

Dev Clever Holdings plc

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

Interim Results

Good revenue and operational progress. Well positioned to continue to take advantage of increasing opportunities within the EdTech sector.

Dev Clever (LSE: DEV), a leading developer of online and immersive career guidance, learning and development platforms, is pleased to announce its unaudited interim results for the six months ended 30 April 2022 (the "Period").

Financial Highlights:

- Revenue up 39% to £3,341k (H1 2021: £2,412k) supported by significant contract wins and STEM licence sales.
- EBITDA loss of £2,998k (H1 2021: loss of £162k), which includes non-cash share-based expenses of £103k (H1 2021: £201k).
- Adjusted loss after tax of £3,668k (H1 2021: loss of £92k).
- Cash position at period end of £0.1m (H1 2021: £9.7m) reflecting the build-up of outstanding trade receivables (£3.9m for Aldebaron) and investment in intangible assets of £2.0m reflecting further investment in the Launchmycareer.com platform.
- Loss per share of 0.65 pence (H1 2021: 0.06 pence); Adjusted loss per share of 0.61 pence (H1 2021: 0.02 pence).

Operational Highlights for the Period:

- Successful commercial launch of Launchmycareer.com in January 2022.
- Exercise of call option to acquire the remaining Veative STEM-based learning IP at a net cost of \$6.5m, of which \$0.8m settled within the Period.
- Entry into the Chinese market through a material contract for 20,000 licences for the Group's STEM based learning library in partnership with Question What's Real ("QWR"), an Asia VR hardware manufacturer and distributor of the Chinese Academy of Sciences ("CAS").
- Incorporation in Dubai to facilitate the growth of the Company's international operations.

Post Period End Highlights:

- Total retention of rights on a global basis and ability to enter into individual agreements with international partners enabled through the termination of the partnership with Aldebaron and substantive settlement of the outstanding trade receivables (£3.9m / \$5m).
- Completion of the acquisition of Veative Labs in exchange for 225m new 1p ordinary shares in Dev Clever Holdings plc, at a market value of £67.5m.
- Three-year \$30m unsecured funding facility (the "Facility") obtained from RiverFort Global Opportunities PCC Limited ("RiverFort"). The Facility is dependent upon the satisfaction of drawdown conditions, principally re-admission to the Standard Segment of the Main Market of the London Stock Exchange ("Re-admission")
- Appointment of Rahul Dravid, the current coach of the Indian cricket team and former captain of the Indian national team, as brand ambassador for Launchmycareer.com in India, and completion of advertising campaign materials for release in Q4 2022.
- Launch of the Learning Hub within Launchmycareer.com, providing access to the Group's STEM-based learning library on a subscription basis, direct to consumers in India.
- Launch of The Careers Curriculum in the UK, providing a comprehensive 30-lesson curricular model linked to the Gatsby Benchmarks and covering years 7 to 11.

Ankur Aggarwal and Chris Jeffries, Joint-Chief Executive Officers of Dev Clever, said:

"We have continued to make good progress, which is reflected in top line growth of 39% and supported by the significant uplift in demand for the Group's STEM based learning platform. We

remain confident that the business will benefit from the implementation of new distribution agreements and look forward to updating on this progress in due course.

We were also delighted to announce the completion of the purchases of both Veative Labs, based in Noida, India and the residual IP from Veative Singapore. The merger of the businesses means that the Group is now singularly focussed to accelerate growth and take full advantage of the opportunities arising from its commercial partnerships with both NISA and the Common Service Centre Academy Centres, as well as its direct-to-consumer careers platform offer in India. The launch of the Learning Hub in July now enables the Group to bring more content to users and we look forward to announcing new content partners in due course.

We are confident that the retained control over our distribution rights on a global basis, the completion of the Veative acquisition, and the recently announced funding facility with RiverFort, will enable the Group to further accelerate its growth and take advantage of the increasing opportunities within the EdTech sector and specifically to help young people close the gap between education and the world of work.

For more information:

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Notes to Editors:

About Dev Clever

Dev Clever Holdings plc, together with its wholly owned subsidiaries, is a software and technology group based in Stafford, United Kingdom, and Noida, India, 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 Educate platforms.

Dev Clever aims to reduce the global skills shortage by delivering an enhanced careers guidance service via its online platforms, Launchmycareer.com and Launchyourcareer.com, and virtual reality software (Victar VR). The business has established a global partnership with Lenovo to roll out 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 the National Independent Schools Alliance (NISA) 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.

For further information, please visit www.devcleverholdingsplc.com

Joint Chief Executives' Review

Overview

We are pleased to report Dev Clever's interim results for the six months ended 30 April 2022. This has again been another busy and hugely productive period for the Group. Our focus is now very much on user acquisition through the roll-out of Launchmycareer.com, the Group's careers education platform, across India and extending the footprint of sales of the Group's virtual reality STEM-based learning platform globally.

We continue to believe that there are significant opportunities that are emerging following the gradual global recovery from the Covid-19 pandemic. While the re-emergence of Covid-19 remains a very real risk, as exemplified by the recent lock down in China, we firmly believe that the global recovery will afford the Group many new opportunities for growth.

Progress in the Period

Global STEM

We were delighted to announce a new collaboration with Question What's Real ("QWR"), an Asia-based VR hardware manufacturer and distributor of the Chinese Academy of Sciences ("CAS"). The initial contract is for 20,000 VR devices to be deployed to users in China, pre-installed with the Group's immersive STEM learning library, on an annual recurring SaaS subscription model. While the initial roll out has been slowed following the recent lock-down in Shanghai, the Group has been encouraged with initial user feedback and remains confident of securing further orders in the Chinese market.

The Group is also experiencing a pick-up in demand in the US post Covid with a 113% increase in sales through its Lenovo partnership in the Period, albeit from a low start point, and the establishment of a new distribution channel through Douglas Stewart, a leading US distributor of computer products to the education sector.

IP Acquisition

Under the terms of the comprehensive agreement with Veative Labs Pte Ltd (Singapore), the Group exercised its call option to acquire the remaining IP from Veative. The Company advanced \$1.15mn by way of an upfront payment and will settle the balance of \$5.35mn in shares on readmission of the Company to the standard segment of the Main Market of the London Stock Exchange ("Re-admission"). This permanently secures the ownership and distribution rights for the entire Veative STEM and language learning modules for the benefit of the Group.

Launch of Launchmycareer.com in India

The Group has invested significantly in the Period to build up the capability to support the commercial launch of Launchmycareer.com ("LMC"). This has included the establishment of the appropriate sales, customer success and marketing infrastructure alongside the support for our counselling operations. We were particularly pleased to appoint Ankita Dabas as Global Chief Marketing Officer. Ankita, who holds an MBA in Finance and Strategy from University of Rochester, joined the Group following a successful stint across consumer internet companies and in the venture capital sector in India. Ankita has extensive experience as both a business founder and an investor in companies in India including consumer focused platform businesses Livspace and FabFurnish and early-stage investment funds Brand Capital and AIF Capital. Ankita has also served as an observer on investee company boards steering them through steep growth curves. Ankita's appointment will ensure the

rapid build-up of LMC's brand, user base and execution of our customer acquisition and retention plan.

LMC is now live across India, both on a standard and premium subscription service. The Company has completed a market validation campaign that resulted in the platform hosting c.120,000 active users with 3,500 users having already upgraded to the premium service. Additionally, the Group has onboarded over 200 career success counsellors and the average user feedback ratings are high at 4.7 out of 5, providing further positive validation.

The Group has continued to make good progress with the five-year exclusive partnership agreement with NISA, India's largest governing body for budget private educational institutions representing over 70,000 budget private schools. Working in close collaboration with NISA, the Group has now onboarded over 2,000 private schools and created over a million student accounts ready to be activated now that the market validation campaign has been completed. The collaboration with NISA has been extremely successful to date and we remain confident in the partnership's ability to continue the rapid onboarding of NISA schools.

Cash Flow

The Group has invested significantly in the first half year in both the on-going development of its customer offer, the acquisition of IP and the full commercial launch of LMC across India. In addition, the on-going renegotiation of the tactical partnership with Aldebaron resulted in delays to the settlement of outstanding trade receivable balances and a build-up in working capital. As a result, cash reserves fell in the period from £7.5m at the year ended 31 October 2021 to £0.1m at the Period-end. The Aldebaron debt was substantively settled by 12 August 2022.

Post Period-end Operational Developments

Termination of the Tactical Partnership with Aldebaron

It was mutually agreed that the agreement with Aldebaron DMCC ("Aldebaron") would be terminated, subject to completion of all obligations under the initial proof of concept phase as announced on 19 July 2022.

This returned the global distribution rights for the LMC platform and the STEM-based learning library to Dev Clever. We believe that by retaining these rights on a global basis, and therefore maintaining the ability to enter into individual agreements with international partners, the Group will be able to take advantage of opportunities faster and create more value for its shareholders. Initial discussions have commenced with a number of potential partners in international territories, and we look forward to updating you on our progress.

Acquisition of Veative Labs

On 19 July, the Group announced the completion of the acquisition of Veative Labs Private Limited ("VLPL") in exchange for the issue of 225mn new ordinary shares in the Group. The acquisition enables the Group to capitalise on the collaboration between Dev Clever and Veative that had existed prior to the signing of the comprehensive agreement in April 2021 and specifically to secure the full commercial value of the NISA partnership and the control of the future roadmap for the development of their joint platforms. It also enables the Group to harness the full development capability of the Veative Development Centre.

RiverFort Facility

On 20 August 2022, the Group obtained an up to US\$30 million three-year unsecured funding facility (the "Facility") with RiverFort Global Opportunities PCC Limited ("RiverFort"), providing the Group with a significantly strengthened balance sheet and enabling it to pursue the global EdTech growth opportunity with sustained confidence.

Board Membership

Following the completion of the acquisition of Veative Labs, we were delighted to announce that Ankur Aggarwal, CEO of Veative, would join the Board of Dev Clever as joint CEO of the enlarged group with immediate effect. Ankur's appointment reflects the importance of the Veative business to the Group's international expansion and the increasing focus on India and other international markets going forward.

The Group also announced the resignation of David Ivy as Non-Executive Director and Chair of the Audit Committee owing to personal circumstances. We are extremely grateful to David for his invaluable contribution to the Board over his tenure and wish him all the best for the future.

The Group remains committed to enhancing the capabilities of its Board and has commenced the process to appoint two internationally experienced individuals with relevant global commercial and growth company expertise. These appointments are for the positions of Non-Executive Chairman and Non-Executive Director and Chair of the Audit Committee. We will provide further updates once the appointments are confirmed.

Learning Hub

In July, we launched the Launchmycareer.com Learning Hub. Initially, the Learning Hub will provide access to the Group's STEM and language learning platforms to users on an annual subscription basis and will complement the careers guidance and counselling services. The Group is actively looking for new content partners to further enrich this offer for our customers and we look forward to updating on this as negotiations progress.

Brand Campaign

We were delighted to recently confirm Rahul Dravid as brand ambassador for Launchmycareer.com. Rahul, who was previously captain and currently serves as head coach to the Indian cricket team, is a role model to young people who aspire to become the best version of themselves. He personifies the benefits of engaging with young people to support their learning and development of the right skills to become future stars. The formal marketing campaign is scheduled to launch in October 2022. We believe that this exciting association will help reinforce our brand at the same time as adding very specific credibility in the development of skills and career ambitions in young people across India. This will support our marketing activity for the parents of NISA students and our direct-to-consumer customers.

National Career Challenge

On July 7, the Group's UK subsidiary, The Inspirational Learning Group, hosted its first live National Careers Challenge final since the onset of Covid-19. The National Careers Challenge, currently open to secondary pupils between years 7 and 13, enabled over 57,000 pupils to engage in a variety of business-related challenges from employers including National Westminster Bank, Air Products and Merlin Entertainments. The best teams from more than 80 of the participating schools, presented their proposals at the finals event at the ICC in Birmingham, which also included virtual presentations from 8 Chinese schools for the first time. The National Careers Challenge is intended to become a cornerstone of the Group's inter-connected careers guidance eco-system, enabling it 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.

Outlook

Strategic Direction

The market for EdTech remains robust and we believe there is a globally growing need for more effective careers platforms that can engage young people and connect them directly with their future employers. Our vision is to close the skills gap by transforming the way the world inspires, educates and prepares young people for the world of work, not just for profit but for the profitability of humankind.

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).

The historic investment in the Group's software platforms and the extensive know how that resides across its product team and development centre provides the enlarged Group with an ideal base from which to leverage long term value from this sector. The Group already possesses

- LaunchMyCareer.com ("LMC"), its youth-centric career success platform service which supports a learner's entire career success journey of (i) Career Discovery (ii) Career Guidance (iii) Career-connected Learning and (iv) Career Readiness. LMC is currently live and commercially launched in India, the world's second largest Edtech market after the US with a total addressable market size of 300 million students.
- Market validation through partnerships with both NISA and the CSC Academy Centres that provide access to in excess of 15m young people
- The world's largest library of interactive immersive STEM and language learning content, already localised in English, Chinese, Arabic, Vietnamese and Spanish. This is supported by robust immersive analytics for students, teachers and parents through a cloud platform access.
- A customised VR device and operating system, designed specifically for education, giving competitive edge to win large government projects where end to end solutions are required.
- Complementary and established employer-led, experiential careers learning programme through the National Careers Challenge in the UK that can be scaled across both different geographies and business sectors

The Group is actively pursuing a global partnership program that will enable leading business groups to gain distribution rights for the Group's products within their respective regions. This strategy will support the Group to accelerate growth rapidly in more emerging markets. The Group will support its expansion plans through the further adaptation of its content into more global and regional languages, which should also provide greater leverage in securing government contracts.

We are also exploring opportunities to incorporate the Metaverse and a Real World Skills Certification Program to enrich LMC's premium service offer for members. This will provide virtual work experiences for learners, dedicated area for learners to connect with employers, intuitive and immersive 360° career guides, tours of workplaces and campuses.

Prospectus

The Company continues to work with its professional advisers to finalise its prospectus and, subject to the necessary regulatory approvals, to relist the Group on the Standard Segment of the Main Market of the London Stock Exchange.

Summary

The Group has continued to make very good progress, as reflected in the revenue growth and supported by the significant uplift in demand for the Group's STEM based learning platform. We remain confident that the business will benefit from the implementation of new agreements and are confident that total control over our global rights, the completion of the Veative acquisition and the recently announced facility with RiverFort will enable the Group to further accelerate its growth strategy. There remains a significant global opportunity within the EdTech sector and we remain focussed on supporting young people across the globe to close the gap between education and the world of work.

Finally, we would, on behalf of the Board, like to thank our customers, stakeholders and employees for their ongoing support and their patience as we overcome the challenges that have delayed the publication of our prospectus and relisting. We look forward to providing an update on our continued progress in due course.

Ankur Aggarwal and Christopher Jeffries

Principal Risks and Uncertainties

Covid-19

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 now have the opportunity to work on a hybrid basis to ensure an appropriate balance between productivity and collaboration and to ensure their and others' safety and wellbeing. The Group has established robust communication channels; and our employees continue to remain dedicated and professional.

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, and the Veative STEM-based learning platform are ideally placed to support the requirements of both in-class and remote learning 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. At the end of the Period Group cash reserves were £0.1m following delays to the settlement of outstanding receivables of £3.6m (\$5m) from Aldebaron whilst agreement was reached over the ongoing business relationship. These amounts were substantively settled by 12 August 2022, providing sufficient working capital to enable the Group to meet its obligations as they fall due. As a result of the termination of the agreement and the loss of its associated revenue streams, of \$45m over the next 3 years, the Group is in the process of reassessing its funding requirements to maintain the planned growth of the business. On 20 August 2022, the Group obtained a \$30 million funding facility through RiverFort and is continuing to explore other forms of finance. This, and the on-going support of our investors, means that the Directors have a reasonable expectation that the Group will be able to raise funds to provide adequate resources to continue in operational existence for the foreseeable future.

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, including different legislation regarding general data protection ("GDPR"). 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 by employing a dedicated Head of Governance and Risk with extensive experience of global GDPR requirements. In addition, it further seeks to minimise regulatory risk 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 39% at £3,341k for the Period (H1 2021: £2,412k) and supported by significant contract win in respect of STEM licence sales.
- EBITDA loss of £2,998k (H1 2021: loss of £162k), includes non-cash share-based expenses of £103k (H1 2021: £201k) and reflects the significant investment made by the Group in the set-up of Launchmycareer India (including incremental advertising costs of £1.3m and

employee costs of £1.0m) and agent's commissions of £0.7m in respect of the CAS licence agreement.

- Adjusted loss after tax of £3,668k (H1 2021: loss of £92k).
- Net decrease in cash and cash equivalents of £7.4m after further outlay on intangible assets of £2.0m and tangible assets of £0.2m. Net cashflow outflow from operating activities of £5.1m reflects the build-up of outstanding trade receivables of £3.9m for Aldebaron and the set-up costs and advertising investment in respect of Launchmycareer India.
- As at 30 April 2022, the Group had a net cash position of £0.1m (H1 200: £9.7m).
- Loss per share of 0.65 pence (H1 2021: 0.06 pence); Adjusted loss per share of 0.61 pence (H1 2021: 0.02 pence).

Nicholas Ydlibi
Chief Financial Officer
31 August 2022

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) 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 2021) 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 & Joint Chief Executive Officer
31 August 2022

**Consolidated Statement of Comprehensive Income
For the six months ended 30 April 2022**

	Note	Unaudited Six months to 30 April 2022 £	Unaudited Six months to 30 April 2021 £
Continuing operations			
Revenue	10	3,341,277	2,412,442
Cost of sales		(2,250,398)	(834,415)
Gross profit		1,090,879	1,578,027
Administrative expenses	11	(4,981,636)	(1,851,813)
Loss from operations		(3,890,757)	(273,786)
Finance expense		(30,315)	(23,267)
Loss before tax		(3,921,072)	(297,053)
Tax credit		11,339	3,546
Loss for the period from continuing operations		(3,909,733)	(293,507)
Other comprehensive income:			
<i>Items that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange gains / (losses) arising on translation of foreign operations		(61,824)	-
Tax relating to items that may be reclassified		-	-
Total other comprehensive income for the period		-	-
Total comprehensive income for the period attributable to shareholders		(3,971,557)	(293,507)
Earnings per share			
Basic and diluted earnings (pence per share)	5	(0.65)	(0.06)
Adjusted basic and diluted earnings (pence per share)	5	(0.61)	(0.02)

**Consolidated Statement of Financial Position
At 30 April 2022**

	Note	Unaudited as at 30 April 2022 £	Unaudited as at 30 April 2021 £	Audited as at 31 Oct 2021 £
Non-Current Assets				
Goodwill	6	2,562,977	240,145	2,562,930
Intangible Assets	6	12,656,599	6,112,629	7,149,083
Property, Plant & Equipment	7	607,135	95,197	316,085
Financial assets at fair value through profit or loss		138,653	138,653	138,653
		<u>15,965,364</u>	<u>6,586,624</u>	<u>10,166,751</u>
Current Assets				
Inventories		71,953	6,370	2,940
Trade and other receivables	8	9,606,998	4,170,014	6,338,506
Cash and cash equivalents		120,182	9,675,958	7,509,084
		<u>9,799,133</u>	<u>13,852,342</u>	<u>13,850,530</u>
Total Assets		<u>25,764,497</u>	<u>20,438,966</u>	<u>24,017,281</u>
Current Liabilities				
Trade and other payables	9	(7,221,329)	(609,726)	(1,555,461)
Deferred income		(229,153)	(153,559)	(297,835)
Provisions for liabilities and charges		-	-	(60,000)
Loans and borrowings		(84,895)	(91,923)	(95,916)
		<u>(7,535,377)</u>	<u>(855,208)</u>	<u>(2,009,212)</u>
Non-current liabilities				
Loans and borrowings		(619,933)	(286,689)	(530,548)
Deferred tax		(15,819)	(22,320)	(15,819)
		<u>(635,752)</u>	<u>(309,009)</u>	<u>(546,367)</u>
Total liabilities		<u>(8,171,129)</u>	<u>(1,164,217)</u>	<u>(2,555,579)</u>
Net Assets		<u>17,593,368</u>	<u>19,274,749</u>	<u>21,461,702</u>
Share capital		6,041,143	5,935,842	6,041,143
Share premium		19,651,893	17,640,775	19,651,893
Merger reserve		(2,499,900)	(2,499,900)	(2,499,900)
Other reserves		2,934,249	524,723	2,831,026
Translation reserve		(83,877)	-	-
Retained income		(8,450,140)	(2,326,691)	(4,562,460)
		<u>17,593,368</u>	<u>19,274,749</u>	<u>21,461,702</u>

**Consolidated Statement of Changes in Equity
At 30 April 2022**

	Share capital £	Merger reserve £	Share premium £	Other reserves £	Translat'n reserve £	Retained income £	Total £
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	-	17,016,355	-	-	-	18,240,000
Share issue costs	-	-	(1,353,027)	-	-	-	(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
Balance at 1 November 2021	6,041,143	(2,499,900)	19,651,893	2,831,026	-	(4,562,460)	21,461,702
Reclassification of translation reserve	-	-	-	-	(22,053)	22,053	-
Loss after taxation for the period	-	-	-	-	-	(3,909,733)	(3,909,733)
Foreign currency translation	-	-	-	-	(61,824)	-	(61,824)
Total comprehensive loss for the period	-	-	-	-	(83,877)	(3,887,680)	(3,971,557)
Issue of ordinary shares	-	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-	-
Share option issues	-	-	-	103,223	-	-	103,223
	-	-	-	103,223	-	-	103,223
Balance at 30 April 2022	6,041,143	(2,499,900)	19,651,893	2,934,249	(83,877)	(8,450,140)	17,593,368

Consolidated Statement of Cash Flows
For the six months ended 30 April 2022

	Unaudited Six months to 30 April 2022	Unaudited Six months to 30 April 2021
	£	£
Cash flows from operating activities:		
Loss before tax	(3,921,072)	(297,053)
Adjustments for:		
Depreciation	73,926	26,935
Amortisation of intangibles	908,805	85,111
Gain on disposal of tangible assets	(12,204)	-
Finance income	-	-
Finance expense	30,315	23,267
Non-cash element of share-based payments	103,223	201,486
Increase decrease in inventories	(68,442)	(3,720)
Increase in trade and other receivables	(3,275,482)	(1,106,445)
Increase in trade and other payables	1,003,700	108,069
Income tax received	72,603	68,455
Net cash flows from operating activities	(5,084,628)	(893,895)
Cash flows from investing activities:		
Payments to acquire property, plant, and equipment	(236,282)	(16,655)
Payments to develop intangible assets	(2,017,027)	(5,379,017)
Proceeds from disposal of tangible assets	24,391	-
Net cash flows used in investing activities	(2,228,918)	(5,395,672)
Cash flows from financing activities:		
Net proceeds from issue of equity	-	14,986,972
Repayment of borrowings	(75,494)	(45,814)
Interest paid	(15,153)	(8,106)
Net cash flows from financing activities	(90,647)	14,933,052
Net increase/(decrease) in cash and cash equivalents in the year	(7,404,193)	8,643,485
Cash and cash equivalents at beginning of period	7,509,084	1,032,473
Foreign currency translation	15,291	-
Cash and cash equivalents at end of period	120,182	9,675,958
Cash and cash equivalents	120,182	9,675,958

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 2022.

The accounting policies are unchanged from the financial statements for the year ended 31 October 2021. 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 2021, prepared in accordance with IFRS, have been filed with Companies House. The Auditors' Report on these accounts was unqualified but included a matter 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 2022. 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 2021, 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 Directors have carried out a detailed assessment of going concern as part of the financial reporting process, taking into consideration a number of matters including forecast cash flows for a period of at least 12 months from the date of approval of the Financial Statements, medium and long term business plans and expectations. The going concern basis of accounting has been applied based on management's consideration of financial projections and business plans for the business, which include a number of forward looking assumptions about the future growth in the customer base and conversions on the Launchmycareer.com platform as well as sales of STEM based learning solutions and associated hardware.

The Directors expect to deliver results which will lead to continuing market support and therefore consider it appropriate for the Group to continue to adopt the going concern basis of accounting in the preparation of the annual financial statements.

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.

3 Critical accounting estimates and judgements

Trade receivables

As at 30 April 2022 the Group had receivables of \$5m that had become three months overdue in respect of the first phase of the tactical partnership with Aldebaron. The Directors were in extensive negotiations with the management team at Aldebron relating to the future direction of the tactical partnership and at all times were provided with assurances that this debt would be honoured. As a result, the Directors exercised their judgement and deemed it unnecessary to raise an impairment provision on the carrying value of the debt. The balance was substantively settled by 12 August 2022.

Further detail can be found in note 8, Trade and other receivables

4 Share Based Payments

Share-based payment schemes with employees

During the period ended 30 April 2022, 852,660 share options were awarded to key management personnel under the Company's EMI share option plan. The options have an exercise price of £0.30 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 1 December 2021 or on the date on which the option holder ceases to be an employee.

During the period the Company was required to recognise a total expense of £103,223 (HY 2021: £201,486) 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 2022 No. options and warrants	WAEP	30 Apr 2021 No. options and warrants	WAEP
Outstanding at beginning of period	185,635,363		29,392,266	1.17
Issued in period	852,660		94,000,000	35.00
Lapsed during period	(1,000,000)		(2,220,995)	9.10
Exercised during the period	-		-	-
Outstanding at the end of the period	185,488,023		121,171,719	27.72
Exercisable at the end of the period	110,951,382		102,882,866	31.73

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	Key management
Grant Date	1 December 2021
Number of options/warrants	852,660
Share price at grant date	£0.293
Exercise price at grant date	£0.30
Risk free rate	0.86%
Option life	3 years
Expected volatility	72.44
Expected dividend yield	0%
Expected redemption	100%
Fair value per option / warrant at grant date	£0.138

5 Earnings per share

Unaudited Six months to 30 April 2022	Unaudited Six months to 30 April 2021
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Basic and diluted earnings attributable to equity holders of the Group

Continuing operations	(3,909,733)	(293,507)
Weighted average number of shares for Basic EPS	604,114,274	504,596,483
Earnings per share from continuing operations (pence)	(0.65)	(0.06)

Adjusted basic and diluted earnings attributable to equity holders of the Group:

Continuing Operations	(3,667,757)	(92,021)
Weighted average number of shares for Basic EPS	604,114,274	504,596,483
Adjusted earnings per share from continuing operations (pence)	(0.61)	(0.02)

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 Veative acquisition, incorporation fees for Dubai and the costs recognised in respect of share based payments in the period.

Earnings attributable to equity holders of the Group	(3,909,733)	(293,507)
Veative acquisition expenses	119,270	-
Incorporation expenses Dubai	19,483	-
Share-based payment – share options	103,223	201,486
Adjusted earnings attributable to equity holders of the Group	<u>(3,667,757)</u>	<u>(92,021)</u>

6	Intangible assets	Goodwill	Customer contracts	Patents, Trademarks and other rights	Internal use software	Total
		£	£	£	£	£
	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 period	-	(18,665)	-	(66,446)	(85,111)
	At 30 April 2021	-	(40,441)	-	(329,709)	(370,150)
	Cost					
	At 1 November 2021	2,562,930	74,659	4,410,290	3,665,820	8,150,769
	Additions	-	-	5,050,198	1,366,123	6,416,321
	Foreign currency translation	47	-	-	-	-
	At 30 April 2022	2,562,977	74,659	9,460,488	5,031,943	14,567,090
	Amortisation					
	At 1 November 2021	-	(74,659)	(277,677)	(649,350)	(1,001,686)
	Charge for the period	-	-	(277,421)	(631,384)	(908,805)
	At 30 April 2022	-	(74,659)	(555,098)	(1,280,734)	(1,910,491)

Net book value					
At 30 April 2022	2,562,977	-	8,905,390	3,751,209	12,656,599
At 30 April 2021	240,145	34,218	4,410,290	1,668,121	6,112,629

Goodwill and the customer relationship intangible assets held by the Group arose on the acquisitions of Phenix Digital, completed on 13 March 2020 and The Inspirational Learning Group, completed on 26 July 2021.

The Company's internally developed software primarily relates to its Launchmycareer careers education platform. The pace of development has further increased over the first half year with the development and launch of on-line counselling, the learning hub and immersive future world of work experiences in India.

The Company exercised its option to acquire Veative's remaining STEM based learning IP and its associated global distribution rights at a cost of £5.1m. Deferred consideration of £4.4m has been reported within trade and other payables (note 9).

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

7 Tangible assets	Right of use assets	Leasehold improvements	Fixtures and fittings	Computer equipment	Total
	£	£	£	£	£
Cost					
At 1 November 2020	-	-	18,695	99,225	202,169
Additions	-	-	45	16,610	16,655
At 30 April 2021	-	-	18,740	115,835	218,824
Depreciation					
At 1 November 2020	-	-	(10,716)	(59,367)	(96,688)
Charge for period	-	-	(2,532)	(24,403)	(26,935)
At 30 April 2021	-	-	(13,248)	(83,770)	(130,274)
Cost					
At 1 November 2021	311,266	-	36,267	144,191	491,724
Additions	138,696	67,509	49,767	119,006	374,978
Disposals	-	-	(14,562)	-	(14,562)
Foreign currency translation	-	-	587	1,733	2,320
At 30 April 2022	449,962	67,509	72,059	264,930	854,460
Depreciation					
At 1 November 2021	(76,887)	-	(17,435)	(81,317)	(175,639)
Charge for the period	(43,212)	(914)	(4,990)	(24,811)	(73,926)
Disposals	-	-	2,375	-	2,375
Foreign currency translation	-	-	(10)	(124)	(134)
At 30 April 2022	(120,099)	(914)	(20,060)	(106,252)	(247,325)
Net book value					
At 30 April 2022	329,863	66,595	51,999	158,678	607,135

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

8 Trade and other receivables

	Unaudited at 30 April 2022 £	Unaudited at 30 April 2021 £	Audited at 31 October 2021 £
Trade receivables	7,077,086	1,484,156	4,562,827
Less: Provision for impairment of trade receivables	-	(450)	(11,520)
	<u>7,077,086</u>	<u>1,483,706</u>	<u>4,551,307</u>
Prepayments	1,575,545	207,370	1,628,592
Accrued income	24,781	300,000	-
Income taxes	6,788	66,951	68,052
Taxation and social security	470,309	108,013	86,414
Other receivables	452,489	2,003,974	4,141
	<u>9,606,998</u>	<u>4,170,014</u>	<u>6,338,506</u>

Included within Trade receivables is \$5m outstanding from the previous year end in respect of the first phase of the tactical partnership with Aldebaron. This debt was due to be settled by 31 January 2022 but was actually substantively settled by 12 August 2022. A balance of £3,985k is included within amounts up to three months past due in the maturity analysis of unimpaired trade receivables detailed below.

Also included within Trade receivables was \$3m receivable in respect of STEM licence sales to Guizhou Quantum With Reality Technology on behalf of the Chinese Academy of Science. An amount of £2,391k is included within amounts not overdue at the period end in the maturity analysis of unimpaired trade receivables detailed below.

Maturity analysis of unimpaired trade receivables:	Unaudited at 30 April 2022 £	Unaudited at 30 April 2021 £	Audited at 31 October 2021 £
Amounts not overdue at the period end	2,727,426	390,024	3,658,208
Up to three months past due	4,340,659	879,002	891,425
More than three months past due	9,000	214,680	1,674
	<u>7,077,085</u>	<u>1,483,706</u>	<u>4,551,307</u>

Overdue balances as at 30 April 22 have been substantively settled since the period end. The maturity analysis reflects a combination of the standard commercial payment terms that operate within the education sector and the extended credit terms that have been negotiated as part of material licencing agreements.

9 Trade and other payables

	Unaudited at 30 April 2022 £	Unaudited at 30 April 2021 £	Audited at 31 October 2021 £
Current			
Trade payables	(882,007)	(98,491)	(887,200)
Accruals	(5,736,758)	(406,063)	(458,153)
Deferred income	(229,153)	(153,559)	(297,835)
Income taxes	(30,575)	-	(30,575)
Other taxation and social security	(394,891)	(98,378)	(174,046)
Other payables	(177,098)	(6,794)	(5,487)
	<u>(7,450,482)</u>	<u>(763,285)</u>	<u>(1,853,296)</u>

Included within accruals is a balance of £4,399k representing the amount still outstanding following the exercise of the call option to acquire the remaining Veative STEM-based learning IP.

10 Revenue segmental analysis

As reported in the FY 2021 Annual Report, the Group is now solely focussed on the deployment of its resources on its Educate business through its core EdTech platform, Launchmycareer and its digital STEM based learning resources. 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 2022		
	Educate £		Total £
Revenue by type:			
Development and set up fees	931,375		931,375
Hardware sales	149,714		149,714
Licensing, subscription, hosting and support fees	2,260,188		2,260,188
	<u>3,341,277</u>		<u>3,341,277</u>
	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
Licensing, subscription, hosting and support fees	479,635	99,891	579,526
	<u>2,016,383</u>	<u>396,049</u>	<u>2,412,432</u>

Revenue in the six months to 30 April 2022 has been supported by material contract wins for its STEM based learning resources.

11 Administrative expenses

	Unaudited 6 months to 30 April 2022 £	Unaudited 6 months to 30 April 2021 £
Salary and employee costs	1,904,284	1,015,325
Sales commissions	691,260	-
Depreciation	74,298	23,249
Legal, professional & regulatory fees	553,365	313,369
Advertising and promotion	1,581,196	284,800
Other administration expenses	177,233	215,070
	<u>4,981,636</u>	<u>1,851,813</u>

Sales commissions relate to commission payable on sales of the Group's STEM-based learning resources. The increase in advertising and promotional expenditure reflects the incremental investment in campaign materials and production costs to support the launch of the Launchmycareer.com platform in India.