Dev Clever Holdings plc

('Dev Clever', the 'Group' or the 'Company')

Interim Results for the period ended 30 April 2021.

Accelerated progress made in creating an independent market leader in the global EdTech space

Dev Clever (LSE: DEV) is pleased to announce its unaudited interim results for the six months ended 30 April 2021 ('the Period").

Financial Highlights:

- Revenue up 531% at £2.4m for the Period (H1 2020: £383k) and supported by significant contract wins in the Educate division.
- EBITDA loss of £162k (H1 2020: loss of £561k), which includes non-cash share-based expenses of £201k (H1 2020: £44k).
- Adjusted[1] loss after tax of £92k (H1 2020: loss of £551k).
- Cash position at period end of £9.7m (H1 2020: £472k). This is after further investment in intangible assets including the acquisition of intellectual property rights of £4.4m from Veative Labs Pte Limited ("Veative") and further investment in the Launchyourcareer.com platform of £1.0m in advance of the India activation with the National Independent Schools Alliance ("NISA"). Current cash position £10.85m.
- Net proceeds from fundraising activity of £15.0m with further deferred cash proceeds of £1.9m received post period end.
- Loss per share of 0.06 pence (H1 2020: 0.15 pence); Adjusted[1] loss per share 0.02 pence (H1 2020: 0.14 pence).

Key Highlights for the Interim Period:

- Comprehensive agreement with Veative regarding the:
  - Acquisition of intellectual property of a dynamic SaaS based learning management platform and immersive learning content (including STEM content) to be utilised during the near-term roll-out of the Company's existing partnership agreement with Veative and NISA.
  - Acquisition of an exclusive one-year IP licencing agreement for additional immersive learning content for the Indian market with a call option to acquire both this IP and Veative's global distributor agreements.
  - Proposed acquisition of the entire share capital of Veative's Indian subsidiary and development centre, subject to the publication of an FCA approved prospectus.
- Five-year exclusive partnership agreement with the NISA, India's largest governing body for budget private educational institutions representing over 70,000 budget private schools, for Launchyourcareer.com to be utilised as the platform-of-choice to deliver a minimum standard of career guidance across NISA affiliated schools, attended by c.13 million students.
- Successful delivery of a material EdTech services contract.

Post Period End Highlights:

- Robust forward momentum across the business.
- Heads of terms agreed for the acquisition of The Inspirational Learning Group (TILG) to support delivery of a new National Career Challenge programme.
- Launchmycareer.com India:
  - Incorporation of Launchmycareer Pvt Limited, a wholly-owned subsidiary of the Group.
  - Successful development and deployment of the Group's direct to consumer offer into Launchmycareer.com - which is now live across India - and joint marketing activities in collaboration with NISA have begun.
  - First material contract win in India to implement the Company's immersive careers guidance and STEM-based virtual reality educational library at schools under central and state governments in India.

1 Adjusted loss per share is after adjusting for the impact of share-based payments.

- First government funded pilot of the platform at a state school of which there are 1.1m across the country.
- Agreement for a transformational tactical partnership with Aldebaron DMCC ("Aldebaron") following the successful implementation of a material EdTech services contract earlier this year. Under the Aldebaron agreement Dev Clever will receive a guaranteed minimum revenue of US$50mn over the next four financial years, once implemented in full.
- Initial 45-day project with The Common Service Centre in India for the Company's immersive career guidance and learning platform to go live in 25 academy centres in early July 2021. Potential to extend the initial project and rollout to all 5,930 Common Service Centre Academies serving over 2.6m students with the opportunity to expand the service offering to the broader 350,000+ Common Service Centres and their users.

Chris Jeffries, Chief Executive Officer of Dev Clever, said:

"We continue to make material and incremental progress which is starting to be reflected in our financial performance. Our innovative Indian partnership and roll-out initiatives with Veative and NISA remain on track, and we have recently secured both local and national government contracts. The post period end project with The Common Service Centre further demonstrates the significant interest and confidence that our platform is receiving in India.

"With our substantially increased financial resources we can and will support accelerated investments in our people, proprietary content, technology, partnerships, M&A and infrastructure. This in turn should translate into additional growth already strongly underpinned by recent contract wins.

"I am particularly excited by the new partnerships with TILG and Aldebaron substantially extending our proposition and strengthening our entry into new markets whilst allowing us to swiftly expand our global user base. We look forward to providing shareholders with more insights and details shortly after the completion of the Veative and TILG acquisitions and the entering into of definitive agreements with Aldebaron".

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Dev Clever Holdings plc Christopher Jeffries Chief Executive Officer and Executive Chairman	+44 (0) 1827 930 408
Nicholas Ydlibi Chief Financial Officer	
Novum Securities Limited – Financial Adviser & Broker Colin Rowbury David Coffman	+44 (0) 20 7399 9400
Buchanan Communications Richard Oldworth / Chris Lane	+44 (0) 207 466 5105

Notes to Editors:

Dev Clever Holdings plc, together with its wholly owned subsidiaries, is a software and technology group based in Tamworth, United Kingdom, specialising in the use of lightweight integrations of cloud-based VR and gamification technologies to deliver rich customer engagement experiences across both the education and commercial sectors. In January 2019, Dev Clever listed on the Standard List of the London Stock Exchange. The Group's core focus is the development and commercialisation of its core platforms - Educate (its primary focus) and Agency Services (its secondary focus).

Educate Division:

Through Educate, Dev Clever aims to reduce the global skills shortage by delivering an enhanced careers guidance service via its online platform, Launchyourcareer.com, and virtual reality software (Victar VR). The business has established a global partnership with Lenovo to rollout its service worldwide, with offerings already on the market in the UK, US and Canada. Dev Clever is also focused on the Indian market and has partnered with its National Independent Schools Alliance (NISA) and content provider Veative to provide a comprehensive service offering within Indian budget private schools. Through this, the business has been developing and has launched a direct-to-consumer offering in India.

Agency Services:

The Company's Agency Services division provides customers from the retail, brand and hospitality sectors with bespoke application and customisation of the Group's proprietary cloud-based products in order to increase consumer engagement, transactional efficiencies and enhance customer experience within their venues. The division is being re-branded to Launchmycareer.com Professional services.

For further information, please visit www.devcleverholdingsplc.com

Chief Executive's Review

Overview

I am pleased to report Dev Clever's interim results for the six months ended 30 April 2021. This has again been a busy and hugely productive period for the Group with the focus now very much on our Educate division.

In my year-end report I highlighted the opportunities that were now afforded to the Company through the material equity funding received primarily from Intrinsic Capital Jersey Limited ("ICJL") and Sitius Limited ("Sitius"). I am delighted to confirm that the Company has been able to use this to make further progress on our growth plans, despite the on-going challenges arising from the COVID-19 pandemic that continues to impact not only our primary markets but also our colleagues, business partners and their families.

Progress in the half year to April 2021

Financing

In the first half year, Dev Clever significantly strengthened its balance sheet through a series of subscriptions that raised a total of£18m gross (£16.9m net) in new equity funding. Of this gross amount, £2.0m was subject to a deferred settlement, which was paid by 2 July 2021.

As a result of these subscriptions, ICJL, a wholly owned subsidiary of AIM-quoted Asimilar Group plc, increased its shareholding in the Company. In addition, Sitius, an investment vehicle wholly owned by Dr David vonRosen, also became a substantial shareholder.

Warrants

Both the ICJL and Sitius subscription agreements contained the grant of transferable warrants entitling the investors to subscribe for further equity. As a result, ICJL is entitled to subscribe for a further 35 million new ordinary shares at 25 pence per share. Sitius is entitled to subscribe for a further 15 million shares at 25 pence per share and 40 million shares at 50 pence per share.

The recently announced contract with Aldebaron will, subject to signing of definitive agreement, provide for a grant of a warrant to subscribe for 60 million shares at 60 pence per share, exercisable for a period of three years from the date of grant. In the event that each of ICJL, Sitius and Aldebaron elect to exercise their warrants in full, the Company would raise a further £68.5m.

The ICJL and Sitius investments have very significantly strengthened the Company's balance sheet. These provide the opportunity to support and accelerate the growth of Dev Clever's core business over the near and mid-term. The Board continues to pursue future growth and expansion initiatives targeting opportunities that deliver tangible long-term shareholder value.

Educate

The Educate division is now the key focus for the Group. The Group has strengthened its core Educate product team through the recruitment of Jim Cannon as Chief Product Officer. Jim has joined the Group following a long career as a Development Executive working for major television broadcasters in the UK as well as for Fox in the US. Jim's experience of originating and bringing to life new formats and concepts for TV audiences is invaluable in leading the development roadmap for, and gamification of, the Group's education content and its adaptation for new territories.

North America

The Lenovo agreement remains a key partnership for Dev Clever in the North American markets with the Group's products, Launchyourcareer.com and VICTAR VR, pre-installed on Lenovo VR Classroom devices. In addition, we now have successfully launched six full pilots of the joint Launchyourcareer.com and Veative STEM-based learning solution in the US as well as extending our network of resellers through the introduction of Eduscape and Douglas Stewart.

India

We were delighted to announce our five-year exclusive partnership agreement with Veative and NISA, India's largest governing body for budget private educational institutions. This partnership results in Dev Clever's Launchyourcareer.com being utilised by NISA as the platform-of-choice to deliver a minimum standard of career guidance across its network of 70,000 affiliated budget private schools and c.13 million students. The partnership also enables schools to utilise Veative's curriculum-aligned online learning modules and virtual learning content. Initially a freemium subscription, the Company will be looking to provide extended functionality and additional access to career development content that will enable the Company to offer premium services on both B2B and direct to consumer models. This will encompass virtual work experience, curriculum-aligned supplemental educational modules, interactive language learning modules, self-development and wellbeing modules, careers networking, and college and course recommendations.

In working with Veative on developing the broader content plan for NISA, we identified a number of synergies between our two companies that culminated in the announcement of a comprehensive agreement with Veative regarding the:

- Acquisition of intellectual property of a dynamic SaaS based learning management platform and immersive learning content (including STEM content) to be utilised during the near-term roll-out of the Company's existing partnership agreement with Veative and NISA.
- Acquisition of an exclusive one-year IP licencing agreement for additional immersive learning content for the Indian market with a call option to acquire both this IP and Veative's global distributor agreements.
- Proposed acquisition of the entire share capital of Veative's wholly owned Indian subsidiary and development centre, subject, inter alia, to the publication of an FCA approved prospectus.

The prospective acquisition of Veative will enable the Company to secure the full commercial value of the NISA partnership and control the future roadmap for the development of our joint platforms, whilst also enabling the Company to harness the full development capability of the Veative Offshore Development Centre.

Material EdTech contract

The Company entered into a material EdTech and services contract for a proof-of-concept social media platform, linked to the Launchyourcareer.com platform. The details of this comprehensive partnership agreement are currently subject to an NDA, which will expire when this innovative proposition goes live for general availability. This is expected to occur in the second half of the 2021 calendar year.

Business Advisory and Intelligence Group

The Company formed its Business Advisory and Intelligence Group ("BAIG") in the first half year, chaired by Lord McNicol of West Kilbride. Members have been appointed for their diverse range of skills and include the president of NISA and Global Director of Education at Lenovo, business executives, career guidance specialists and leaders from educational and youth organisations such as The Scouts Association. The remit of BAIG is:

- to support and provide advice to Dev Clever and its executives regarding the development and global rollout of its careers guidance platform,
- to provide thought leadership in the progression of global careers advice to young people, professionals, institutions, employers and parents / guiders across the world, and
- to positively influence the development of careers policy across different countries.

Post period end operational developments

India incorporation

Since the period end, the Group has continued to focus on the launch of its careers' platforms in India in partnership with Veative and NISA. The Launchyourcareer.com platform has been customised for the Indian market and is now available to schools and pupils through our newly incorporated Indian subsidiary, Launchmycareer Pte Limited. Sales and marketing teams are now working with the NISA team to promote and on-board NISA affiliated schools.

In addition to the progress made with NISA, the Company has also, in collaboration with its partner Veative, secured its first material contract in India, valued at US$1.5m, to implement the Company's immersive careers guidance and STEM-based virtual reality educational library at schools under central and state governments in India.

Moreover, the Company secured a government funded pilot to deploy its innovative platform and virtual reality learning services into one of India's 1,248 central government KV schools, that are specifically known for innovation, and can be rolled out to the rest of the central government school sector subsequently. The comprehensive pilot will assess the impact within the central government school system and, if successful, be further rolled out later in the year. This is an exciting trial and first entry into the large Indian public school sector, which consists of around 1.1 million schools.

The Inspirational Learning Group ("TILG")

We were pleased to announce that we have entered into heads of terms for the acquisition of TILG for a cash consideration of £200,000 and the issue of 6,000,000 new ordinary shares in the Company. The acquisition, if completed, will enable the Company to utilise the careers programmes developed by TILG, including its flagship National Enterprise Challenge ("NEC"), to develop its own National Career Challenge ("NCC"). This will combine the NEC directly with virtual work experience and assessments in late Q4 2021. The NCC will be available to all students in the UK and will enable more organisations to deliver bespoke post talent assessment with immediate work experience programmes using Dev Clever's proprietary platform. Moreover, young people will be incentivised to participate in the NCC for the opportunity to gain guaranteed apprenticeship placements and scholarships provided by the sponsoring companies.

It is intended that the Company will deliver the NCC programme in India, where it has a well-established partnership with NISA, in H1 2022. The Company will also invite all 1.5 million public and private schools to participate providing the potential to reach c. 280 million students who can participate in what will become known as the Indian National Career Challenge. The Company expects to use the Career Challenge initiative to enter additional large emerging market territories over the next three years.

Material contract extension: Aldebaron

Following on from a successful proof-of-concept, the Company has recently agreed an extension to the material EdTech contract entered into in the first half year, with an unnamed client ("the Client"). With an initial minimum contract value of US$50m over four financial years to the extent implemented in full, forms the 'go to market education initiative' for the Client and will involve the Company integrating its careers platforms with the Client's platform to enable students, brands, employers and educational institutions to understand, connect, engage and transact. This will include providing opportunities for students to communicate, interact and curate with their peers, for example by taking part in live Q&A from participating companies and in social and community activities both in the digital and physical world.

Dev Clever, the Client and Aldebaron anticipate that this bespoke end-to-end solution will provide a transformational and positively disruptive tool for work experience and recruitment to manage the longer-term careers for many millions of young individuals whilst concurrently providing a highly tailored and inclusive solution for many brands, employers and educational institutions across the world. The contract will enable the Company to accelerate the roll out of its core platforms across East Asia and then the Middle East and North Africa.

Subject to entry into definitive agreements, Aldebaron will acquire seven million Dev Clever shares at a nominal value during the period commencing on the date of signing definitive documentation for the tactical partnership and ending on the expiry of six months thereafter with an assignable warrant to subscribe for 60 million of Dev Clever shares at a price of 60 pence per share, exercisable for a period of three years from the date of grant.

Initial Project with The Common Service Centre (“CSC”) Academy in India

Dev Clever’s wholly-owned Indian subsidiary, Launchmycareer Pvt Limited and its partner Veative, have entered into an agreement for an initial project with The Common Service Centre Academy in India. The Common Service Centre scheme, with more than 350,000 centres across India servicing tens of millions of users, is a central part of Digital India, the government’s flagship programme which has a vision to transform India into a digitally empowered society and economy. Across the 350,000 centres at least 5,930 are dedicated educational academies (CSC Academies) that provide access to digital services for over 2.6m students.

The initial pilot project, lasting 45 days, will see the Company’s immersive career guidance and learning platform go live in 25 academy centres in early July 2021. From this assessment, in Phase 2 the CSC Academy and the Company have designed the option to extend the initial project and rollout to all 5,930 CSC Academies. Should Phase 2 be successful it will provide the Company with the opportunity to expand the service offer to the broader CSCs and their users.

Outlook

Tactical direction

The market for EdTech remains robust and we believe there is a globally growing need and demand for more effective careers platforms that can engage young people and connect them directly with their future employers.

Our ultimate ambition is to enable the youth of today to develop the career skills that are in demand by future employers, alongside their education, to bridge the critical, growing global skills gap.

Closing the global skills gap could add US$11.5 trillion to global GDP by 2028 (Accenture: It’s learning, just not as we know it). Education and training systems need to keep pace with the new demands of labour markets that are continually challenged by technological disruption, demographic change and the evolving nature of work. Moreover, the COVID-19 pandemic has amplified the skills gap and the need to close it more urgently (McKinsey: May 2020).

Dev Clever’s pioneering platform Launchyourcareer.com engages young people and dynamically matches and connects them through their interests, skills, personality and personal attributes, to future employers and incentivises them to develop the skills which will ensure they can be employed in the future.

Through the Company’s exclusive strategic and tactical partnerships with Lenovo, NISA and Aldebaron, the funding that has been secured and combined with the enlarged capabilities of Veative Labs and TILG, we are now able to go to market at scale and attract many millions of users to our platform globally.

We believe that the creation of the Careers Challenge announced in June 2021, driven by our innovative approach to youth engagement and making careers discovery fun and rewarding from Year 6 to Year 13, has the potential to be unprecedented in its innovative ability to bridge the skills gap. We expect that this will become the cornerstone of our inter-connected careers guidance eco-system, enabling us to appeal to companies from all over the world to showcase their businesses and sectors of industry through the lens of a student, demystifying the world of work and connecting students with employers via Virtual Encounters and live webinars. This will be augmented by social network peer support and powerful engagement tools to gamify the careers journey with opportunities to explore curriculum-aligned learning in a radically different approach to education, and to level-up skillsets to prepare for, and become better-aligned to career goals. This will all be recorded in a comprehensive skills and career passport that reflects each students' development, growth and motivation.

Virtual work experiences will be available where young people can then demonstrate their developed skills and employability for future employers to grant apprenticeship placements and provide guaranteed jobs. Companies can, in turn, receive analytics that will help them reach candidates that are the best fit for their future opportunities.

Agency Services

In addition to maintaining existing customer relationships, the Group's Agency Services division is being re-branded to Launchmycareer.com Professional Services. The wealth of experience we have acquired over the years of providing hundreds of digital consumer and employee engagement experiences for global brands, businesses and educators via our proprietary platform Engage can now, through the NCC competition, be focused on delivering engaging virtual work experience programmes as we start to on-board businesses, brands and employers globally.

Summary

The first half year has seen the Company continue to make significant progress, securing its near-term financial requirements and accelerating the planned growth into the Indian market in partnership with Veative and NISA. The agreements with TILG and Aldebaron provide fresh impetus for the Group, providing further content and functionality that will improve both the user demographic and user engagement for our Educate products.

I am further encouraged by our improved financial performance and the recent contract wins, that demonstrate the ability of the Company to commercialise its core EdTech platforms. As a result, the Board believes the Company is very well placed to exceed management's expectations for the full year ending 31 October 2021.

Finally, and on behalf of the entire Board, I would like to thank our clients, stakeholders and all our employees for their on-going support and commitment during these unprecedented times for all.

Christopher Jeffries
Chairman & Chief Executive Officer
5 July 2021

Principal Risks and Uncertainties

The Board regularly monitors exposure to key risks, such as those related to its competitive position relating to sales, cash position and productivity. It has also taken into account the economic situation facing its core markets in the light of COVID-19 and the impact this continues to have on demand.

COVID-19 continues to have a significant impact on many companies across the globe. Our colleagues continue to work remotely to ensure their and others' safety. However, productivity within the Group has been maintained as:

- the Group has established robust communication channels; and
- our employees have remained dedicated and professional throughout this difficult period

Whilst we believe that the global COVID-19 pandemic has continued to suppress short-term demand, the Group is seeing signs of an uplift in activity with educators and employers expressing a renewed interest in the Group's remote and immersive applications and solutions across a number of territories. We remain confident that the Group's careers platforms Launchourcareer.com and VICTAR VR are ideally placed to support the requirements of remote working and the Group has made excellent progress in ensuring the platform is available to those who want to use it across multiple territories.

Capital structure, cash flow and liquidity.

The Directors continuously monitor the cash flow requirements of the Group to ensure the Group has access to the funds required to finance its operations. Following the successful subscriptions from Intrinsic Capital (Jersey) Limited, One Nine Two Pte Limited and Sitius, the Group has secured net new investment of £16.9 million and is now funded primarily through equity. The directors believe that the equity headroom available to the Company together with the strengthening of the share price and the existing shareholder warrants, provide the necessary access to additional funds should they be required.

Regulatory compliance

The Group's expansion into India and the potential to enter into further international markets exposes the Group to new and potentially different regulatory regimes. Failure to understand and comply with these requirements may expose the Group to regulatory penalties and / or excessive tax burden. The Group has responded to this challenge through the formation of commercial partnerships with partners that are already established within their respective markets. The Group has also expanded upon its network of professional advisers with expertise within their respective territories and will seek to utilise this resource as required in the future.

Financial Review

- Revenue up 531% at £2,4m for the Period (H1 2020: £383k for 6 months to 30 April 2020), in line with management expectations and supported by significant contract wins in the Educate division.
- EBITDA loss was £162k (H1 2020: loss £561k), with an adjusted positive EBITDA of £41k (HY 2020: loss £517k), reflecting contribution from the new contracts within Educate partially offset by an increased cost base as the business scaled its sales, marketing and administrative resources to support its accelerated growth. The primary cost driver for the Group remains salary and associated people costs, currently approximately £220k per month.
- Loss after tax was £294k, (HY 2020: loss of £584k)
- Net increase in cash and cash equivalents £8,65m reflecting the receipt of £15m of net proceeds from the issue of equity. This has been partially offset by the acquisition of intellectual property assets of £4,407k, software development expenditure of £972k and net cash outflow from operating activities £893k, reflecting the increase in working capital following delivery of Educate contracts.
- At 30 April 2021, the Group has a net cash position of £9,676k (Hy 2020: £473k), with deferred proceeds of £1.9m settled post period end. Current cash balances stand at £10.85m.

Nicholas Ydlibi
Chief Financial Officer
5 July 2021

RESPONSIBILITY STATEMENT

Directors' Responsibility Statement

The Directors confirm that this consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 (IAS 34) as adopted by the European Union and that the interim report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely:

- an indication of important events that have occurred during the first six months of the financial year (being six months from the financial year end, 31 October 2020) and their impact on the condensed set of consolidated financial statements, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions in the first six months and any material changes in the related party transactions described in the last Annual Report.

By order of the Board
Christopher Jeffries
Chairman & Chief Executive Officer
5 July 2021

Consolidated Statement of Comprehensive Income
For the six months ended 30 April 2021

	Note	Unaudited Six months to 30 April 2021 £	Unaudited Six months to 30 April 2020 £
Continuing operations			
Revenue	9	2,412,442	382,554
Cost of sales		(834,415)	(227,025)
Gross profit		1,578,027	155,529
Administrative expenses		(1,851,813)	(768,728)
Loss from operations		(273,786)	(613,199)
Fair value gains on equity investments		-	36,695
Finance income		-	82
Finance expense		(23,267)	(20,302)
Loss before tax		(297,053)	(596,724)
Tax credit		3,546	1,694
Loss for the period from continuing operations		(293,507)	(595,030)
Other comprehensive income:			
Items that may be reclassified to profit or loss in subsequent periods:		-	-
Total other comprehensive income for the period		-	-
Total comprehensive income for the period attributable to shareholders		(293,507)	(595,030)
Earnings per share			
Basic and diluted earnings (pence per share)	**4**	(0.06)	(0.15)
Adjusted basic and diluted earnings (pence per share)	**4**	(0.02)	(0.14)

Consolidated Statement of Financial Position
At 30 April 2021

	Note	Unaudited as at 30 April 2021 £	Unaudited as at 30 April 2020 £	Audited as at 31 Oct 2020 £
Non-Current Assets				
Goodwill	**6**	240,145	283,815	240,145
Intangible Assets	**6**	6,112,629	335,232	818,723
Property, Plant & Equipment		95,197	119,124	105,481
Financial assets at fair value through profit or loss		138,653	67,820	138,653
		6,586,624	805,991	1,303,002
Current Assets				
Inventories		6,370	10,850	2,650
Trade and other receivables	**7**	4,170,014	224,936	1,132,018
Cash and cash equivalents		9,675,958	472,798	1,032,473
		13,852,342	708,584	2,167,141
Total Assets		20,438,966	1,514,575	3,470,143
Current Liabilities				
Trade and other payables		(609,726)	(322,589)	(345,071)
Deferred income		(153,559)		(210,145)
Loans and borrowings		(91,923)	(105,641)	(90,583)
		(855,208)	(428,230)	(645,799)
Non-current liabilities				
Loans and borrowings		(286,689)	(367,729)	(318,681)
Deferred tax		(22,320)	(29,411)	(25,866)
		(309,009)	(397,140)	(344,547)
Total liabilities		(1,164,217)	(825,370)	(990,346)
Net Assets		19,274,749	689,205	2,479,797
Share capital	**8**	5,935,842	4,357,583	4,712,197
Share premium	**8**	17,640,775	238,248	1,977,447
Merger reserve		(2,499,900)	(2,499,900)	(2,499,900)
Other reserves		524,723	362,574	323,237
Retained income		(2,326,691)	(1,769,300)	(2,033,184)
		19,274,749	689,205	2,479,797

Consolidated Statement of Changes in Equity
At 30 April 2021

	Share capital £	Merger reserve £	Share premium £	Other reserves £	Retained income £	Total £
Balance at 1 November 2019	3,884,017	(2,499,900)	246,246	110,212	(1,174,270)	566,305
Loss after taxation for the period	-	-	-	-	(595,030)	(595,030)
Total comprehensive loss for the period	-	-	-	-	(595,030)	(595,030)
Issue of ordinary shares	473,566	-	48,214	-	-	521,780
Share issue costs	-	-	(56,212)	-	-	(56,212)
Share option issues				101,731	-	100,731
Equity component of convertible loan	-	-	-	151,631	-	151,631
	473,566	-	(7,998)	252,362	-	717,930
Balance at 30 April 2020	4,357,583	(2,499,900)	238,248	362,574	(1,769,300)	689,205
Balance at 1 November 2020	4,712,197	(2,499,900)	1,977,447	323,237	(2,033,184)	2,479,797
Loss after taxation for the period	-	-	-	-	(293,507)	(293,507)
Total comprehensive loss for the period	-	-	-	-	(293,507)	(293,507)
Issue of ordinary shares	1,223,645	-	17,016,356	-	-	18,240,000
Share issue costs	-	-	(1,353,028)	-	-	(1,353,027)
Share option issues	-	-	-	201,486	-	201,486
	1,223,645	-	15,663,328	201,486	-	17,088,459
Balance at 30 April 2021	5,935,842	(2,499,900)	17,640,775	524,723	(2,326,691)	19,274,749

Consolidated Statement of Cash Flows
For the six months ended 30 April 2021

	Unaudited Six months to 30 April 2021 £	Unaudited Six months to 30 April 2020 £
Cash flows from operating activities:		
Loss before tax	(297,053)	(596,724)
Adjustments for:		
Depreciation	26,935	27,412
Amortisation of intangibles	85,111	24,921
Fair value gains	-	(36,695)
Finance income	-	(82)
Finance expense	23,267	20,302
Non-cash element of share-based payments	201,486	43,735
Increase decrease in inventories	(3,720)	(400)
Increase in trade and other receivables	(1,106,445)	(46,298)
Increase in trade and other payables	108,069	31,825
Income tax received	68,455	-
Net cash flows from operating activities	(893,895)	(532,004)
Cash flows from investing activities:		
Payments to acquire property, plant, and equipment	(16,655)	(18,831)
Payments to develop intangible assets	(5,379,017)	(127,821)
Payments to acquire financial assets at fair value through profit or loss	-	(30,000)
Acquisition of Phenix Digital	-	(50,000)
Net cash flows used in investing activities	(5,395,672)	(226,652)
Cash flows from financing activities:		
Net proceeds from issue of equity	14,986,972	381,639
Proceeds from borrowings	-	402,247
Repayment of borrowings	(45,814)	(37,335)
Interest received	-	82
Interest paid	(8,106)	(11,886)
Net cash flows from financing activities	14,933,052	734,747
Net increase/(decrease) in cash and cash equivalents in the year	8,643,485	(23,909)
Cash and cash equivalents at beginning of period	1,032,473	496,707
Cash and cash equivalents at end of period	9,675,958	472,798
Cash and cash equivalents	9,675,958	472,798

Notes to the Interim report

1 Basis of preparation

The consolidated interim financial statements have been prepared in accordance International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 and expected to be effective at the year-end of 31 October 2021.

The accounting policies are unchanged from the financial statements for the year ended 31 October 2020. The interim financial statements, which have been prepared in accordance with International Accounting Standard 34 (IAS 34), are unaudited and do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory accounts for the year ended 31 October 2020, prepared in accordance with IFRS, have been filed with Companies House. The Auditors' Report on these accounts was unqualified, did not include any matters to which the Auditors drew attention by way of emphasis without qualifying their report and did not contain any statements under section 498 of the Companies Act 2006.

The consolidated interim financial statements are for the six months to 30 April 2021. The interim consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 October 2020, which were prepared in accordance with IFRS's and in conformity with the requirements of the Companies Act 2006. The Group's business is not subject to seasonal variations.

The condensed interim statements have been prepared under the going concern assumption, which presumes the Group will be able to meet its obligations as they fall due for the foreseeable future. The Group has successfully raised £16.9m of new equity (net) over the first half year. Following the acquisition for £4.4m of intellectual property from Veative Labs Pte Limited (Singapore), cash balances at 30 April were £9.7m and exclude deferred share consideration of £1.9m net that was received by 2 July 2021.

To support the going concern conclusion, the Group has prepared cash flow forecasts to 31 October 2023 which show positive cash headroom is maintained. The forecast assumes that the Group completes its intended acquisition of Veative and increases the level of investment in the development and marketing of its global EdTech careers and STEM based learning platforms. Given the ability of management to restrict this additional investment, should expected revenues not materialise, the Directors consider it appropriate to prepare interim financial statements on a going concern basis.

2 Summary of significant accounting policies

New standards, interpretations and amendments adopted by the Company

No new standards or amendments have been adopted for the first time in these financial statements. However, the following policies have been adapted in respect of new types of transaction in the period.

Share based payments

The costs of equity settled transactions are measured at their fair value at the date at which they are granted. The cost of advisor warrants is recognised at the grant date as they are issued in respect of services already received. The cost of equity settled transactions with employees is charged to the income statement as an expense over the vesting period, on a straight-line basis, which ends at the date on which the relevant employees become fully entitled to the award. Non-market vesting conditions are taken into consideration by adjusting the numbers of options expected to vest, at each statement of financial position date, such that the cumulative charge 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 movement in cumulative expense since the previous reporting date is recognised in the statement of comprehensive income within administration expenses with a corresponding entry in the statement of financial position in the relevant share-based payment reserve.

Fair value is determined using the Black-Scholes model, details of which are given in note 4 Share based payments.

Share warrants that are not granted in exchange for the provision of goods or services are accounted for in accordance with IAS 32 Financial Instruments. Where the number of shares under warrant and the associated consideration are both fixed, the warrants are accounted for as equity instruments, with any consideration received for the instruments being credited to equity.

Purchased intellectual property and distribution rights

Purchased intellectual property and distribution agreements are recognised as intangible assets and are valued at their purchase price and amortised over the remaining useful life of the asset. Intellectual property is amortised over periods between 3 and 10 years and distribution agreements over the residual contract term, typically between one and three years.

At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

3 Critical accounting estimates and judgements

Licence acquisition

On 12 April 2021, the Group announced a comprehensive agreement with Veative Labs Pte Limited (Singapore) including the acquisition of an exclusive one-year licence for the use of certain parts of Veative's intellectual property and immersive learning assets at a cost of $2.6m (£1.9m). At the same time, the Company also obtained a call option, exercisable over a period of one year, to acquire the full rights to this IP and associated immersive learning materials.

The Directors considered the accounting treatment of the one-year licence and concluded that in light of the Company's intention to exercise its call option over the acquisition of the full rights and associated materials, that the licence payment represented a deposit payment towards the full acquisition. As such, the Directors have capitalised the licence payment within intangible assets, under patents, trademarks and other rights.

Further detail can be found in note 6, Intangible assets

4 Share Based Payments

Share payments to advisers

During the period to 30 April 2021, the Company issued 2,364,395 new 1p ordinary shares to its brokers in lieu of brokerage fees relating to the introduction of potential investors to the Company, specifically in connection with the remaining tranches of the ICJL subscription. The valuation of the share-based payment was established with reference to the standard commission rate charged by the broker. An effective commission rate of 3% has been applied to value the payment being the difference between the broker's standard commission rate of 6% of gross funds raised less the value of other commissions paid of 3%.

Total gross funds raised through the ICJL subscription, and subsequent partial novation to Sitius, of £8.0 million resulted in a charge of £0.24 million, which has been recognised in share premium as a direct cost of the associated fundraise.

Share-based payment schemes with employees

During the period ended 30 April 2021, 4,000,000 share options were awarded to key management personnel under the Company's EMI share option plan. The options have an exercise price of £0.10 per share and vest, subject to continued service by the employee, over a period of 36 months. The options expire at the end of a period of 10 years from the Grant Date of 30 November 2030 or on the date on which the option holder ceases to be an employee.

Investor Warrants

On 23 March 2021, the Company granted warrants over 35,000,000 shares to ICJL and 15,000,000 shares to Sitius on completion of the modified ICJL investment agreement. The warrants have an exercise price of £0.25 and are exercisable for a period of 24 months from the completion date.

On 6 April 2021, the Company granted warrants over 40,000,000 shares to Sitius on completion of the second tranche of its investment agreement. The warrants have an exercise price of £0.50 and are exercisable for a period of 24 months from the completion date.

The warrants have been valued as equity instruments under IAS 32.

During the period the Company was required to recognise a total expense of £201,486 (HY 2020: £43,735) in the income statement in respect to share options and warrants in issue or committed to issuing at the end of the reporting period.

The table below represents the weighted average exercise price (WAEP) of and the movements in share options and warrants during the period:

	30 Apr 2021 No. options and warrants	WAEP	30 Apr 2020 No. options and warrants	WAEP
Outstanding at beginning of period	29,392,266	1.17	29,782,065	1.00
Issued in period	94,000,000	35.00	7,420,637	1.84
Lapsed during period	(2,220,995)	9.10	(662,983)	1.00
Exercised during the period	-	-	-	-
Outstanding at the end of the period	121,171,271	27.72	36,539,719	1.17
Exercisable at the end of the period	102,882,866	31.73	18,359,241	1.11

The Company has measured the fair value of the services received as consideration for equity instruments of the Company, indirectly by reference to the fair value of the equity instruments. The table below sets out the options and warrants that were issued during the period and the principal assumptions used in the valuation.

Type	Investor warrant	Investor warrant	Key management
Grant Date	23 Mar 2021	6 April 2021	30 November 2020
Number of options/warrants	50,000,000	40,000,000	4,000,000
Share price at grant date	£0.375	£0.365	£0.076
Exercise price at grant date	£0.25	£0.50	£0.10
Risk free rate	n/a	n/a	0.84%
Option life	2 years	2 years	3 years
Expected volatility	n/a	n/a	101.72
Expected dividend yield	n/a	n/a	0%
Expected redemption	n/a	n/a	100%
Fair value per option / warrant at grant date	n/a	n/a	£0.066

5 Earnings per share

	Unaudited Six months to 30 April 2021	Unaudited Six months to 30 April 2020
Basic and diluted earnings attributable to equity holders of the Group		
Continuing operations	(293,507)	(595,030)
Weighted average number of shares for Basic EPS	504,596,483	406,248,163
Earnings per share from continuing operations (pence)	(0.06)	(0.15)
Adjusted basic and diluted earnings attributable to equity holders of the Group:		
Continuing Operations	(92,021)	(551,295)
Weighted average number of shares for Basic EPS	504,596,483	406,248,163
Adjusted earnings per share from continuing operations (pence)	(0.02)	(0.14)

The diluted earnings per share equals the basic earnings per share due to the loss position of the Group. The adjusted loss is calculated after adjusting for non-recurring one-off expenditure associated with the placing and the costs of the and the costs of the warrants and options granted in the period.

Earnings attributable to equity holders of the Group	(293,507)	(595,030)
Share-based payment – share options	201,486	27,447
Share-based payments – share warrants	-	16,288
Adjusted earnings attributable to equity holders of the Group	(92,021)	(551,295)

6 Intangible assets

	Goodwill	Customer contracts	Patents, Trademarks and other rights	Internal use software	Total
	£	£	£	£	£
Cost					
At 1 November 2019	-	-	3,682	339,283	342,965
Acquired on acquisition	283,815	74,659	-	-	74,659
Additions	-	-	-	127,821	127,821
At 30 April 2020	283,815	74,659	3,682	467,104	545,445
Amortisation					
At 1 November 2019	-	-	-	(185,292)	(185,292)
Charge for period	-	(3,111)	-	(21,810)	(24,921)
At 30 April 2019	-	(3,111)	-	(207,102)	(210,213)
Cost					
At 1 November 2020	240,145	74,659	3,682	1,025,421	1,103,762
Additions	-	-	4,406,608	972,409	5,379,017
At 30 April 2021	240,145	74,659	4,410,290	1,997,830	6,482,779
Amortisation					

At 1 November 2020	-	(21,776)	-	(263,263)	(285,039)
Charge for the period	-	(18,665)	-	(66,446)	(85,111)
At 30 April 2021	-	(40,441)	-	(329,709)	(370,150)
Net book value					
At 30 April 2021	**240,145**	**34,218**	**4,410,290**	**1,668,121**	**6,112,629**
At 30 April 2020	283,815	71,548	3,682	260,002	335,232

Goodwill and the customer relationship intangible assets held by the Group arose on the acquisition of Phenix Digital, which completed on 13 March 2020.

The Company's internally developed software relates to its LYC and VICTAR VR careers education platform, the associated CLEVER suite of intranet products and digital customer loyalty applications. The pace of development has increased over the first half year with the customisation of the platforms for the launch of LYC in India and includes the development of both additional content and the direct-to-consumer commercial platform.

On 12 April 2021, the Group announced a comprehensive agreement with Veative Labs Pte Limited (Singapore) including:

- the planned acquisition of its wholly owned Indian subsidiary Veative Labs Pvt Limited
- acquisition of the Veative STEM based learning platform, and its associated IP, required for the near-term roll-out of the Company's existing partnership agreement with Veative and the National Independent Schools Alliance in India at a cost of $3.4m (£2.5m)
- exclusive one year licence for the use of additional immersive learning materials bespoke to the Indian market at a cost of $2.6m (£1.9m)
- call option over a period of one year to acquire the full rights to the additional immersive learning materials and all Veative's global distribution agreements at a cash consideration of $6.5m if the call option is exercised.

As it is currently the intention that the Company will exercise its option to acquire the remaining IP rights to Veative's additional immersive learning materials, the initial one-year licence fee has been classified as a deposit towards taking up the option and the associated cost has been capitalised within patents, trademarks and other rights.

An impairment review was carried out at the balance sheet date. No impairment arose.

7 Trade and other receivables

	Unaudited Six months to 30 April 2021 £	Unaudited Six months to 30 April 2020 £
Trade receivables	1,484,156	131,189
Less: Provision for impairment of trade receivables	(450)	
	1,483,706	131,189
Prepayments	207,370	61,543
Accrued income	300,000	-
Income taxes	66,951	16,402
Taxation and social security	108,013	15,802
Other receivables	2,003,974	224,936
	4,170,014	224,936

Other receivables include £2.0m in respect of outstanding proceeds from the final tranche of the Sitius subscription dated 6 April 2021 (see note 8 Share capital). These proceeds were received by 2 July 2021. The associated broker commission £0.1m has been accrued within trade and other payables.

Maturity analysis of unimpaired trade receivables:	At 30 April 2021
Amounts overdue at the period end	390,024
Amounts due within one month	513,105
Amounts due between one month and two months	176,456
Amounts due between two and three months	189,441
Amounts due between three and four months	71,560
Amounts due between four and five months	71,560
Amounts due between five and six months	71,560
	1,483,706

All overdue balances as at 30 April 2021 have been settled since the period end. The maturity analysis reflects a combination of the standard commercial payment terms that operate within the hospitality sector serviced through Agency Services and extended credit terms that have been negotiated as part of material licencing agreements within Educate.

8 **Share capital**	Shares	Share capital	Share premium
	No.	£	£
At 1 November 2020	471,219,794	4,712,197	1,977,447
Ordinary shares of £0.01 issued on 25 January 2021 at £0.10	20,000,000	200,000	1,800,000
Ordinary shares of £0.01 issued on 25 January 2021 at £0.00	591,099	5,911	54,089
Ordinary shares of £0.01 issued on 22 February 2021 at £0.20	20,000,000	200,000	3,800,000
Ordinary shares of £0.01 issued on 23 March 2021 at £0.10	60,000,000	600,000	5,400,000
Ordinary shares of £0.01 issued on 23 March 2021 at £0.00	1,773,296	17,733	162,267
Ordinary shares of £0.01 issued on 22 April 2021 at £0.30	20,000,000	200,000	5,800,000
Share issue expenses			(1,353,028)
At 30 April 2021	593,584,189	5,935,841	17,640,775

On 25 January 2021, the Group issued 20 million new Ordinary shares of 1p to Intrinsic Capital (Jersey) Limited at 10p per share, raising gross proceeds of £2.0 million through a subscription. This subscription formed the second tranche of the subscription agreement entered into by the Company with Intrinsic on 13 May 2020. The Group also issued 591,099 new shares to its brokers in lieu of brokerage fees relating to the introduction of potential investors to the Company.

On 2 February 2021 the Group announced a further equity subscription agreement with One Nine Two Pte Limited. The agreement provided for an initial subscription of 20 million new ordinary shares in Dev Clever at a subscription price of 20p per share to raise gross proceeds of £4.0 million, conditional upon approval at a general meeting of the Company to an increase in the authority granted to the Directors to allot shares and disapply pre-emption rights. The agreement provided for a further subscription of 20 million ordinary shares at an exercise price of 30 pence per share to raise gross proceeds of £6.0 million to be completed automatically once the share price of the Group closed at or above 34p per share for a period of 5 consecutive days. The Company also granted One Nine Two Pte Limited a warrant over 40 million new ordinary shares at an exercise price of 50p per share, subject to completion of the further subscription. The warrant is exercisable in whole or in part at any time until the second anniversary of the completion of the first subscription.

Following the passing of the relevant resolution at the general meeting, on 22 February 2021, the Group issued 20 million new Ordinary shares of 1p to One Nine Two Pte Limited at 20p per share, raising gross proceeds of £4.0 million.

On 25 February 2021, the Company announced the novation of the subscription agreement with One Nine Two Pte Limited in favour of Sitius, an investment vehicle wholly owned by Dr David vonRosen. On the same date, ICJL entered into an agreement with Sitius to assign 30 million of its remaining subscription rights to 60 million new ordinary shares in the Company at an exercise price of 10p per share

ICJL and Sitius completed their subscriptions to these shares on 23 March 2021, following the publication of the Company's prospectus on 17 March, raising gross proceeds of £6.0 million. The Group also issued 1,773,296 new shares to its brokers in lieu of brokerage fees relating to the introduction of potential investors to the Company.

On 26 March 2021, the mid-market price of the Company's ordinary shares closed at or above 34 pence for five consecutive days, satisfying the remaining condition for Sitius to complete its subscription. Following the publication of the Company's supplementary prospectus, on 22 April 2021, the Company issued 20 million new Ordinary shares of 1p to Sitius at 30p per share, raising gross proceeds of £6.0 million.

At 30 April 2021, proceeds of £2,000,000 remained outstanding (see note 7 Trade and other receivables). These were received by the Company by 2 July 2021.

9 Segmental analysis

As reported in the FY 2020 Annual Report, the Group is now primarily focussed on the deployment of its resources on Its Educate business and its core EdTech platform, Launchyourcareer.com. As a result, the chief operating decision maker, being the Board of Directors, now considers the Group to have a single Educate focus.

	Period ended 30 April 2021		
	Educate	Agency Services	Total
	£	£	£
Revenue by type:			
Development and set up fees	1,536,748	296,158	1,832,906
Subscription, hosting and support fees	479,635	99,891	579,526
	2,016,383	396,049	2,412,432

	Period ended 30 April 2020		
	Educate	Agency Services	Total
	£	£	£
Revenue by type:			
Development and set up fees	16,323	283,274	299,597
Subscription, hosting and support fees	43,643	39,314	82,957
	59,966	322,588	382,554

Revenue in the six months to 30 April 2021 has been supported by material contract wins within Educate. Educate revenues accounted for 83.6% of total revenue in the period (H1 2020: 15.7%).