RNS Number : 0276U
Team PLC
27 June 2024

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TEAM plc

("*TEAM* " or the "*Company* ")

Interim Results

TEAM well-placed for International Growth on the back of Wealth exodus

TEAM plc (AIM: TEAM), the wealth, asset management and complementary financial services group, is pleased to announce its interim results for the six months to 31 March 2024.

Commenting on the results Mark Clubb, Executive Chairman of TEAM, said: "We have significant growth opportunities ahead. Britain has seen a material exodus of the wealthy following Brexit and tax reforms. According to a recent report* Britain will lose 9,500 millionaires this year, more than double the previous year and nearly seven times the number in 2022. Critically for TEAM, they are re-locating to cities where we are strong and can provide the financial advice and offshore services they require. This is therefore an important tail-wind as we expand our international platform servicing the financial needs of expatriates not just from Britain but from all nationalities. With AUM/A now close to 1 billion we are in a good position and will look to build on this during the reminder of the financial year and beyond." **Henley & Partners' "Private Wealth Migration Report 2024"*

Financial Highlights

- Revenues increased 116% to £4.1 million (HY 23: £1.9 million)
- Loss before tax of £1.0m (HY 23: Loss £0.5m)
- Group assets under management / advice up 87% to £916m (HY 23: £493m) with £97 million in model portfolios
- Successful fund raise of £1.8 million: £1.3 million in new equity, £500,000 in a convertible loan note

Operational Highlights

- Strategic focus on migrating assets under advice to assets under management, primarily through TEAM Multi Asset Portfolio Strategies (MPS), to drive future group profitability
- Continued expansion of the number of financial advisors in the International division and targeting ex-pat professional clients working in Asia, Africa and the Middle East - team highly motivated to introduce clients to TEAM AM services
- Strong growth in model portfolio AuM, up 372% to £97 million (Mar '23 £20 million), showing the benefits of vertical integration
- Launch of unitised version in H2 24 key to unlocking Team International AuA for conversion into AuM at management fees of 0.5% - 1.5%
- Excellent investment performance has underpinned positive response to models by advisers and their clients
- Jersey advisory integration complete, launched in Guernsey in H2 24

Current trading

- Stable start to the beginning of H2
- Progressing advanced discussions with a strategic investor for additional funding and deeper collaboration

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About TEAM plc

TEAM plc is building a new wealth, asset management and complementary financial services group. With a focus on Jersey and International Finance Centres, the strategy is to build local businesses of scale around TEAM plc's core skill of providing investment management services. Growth will be achieved via targeted and opportunistic acquisitions, team and individual hires, collaboration with suitable partners, and by organic growth and expansion.

TEAM plc has three principal activities, Investment Management, Advisory, and International.

Investment Management provides discretionary investment management services, model portfolios, bespoke portfolios and fund management services via fixed income and equity fund vehicles. Total assets managed as at 30 September 2023 were £289 million (30 September 2022: £233 million).

Advisory - primarily for individuals resident in Jersey, investment consultancy services to wealthy individuals and trusts and treasury advisory service for institutions, professional advisers, trustees and high net worth individuals. Total assets advised on as at 30 September 2023 were £365 million (30 September 2022: £318 million).

International is the Group's financial advisory, fund distribution division and insurance brokering services covering Africa, the Middle East and Asia. Total assets advised on as at 30 September 2023 were £180 million (30 September 2022: £nil).

At 30 September 2023, the Group had 87 staff (30 September 2022: 33), with 52 in the UAE, 29 in Jersey, 3 in Singapore and 1 each in the UK, South Africa and Malaysia (30 September 2022: 32 in Jersey and 1 in the UK). There were also 10 self-employed advisers, 8 with BVI contracts and 2 in Jersey.

Executive Chairman's Statement

Dear Shareholders,

The six months leading up to the end of March 2024, were highly active. We completed the acquisition of Neba businesses on December 12, 2023, enhancing our international expansion. John Beverley, Neba's founder, is now CEO of our offices in Dubai, Abu Dhabi, Kenya, South Africa, Malaysia, and Singapore. He is also a substantial shareholder and between us we own 20% of the business.

At the start of the year, we focused on remediating the Globaleye businesses acquired in 2023. We are nearing the end of this process. Our recruitment efforts have intensified, beginning with the appointment of Bart Kendall as Managing Director for the Middle East and Will Price as Managing Director for Asia. The management structure is evolving positively.

We have new advisors set to join before the end of September. Our goal is to expand from around 70 advisors to over 100 within the next 12 months, with a promising pipeline already committed.

To meet cashflow requirements, we initiated a fund raise in March 2024, supported by our new Nomad, Strand Hanson, and brokers Oberon Capital. Despite challenging market conditions we successfully raised £1.8 million: £1.3 million in new equity at 20p and £500,000 in a convertible loan note from Harwood Capital. Further details on funding requirements are set out in the Operational and Financial Review.

Since then, we are pleased to announce that we are in ongoing discussions with a strategic investor for additional funding and deeper collaboration. These talks underscore our commitment to securing partnerships that align with our long-term vision and capacity to deliver meaningful growth and value to shareholders. The potential investor is expected to bring both financial investment and strategic insights and expertise that will bolster our international market position and drive repeatable growth, although there is no guarantee that the discussions will lead to a successful conclusion. We remain dedicated to transparency throughout this process and look forward to updating shareholders on developments. This dialogue is a testament to the robust foundations we have built and our focus on future opportunities in the international financial services markets.

Our investment strategy focuses on migrating assets under advice to assets under management, primarily through TEAM Multi Asset Portfolio Strategies (MPS), which will drive future group profitability. The MPS Investment performance remains strong, and assets under management have grown to £97 million.

Period to 31 March 2024	3 month	1 year	3 year	5 year
Multi Asset Growth	6.2%	12.4%	19.3%	41.8%
MPI High Risk	*4.4%*	*11.4%*	*13.1%*	*32.3%*
Outperformance	**1.8%**	**1.0%**	**6.3%**	**9.6%**

Multi Asset Balanced	6.0%	10.7%	17.5%	27.7%
MPI Medium Risk	*2.5%*	*8.0%*	*7.9%*	*21.5%*
Outperformance	**3.5%**	**2.7%**	**9.6%**	**6.2%**
Multi Asset Cautious	4.8%	9.1%	13.1%	17.6%
MPI Low Risk	*1.4%*	*6.4%*	*2.8%*	*10.3%*
Outperformance	**3.4%**	**2.7%**	**10.3%**	**7.3%**

We hope that Neba Private Clients and Concentric Guernsey will be significant supporters of the TEAM MPS given its strong performance and anticipate funds to flow once the investment models are unitized, which we expect to be in Q4 2024. The UCITS unitization project will open new distribution channels, especially for the clients of our International advisers. Waystone in Dublin will handle the fund and trust administration.

We have historic annualized revenues now exceeding £9 million and approaching £1 billion in assets under advice/management, primarily in regions experiencing significant wealth growth and our clients typically have high disposable incomes.

We have significant growth opportunities ahead. Britain has seen a material exodus of the wealthy following Brexit and recent tax reforms. According to Henley & Partners' "Private Wealth Migration Report 2024," Britain will lose 9,500 millionaires this year, more than double the previous year and nearly seven times the number in 2022(www.henleyglobal.com). Britain is second only to China for high-net-worth outflows. But it's not just the British and Chinese on the move. In 2024, a record 128,000 millionaires are expected to relocate, up from 120,000 in 2023 and 110,000 pre-pandemic in 2019.

Wealthy Britons and other nationalities are flocking to the UAE and Singapore as well as other favourable tax and investor-friendly regulation "Safe Haven's". These "Expats" or individuals living outside their native country are moving abroad temporarily or permanently for tax, work, lifestyle, retirement, or other reasons. This year, Singapore will gain 3,500 millionaires while the UAE welcomes 6,700. The UAE is rolling out the red carpet for the wealthy with a golden visa programme offering a 10-year renewable residence for a GBP500,000 property investment and no income, capital gains or inheritance taxes. The UAE now boasts 20 billionaires and 116,500 millionaires. Up and coming are Saudi Arabia, Malta, Mauritius, Monaco, Spain, France and New Zealand. All of them are projected to see net inflows of over 200 millionaires each in 2024.

The wealthy are all heading to regions where TEAM can cover their needs, they are going to require financial advice and offshore services, including asset and cash management, life insurance, tax and retirement planning, estate planning, mortgages and loans, property ownership advice, trusts and/or foundations and currency exchange.

I call these pools of expertise and services TEAM "castles", all focused on delivering strong, regulated financial services for global clients and locals, emphasizing continuity and expertise, ensuring strong client-advisor relationships and spanning borders and regulatory environments. These castles are growing in value, just on a replacement cost basis, let alone availability as jurisdictions tighten regulations and law. They have moats which are getting deeper and wider.

The TEAM strategy for growth? More castles and more advisers, with a focus on recruitment, which should deliver a growing base of clients with more disposable income.

Clients have strong relationships with their financial advisor and appreciate continuity in financial planning and investment strategies. By being part of a network, the advisor or client can maintain these relationships even if they move locations or switch firms within the network. Clients also have the security of being part of a London Stock Exchange listed "castle". For recruitment, few alternatives have the spread of network and are listed. That provides transparency, governance and security.

I remain confident in being able to achieve our short and longer-term prospects. Achieving breakeven remains the immediate aim alongside the goal of scalability and "escape velocity" targeting growing the business to £20 million in revenues, 30%+ EBITDA margin, and £4 billion in AUA/M.

Thank you.

Sincerely,

Mr J M Clubb
Executive Chair
26 June 2024

Operational and Financial Review

Review of the results for the period

The table below shows the Group's financial performance for the six months to 31 March 2024 along with prior comparative periods and provides a reconciliation to the underlying results, which the Company considers to be an appropriate reflection of the Group's underlying trading, and the statutory result.

The first six months of the financial year include a full contribution from Globaleye, acquired in June 2023, and a part contribution from Neba, acquired in December 2023. These acquisitions account for most of the changes from the previous interim results to March 2023.

Revenues increased 116% to £4.1 million from £1.9 million while the underlying loss before tax of the group was £1.0 million, an increase from a loss of £0.4 million. Underlying adjustments of £21,000, reflecting non-cash expenses, were down from £132,000. The loss per share for the period was 3.5 pence (H1 23: 2.3 pence) and no dividend is recommended at this point in the Company's development (H1 23: nil).

	6 months ended 31 Mar 2024 (unaudited)	**6 months ended 31 Mar 2023 (unaudited)**	**12 months ended 30 Sept 2023 (audited)**
	£'000	£'000	£'000
Revenue	4,106	1,898	5,323
Direct Cost	(1,490)	(228)	(924)
Contribution	**2,616**	**1,670**	**4,399**

Contribution	[illegible]	[illegible]	[illegible]
Total staff costs	(2,260)	(1,393)	(3,359)
Total non-staff costs	(1,348)	(651)	(1,727)
Underlying profit before tax	**(992)**	**(374)**	**(687)**
Underlying adjustments	(21)	(132)	244
Loss before tax	**(1,013)**	**(506)**	**(443)**
Tax	3	7	(2)
Loss for the period	**(1,010)**	**(499)**	**(445)**

Client assets

The table below shows the opening and closing client asset position and the movements during the period broken down by division.

Division	**Investment Management** £'m	**Advice and Consultancy** £'m	**International** £'m	**Total** £'m
As at 30 Sept 2023	**289**	**263***	**180**	**732**
Inflows	22	6	60	88
Outflows	(5)	(10)	-	(14)
Other	15	13	-	27
From acquired businesses	-	-	84	84
As at 30 March 2024	**321**	**271**	**324**	**916**
Growth in period	*11%*	*3%*	*80%*	*25%*
Net inflows (£'m)	*18*	*- 4*	*60*	*73*
Inflow as % of opening balance	*6%*	*-2%*	*33%*	*10%*

*£55 million of client assets where an investment reporting service is provided have been excluded from the A&C total.

Within the Investment Management division the model portfolios, now available on five investment platforms, increased from £20 million (H1 23) to £97 million. Material flows into the models are expected from our newly established Guernsey Advice operation, and as the portfolios become available in a single UCITS structure, where they become suitable for many of our International clients.

Revenues

Total revenues rose 116% to £4.1 million (H1 23: £1.9 million). Investment and fund management ("IFM") revenues rose 23% to £0.6 million, reflecting the higher yield on the incremental asset managed in the models and the 11% increase in AUM. Advisory and Consultancy ("A&C") revenues fell 36% to £1.0 million (H1 23: £1.6 million), primarily as there was a one-off settlement of £0.6 million received in the prior period. Excluding this item revenues were up 3%. International recorded its first H1 revenues of £2.5 million (H1 23: nil).

Costs

Direct costs, being the cost of commissions paid to International advisers, and the custody and trading costs incurred for certain clients in IFM, rose significantly from £0.2 million to £1.5 million. This is a feature of the International business model, where the self-employed adviser receive no or small salaries, and high commission shares on business written. The indirect cost, being primarily the costs of staff, office and technology, rose to £3.6 million, up 76% on H1 23. Of this increase of £1.6 million, £1.5 million was from International, with the costs across the rest of the group falling by 2% despite inflation running at over 7% in Jersey. This reflects the cost cutting measures taken in the consolidation of the A&C division (down 9%) and in IFM (down 12%).

Loss before tax

The resulting loss before tax for the half year was £1.0 million (H1 23: £0.5 million), with the underlying position a loss of £1.0 million (H1 23: £0.4 million)

The underlying adjustments are shown in the below table:

	6 months ended 31 Mar 2024 (unaudited)	**6 months ended 31 Mar 2023 (unaudited)**	**12 months ended 30 Sept 2023 (audited)**
	£'000	£'000	£'000
Underlying (loss) before tax	**(992)**	**(374)**	**(687)**
Amortisation of client relationships	(497)	(497)	(995)
Acquisition related expenses	(52)	-	(222)
Changes in deferred consideration	670	452	1,680
Interest and depreciation	(142)	(87)	(219)
Total underlying adjustments	**(21)**	**(132)**	**(682)**
(Loss) before tax	**(1,013)**	**(506)**	**(443)**

Adjustments to the statutory loss have been selected to give a more informative indication of the trading of the group.

Amortisation of client relationships was unchanged at £0.5 million. Acquisition related expenses incurred in the period were £52,000 (H1 23: nil). Changes in deferred consideration were £0.7 million (H1 23: £0.5 million) of which £0.5 million was from the fall in the value of the 3.2 million shares due to be issued for the consideration to acquire Neba, and £0.2 million from the fall in the expected revenue related deferred consideration for the Omega acquisition.

Segmental analysis

The Group operates in three divisions, supported by the PLC head office. International is a new division following the Globaleye and Neba acquisitions:

6 months ended 31 Mar 2024 (unaudited)	**IFM**	**A & C**	**International**	**Group and consolidation adjustments**	**Group**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Revenue	630	998	2,477	1	4,106
Direct Cost	(209)	(6)	(1,261)	(15)	(1,490)
Contribution	**421**	**992**	**1,216**	**(14)**	**2,616**
Indirect Costs	(649)	(1,025)	(1,522)	(412)	(3,608)

Underlying (loss) before tax	**(228)**	**(33)**	**(305)**	**(426)**	**(992)**
Underlying adjustments	-	-	-	(21)	(21)
(Loss) before tax	**(228)**	**(33)**	**(305)**	**(447)**	**(1,013)**
Tax	4	-	(1)	-	3
(Loss) for the period	**(224)**	**(33)**	**(306)**	**(447)**	**(1,010)**

6 months ended 31 Mar 2023 (unaudited)	**IFM**	**A & C**	**Group and consolidation adjustments**	**Group**
	£'000	**£'000**	**£'000**	**£'000**
Revenue	511	1,548	(161	1,898
Direct Cost	(200)	-	(28)	(228)
Contribution	**311**	**1,548**	**(189)**	**1,670**
Indirect Costs	(715)	(1,166)	(163)	(2,044)
Underlying (loss)/profit before tax	**(404)**	**382**	**(352)**	**(374)**
Underlying adjustments	-	-	(132)	(132)
Profit before tax	**(404)**	**382**	**(484)**	**(506)**
Tax	43	(36)	-	7
(Loss)/profit for the period	**(361)**	**346**	**(484)**	**(499)**

12 months ended 30 Sept 2023 (audited)	**IFM**	**A & C**	**International**	**Group and consolidation adjustments**	**Group**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Revenue	951	3,039	1,332	1	5,323
Direct Cost	(372)	-	(497)	(55)	(924)
Contribution	**579**	**3,039**	**835**	**(54)**	**4,399**
Indirect Costs	(1,416)	(2,052)	(967)	(651)	(5,086)
Underlying (loss) /profit before tax	**(837)**	**987**	**(132)**	**(705)**	**(687)**
Underlying adjustments	-	-	-	244	244
(Loss)/ Profit before tax	**(837)**	**987**	**(132)**	**(461)**	**(443)**
Tax	(4)	5	(3)	-	(2)
(Loss)/ profit for the year	**(841)**	**992**	**(135)**	**(461)**	**(445)**

Taxation

Regulated financial services businesses in Jersey pay a flat corporation tax rate of 10%. The treasury services business is not regulated and has a nil tax rate. The International entities operate predominantly in nil corporation tax environments.

Earnings per share

The Groups underling loss per share was 3.5 pence, an increase of 52% from a loss per share of 2.3 pence in H1 23.

Financial position and going concern

The Group's cash position has increased from £0.9 million to £1.5 million. As at 31 March 2024 the regulated entities within the Group all held in excess of the required level of regulatory assets.

The Directors have prepared financial projections along with sensitivity analyses of reasonably plausible alternative outcomes, covering clients and assets, cost inflation and take up of group services. The forecasts demonstrate that the Directors have a reasonable expectation that the Group will require additional financial resources to meet working capital requirements and the cash-settled deferred consideration liabilities due in the financial year ending 30 September 2025. The requirement for additional fundraising has been highlighted as a feature of the business model for TEAM in the initial years on the business plan. The placing and subscription in May 2024, which raised £1.3 million and an additional £0.5 million via a convertible loan note, has enabled the business to recapitalise the Globaleye entities and top up the regulatory capital of the nine regulated entities. Further external funding will be required to see the business through to a cash flow positive state and to fund all deferred consideration payments and the Board is in advanced discussions with various parties to provide such funding. The track record of TEAM in fund raising from the current and potential shareholder base, and the ongoing funding discussions, gives the Board sufficient confidence to consider the going concern basis to be appropriate for the accounts.

Dividend

The Group is at the early stages of building the business, and so is consuming capital. No dividends are expected to be paid until underlying profits are made.

Mr M C Moore
CFO and COO
26 June 2024

Consolidated Statement of Comprehensive Income

	6 months ended	6 months ended	12 months ended

	Note	31 Mar 2024 (unaudited) £'000	31 Mar 2023 (unaudited) £'000	30 Sept 2023 (audited) £'000
Revenues	3	**4,106**	1,898	5,323
Cost of sales	3	**(1,490)**	(228)	(924)
Operating expenses	3	**(4,236)**	(2,610)	(6,474)
Operating (loss)		**(1,620)**	(940)	(2,075)
Operating (loss) before exceptional items		***(1,568)***	*(940)*	*(1,853)*
Exceptional items	*8*	(52)	-	(222)
Operating (loss) after exceptional item		**(1,620)**	(940)	(2,075)
Fair value gains on financial instruments	5	**670**	452	1,680
Share award expense		**-**	-	(13)
Other charges		**(63)**	(18)	(35)
(Loss) on ordinary activities before tax		**(1,012)**	(506)	(443)
Taxation		**(3)**	(7)	2
(Loss) for the year/ period and total comprehensive loss		**(1,010)**	(499)	(445)
Loss per share (basic and diluted)	11	**(3.5p)**	(2.3p)	(2.0p)

The accompanying notes on pages 15 to 24 form an integral part of these Condensed consolidated financial statements.

Consolidated Statement of Financial Position

	Note	31 Mar 2024 (unaudited) £'000	31 Mar 2023 (unaudited) £'000	30 Sept 2023 (audited) £'000
ASSETS				
Non-current assets				
Intangible assets		**5,888**	6,883	6,386
Goodwill	6	**7,092**	1,896	6,012
Property, plant & equipment	7	**65**	79	80
Right of use asset	7	**503**	615	574
Deferred tax		**157**	199	152
Long term deposit		**74**	67	71
		13,780	9,739	13,275
Current assets				
Trade, other receivables and prepayments		**880**	961	731
Cash and cash equivalents	4	**1,522**	864	1,938
		2,402	1,825	2,669
Total assets		**16,182**	11,564	15,944
LIABILITIES				
Amounts falling due within one year				
Trade and other payables		**(1,957)**	(565)	(2,080)
Lease liability		**(94)**	(110)	(152)
Deferred consideration	5	**(1,320)**	(1,338)	(3,756)
		(3,371)	(2,013)	(5,988)
Amounts falling due after one year				
Lease liability		**(446)**	(555)	(441)
Loan notes		**(1,184)**	(838)	(425)
Deferred consideration	5	**(1,115)**	-	(865)
		(2,745)	(1,393)	(1,731)
Total liabilities		**(6,116)**	(3,406)	(7,719)
Total net assets		**10,066**	8,158	8,225
EQUITY				
Stated capital	9	**15,200**	12,349	12,349
Share award reserve		**13**	-	13
Retained earnings		**(5,147)**	(4,191)	(4,137)
Total Equity		**10,066**	8,158	8,225

The condensed consolidated interim financial statements were approved and authorised for issue by the board of the directors on 26 June 2024 and were signed on its behalf by:

Mr J M Clubb	Mr M C Moore
Executive Chair	CFO and COO

Consolidated Statement of Cash Flows

	Note	6 months ended 31 Mar 2024 (unaudited) £'000	6 months ended 31 Mar 2023 (unaudited) £'000	12 months ended 30 Sept 2023 (audited) £'000
Cash flows from operating activities				
(Loss) for the year before tax		**(1,013)**	(506)	(443)
Adjustments to cash flows from non-cash items:				
Depreciation and amortisation		**576**	567	1,166
Finance costs		**64**	18	35
Fair value (gains) on financial instruments		**(670)**	(452)	(1,680)
Share award expense		**-**	-	13
Trade and other receivables		**(152)**	87	(336)
Trade and other payables		**21**	(494)	425
Net cash outflow from operating activities		**(1,174)**	(780)	(820)
Cash flows from investing activities				
Payment of deferred consideration		**-**	-	(20)
Acquisition of property, plant and equipment		**-**	(30)	(45)
Net cash outflow from investing activities		**-**	(30)	(65)
Cash flows from financing activities				
Lease liability paid		**(58)**	(73)	(201)
Proceeds from loan notes issued		**735**	-	425
Net cash flow from financing activities		**677**	(73)	224
Net decrease in cash and cash equivalents		**(497)**	(883)	(661)
Cash and cash equivalents from at beginning of period/ year		**1,938**	1,747	1,747
Cash and cash equivalents from acquired subsidiaries		**81**	-	852
Cash and cash equivalents at end of period/ year		**1,522**	864	1,938

Consolidated Statement of Changes in Equity

	Stated capital £'000	Share award Reserve £'000	Retained earnings £'000	Total equity £'000
At 1 October 2022	12,349	-	(3,629)	8,657
(Loss) for the period	-	-	(499)	(499)
At 31 March 2023	12,349	-	(4,191)	8,158

	Stated capital £'000	Share award reserve £'000	Retained earnings £'000	Total £'000
At 1 April 2023	12,349	-	(4,191)	8,158
Profit for the period	-	-	54	54
Share award for the year	-	13	-	13
At 30 September 2023	12,349	13	(4,137)	8,225

	Stated capital £'000	Share award reserve £'000	Retained earnings £'000	Total £'000
At 1 October 2023	12,349	13	(4,137)	8,225
New share Capital	2,851	-	-	2,851
(Loss) for the period	-	-	(1,010)	(1,010)
At 31 March 2024	15,200	13	(5,827)	10,066

Notes to the Consolidated Financial Statements

1. General information

TEAM plc (the "Company") is the parent company of a group of companies (the "Group") which offers a range of investment management, fund management, financial planning and other financial services to retail, professional and institutional clients.

The Company is a public limited company and is incorporated and domiciled in Jersey, Chanel Islands. The address of the registered office is 6 Caledonia Place, St Helier, Jersey, JE2

2. Accounting policies

Basis of preparation and accounting policies

The accounting policies and estimates adopted are consistent with those of the previous financial period as disclosed in the 2023 Report and Audited Consolidated Financial Statements.

The financial information in this interim report has been prepared in accordance with the disclosure requirements of the AIM Rules for Companies and the recognition and measurements of International Financial Reporting Standards ("IFRS"), as adopted by the European Union ("EU"). They have been prepared on a going concern basis with reference to the accounting policies and methods of computation and presentation set out in the Group's Consolidated financial statements for the year ended 30 September 2023.

The Interim Condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's audited financial statements for the year ended 30 September 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), the interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and the requirements of Companies (Jersey) Law 1991.

The information relating to the six months ended 31 March 2024 is unaudited and does not constitute statutory financial statements. The Group's Consolidated financial statements for the year ended 30 September 2023 have been reported on by the Group's auditor. The report of the auditor was unqualified.

Consolidated financial statements

The consolidated financial statements incorporate the financial statements of the Company and subsidiary entities controlled by the Company made up to 31 March 2024. Control is achieved where the Company is exposed, or has rights, to variable returns from its involvement with an investee company and has the ability to affect those returns through its power over the other entity; power generally arises from holding a majority of voting rights.

3. Operating Segments

Following the acquisitions of the subsidiaries, the Group now identifies three principal operating segments, Investment and Fund Management (IFM) and Advisory and Consultancy (AC), and International, and a number of plc and group activities that have been aggregated into one operating segment.

IFM provides investment management services for individuals, trusts, sovereign agencies and corporations, and fund management services to for a range of fund vehicles. AC provides personal financial advice, investment consulting, and treasury advisory services. Both segments are located in Jersey, Channel Islands. International provides personal financial advice and insurance services to expatriates predominantly in Asia and Africa.

No customer represents more than 10% of group revenues (FY 23: nil)

The following table represents revenue and cost information for the Group's business segments

6 months ended 31 Mar 2024 (unaudited)	**Investment management**	**Advisory and Consultancy**	**International**	**Group and consolidation adjustments**	**Group**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**
Revenue	630	998	2,477	1	4,106
Direct Cost	(209)	(6)	(1,261)	(15)	(1,490)
Contribution	**421**	**992**	**1,216**	**(14)**	**2,5616**
Indirect Costs	(649)	(1,025)	(1,522)	(412)	(3,608)
Underlying (loss) before tax	**(228)**	**(33)**	**(305)**	**(426)**	**(992)**
Amortisation of an acquired clients relationships	-	-	-	(497)	(497)
Acquisition costs	-	-	-	(52)	(52)
Deferred consideration fair value adjustments	-	-	-	670	670
Interest payments				(63)	(63)
Net changes in the value of non-current asset	-	-	-	(79)	(79)
(Loss) before tax	**(228)**	**(33)**	**(305)**	**(447)**	**(1,013)**
Tax	4	-	(1)	-	3
Loss) for the period	**(223)**	**(33)**	**(307)**	**(447)**	**(1,010)**

3. Operating Segments (continued)

6 months ended 31 Mar 2023 (unaudited)	Investment management	Advisory	Group and consolidation adjustments	Group
	£'000	£'000	£'000	£'000
Revenue	511	1,548	(161)	1,898
Direct Cost	(200)	-	(28)	(228)
Contribution	**311**	**1,548**	**(189)**	**1,670**
Indirect Costs	(715)	(1,166)	(163)	(2,044)
Underlying (loss)/profit before tax	**(404)**	**382**	**(352)**	**(374)**
Amortisation of an acquired clients relationships	-	-	(497)	(497)
Changes in fair value	-	-	(18)	(18)
Realised gain on investments	-	-	452	452
Net changes in the value of non-current asset	-	-	(69)	(69)
(Loss)/profit before tax	**(404)**	**382**	**(484)**	**(506)**
Tax	43	(36)	-	7
Profit/(loss) for the period	**(361)**	**346**	**(484)**	**(499)**

12 months ended 30 Sept 2023 (audited)	Investment management	Advisory	International	Group and consolidation adjustments	Group
	£'000	£'000		£'000	£'000
Revenue	951	3,039	1,332	1	5,323
Direct Cost	(372)	-	(497)	(55)	(924)
Contribution	**579**	**3,039**	**835**	**(54)**	**4,399**
Indirect Costs	(1,416)	(2,052)	(967)	(651)	(5,086)
Underlying (loss)/profit before tax	**(837)**	**987**	**(132)**	**(705)**	**(687)**
Acquisition related costs	-	-	-	(222)	(222)
Amortisation of an acquired clients relationships	-	-	-	(995)	(995)
Interest payments	-	-	-	(35)	(35)
Deferred consideration fair value adjustments	-	-	-	1,680	1,680
Share award expense	-	-	-	(13)	(13)
Net changes in the value of non-current asset	-	-	-	(171)	(171)
(Loss)/profit before tax	**(837)**	**987**	**(132)**	**(461)**	**(443)**
Tax	(4)	5	(3)	-	(2)
Loss)/profit for the year	**(841)**	**992**	**(135)**	**(461)**	**(445)**

Notes to the Consolidated Financial Statements

4. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

5. Deferred Consideration

	As at 31 Mar 2024 £'000	As at 31 Mar 2023 £'000	As at 30 Sept 2023 £'000
Opening balance	**4,621**	2,649	2,649
Additions in the period	**1,375**	-	3,672
Deferred consideration paid/settled in period	**(2,891)**	(20)	(20)
Adjustments in fair value during the period	**(670)**	(453)	(1,680)
Closing balance	**2,435**	2,176	4,621

Deferred consideration split	**31 Mar 2024 £'000**	31 Mar 2023 £'000	30 Sept 2023 £'000
Equity consideration	**997**	973	1,263
Cash consideration	**1,438**	1,203	1,386
Total deferred consideration	**2,435**	2,176	2,649

Deferred consideration outstanding at the period end relates to the amounts owed to the previous shareholders following the acquisitions of Omega Financial Services Limited in the financial year ended 30 September 2022 and NEBA Financial Services in the financial period ended 31 March 2024.

Additional deferred consideration in the period to 31 March 2024 relates to the acquisition of the NEBA Financial Services group for £1,375,246.

During the period to 31 March 2024, £2,891,000 of deferred consideration was settled via share capital issues to the previous shareholders of Concentric Group Limited and Globaleye Group worth £655,000 and £2,236,000 respectively.

Amounts owed via equity settlement were revalued at the period end resulting in a gain of £670,000.

Of the £2,435,000 due payable as at 31 March 2024, £1,115,000 is due payable in more than one year.

Notes to the Consolidated Financial Statements

6. Goodwill

	As at 31 Mar 2024 £'000	As at 31 Mar 2023 £'000	As at 30 Sept 2023 £'000
Opening balance	**6,012**	1,896	1,895
Acquisitions during the period	**1,080**	-	4,117
Closing balance	**7,092**	1,895	6,012

Goodwill is assessed annually for impairment and the recoverability will be assessed as part of the full year financial statements and audit at 30 September 2024. Goodwill added during the period relates to the acquisition of NEBA Financial Services.

7. Property, plant and equipment

	Right of use assets £'000	**Equipment & fixtures £'000**	**Computer Hardware £'000**	**Leasehold Improvements £'000**	**Total £'000**
Cost					
At 1 October 2023	800	67	81	2	**950**
Additions	-	-	-	-	**-**
Disposals	-	-	-	-	**-**
At 31 March 2024	**800**	**67**	**81**	**2**	**950**
Depreciation					
At 1 October 2023	227	28	40	1	**296**
Disposals	-	-	-	-	**-**
Charge for the year	63	14	2	-	**89**
At 31 March 2024	**297**	**19**	**32**	**1**	**349**
Carrying Amount					
At 31 March 2024	**503**	**25**	**39**	**2**	**567**
At 30 September 2023	573	39	41	1	654

The right-to-use asset balance is made up of three properties across the Group. The three properties are:

- 6 Caledonia Place, St Helier, Jersey, JE2 3NG. The lease term ends on 30 April 2030.
- Ground Floor, 3 Mulcaster Street, St Helier, Jersey, JE2 3NJ. The lease term ends on 23 March 2026.
- Third Floor, Conway House, St Helier, Jersey, JE2 3NT. The lease term ends on 31 October 2027.

Notes to the Consolidated Financial Statements

8. Exceptional items

	6 months ended 31-Mar-24 (unaudited) £'000	6 months ended 31-Mar-23 (unaudited) £'000	12 months ended 30 Sept 2023 (audited) £'000
Acquisition related costs	**52**	-	222
	52	-	222

9. Stated capital

	As at 31 Mar 2024 No.	As at 31 Mar 2023 No.	As at 30 Sept 2023 No.
Allotted, called and fully paid shares			
Ordinary shares	**21,976,145**	21,967,145	21,976,145
Deferred consideration shares issues	**8,029,069**	-	-
	30,005,214	21,967,145	21,976,145

	As at 31 Mar 2024 £'000	As at 31 Mar 2023 £'000	As at 30 Sept 203 £'000
Stated capital			

Opening balance	**12,349**	12,349	12,349
New Capital subscribed	**2,851**	-	-
	15,200	12,349	12,349

10. Related party transactions

Key management personnel are the same as the Directors.

There are no further related party transactions to be disclosed during the year.

Notes to the Consolidated Financial Statements

11. Earnings per share

The Group has calculated the weighted-average number of outstanding ordinary shares for the period as follows:

6 months ended 31 Mar 2023	**Number of shares**	**Time weighting**	**Weighted average number of shares**
Balance brought forward	21,976,145	6/6	21,976,145
	21,976,145	**6 months**	**21,976,145**

12 months ended 30 Sept 2023	**Number of shares**	**Time weighting**	**Weighted average number of shares**
Balance brought forward	21,976,145	12/12	21,976,145
	21,976,145	**12 months**	**21,976,145**

6 months ended 31 Mar 2024	**Number of shares**	**Time weighting**	**Weighted average number of shares**
Balance brought forward	21,976,145	6/6	21,976,145
Deferred consideration shares issues	8,029,069	5/6	6,690,891
	30,005,214	**6 months**	**28,667,036**

The Parent Company does not have any contingent issuable shares as at year end, hence diluted loss per share is the same as the basic loss per share

Notes to the Consolidated Financial Statements

11. Earnings per share (continued)

Loss per share	**As at 31 Mar 2024**	As at 31 Mar 2023	As at 30 Sept 2023
Loss per share			
(Loss) for the financial period and total comprehensive loss (£'000)	**(1,010)**	(499)	(445)
Weighted average number of shares	**28,667,036**	21,976,145	21,976,145
Pence per share	**(3.5p)**	(2.3p)	(2.0p)

Adjusted Loss per share	**As at 31 Mar 2024**	As at 31 Mar 2023	As at 30 Sept 2023
	£'000	£'000	£'000
Loss after tax	**(1,010)**	(499)	(445)
Interest	**64**	18	35
Tax	**(4)**	(7)	2
Depreciation	**79**	69	171
Amortisation of intangible assets	**497**	497	995
Underlying (loss) before tax	**(374)**	(78)	758
Acquisition related expenses	**52**	-	222
Share award expenses	**-**	-	13
Fair value adjustments	**(670)**	-	(1,680)

Adjusted underlying (loss) before tax	**(992)**	(374)	(687)

	As at 31 Mar 2024	As at 31 Mar 2023	As at 30 Sept 2023
Adjusted loss per share			
Adjusted underlying loss before tax	**(992,000)**	(374,000)	(687,000)
Weighted average number of shares	**28,667,036**	21,976,145	21,976,145
(Loss) in Pence per share	**(3.5p)**	(1.7p)	(3.1p)

Notes to the Consolidated Financial Statements

12. Dividends

No interim dividend has been paid or proposed in respect of the current financial period (2023: nil).

13. Events after the statement of financial position date

Following the year end and share authorities at the AGM on 17th April 2024, an application was made to the London Stock Exchange for admission to trading on AIM for an aggregate 9,549,300 new Ordinary Shares with trading effective on 19th April 2024.

The breakdown of the new Ordinary Shares was as follows:

- 6,231,500 new Ordinary Shares pursuant to the Placing, Subscription and WRAP Retail Offer, which raised £1.3 million for the Group
- 3,281,250 new Ordinary Shares pursuant to conversion of the £1.181m nil coupon convertible loan issued to John Beverley as initial consideration for the acquisition of Neba Financial Solutions Ltd and Neba Financial Solutions Private Ltd, announced on 12 December 2023
- 36,550 new Ordinary Shares pursuant to the vesting of the initial third of the Executive Director bonus awards for the financial period to 30 September 2022 ("Awards"), comprising 13,158 new Ordinary Shares to Mark Clubb, Executive Chair, and 23,392 new Ordinary Shares to Matthew Moore, Chief Financial Officer.

In addition, a further £500,000 was raised through the subscription for unsecured convertible loan notes at par value by Growth Financial Services, a Harwood Capital Management LLP subsidiary.

Notes to the Consolidated Financial Statements

Company number
129405

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