

Dev Clever Holdings plc  
(‘Dev Clever’ or the ‘Group’)

## Interim Results

Dev Clever, (LSE: DEV), a leading developer of mobile and immersive experiences, today announces its maiden interim results for the seven months ended 30 April 2019 (the ‘Period’)

### Financial Highlights

- Revenue up 2.9% at £264k for the 7 months to April 2019 (H1 2018: £220k for 6 months to April 2018).
- Revenue for the year expected to be heavily weighted towards H2, as we look to exploit the benefits of our new commercial partnerships following the successful launch of our Educate, Engage and Experience platforms.
- EBITDA loss of £545k (H1 2018: loss of £146k), which includes legal and professional costs in relation to the IPO of £183k (H1 2018: £0k) and share-based payment expenses on the issue of advisor warrants of £62k (H1 2018: £0k).
- Loss before tax of £569k (H1 2018: loss of £153k).
- Cash position at 30 April 2019 of £453k.
- Loss per share for the period of 0.16 pence.
- Adjusted loss per share 0.09 pence.

Adjusted loss per share is after adjusting for the impact share-based payments and the one-off costs associated with the placing.

### Operational Highlights

- Successful pre-IPO placing and subsequent placing and subscription to raise £1,013k before expenses and admission to the Standard List of the London Exchange on 21st January 2019.
- Launch of the LaunchPad careers guidance platform and its supporting virtual reality student engagement experience VICTAR.
- Launch of Engage, the Group’s cloud-based gamification platform for consumer engagement, followed by its first commercial partnership agreement with Eagle Eye Solutions.
- Launch of its virtual reality core framework enabling the rapid development of multi-player, immersive full 360-degree VR experiences and games including the out of home pilot release of Vanguard: Fight for Rudiarius.
- Board strengthened through the appointment of two non-executive directors David Ivy (co-founder DotDigital Group) and Chantal Forrest (a corporate solicitor and former Group Company Secretary at Yorkshire Water Services/Kelda Group).

### Post Period End Highlights

- Successful completion of further commercial partnership agreements for the Engage consumer engagement and gamification platform with Valassis UK & Europe and Yoyo Wallet.
- Collaboration agreement with WorldSkills UK to utilise the LaunchPad and VICTAR careers platforms as the key engagement tool for the WorldSkills Show Live in November 2019. This will introduce over 70,000 pupils to the LaunchPad application as well as showcasing the platform to a broad range of employers, colleges, apprenticeship providers and careers advisers.

- Successful upgrade to Vanguard: Fight for Rudiarius and extension of pilot to Jump Xtreme in Tamworth.

Chris Jeffries, CEO of Dev Clever, said:

“The Board and I are delighted by the positive response to our successful admission to the Standard List of the London Stock Exchange and we are pleased to report further substantial operational progress since admission. The Group has grown from 24 staff prior to admission to 29 staff at the interim reporting date. This includes the creation of a dedicated sales team and further investment in our software development and project management resource.

The Group has focused heavily on building long-term collaborative partnerships with complementary businesses across both the consumer engagement and education sectors, as we see this as the most effective method of delivering rapid and sustainable growth. We have been particularly delighted to announce the commercial partnerships with Eagle Eye Solutions, Yoyo Wallet, Valassis UK & Europe and WorldSkills UK and we will continue to keep the market informed of further progress in future updates.

The Board would like to thank our new and existing shareholders for their support and we look forward to capitalising on significant market opportunities over the coming months.”

#### **Investor update**

A podcast will be undertaken later today with Chris Jeffries, CEO, and a link will be made available on the investor page of the Company’s website alongside a copy of these Interim Results.

<http://www.devcleverholdingsplc.com>

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

**- Ends -**

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## Notes to Editors

Dev Clever Holdings plc, together with its wholly owned subsidiary DevClever Limited, is an early stage software and technology group based in Tamworth, United Kingdom, specialising in the use of lightweight integrations of cloud-based gamification and VR technologies to deliver rich customer engagement experiences across both the commercial and education sectors. The Group's core focus is the development and commercialisation of its three core platforms:

- **Engage:** A cloud-based gamification solution that offers brands and retailers a range of products to drive higher levels of consumer engagement via the use of digitally redeemable incentives at the same time as fully controlling spend.
- **Educate:** A careers guidance solution that offers secondary schools, colleges, universities, apprenticeship providers and employers with a range of digital products to more efficiently recruit and develop applicants and skills within their institutions and organisations.
- **Experience:** A multi-user virtual reality (VR) framework that enables customers of our Engage and Educate channels to extend their customers and student experiences through VR as well as delivering our own gaming experiences across the leisure sector and direct to consumer.

On 21 January 2019, Dev Clever listed on the Standard List of the London Stock Exchange.

For further information, please visit [www.devcleverholdingsplc.com](http://www.devcleverholdingsplc.com).

## Chief Executive's Review

The Group is pleased to report this maiden set of interim results since Dev Clever was admitted to the Standard List of the London Stock Exchange and dealings in its ordinary shares commenced on 21 January 2019. The Group successfully raised in aggregate £1,013k before costs via a pre-IPO placing for £335k, the placing for £590k and subscription of £88k in new ordinary shares at a price of 1 pence per share. During the period, Dev Clever has successfully delivered on the operational milestones that were set out at the time of the Group's prospectus, namely completing the launches of its three core platforms: Engage, Educate and Experience, introducing a sales team and expanding its development and project management resource.

Over the last 5 years Dev Clever has been working in collaboration with brands, retailers, educators and employers to develop a suite of innovative platforms which we believe are transformational to the current processes they disrupt within their market sectors. Our strategy for growth has been to productise our platforms and deploy them to the cloud to enable simple integration with strategic third-party commercial partners. This is intended to extend the reach of our products, enable them to be scaled quickly and provide an accelerated direct route to market. Our products are offered to customers, via our partners, on a SaaS (software as a service) basis.

The past 18 months has seen the Company invest significantly in the productisation of its platforms and since listing in January 2019 we have successfully launched our products live in the cloud under our three core platforms:

- **Engage:** A cloud-based gamification solution that offers brands and retailers a range of products to drive higher levels of consumer engagement via the use of digitally redeemable incentives at the same time as fully controlling spend.
- **Educate:** A careers guidance solution that offers secondary schools, colleges, universities, apprenticeship providers and employers a range of digital products to

more efficiently recruit and develop applicants and skills within their institutions and organisations.

- Experience: A multi-user virtual reality (VR) framework that enables customers of our Engage and Educate channels to extend their customers and student experiences through VR as well as delivering our own gaming experiences across the leisure sector and direct to consumer.

Dev Clever has a clear strategy to drive the future growth of the business, which is the commercialisation of its Engage, Educate and Experience platforms through the exploitation of strategic commercial partnerships. This strategy is supported by the Group's ability to rapidly scale its reach.

## **Engage**

The Group announced the launch of its Engage gamification platform for customer loyalty on 6 March 2019. The platform provides brand and retail customers with a lightweight implementation of gamification that incentivises consumer action or product purchase by rewarding them with a chance to win high value prizes and digitally redeemable vouchers or coupons enabled by integrated third-party commercial partner systems.

Since launching Engage, we have successfully delivered campaigns for brands including Pepsi Max, Westons Cider, Swinton Insurance, Britvic J20, BOSCH, Jewson's and Whitbread. Our main focus has been to deliver commercial partnerships in order to extend the reach of the Engage platform, whilst also building a network of reseller partners to facilitate a direct route to market. This is intended to produce an accelerated rollout strategy over the second half year and beyond. We continue to hold discussions with our next tier of commercial partners and resellers and will update the market via the appropriate channels with information about new partners and revenue growth as we progress.

Secured commercial partnerships:

Eagle Eye Solutions  
Yoyo Wallet  
Valassis UK & Europe

## **Educate**

The Group successfully launched its innovative, online careers guidance platform LaunchPad and its associated virtual reality engagement platform VICTAR at the end of the first half year. Since launching the platforms, the Group has focussed its initial strategy on proving the product in our defined test market of the West Midlands.

The initial strategy has been to confirm the demand for our platforms within the education sector and to establish their credibility against key benchmarks such as the Gatsby principles and to raise awareness of the product with a view to supporting our accelerated rollout strategy across the entire sector at the beginning of the new academic year in September.

This strategy is supported by key partnerships within the education, skills and careers sector which will give LaunchPad and VICTAR national exposure to every secondary school and FE college in the UK, whilst at the same time attracting a large volume of users to the platform as the new academic year begins.

Our focus for the second half of the year is to secure a partnership with a global hardware manufacturer, with a strong presence in the education sector globally, to support our UK

rollout through a network of educational resellers. Once established, we intend to leverage our partnerships to expand our product reach overseas, with an initial focus on North American markets. The business is currently in advance discussions with a potential partner to support this strategy and we will update the market on progress through the appropriate channels in due course.

Secured partnerships and affiliations:

WorldSkills UK  
CDI (Career Development Institute)

## **Experience**

The Group successfully developed and deployed its immersive, cross-platform, multiuser, virtual reality (VR) framework in the first half year. The framework enables the business to offer immersive VR experiences to both its Engage and Educate customers as well as allowing the Group to develop and release its own competitive gaming experiences to both the out of home leisure sector and the play at home consumer market.

In the short-term, the Group strategy has been to develop, in parallel with the immersive framework, a competitive, multiplayer VR gaming experience called VANGUARD: Fight for Rudiarius. The Group is currently raising awareness of the game and developing an existing player base by offering Vanguard to leisure venues in the UK as a multiplayer, timed VR experience. This is available with low upfront installation cost and is charged at a cost per play to their visitors on a revenue share model.

An updated experience has now been released to the original pilot location at Quasar, in Harlow, and a second location has recently opened at Jump Xtreme, in Tamworth. The Group intends to rollout the experience to an additional 10 venues in the second half of the year and we are currently in advanced discussions with leisure operators with a view to opening at even more venues. The business will update the market with progress and new locations as they are confirmed.

The long-term strategy for the game is for the Group to release a fully cross-platform version of Vanguard direct to the consumer as a play at home gaming experience. This version will be free to download, offering in-App purchases to users, and will be available on all VR enabled platforms as well as mobile and all major consoles later this calendar year.

The Group's longer-term synergistic Experience strategy is the delivery of remote VR training and development modules via the recently announced Launchpad for Employers learning and development platform. We are confident that this will grow in parallel with the main LaunchPad and VICTAR rollout strategy.

Christopher Jeffries  
Chairman & Chief Executive Officer  
26 July 2019

## **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, retail consumer and education, since admission and the impact this has had on demand.

It also monitors those risks that are not directly or specifically financial, but capable of having a major impact on the business's financial performance if there is any failure, such as compliance with data protection requirements, intellectual property rights, product quality and maintenance of satisfactory levels of customer service.

Capital structure, cash flow and liquidity

The business is funded through a combination of the funding raised through the pre-IPO, Placing and Subscription and the loan facilities agreed prior to Listing.

### **Financial Review**

- Underlying revenue for the half year is broadly in line with the prior half year taking into consideration the non-comparative trading period, rising from £220k (6 months to April 18) to £265k (7 months to April 19). This is in line with the expectations of the Group as we work towards the commercialisation of our products through our newly formed commercial partnerships.
- EBITDA loss was £545k compared to a loss of £146k in the prior year. This includes IPO related legal and professional costs of £183k and shared based payment expenses relating to investor and advisor warrants of £62k.
- Loss before tax was a loss of £569k, in line with management expectations, compared to a loss in the prior year of £153k.
- Operating cashflows after £134k of capex and investment in internally generated software were a net outflow of £649k for the period. The current run-rate of staff costs and other ongoing costs is approximately £100k per month, with revenues of £65k. The Group expects performance to become cash neutral by the end of the current financial year.
- At 30 April 2019, the Group has a net cash position of £452k.

Nicholas Ydlibi  
Finance Director  
26 July 2019

## **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 seven months of the financial year (being six months from the first financial year end, 31 October 2019) 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  
26 July 2019

## DevClever Holdings

### Interim consolidated statement of comprehensive income

For the 7 months ended 30 April 2019

	Note	Unaudited Seven months ended 30 April 2019 £	Unaudited Six months ended 30 April 2018 £
<b>Continuing operations:</b>			
Revenue		264,625	220,458
Cost of sales		(103,048)	(136,189)
Gross profit		161,577	84,269
Administrative expenses		(467,962)	(234,496)
IPO expenses		(245,283)	-
Operating loss		(551,668)	(150,227)
Finance income		-	-
Finance expense		(17,672)	(2,465)
Loss before tax		(569,340)	(152,692)
Tax (expense) / credit		(14,368)	56,618
<b>Loss for the period from continuing operations</b>		<b>(583,708)</b>	<b>(96,074)</b>
<b>Other comprehensive income</b>			
<i>Items not reclassified to profit or loss in subsequent periods</i>			
<b>Total other comprehensive income for the period</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period attributable to shareholders</b>		<b>(583,708)</b>	<b>(96,074)</b>
<b>Loss per share</b>			
Basic (pence per share)	5	(0.16)	
Diluted (pence per share)	5	(0.15)	
Adjusted basic (pence per share)	5	(0.09)	
Adjusted diluted (pence per share)	5	(0.08)	

## DevClever Holdings

### Consolidated Statement of Financial Position

As at 30 April 2019

	Not e	Unaudited as at 30 April 2019 £	DevClever Ltd Unaudited as at 30 April 2018 for comparative purposes £
<b>Non-Current Assets</b>			
Intangible Assets	3	235,911	63,375
Property, Plant & Equipment		32,142	23,646
Investments		1,125	-
Deferred Tax Assets			65,189
		<u>269,178</u>	<u>152,210</u>
<b>Current Assets</b>			
Inventories		5,550	-
Trade and other receivables		225,755	180,830
Cash and cash equivalents		452,567	210,461
		<u>683,872</u>	<u>391,291</u>
<b>Total Assets</b>		<u>953,050</u>	<u>543,501</u>
<b>Current Liabilities</b>			
Trade and other payables		(92,351)	(94,318)
Loans and borrowings		(44,684)	(39,402)
		<u>(137,035)</u>	<u>(137,035)</u>
<b>Non-current liabilities</b>			
Loans and borrowings		(112,951)	(159,075)
Deferred tax		(47,389)	-
		<u>(160,340)</u>	<u>(159,075)</u>
<b>Total liabilities</b>		<u>(297,375)</u>	<u>(292,795)</u>
<b>Net Assets</b>		<u>655,675</u>	<u>250,706</u>
Share capital		3,733,000	100
Reverse acquisition reserve	7	(2,499,900)	-
Share options reserve	4	9,875	-
Share warrants reserve	4	62,495	-
Retained earnings		(649,795)	250,606
		<u>655,675</u>	<u>250,706</u>

## DevClever Holdings

### Consolidated Statement of cash flows

For the 7 month period ended 30 April 2019

	Note	Unaudited seven months ended 30 April 2019 £
<b>Cash flows from operating activities</b>		
Loss before tax		(569,340)
Adjustments for:		
Depreciation		6,895
Finance expense		17,672
Non-cash element advisor warrants		62,495
Share option expense		9,875
(Increase) / decrease in inventories		(5,550)
(Increase) / decrease in trade and other receivables		(59,895)
Increase / (decrease) in trade and other payables		23,350
<b>Net cash flows from operating activities</b>		<u>(514,498)</u>
<b>Cash flows from investing activities</b>		
Payments to acquire property, plant and equipment		(14,194)
Payments to develop intangible assets		(119,618)
Payments to acquire investments		(1,125)
Cash acquired on acquisition		126,693
<b>Net cash flows used in investing activities</b>		<u>(8,244)</u>
<b>Cash flows from financing activities</b>		
Net proceeds from issue of equity		1,013,000
Repayment of borrowings		(25,020)
Interest paid		(12,671)
<b>Net cash flows from financing activities</b>		<u>975,309</u>
<b>Net increase/(decrease) in cash and cash equivalents in the year</b>		<b>452,567</b>
Cash and cash equivalents at beginning of period		-
<b>Cash and cash equivalents at end of period</b>		<u><b>452,567</b></u>

**DevClever Limited**

**Consolidated statement of changes in equity**

**For the 7 months to 30 April 2019**

	Share capital (note 6)	Reverse acquisition reserve (note 7)	Share options reserve	Share warrants reserve	Retained income	Total
<b>Balance at 26th September 2018</b>	-	-	-	-	-	-
Profit for the period	-	-	-	-	(583,708)	(583,708)
<b>Total comprehensive income for the period</b>	-	-	-	-	(583,708)	(583,708)
<b>Transactions with owners in their capacity as owners:</b>						
Acquired on acquisition of subsidiary	2,500,000	(2,499,900)	-	-	(66,087)	(65,987)
Contributions of equity net of transaction costs	1,013,000	-	-	-	-	1,013,000
Conversion of convertible loan facility	220,000	-	-	-	-	220,000
Employee share schemes – value of employee services	-	-	9,875	-	-	9,875
Fair value of adviser warrants issued in period	-	-	-	62,495	-	62,495
	<b>3,733,000</b>	<b>(2,499,900)</b>	<b>9,875</b>	<b>62,495</b>	<b>(66,087)</b>	<b>1,239,383</b>
<b>Balance at 30th April 2019</b>	<b>3,733,000</b>	<b>(2,499,900)</b>	<b>9,875</b>	<b>62,495</b>	<b>(649,795)</b>	<b>655,675</b>

Share capital is the amount subscribed for shares at nominal value.

The reverse acquisition reserve relates to the adjustment required to account the acquisition of DevClever Limited as a reverse acquisition in accordance with International Financial Reporting Standards.

The share options reserve relates to the charge for share based payments arising on the grant of employee share options, in accordance with International Financial Reporting Standard 2.

The share warrants reserve relates to the charge for share based payments arising on the grant of advisor share warrants, in accordance with

international Financial Reporting Standard 2.

Retained income represents the cumulative earnings of the Group attributable to equity shareholders.

## Notes to the interim report

### 1 Basis of preparation

The condensed consolidated interim financial statements (“interim financial statements”) have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (IAS 34) as adopted by the European Union (EU). The interim financial statements have been prepared on the historical cost basis and are presented in pounds sterling, which is the currency of the primary economic environment in which the Group operates. All amounts have been rounded to the nearest pound, unless otherwise stated. The financial information contained in the interim financial statements is unaudited and does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. The financial information for the period ended 30 April 2018 has been derived from the unaudited interim financial information of Dev Clever Ltd, as presented in the Group’s Prospectus published at the time of listing on 21st January 2019, which were prepared in accordance with IFRS’s as adopted by the European Union.

The accounting policies are unchanged from those disclosed in the Prospectus published at the time of listing on 21st January 2019. These are the Group’s first reported statements since incorporation on 26th September 2018, there are no previously filed audited accounts for the Group or Company.

The consolidated interim financial statements are for the 7 months from 26th September 2018 to 30 April 2019, being 6 months from the period end of the first financial year for Dev Clever Holdings Plc, 31 October 2019. 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 pro forma financial statements outlined in the Prospectus published at the time of listing on 21st January 2019. As required by accounting standards, the Company has disclosed comparative data for the statement of comprehensive income for the trading company for the 6 months ended 30th April 2018. The Company has also elected to disclose the statement of financial position of the trading company, as at 30th April 2018, for comparative purposes.

#### Going Concern

The directors are satisfied that the Group has sufficient resources to continue in operation for the foreseeable future. Accordingly, they have continued to adopt the going concern basis in preparing the interim financial statements.

### 2 Summary of Significant Accounting Policies

#### New standards, interpretations and amendments adopted by the Company

The following standard has been adopted for the first time in these financial statements:

- IFRS 15 Revenue from Contracts with Customers.

The Group has adopted IFRS 15 for the first time in the current year, using the modified retrospective method with the cumulative effect of initially applying IFRS 15 recognised on equity at the date of initial application on 26<sup>th</sup> September 2018. As the application of IFRS 15, using the modified retrospective method, did not identify any

material adjustments between the requirements of IFRS 15 and the methods applied previously by the Group in the application of IAS 18, there is no adjustment to the opening balance of equity at 26<sup>th</sup> September 2018. The comparative information has not been restated and continues to be reported under IAS 18 and IAS 11.

### **Intangible Assets: Software Development**

An internally generated intangible asset arising from the Company's product development is recognised if, and only if, the Company can demonstrate all the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale
- its intention to complete the intangible asset and use or sell it
- its ability to use or sell the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- its ability to measure reliably the expenditure attributable to the intangible asset during its development

Internally generated development intangible assets are amortised as a cost of sale on a straight-line basis over their useful lives of up to three years.

Where no internally generated intangible asset can be recognised, research and development expenditure are recognised as an expense in the period in which it is incurred.

### **Critical accounting estimates and judgements**

#### **Share-based payments**

During the period, the Group has issued share-based incentives to employees and advisors in the form of employee share options and advisor warrants. The directors have applied the Black Scholes pricing model to assess the costs associated with the share-based payments. The Black Scholes model is dependent upon several inputs where the directors must exercise their judgement, specifically:

- risk free investment rate
- expected share price volatility at the time of the grant
- expected dividend yield
- expected level of redemption

The assumptions applied by the directors, and the associated costs recognised in the interim financial statements are outlined in note 4 to these interim financial statements.

3	Intangible assets	Trademarks	Internal use software	Total
		£	£	£
	<b>Cost</b>			
	At 26th September 2018	-	-	-
	Acquired on acquisition	3,682	112,611	116,293
	Additions	-	119,618	119,618
	<b>At 30 April 2019</b>	<b>3,682</b>	<b>232,229</b>	<b>235,911</b>
	<b>Amortisation</b>			
	At 26th September 2018	-	-	-
	Acquired on acquisition	-	-	-
	Charge for the year	-	-	-
	<b>At 30 April 2019</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Net book value</b>			
	<b>At 30 April 2019</b>	<b>3,682</b>	<b>232,229</b>	<b>235,911</b>
	At 26th September 2018	-	-	-

The Company's internally developed software relates to its LaunchPad and VICTAR careers education platform, the associated CLEVER suite of intranet products, digital customer loyalty applications and virtual reality gaming experiences.

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

#### 4 Share Based Payments

##### *Share-based payment schemes with employees*

During the period ended 30 April 2019, Dev Clever Holdings plc introduced a share-based payment scheme for employees ("the EMI share option plan"). The Scheme was created as part of the listing process to grant existing employee options over the ordinary shares of the Company and is classified as an equity settled share-based payment plan. The options granted under the Scheme had vesting periods of up to 36 months.

There were 7,955,802 employee options granted during 2019 at an exercise price of £0.01 per share and these vest subject to continued service by the employee over a period of 3 years. Options expire at the end of a period of 10 years from the Grant Date of 14 January 2019 or on the date on which the option holder ceases to be an employee. The options were valued under the Black Scholes Model. The expense recognised in the income statement during the period was £4,375.

##### *Share-based payment expense with Director*

On 14 January 2019, Dev Clever Holdings plc granted options to purchase 10m ordinary shares to Nicholas Ydlibi, the Finance Director and Company Secretary. The options vest in equal annual instalments, subject to continued service, over a period of 3 years and are exercisable at a price of £0.01. The options were valued under the Black Scholes Model. The expense recognised in the income statement during the period was £5,500.

##### *Advisor Warrants*

As part of the listing process and as set out in the admission document, the Company issued warrants over 2,290,000 shares to JIM Nominees at an exercise price of £0.01, subject to expiry on 21 January 2024. The warrants were valued under the Black Scholes model. The expense recognised in the income statement during the period was £10,138.

Under its facility agreement with Syminex, and as set out in the admission document, the Company issued warrants over 11,826,264 shares, representing 3% of the fully diluted share capital of the Company on admission. The shares have an exercise price of £0.01 and are subject to expiry on 21 January 2024. The warrants were valued under the Black Scholes model. The expense of £52,357 was recognised in the income statement during the period.

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.

During the period the company was required to recognise a total expense of £72,370 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-19 No. of options and warrants	WAEP (pence)
Outstanding at beginning of the period	-	-
Issued in the period	32,072,065	0.01
Lapsed during the period	-	-
Exercised in the year	-	-
Outstanding at the end of the period	32,072,065	0.01
Exercisable at the end of the period	-	-

The fair values of the options and warrants granted have been calculated using the Black Scholes model and applying the inputs shown below:

Type	Options	Warrants
Grant date	14/01/2019	21/01/2019
Number of options/warrants	17,955,801	14,116,264
Share price at grant date	£0.01	£0.01
Exercise price at grant date	£0.01	£0.01
Risk free rate	1.30%	1.30%
Option life	10 years	5 years
Expected volatility	50.00%	50.00%
Expected dividend yield	0%	0%
Expected redemption	95%	100%
Fair value of options/ warrants	£102,099.00	£62,495.00

Unaudited  
seven  
months  
ended 30  
April 2019  
£

**Loss attributable to equity holders of the Group:**

Continuing Operations	(583,708)
Weighted average number of shares for Basic EPS	361,666,848
Basic loss per share from continuing operations pence	(0.16)

**Diluted loss per share**

Continuing Operations	(583,708)
Weighted average number of shares for Diluted EPS	390,619,062
Diluted loss per share from continuing operations pence	(0.15)

**Adjusted loss attributable to equity holders of the Group:**

Continuing Operations	(328,550)
Weighted average number of shares for adjusted Basic EPS	361,666,848
Adjusted basic loss per share from continuing operations pence	(0.09)

**Adjusted diluted loss per share**

Continuing Operations	(328,550)
Weighted average number of shares for adjusted Diluted EPS	390,619,062
Adjusted diluted loss per share from continuing operations pence	(0.08)

The adjusted loss is calculated after adjusting for non-recurring one-off expenditure associated with the placing and the costs of the warrants and options granted in the period:

Loss attributable to equity holders of the Group	(583,708)
IPO expenses recognised in the period	182,788
Share-based payment - share options	9,875
Share-based payments - share warrants	62,495
Adjusted loss attributable to equity holders of the Group	<hr/> <u>(328,550)</u>

<b>6 Share Capital</b>	No.	£
On incorporation at 26th September 2018	1	-
Shares issued on acquisition of subsidiary	249,999,999	2,500,000
Pre IPO fundraise	33,500,000	335,000
Placing	59,000,000	590,000
Subscription	8,800,000	88,000
Loan conversion	22,000,000	220,000
As at 30 <sup>th</sup> April 2019	373,300,000	3,733,000

On 2nd October 2018, Dev Clever Holdings entered into a share exchange agreement with CM Jeffries, the sole shareholder of DevClever Limited, in exchange for the entire share capital of Dev Clever Limited. The consideration comprised 249,999,999 ordinary shares of £0.01

On 14th December 2018, the Company issued and allotted 33,500,000 ordinary shares of £0.01 to certain investors under the Pre-IPO fundraise, raising £335,000.

On 21st January 2019, the Company issued and allotted 59,000,000 Ordinary shares of £0.01 at par through its Placing on the Standard List of the London Stock Exchange raising £590,000 before expenses. On the same date, the Company issued and allotted a further 8,800,000 Ordinary Shares of £0.01 at par by way of a subscription offer, raising an additional £88,000.

On 21st January 2019, Syminex FZE exercised its right to convert its outstanding loan facility of £210,000 and accrued interest of £10,000 into 22,000,000 Ordinary shares at the Placing price of £0.01.

## **7 Business Combination**

On 1 October 2018 at a general board meeting of the Company the sole shareholder voted in favour of the following:

- Acquisition of DevClever Limited in a common control share-for-share transaction

### **Acquisition of Dev Clever Limited**

Subsequent to shareholder approval noted above, on 2 October 2018 the Company entered into a share-for- share common control transaction with DevClever Limited for the acquisition of the entire share capital of DevClever Limited.

Total Consideration	Shares
Shares issued	249,999,999

IFRS 3 Business Combination requires that a transaction in which a company with substantial operations ('operating company') arranges to be acquired by a shell company should be analysed to determine whether it is a business combination. The Directors believe the acquisition of DevClever Limited by Dev Clever Holdings in a share for share exchange of the entire share capital of both entities, indicates that DevClever Limited is the accounting acquiror. The directors have also concluded that,

as Dev Clever Holdings has no other assets or liabilities other than its holding in DevClever Limited, it does not satisfy the definition of a business. As a result, the acquisition does not meet the definition of a business combination under IFRS 3 and falls outside the scope of IFRS 3.

The directors have therefore considered the requirements of IFRS 10 for the production of consolidated accounts through the application of the reverse acquisition methodology but without the need for recognising goodwill. As a result:

- the consolidated financial statements of the legal parent, Dev Clever Holdings plc have been prepared as a continuation of the financial statements of the operating company, DevClever Limited.
- the opening net assets of Dev Clever Limited have been recognised at book value
- a merger reserve has been established to write down the nominal value of equity in Dev Clever Holdings, at the time of the acquisition, to the nominal value of the share capital in Dev Clever Limited, at that time. The merger reserve of £2,499,900 has represents the difference between the nominal value of equity in Dev Clever Holdings of £2,500,000 and the nominal value of equity in Dev Clever Limited of £100.
- no share-based payment has been recognised as the fair values of the net assets and liabilities of Dev Clever Holdings was £nil.