality that we used for the financial statements was £37k which was determined on the basis of 2.5% of Gross assets.

Summary of our audit approach (continued)
Audit scope
Our audit scope covered 100% of loss before tax and 100% of net assets of the Company.

Significant changes in our approach
No significant changes have been made to our audit approach.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

- Accounting treatment of share-based payments

These are explained in more detail below.

Key audit matter	How the scope of our audit addressed the key audit matter
Accounting treatment of share-based payments Greencare Capital Plc is an early-stage investment company focusing on investments in Cannabis sectors within countries that have well-developed and reputable laws and regulations for its production, research and distribution; and the CBD and Hemp sectors. During the year, the Company issued warrants to its investors and brokers during the IPO to incentivise further investment in its business. The Company also issued share options to its directors as part of its long-term incentive program. The accounting policy for share options and warrants have been disclosed in note 2, the critical accounting estimates and judgements have been disclosed in note 3, and the key inputs and assumptions relating to the accounting of share options and warrants have been disclosed in note 12 of the Notes to the financial statements. This is a key audit matter as the valuation of share-based payments is a complex area and subject to significant management estimates and judgement.	Our audit procedures included, amongst others: • Verifying the key terms of the share options and warrants issued during the year to the underlying Board approved award documents. • Reviewing the fair value calculation of the share options and warrants granted by checking the accuracy of the inputs to the Black Scholes option pricing model. • Reviewing the fair value calculation of the share options and warrants, for reasonableness of assumptions made. • Testing the accuracy of the share-based payments charge over the vesting periods, recording of expense in the share premium account and statement of comprehensive income, and movements in the share-based payment reserve. • Checking the accuracy of disclosure of share-based payments arrangements in the financial statements. Based on the work performed, we are satisfied that the directors have accurately accounted for and made all the appropriate disclosures in relation to the share-based payment transactions.

Our application of materiality
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Our application of materiality (continued)
Based on our professional judgment, we determined materiality for the financial statements as a whole as follows:

Overall materiality	£37k
How we determined it	Based on 2.5% gross assets
Rationale for benchmark applied	We believe that gross assets are a primary measure used by shareholders in assessing the financial strength of the Company and is a generally accepted auditing benchmark.

Performance materiality
We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 75% of the overall materiality.

We determined performance materiality with reference to factors such as our understanding of the Company and its complexity, the quality of the control environment and ability to rely on controls.

Error reporting threshold
We agreed with the Board that we would report to them misstatements identified during our audit above £1.8k as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

An overview of the scope of our audit
As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

How we tailored the audit scope
We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which they operate.

We performed all audit procedures.

Other information
The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors
As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of CBD and Hemp sector investment companies.
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including Companies Act 2006, corporate taxation, data protection, anti-bribery, employment, environmental, health and safety legislation, anti-money laundering regulations and Proceeds Of Crime Act 2002.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal expenditure incurred during the year; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 3 of the financial statements were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- reviewing correspondence with HMRC and the company's legal advisor.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: *http://www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor's report.

Use of this report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sanjay Parmar (Senior Statutory Auditor)
For and on behalf of Jeffreys Henry LLP, Statutory Auditor
Finsgate
5-7 Cranwood Street
London EC1V 9EE
29 April 2021

Greencare Capital plc
Statement of Comprehensive Income
For the period ended 31 October 2020

	Note	2020 £'000
Administrative expenses		(427)
Operating loss	4	**(427)**
Interest income		-
Loss before tax		**(427)**
Taxation	6	-
Loss for the financial year		**(427)**
Other comprehensive income for the year		-
Total comprehensive loss		**(427)**
Earnings/(loss) per share (pence) from continuing operations attributable to owners of the Company – Basic & Diluted	7	(0.04)

The notes on pages 21 to 32 form part of these financial statements.

Greencare Capital plc
Statement of Financial Position
As at 31 October 2020

	Note	2020 £'000
Current assets		
Trade and other receivables	8	38
Cash and cash equivalents		1,463
Total current assets		**1,501**
Total assets		**1,501**
Current liabilities		
Trade and other payables	9	80
Total current liabilities		**80**
Net assets		**1,421**
Capital and reserves		
Share capital	10	148
Share premium		1,587
Share based payment reserve	12	113
Retained earnings		(427)
Total equity		**1,421**

The financial statements were approved by the Board of Directors on 29 April 2021 and signed on its behalf by:

Fabio Carretta
CEO

Company number 12237710

The notes on pages 21 to 32 form part of these financial statements.

Greencare Capital plc
Statement of Changes in Equity
For the period ended 31 October 2020

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Loss for the year	-	-	-	(427)	(427)
Total Comprehensive Income	**-**	**-**	**-**	**(427)**	**(427)**
Issue of shares	148	1,834	-	-	1,982
Share issue costs	-	(138)	-	-	(138)
Share based payments	-	(109)	113	-	4
Total Transactions with Owners	148	1,587	113	**-**	1,848
As at 31 October 2020	**148**	**1,587**	**113**	**(427)**	**1,421**

The notes on pages 21 to 32 form part of these financial statements.

Greencare Capital plc
Statement of Cash Flows
For the period ended 31 October 2020

	2020
	£'000
Cash from operating activities	
Loss before tax	(427)
Adjustments for:	
Share based payment charge	4
(Increase)/decrease in trade and other receivables	(38)
Increase/(decrease) in trade and other payables	80
Net cash used in operating activities	**(381)**
Cash flows from financing activities	
Proceeds from issue of shares (net of issue costs)	1,844
Net cash from financing activities	**1,844**
Net cash flow for the year	**1,463**
Cash and cash equivalents at beginning of year	-
Cash and cash equivalents at end of year	**1,463**
Net change in cash and cash equivalents	**1,463**
Cash and cash equivalents comprise:	
Cash at bank and in hand	1,463
	1,463

The notes on pages 21 to 32 form part of these financial statements.

1. General information

Greencare Capital plc is a public limited company limited by shares and was incorporated in England on 1 October 2019 with company number 12237710. Its registered office is 5 Fleet Place, London, EC4M 7RD.

The Company's shares are traded on the Aquis Stock Exchange Growth Market under ticker ECP and ISIN number GB00BJBYK814.

The Company's investment strategy is to focus on investments in Cannabis sectors within countries that have well-developed and reputable laws and regulations for its production, research and distribution, and the CBD and Hemp sectors.

The Company was first incorporated on 1 October 2019 and so the period ended 31 October 2020 represents a 13-month period.

2. Accounting policies

Basis of preparation
The financial statements of Greencare Capital plc have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of listed investments at fair value.

The financial statements are presented in Pounds Sterling, which is the Company's presentation and functional currency.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment and complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

The financial statements have been prepared on the historical cost basis and are presented in £'000 unless otherwise stated.

Going concern
As at 31 October 2020, the Company had cash of £1.5 million. As an investment business, the Company has limited operating cash flow and is dependent on the performance of its investments and its cash balances for its working capital requirements. Annualised normal running costs of the Company are circa £300,000. As at the date of this report, the Company had approximately £1.2 million of cash at bank.

The Directors are therefore of the opinion that the Company has adequate financial resources to enable it to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

2. Accounting policies (continued)

Going concern (continued)
The Company's employees can carry out their duties remotely, via the network infrastructure in place. As a result, there was no disruption to the operational activities of the Company during the COVID-19 social distancing and working from home restrictions. All key business functions continue to operate at normal capacity.

Interest income
Interest on debt securities held at fair value through profit and loss is accrued on a time-proportionate basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that discounts estimated future cash receipts over the expected life of the debt security to its net carrying amount on initial recognition. Interest income is recognised gross of withholding tax, if any.

Interest income on unquoted debt securities is recognised as a separate line item in the statement of comprehensive income and classified within investing activities in the cash flows statement.

Taxation
Taxation expense for the period comprises current and deferred tax recognised in the reporting period.

The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period and is the amount of income tax payable in respect of the taxable profit for the year or prior year.

Deferred tax is recognised on all timing difference between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and labilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Provisions
Where a measurable obligation exists at the accounting date, but which is dependent upon a set of conditions realistically being able to be satisfied, a provision to accommodate that obligation is charged to the income statement and maintained in the balance sheet until such time as the obligation is either crystallised or reversed.

Financial instruments
The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instrument.

Financial assets
Basic financial assets, including trade and other receivables and Cash and cash equivalents balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

2. Accounting policies (continued)

Financial assets (continued)
Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised.

The impairment reversal is recognised in profit or loss.

Listed investments
The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included as listed investments. Instruments included in quoted investments, which for the Company comprise AIM and AQSE investments.

Unlisted investments
Unlisted investments that are not publicly traded and whose fair value cannot be measured reliably, are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities
Basic financial liabilities include trade and other payables.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Payables are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Share Capital
Share Capital consists of one class of ordinary shares.
Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Ordinary shares bestow full rights on shareholders.

2. Accounting policies (continued)

Share-based payments
Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the profit and loss account is charged with the fair value of goods and services received.

Warrants
Warrants are an option to acquire shares between two future dates at a fixed price. They are occasionally issued to third parties that invest in the Company's equity and are granted at the time of that equity investment.

There is a notional cost of the warrants expensed through the income statement in the period in which the warrants are granted, based on the fair value of the option and recalculated for each subsequent accounting period. The fair value itself is determined using the Black-Scholes model.

If the warrant options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

Exceptional Items
The Company classifies certain one-off charges or credits that have a material impact on the Company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Company.

Cash and cash equivalents
Cash and cash equivalents comprise cash at hand and current balances at banks.

Foreign currencies
Functional and presentation currency
The financial statements are presented in Pounds Sterling, which is the Company's presentation and functional currency.

2. Accounting policies (continued)

Transactions and balances
Transactions in foreign currencies are converted into the functional currency on initial recognition, using the exchange rates approximating to those ruling at the transaction dates. At each period end foreign currency monetary items are translated using the rates ruling as of that date. Non-monetary assets and liabilities are not retranslated. All exchange differences are recognised in profit or loss.

3. Critical accounting estimates and judgements

Management makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical judgements in applying the entity's accounting policies

(a) Carrying value of investments
The Company is required to make judgments over the carrying value of investments in unquoted companies where fair values cannot be readily established and evaluate the size of any impairment required.

It is important to recognise that the carrying value of such investments cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately. Management's significant judgement in this regard is that the value of their investment represents their cost less previous impairment.

Further details relating to management's assessment of the carrying value of unlisted investments can be found in the Strategic Report. Management have concluded that there are no indications of impairment to the value to the unlisted investments following this assessment.

(b) Share-based payments plans
The Company determines the costs of the share-based payments plans (share options and warrants) on the basis of the fair value of the equity instrument at grant date and the attached vesting conditions.

Determining the fair value assumes choosing the most suitable valuation model for these equity instruments, by which the characteristics of the grant have a decisive influence. This also assumes the input into the valuation model of some relevant judgments, like the estimated expected life of the options and warrants, and the volatility. The judgments made and the model used are further specified in note 12.

4. Operating loss

The operating loss is stated after charging/(crediting):

	2020 £'000
Auditors' remuneration:	
Audit fees	10
Other taxation services	-
Other services	13

5. Staff costs

	2020
The average number of persons (including executive directors) employed by the Company during the year:	3

	2020 £'000
Wages and salaries (including directors)	77
Social security costs	4
	81

Director's remuneration

	2020 £'000
Salaries and fees	77

6. Taxation

	2020 £'000
Taxation	-

Reconciliation of tax charge	
Loss on ordinary activities before taxation	(427)
Current tax on loss of the year at standard rate of UK corporation tax of 19%	(81)
Expenses not deductible for tax purposes	-
Losses carried forward	81
Tax in the income statement	-

The Company has tax losses of approximately £0.43 million to carry forward against future profits. The Directors have not recognised a deferred tax asset on the losses to date due to the uncertainty of recovery.

7. Earnings per share

	2020 £'000
Earnings	
Loss for the period	(427)
Number of shares	
Weighted average number of shares for the purposes of basic and diluted earnings per share	10,714,296
Earnings per share (pence)	(0.04)

8. Trade and other receivables

	2020 £'000
Other receivables	35
Prepayments	3
	38

The directors consider that the carrying amount of receivables is not materially different to their fair value.

9. Trade and other payables

	2020 £'000
Trade payables	52
Taxation and social security	11
Accruals and other payables	17
	80

10. Share capital

	2020 £'000
14,792,374 Allotted, issued and fully paid Ordinary shares	148

On incorporation, the company issued 1,000 ordinary shares of £1 each for a cash price of £1 per share.

On 9 December 2019, the Company subdivided 1,000 ordinary shares of £1 each into 100,000 ordinary shares of £0.01. At the same time, the Company issued 9,900,000 ordinary shares of £0.01.

On 30 December 2019, the Company issued 2,057,374 ordinary shares of £0.01 at a cash price of £0.25 per share.

On 30 June 2020, the Company issued 2,735,000 ordinary shares of £0.01 at a cash price of £0.50 per share.

11. Reserves

The Company's reserves are as follows:

- The share capital comprises the issued ordinary shares of the company at par.
- The share premium represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.
- The share option and warrant reserve arise from the requirement to value share options and warrants in existence at the grant date (see Note 12).
- Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income.

12. Share option and warrant reserve

The share option and warrant reserve are made up as follows:

Share options
The Company issued a total of 567,272 options to acquire shares to three of its directors.

Share options outstanding and their weighted average exercise price are as follows:

	Number	**Weighted average exercise price (pence)**
Issued	567,272	27.5p
Outstanding at 31 October 2020	**567,272**	**27.5p**

Vesting criteria for options granted under the Scheme are as follows:

Amount vesting	**Time conditions**	**Performance criteria**
50% ("Tranche one")	On the business day following the first financial year end following the date of grant	the NAV on the Tranche One Vesting Date not being less than the NAV on the Grant Date
50% ("Tranche two")	On the business day following the second financial year end following the date of grant	the NAV on the Tranche Two Vesting Date being a minimum of 10% higher than the NAV on the Grant Date

The fair value is estimated as at the issue date using a Black-Scholes model, considering the terms and conditions upon which the options were granted. The following table lists the inputs to the model:

	2020
Exercise price (pence)	27.5p
Number of share options	567,272
Expected volatility	30%
Risk free interest (%)	(0.430%)
Time to expiration at date of grant (i.e. life of options) in years	2

The total expense for the year in respect of the share options issued was £4,463.

12. Share option and warrant reserve (continued)

Warrants
The Company issued 1,808,606 investor warrants during the period which expire December 2024.

Warrants outstanding and their weighted average exercise price are as follows:

	Number	Weighted average exercise price (pence)
Issued	1,808,606	25p
Outstanding at 31 October 2020	**1,808,606**	**25p**

The total expense for the year in respect of the warrants issued was £108,740.

The fair value is estimated as at the issue date using a Black-Scholes model, considering the terms and conditions upon which the warrants were granted. The following table lists the inputs to the model:

	2020
Exercise price (pence)	25p
Number of warrants	1,808,606
Expected volatility	30%
Risk free interest (%)	0.568%
Time to expiration at date of grant (i.e. life of warrants) in years	5

13. Financial instruments

The Company raises finance through equity issues and places surplus cash on short term deposits, in addition to its principal activity. The Company has no borrowings facilities. The main risk associated with the company's financial instruments is market price risk. The polices for managing this risk are kept under review by the directors.

The carrying values of the Company's financial assets and liabilities are summarised below:

	2020 **£'000**
Carrying amount of financial assets	
Measured at amortised cost	
Cash and bank balances	1,463
Carrying amount of financial liabilities	
Measured at amortised cost	
Trade payables	52

Credit risk
Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is subject to credit risk on its investments and cash. In accordance with the Company's policy, the Board of Directors monitors the Company's exposure to credit risk on an ongoing basis.

Liquidity risk
Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

13. Financial instruments (continued)

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements for a period of at least 30 days.

Market risk
Market risk is the risk that changes in market prices, such as equity prices, foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The Company's sensitivity to these items is set out below.

Interest rate risk
The Company invests its surplus cash in a spread of fixed rate short term bank deposits to minimise risk and maximise flexibility. In doing so it limits its exposure to fluctuations in interest rate that re inherent in such markets. Overall, the risk is not considered to be significant.

Currency risk
The Company's holds Euro denominated currency to the total of €82,807, which expose the Company to the risk that the exchange rate of the Euro against the pound will change in a manner which adversely impacts the Company's net profit and net assets attributable to shareholders. A 10% increase in the Euro exchange rate against the pound would result in an increase in the Company's profit after tax of approximately £7.5k. A 10% decrease in exchange rates against the pound would have an equal and opposite effect.

Price risk
The Company currently does not currently hold external investments in equity securities and therefore not exposed to other price risk.

14. Related party transactions

Epsion Capital Limited
Shareholders in common
Fabio Carretta, a director of the Company, is a director of Epsion Capital Limited. Eight Capital Partners plc owns the entire issued share capital of Epsion Capital Limited. During the year, Epsion Capital Limited charged the Company consultancy fees of £96,274 in relation to the company's fund-raising activities. The Company issued 1,079,426 warrants with an exercise price of 25p each in favour of Epsion Capital Limited. The Company was charged £375.43 in relation to bank fees incurred on its behalf and repaid £416.40 to Epsion Capital Limited. At the period end, the amounts due (to)/from Epsion Capital Limited were £40.97. As at 31 October 2020, the Company owed Fabio Carretta £13,318.

E Value One Limited
Shareholders in common
E Value One Limited owns 54.1% of the Company and is ultimately controlled by Dominic White. Fabio Carretta, a director of the Company, was a director of E Value One Limited until 3 April 2020. During the year, the Company issued 1,079,426 warrants in favour of E Value One Limited with an exercise price of 25p and expiry date of December 2024. At the period end, the amounts due (to)/from E Value One Limited were nil.

14. Related party transactions (continued)

Eight Capital Partners plc
Shareholder in common
Eight Capital Partners plc owns 23.8% of the Company. The CEO and controlling shareholder of Eight Capital Partners plc is Dominic White. During the year, the Company issued 384,000 warrants in favour of Eight Capital Partners plc with an exercise price of 25p and expiry date of December 2024. Eight Capital Partners plc charged the Company professional advisory fees of £18,000 in relation to the Company's fund-raising activities. They also charged the Company support service fees of £36,000. At the period end, the amounts due to Eight Capital Partners plc amounted to £29,808.

Key management personnel compensation
Key management are considered to be the directors of the Company. Details of their remuneration and equity holdings are disclosed in the Directors Report.

15. Ultimate controlling entity

E Value One Limited owns 54.1% of the issued share capital who is ultimately controlled by Dominic White.

16. Net debt reconciliation

	At 1 October 2019 £'000	Cash flows £'000	Other non-cash changes £'000	31 October 2020 £'000
Cash at bank and in hand	-	1,466	-	1,466
Bank overdrafts	-	(3)	-	(3)
Net debt	**-**	**1,463**	**-**	**1,463**

There are no restrictions over the use of the cash and cash equivalents balances which comprises cash at bank and in hand, and bank overdrafts.

17. Post balance sheet events

Post the period end, the Company announced that it has agreed to invest £100,000 in Clearly Supplements Limited ("Clearly"), as part of a £500,000 fund raising. The investment was by way of a convertible loan note ("CLN") with a 5 per cent coupon and a 12-month duration. The CLN is expected to convert at the time of a listing at a 30 per cent discount to the then placing price subject to a maximum price.

Clearly has developed a full range of products under the Clearly CBD brand. It is also establishing a number of distribution channels which include direct selling and the capability to enter the Asian market, including China, through distributors in Hong Kong. It is also focused on certain other key market segments such as the fitness sector and will, at the same time, be looking to build a retail presence and to operate online. Clearly has also entered into a supply agreement with Hempflax International, Europe's largest independent hemp grower and processor and is planning to seek its own stock market listing in the short to medium term.

17. Post balance sheet events (continued)

Furthermore, on 23 April 2021, the Company agreed to make an equity investment of £100,000 in Voyager Life Limited ("Voyager"), as part of a £671,000 fund raising by Voyager.

Voyager, a health and wellness business focused on CBD and hemp seed oil, has developed a range of products under the Voyager and Voyager Life brands, including oils, gummies, bath and skincare products and is already generating revenues. It is currently developing a number of distribution channels which include direct sales, drop shipping, specialist retailers and online marketplaces.

The CBD sector is expected to grow significantly in the short term, with the UK being the world's second largest market after the US. Voyager's management team have significant experience in the sector and to date, have made good progress in securing a novel foods licence which is now a requirement in order to be able to operate in this sector. Market regulation is therefore increasing, with the UK leading the way, and Voyager is very much focused on building a platform that is strictly regulatory compliant. This is particularly important in order to develop the right distribution channels for CBD products.

Voyager has also already started the process of seeking its own stock market listing on the Aquis Stock Exchange Growth Market.

Brexit
The impact of Brexit is covered in the Strategic Report.

COVID-19
The impact of COVID-19 is covered in the Strategic Report.