Agronomics Limited

Annual Report and Financial Statements

for the year ended 30 June 2020

Registration number: Isle of Man 006874V

Agronomics Limited

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Corporate information

Company's website	www.agronomics.im
Registered Agent & Office	Greystone Trust Company Limited 18 Athol Street Douglas Isle of Man, IM1 1JA
Nominated Adviser	Beaumont Cornish Limited Building 3, 566 Chiswick High Road London W4 5YA
Joint Brokers	Optiva Securities Limited New Liverpool House 49 Berkeley Square, Mayfair, London, W1J 5AZ (until 11 November 2019) Zeus Capital Limited 82 King Street Manchester, M2 4WQ (Until 23 September 2020) Cenkos Securities PLC 6, 7, 8 Tokenhouse Yard London, EC2R 7AS (appointed 24 September 2020) Peterhouse Capital Limited 80 Cheapside EC2V 6EE
Registrar	Link Asset Services (Isle of Man) Limited Clinch's House Lord Street Douglas, Isle of Man, IM1 1JD
Auditors	KPMG Audit LLC Heritage Court 41 Athol Street Douglas Isle of Man, IM1 1LA
Legal Advisers	*As to Isle of Man Law* Long & Humphrey The Old Courthouse Athol Street Douglas Isle of Man, IM1 1LD
Legal Advisers	*As to English Law* Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London, EC2A 2EW
Depositary	Link Asset Services (Isle of Man) Limited Clinch's House Lord Street Douglas Isle of Man, IM1 1JD
Administrator	Burnbrae Limited 4th Floor, Viking House Nelson Street Douglas Isle of Man, IM1 2AH

Chairman's statement

Introduction

I am pleased to present the audited financial statements for Agronomics Limited (the "Company") for the year ended 30 June 2020.

Financial Review

The Company recorded a net profit of £611,731 for the year (2019: loss of £288,919). Our investment income, including net unrealised gains, reflected a gain of £656,377 (2019: loss of £75,995). A profit from operating activities was generated of £551,173 (2019: loss of £300,941), with the most notable expenditure relating to professional fees incurred in acquiring new investments during the year, and from completed fundraises. The year included no performance fee and no performance fee has been accrued during the year under review. There were no other exceptional costs during the year. The basic and diluted profit per share was 0.66 pence (2019: loss of 1.25 pence).

The fair value of our invested assets increased substantially to £16,740,656 (2019: £1,249,955), and cash and equivalents stood at £2,789,097 (2019: £417,952). Thus, our total assets, including trade and other receivables of £18,208 (2019: £12,196), stood at £19,547,961 (2019: £1,680,103). Payables stood at £131,083 (2019: £65,260). As a result, the net asset value per share at 30 June 2020 was 5.86 pence (2019: 6.96 pence).

Approach to Risk and Corporate Governance

"The Company's general risk appetite is a moderate, balanced one that allows it to maintain appropriate growth, profitability and scalability, whilst ensuring full corporate compliance."

The Group's primary risk drivers include: -

Strategic, Reputational, Credit, Operational, Market, Liquidity, Foreign Exchange, Capital and Funding, Compliance and Conduct.

Our risk appetite has been classified under an "impact" matrix defined as Zero, Low, Medium and High. Appropriate steps are underway to ensure the prudential control monitoring of risks to the Company and a suitable committee and reporting structure, under the Chairmanship of the Chairman, will be formed to undertake this essential requirement. Further details of the Corporate Governance Statement, including the role and responsibilities of the Chairman and an explanation as to how the QCA Code has been applied, will be found on pages 7 to 10 of this report.

At the General Meeting of the Company on 16 April 2019, shareholders adopted the following new Investing Policy:

"The Company will invest in opportunities within the Life Sciences sector, concentrating on, but not being limited to, environmentally friendly alternatives to the traditional production of meat and plant-based nutrition sources ("Clean Food"). The Company will focus on investments that provide scalable and commercially viable opportunities."

Further details of the new Investing Policy can found on the Company's website at www.agronomics.im.

In line with the new Investing Policy, a number of significant investments were made, which are discussed below.

Investment Review - quoted investments

Agex Therapeutics Inc ("Agex") is a biotechnology operation which develops and commercialises therapeutics targeting human aging. Their holdings include the PureStem® and iTR™ platforms, which reflect over 25 years of research and development in cellular therapies, cell immortality and regenerative biology. These platforms are designed to address many of the largest unmet needs of an aging population, by translating state-of-the-art biomedical science relating to aging into potential first-in-class therapeutic cell therapies, small-molecule drugs and medical devices. On 29 November 2018, its shares commenced trading on the New York Stock Exchange under the ticker AGE.

In December 2019, a US patent was granted, entitled "Methods of Reprogramming Animal Somatic Cells" covering what is commonly designated induced Pluripotent Stem (iPS) cells. The patent was assigned to Advanced Cell Technology of Marlborough, Massachusetts (now Astellas Institute for Regenerative Medicine) and licensed to Lineage Cell Therapeutics Inc, and sublicensed to AgeX for defined fields of use. Inventors of the patent include Michael D. West, CEO of AgeX and previous CEO of Advanced Cell Technology, Karen B. Chapman, Ph.D., and Roy Geoffrey Sargent, Ph.D.

In May 2020, AgeX announced that it entered into a research collaboration with Sernova Corp. (TSX-V:SVA)(OTCQB:SEOVF)(FSE:PSH). Sernova will utilize AgeX's UniverCyteTM gene technology to generate immune-protected universal therapeutic cells for use in combination with Sernova's Cell PouchTM for the treatment of type I diabetes and haemophilia.

Chairman's statement (continued)

Investment Review - quoted investments (continued)

Regent Pacific Group Limited's ("RPG") principal investment is in Plethora Solutions Holdings plc ("Plethora"), a wholly-owned subsidiary. Plethora is focussed on the commercialisation of its product Fortacin™ - the first EU-approved topical prescription treatment for premature ejaculation. Fortacin™ was commercially launched in the United Kingdom in November 2016 and can now be prescribed in the UK from a physician either in person or online via an online consultation, with prescriptions to be fulfilled by Chemist 4 U. The European roll-out commenced in Europe in early 2018 by way of first sales from Recordati Group ("Recordati"), RPG's commercial partner, to wholesalers in Italy on 9 February 2018. First Fortacin™

In September 2020, RGP announced that Recordati European Commission approval to allow for Fortacin™ to be sold over the counter (OTC). This should result in increased sales and increased royalties payable to RGP.

In the same month, RGP completed the acquisition of Depp Longevity Inc ("DLI"). DLI is developing user-friendly AI systems, that track the rate of aging at the molecular, cellular, tissue, organ, system, physiological and psychological levels. The acquisition will allow RGP to expand into the global wellness market that was estimated to be over US$4.20 trillion in 2017.

Portage Biotech Inc ("Portage") was acquired on 8 January 2019, following the receipt of the Demerger Shares from SalvaRX. Portage is a biotechnology company focused on developing various therapeutics, working with founder scientists to bring their discoveries to proof-of-concept and monetization. Portage holds investments in the following entities:

- Portage Pharmaceuticals Ltd ("PPL"), which focuses on discovering and developing innovative cell permeable peptide therapies to normalize gene expression, restore protein function, and improve medical outcomes. PPL is now focusing on licensing or collaborating its CellPorter® platform with other pharmaceutical companies to develop new drugs.

- Portage Glasgow Ltd ("PGL") is a joint-venture company with PPL, and focuses on the commercialisation of new therapies aimed at disrupting protein-protein interactions in disease pathways which give therapeutic benefit.

- Stimunity S.A.S is an early-stage research and development company focused on the development of STING agonists in cancer.

In April 2020, Portage announced that Intensity Therapeutics entered into a clinical trial collaboration agreement with Bristol Myers Squibb.

In May 2020, an additional investment of EUR 900k was made into Stimunity S.A.S. In the same month, Saugatuck Therapeutics Ltd achieved proof of concept nanolipogel ("NLG") formulation, and this triggered the next tranche of capital investment by Portage worth US$ 700k.

In June 2020, Portage raised US$6.7m, with the funds being used to accelerate its development and execution pipeline. It also anticipates to have 3 clinical programs by the end of 2020.

Investment review - unquoted investments

During the year, the Company made a number of acquisitions in unquoted investments, as detailed below.

On 29 July 2019, the Company completed a subscription of US$ 700,000 for 885,739 Series Seed Preferred Shares in **Simply Foods, Inc.** ("Simply Foods") trading as New Age Meats. The company is based in San Francisco, California, USA, and is developing pork-based cultured meat products. The Subscription was part of the first close of the Series Seed funding round to raise a minimum of US$ 2.0 million undertaken by Simply Foods, led by New York-based ff Graphite (V) Venture Capital Fund, LP. The Company was the only European based investor participating in this round.

On 5 September 2019, the Company subscribed for a US$ 150,000 convertible promissory note in **Bond Pets LLC** ("Bond"). Bond makes laboratory-grown meat using fermentation for the pet food market. The subscription would translate to an approximate 3% to 4% equity interest in Bond, dependent on the valuation of Bond upon conversion.

A US$ 250,000 investment was made in Seattle Food Tech, Inc. trading as **Rebellyous Foods** ("Rebellyous") on 15 October 2019. The investment was made in the form of a Simple Agreement for Future Equity (the "SAFE"), that will convert to approximately 1% equity in the next priced funding round. Rebellyous is an early stage, pre-revenue food technology and manufacturing company focused on developing plant-based chicken nuggets at scale and at competitive prices. A further US$100k was invested in April 2020, acquiring 92,438 Series A Preferred Shares. The Original SAFE investment converted into 231,096 Series A Preferred Shares, resulting in Agronomics holding a total of 323,534 Series A Preferred Shares.

Chairman's statement (continued)

Investment review - unquoted investments (continued)

On 17 October 2019, US$ 1,500,000 was invested in **VitroLabs Inc.** ("VitroLabs"). The investment is in the form of a SAFE, that will convert at VitroLabs' next funding round giving Agronomics an expected interest of approximately 3.79% in the form of Series A Standard Preferred Stock. VitroLabs is headquartered in San Jose, USA, and is developing laboratory-produced, cruelty-free leather. A further US$1m was invested during February 2020, in the form of a SAFE, increasing Agronomics potential interest to 6.15%.

On 29 October 2019, the Company completed a subscription of US$ 500,000 in the form of a Convertible Loan Note in **Shiok Meats Pte. Ltd**. Shiok Meats is a Singapore based company that is developing cultured seafood products, focusing on shrimp. Upon conversion, the Subscription is expected to give Agronomics an approximate interest of 2.3% in Shiok Meats on conversion. The loan note will convert into Ordinary Shares in Shiok Meats on completion of a Series A funding round of US$ 10 million by the company.

On 11 December 2019, the Company acquired an investment in **Oritain Global Limited** ("Oritain"), for NZ$500,000 for 40,000 ordinary shares. Oritain is a forensic science and data technology company, providing a solution to prevent fraud in food and other supply chains. The investment will give Agronomics an expected 1.1% fully diluted interest.

On 18 December 2019, Agronomics closed an investment in **LegenDairy Foods GmbH** ("LegenDairy"), acquiring 2,839 Seed Preferred Shares for EUR 1m. The Company will hold a 6.3% interest in LegenDairy. LegenDairy is based in Germany, focusing on harvesting real dairy proteins, using the same fermentation process used for producing insulin and rennet for cheese, to produce dairy products once combined with plant-based fats.

Following positive progress, Agronomics invested a total of US$2.75m in **BluNalu Inc** ("BlueNalu"), in return for 148,648 Series A Preferred Shares. Following this investment, Agronomics holds a 5.9% interest.

On 20 December 2019, the Company invested in a EUR2m convertible loan note ("CLN") in **Meatable BV** ("Meatable"). In June 2020, Agronomics co-led Meatable's Seed 2 financing round, and invested an additional EUR1m. Following completion, the CLN converted to 2,558 Seed 2 Preferred Shares at a 20% discount. Agronomics holds a total of 3,555 Seed 2 Preferred Shares, for an interest of 6.46% in Meatable. Meatable is based in the Netherlands, and focused on producing cultivated beef and pork.

In February 2020, the Company invested US$3m in **Livekindly Co,** previously called Foods United Inc ("Livekindly"). Livekindly has offices located in the US and Switzerland, and is focused on leveraging traditional industry partners with existing logistics and infrastructure for fast and efficient scaling of meat replacement food products, initially focusing on plant-based chicken.

During March 2020, an investment of US$500k was made in **GALY CO** ("GALY") in the form of SAFE, and will give Agronomics an approximate 4.37% interest in GALY upon conversion. GALY, based in Boston, USA, is a pioneering biomaterials technology company, producing cotton grown in a lab.

On 31 March 2020, the Company completed an investment in **Tropic Biosciences UK Limited** ("Tropic"). The Company acquired 254,237 Series B Preferred Shares for US$3m. Tropic is a leading biotechnology company based in Norwich, UK, and is utilising powerful gene-editing techniques including CRISPR-Cas9 and Tropic's own proprietary GEiGS™ platform in developing high-performing commercial varieties of tropical crops.

Financing activity

During the year, the Company raised a total of £17.6m, issuing 308,421,103 new ordinary shares, and receiving net proceeds of £17.2m. Funds totalling £14.2m have been deployed in acquiring investments in line with the Company's investing policy.

Strategy and Outlook

Our current investment portfolio shows considerable promise for future growth given the scale of opportunity to invest in the nascent alternative foods sector, and the Board will continue to seek new opportunities in line with its Investing Policy.

Richard Reed
Non-Executive Chairman
09 December 2020

Directors' report

The Directors of Agronomics Limited (the "Company") take pleasure in presenting the Directors' report and financial statements for the year ended 30 June 2020.

Principal activity

The Company was formed for the purpose of investing in the biotechnology and biopharmaceutical sector. In 2019, the Company changed its investing policy, now being focused on opportunities within the nascent industry of modern foods, which are environmentally friendly alternatives to the traditional production of meat and plant-based sources of nutrition. Further details of the investing policy can be found on the Company's website at www.agronomics.im.

Results and transfer to reserves

The results and transfers to reserves for the year are set out on pages 18 and 20.

The Company made a profit for the year after taxation of £611,731 (2019: loss of £288,919).

Dividend

The Directors do not propose the payment of a dividend (2019: £nil).

Policy and practice on payment of creditors

It is the policy of the Company to agree appropriate terms and conditions for its transactions with suppliers by means of standard written terms to individually negotiated contracts. The Company seeks to ensure that payments are always made in accordance with these terms and conditions.

Financial risks

Details relating to the financial risk management are set out in note 8 to the financial statements.

Directors

The Directors who served during the year and to date were:

Jim Mellon	Non-Executive	
Denham Eke	Executive Finance Director	
Anderson Whamond	Non-Executive	Resigned 31 July 2020
Richard Reed	Non-Executive Chairman	
David Giampaolo	Non-Executive	

Directors' interests

As at 30 June 2020, the interests of the Directors and their families (as such term is defined in the AIM Rules for Companies) in the share capital of the Company are as follows:

	Ordinary shares	
	30 June 2020	30 June 2019
Jim Mellon[1]	**65,092,909**	6,729,273
Denham Eke[2]	**-**	-
Anderson Whamond	**-**	-
Richard Reed	**3,818,181**	-
David Giampaolo	**2,000,000**	-

[1] Galloway Limited, a company where Jim Mellon is considered to be the ultimate beneficial owner, holds 63,818,949 Ordinary shares.
[2] Denham Eke is Managing Director of Galloway Limited.

Directors' report (continued)

Significant shareholdings

Except for the interests disclosed in this note, the Directors are not aware of any holding of ordinary shares as at 30 June 2020 representing 3% or more of the issued share capital of the Company:

	Number of ordinary shares	Percentage of total issued capital
Jim Mellon(1)	65,092,909	19.63%
HSBC Global Custody Nominee (UK)	41,586,146	12.54%
Hargreaves Lansdown (Nominees)	18,053,311	5.44%
Platform Securities Nominees	14,744,771	4.45%
Morgan Stanley Client Securities	10,574,290	3.19%

Note:

(1) Jim Mellon’s shareholding consists of 63,818,949 shares held by Galloway Limited. Galloway Limited is a company where Jim Mellon is considered to be the ultimate beneficial owner. Denham Eke is a director of Galloway Limited. The balance of Jim Mellon’s shareholding is held in his own name.

Auditors

KPMG Audit LLC, being eligible, have expressed their willingness to continue in office.

On behalf of the Board

Denham Eke
Director
09 December 2020

18 Athol Street
Douglas
Isle of Man
IM1 1JA
British Isles

Corporate Governance Statement

Corporate Governance Report

The Board of Agronomics (the “Board”) is committed to best practice in corporate governance throughout the Company (the “Company”). The Directors have agreed to comply with the provisions of the Quoted Companies Alliance (“QCA”) Corporate Governance Code for Small and Mid-Size Quoted Companies (2018) to the extent which is appropriate to its nature and scale of operations. This report illustrates how the Company complies with those principles.

QCA Principle 1: Establish a strategy and business model which promotes long-term value for shareholders

The strategy and business operations of the Company are set out in the Chairman’s Statement on pages 2 to 4.

The Company’s strategy and business model and amendments thereto are developed by the Chairman and his senior management team and approved by the Board. The management team is responsible for implementing the strategy and managing the business at an operational level.

The Company’s overall strategic objective is to develop a profitable and sustainable platform for investing in the nascent industry of modern foods which are environmentally friendly alternatives to the traditional production of meat and plant-based sources of nutrition.

The Company operates in an inherently high-risk sector and this is reflected in the principal risks and uncertainties.

In executing the Company’s strategy and operational plans, management will typically confront a range of day-to-day challenges associated with these key risks and uncertainties and will seek to deploy the identified mitigation steps to manage these risks as they manifest themselves.

QCA Principle 2: Seek to understand and meet shareholder needs and expectations

The Company via the Chairman seeks to maintain a regular dialogue with both existing and potential new shareholders in order to communicate the Company’s strategy and progress and to understand the needs and expectations of shareholders.

Beyond the Annual General Meeting, the Chairman and, where appropriate, other members of the senior management team or Board will meet with investors and analysts to provide them with updates on the Company’s business and to obtain feedback regarding the market’s expectations of the Company.

The Company’s investor relations activities encompass dialogue with both institutional and private investors. From time to time, the Company attends private investor events, providing an opportunity for those investors to meet with representatives from the Company in a more informal setting.

QCA Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Company is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholders. These include the Company’s advisors, suppliers and investee companies. The Company’s operations and working methodologies take account of the need to balance the needs of all of these stakeholders while maintaining focus on the Board’s primary responsibility to promote the success of the Company for the benefit of its members as a whole. The Company endeavours to take account of feedback received from stakeholders, and where appropriate, ensures any amendments are consistent with the Company’s longer-term strategy.

The Company takes due account of any impact that its activities may have on the environment and seeks to minimise this impact wherever possible.

QCA Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board is responsible for the systems of risk management and internal control and for reviewing their effectiveness. Internal controls are designed to manage rather than eliminate risk and provide reasonable but not absolute assurance against material misstatement or loss. Through the activities of the Company Audit, Risk and Compliance Committee, the effectiveness of these internal controls is reviewed annually.

A comprehensive budgeting process is completed once a year and is reviewed and approved by the Board. The Company’s results, compared with the budget, are reported to the Board on a monthly basis.

The Company maintains appropriate insurance cover in respect of actions taken against the Directors because of their roles, as well as against material loss or claims against the Company. The insured values and type of cover are comprehensively reviewed on a periodic basis.

The senior management team meets at least monthly to consider new risks and opportunities presented to the Company, making recommendations to the Board and/or Company Audit, Risk and Compliance Committee as appropriate.

Corporate Governance Statement (continued)

QCA Principle 5: Maintain the board as a well-functioning, balanced team led by the chair

The Company's Board currently comprises three Non-executive Directors and one Executive Director.

All of the Directors are subject to election by shareholders at the first Annual General Meeting after their appointment to the Board and will continue to seek re-election at least once every three years.

The Board is responsible to the shareholders for the proper management of the Company and intends to meet at least four times a year to set the overall direction and strategy of the Company, to review operational and financial performance and to advise on management appointments. All key operational decisions are subject to Board approval.

Richard Reed, David Giampaolo and Anderson Whamond (resigned on 31 July 2020), all Non-executive Directors, are considered to be independent. The QCA Code suggests that a board should have at least two independent Non-executive Directors. The Board considers that the current composition and structure of the Board of Directors is appropriate to maintain effective oversight of the Company's activities.

Following the resignation of Anderson Whamond, the Board are reviewing a number of potential replacements and hope to make a further announcement in due course.

Non-executive Directors receive their fees in the form of a basic cash emolument. The Executive Director does not receive a salary. The current remuneration structure for the Board's Executive and Non-executive Directors is deemed to be proportionate.

QCA Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Board considers that the Executive Director and Non-executive Directors are of sufficient competence and calibre to add strength and objectivity to its activities and bring considerable experience in the operational and financial development of the Company.

The Directors' biographies are detailed on the Company's website www.agronomics.im.

The Board regularly reviews the composition of the Board to ensure that it has the necessary breadth and depth of skills to support the ongoing development of the Company.

The Chairman, in conjunction with the Finance Director, ensures that the Directors' knowledge is kept up to date on key issues and developments pertaining to the Company, its operational environment and to the Directors' responsibilities as members of the Board. During the course of the year, Directors received updates from the Finance Director and various external advisers on a number of corporate governance matters.

Directors' service contracts or appointment letters make provision for a Director to seek personal advice in furtherance of his or her duties and responsibilities, normally via the Company Secretary.

QCA Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Internal evaluation of the Board, the Committees and individual Directors is undertaken on an annual basis in the form of peer appraisal and discussions to determine their effectiveness and performance as well as the Directors' continued independence.

The results and recommendations that come out of the appraisals for the Directors shall identify the key corporate and financial targets that are relevant to each Director and their personal targets in terms of career development and training. Progress against previous targets is also assessed where relevant.

QCA Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Board seeks to maintain the highest standards of integrity and probity in the conduct of the Company's operations. With the Company being a vehicle for holding investment, it has no employees and limited capacity to effect changes in culture in companies it is affiliated with. However, the Board will strive to ensure that the Company's in which it has an interest in, act in an ethical manner.

The Board ensures that all portfolio companies have policies in place to comply with applicable governance laws and regulations, such as anti-bribery and modern-day slavery.

The Board has a zero-tolerance approach to breaches of these laws and regulations. The Board promotes ethical behaviour throughout the portfolio, through directions to the Company's investment advisors in relation to the ethical management of the portfolio.

Corporate Governance Statement (continued)

QCA Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Role of the Board

The Board is collectively responsible for the long-term success of the organisation. Its principal function is to determine the strategy and policies of the Company within an effective control framework which enables risk to be assessed and managed.

The Board ensures that the necessary financial and human resources are in place for the Company to meet its objectives and that business and management performances are reviewed. Furthermore, the Board ensures that the Company operates within its constitution, relevant legislation and regulation and that proper accounting records and effective systems of business control are established, maintained, documented and audited.

There are at least four formal Board meetings each year. All Board members have the benefit, at the Company's expense, of liability insurance in respect of their responsibilities as Directors and have access to independent legal or other professional advice if required. The Board has a formal schedule of matters which are reserved for its consideration and it has established three committees to consider specific issues in greater detail, being the Company Audit, Risk and Compliance, Remuneration and Nomination Committees. The Terms of Reference for each of these Committees are published on the Company's website.

The Chairman

The Chairman is responsible for leading the Board, ensuring its effectiveness in all aspects of its role, promoting a culture of openness of debate and communicating with the Company's members on behalf of the Board. The Chairman sets the direction of the Board and promotes a culture of openness and debate by facilitating the effective contribution of Non-executive Directors and ensuring constructive relations between Executive and Non-executive Directors. The Chairman also ensures that Directors receive accurate, timely and clear information. In doing so, this fosters a positive corporate governance culture throughout the Company.

The Chief Executive Officer

At present, the Company does not have a Chief Executive Officer. Instead, the responsibility for managing the Company's business and operations within the parameters set by the Board is held by the Finance Director.

Non-executive Directors

The Non-executive Directors are responsible for bringing independent judgement to the discussions held by the Board, using their breadth of experience and understanding of the business. Their key responsibilities are to constructively challenge and contribute to strategic proposals, and to monitor performance, resources, and standards of conduct, compliance and control, whilst providing support to executive management in developing the Company.

The Board has established a Company Audit, Risk and Compliance Committee ("ARCC"), a Remuneration Committee and a Nominations Committee with formally delegated duties and responsibilities. Following the resignation of Anderson Whamond on 31 July 2020, Denham Eke chairs the ARCC and Richard Reed chairs the Remuneration Committee and Nominations Committee.

Company Audit, Risk and Compliance Committee

The Company Audit, Risk and Compliance Committee (the "ARCC") meets at least two times each year and comprises two Non-executive Directors, chaired by Denham Eke. Following the resignation of Anderson Whamond on 31 July 2020, the ARCC comprises of one Non-executive Director. The external auditors attend by invitation. Its role is to be responsible for reviewing the integrity of the financial statements and the balance of information disclosed in the accompanying Directors' Report, to review the effectiveness of internal controls and risk management systems and recommend to the Board (for approval by the members) the appointment or re-appointment of the external auditor. The ARCC reviews and monitors the external auditor's objectivity, competence, effectiveness and independence, ensuring that if it or its associates are invited to undertake non-audit work it will not compromise auditor objectivity and independence.

Further information can be found within the Company Audit, Risk and Compliance Report contained within this Annual Report.

Remuneration Committee

The Remuneration Committee intends to meet at least once a year and comprises of two Non-executive Directors. It is chaired by Richard Reed and is responsible for determining the remuneration of the Executive Director, the Company Secretary and other members of the management. Committee members do not take part in discussions concerning their own remuneration.

Further information can be found within the Remuneration Report contained within this Annual Report.

Corporate Governance Statement (continued)

Nomination Committee

The Nomination Committee is comprised of the whole Board. It is chaired by the Chairman of the Board and is responsible for making recommendations to the Board on matters relating to the composition of the Board, including Executive and Non-executive Director succession planning, the appointment of new Directors and the election and re-election of Directors. The Nomination Committee only meets as matters arise.

Appointments to the Board

The principal purpose of the Nomination Committee is to undertake the assessment of the balance of skills, experience, independence and knowledge on the Board against the requirements of the business, with a view to determining whether any shortages exist. Having completed the assessment, the Committee makes recommendations to the Board accordingly. Appointments to the Board are made on merit, with due regard to the benefits of diversity. Within this context, the paramount objective is the selection of the best candidate, irrespective of background, and it is the view of the Board that establishing quotas or targets for the diversity of the Board is not appropriate.

All Director appointments must be approved by the Company's Nominated Adviser, as required under the AIM Rules, before they are appointed to the Board.

Prior to appointment, Non-executive Directors are required to demonstrate that they are able to allocate sufficient time to undertake their duties.

Re-election

The Company's Rules require that all Directors are submitted for election at the AGM following their first appointment to the Board. Thereafter all directors will submit themselves for re-election at least once every three years, irrespective of performance.

Board and committee attendance

The number of formal scheduled Board and committee meetings held and attended by Directors during the year was as follows: -

	Board	**ARC**	**Nomination**	**Remuneration**
Richard Reed	20/21	-	-	-
David Giampaolo	21/21	-	-	-
Jim Mellon	21/21	-	-	-
Anderson Whamond	21/21	2/2	-	-
Denham Eke	21/21	2/2	-	-

QCA Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company places a high priority on regular communications with its various stakeholders and aims to ensure that all communications concerning the Company's activities are clear, fair and accurate. The Company's website is regularly updated, and users can register to be alerted when announcements or details of presentations and events are posted onto the website.

Notices of General Meetings of the Company can be found here: https://agronomics.im/latest-news/.

The results of voting on all resolutions in general meetings are posted to the Company's website, including any actions to be taken as a result of resolutions for which votes against have been received from at least 20 per cent of independent shareholders.

Approval

This report was approved by the Board of Directors on 09 December 2020 and signed on its behalf by:

Denham Eke
Finance Director

Audit, Risk and Compliance Committee Report

The Directors ensure the Company complies with the provisions of the Quoted Companies Alliance ("QCA") Corporate Governance Code for Small and Mid-Size Quoted Companies (2018) to the extent which is appropriate to its nature and scale of operations.

This report illustrates how the Company complies with those principles in relation to its Audit, Risk and Compliance Committee (the "ARCC").

Membership

Following the resignation of Anderson Whamond on 31 July 2020. the Committee comprises of one Executive Director, being Denham Eke. The composition of the Committee has been reviewed during the year and the Board is satisfied that the Committee member has relevant financial experience and the expertise to resource and fulfil its responsibilities effectively, including those relating to risk and controls.

Meetings

The Committee meets two times a year, including the review of the interim and full year results. Other Directors and representatives from the external auditors attend by invitation.

Duties

The Committee carries out the duties below for the Company, as appropriate:

- Monitors the integrity of the financial statements of the Company, including annual and half-yearly reports, interim management statements, and any other formal announcement relating to financial performance, reviewing significant financial reporting issues and judgements which they contain.

- Reviews and challenges the consistency of the information presented within the financial statements, compliance with stock exchange or other legal requirements, accounting policies and the methods used to account for significant or unusual transactions.

- Keeps under review the effectiveness of the Company's internal controls and risk management systems.

- KPMG Audit LLC was appointed as auditor in 2011 and the ARCC will oversee the relationship with them including meetings when considered appropriate to discuss their remit and review the findings and any issues with the annual audit. It will also review their terms of appointment, and plans to meet them once a year independent of management and will consider and make recommendations to the Board, to be put to the Company for approval at the Annual General Meeting, in relation to the appointment, re-appointment and removal of the Company's external auditor. There are no contractual restrictions in place in respect of the auditor choice.

- The Committee is governed by a Terms of Reference and a copy of this is available on the Company's website.

2020 Annual Report

During the year, ARCC held two meetings and can confirm that it has received sufficient, reliable and timely information from management and the external auditors to enable it to fulfil its responsibilities.

The Committee has satisfied itself that there are no relationships between the auditor and the Company which could adversely affect the auditor's independence and objectivity.

All internal control and risk issues that have been brought to the attention of ARCC by the external auditors have been considered and the Committee confirms that it is satisfied that management has addressed the issues or has plans to do so.

The Company has a number of policies and procedures in place as part of its internal controls and these are subject to continuous review and as a minimum are reviewed by ARCC on an annual basis.

- ARCC has reviewed and discussed together with management and the external auditor the Company's financial statements for the year ended 30 June 2020 and reports from the external auditor on the planning for and outcome of their reviews and audit. The key accounting issues and judgements considered relating to the Company's financial statements and disclosures were as follows:
  - Valuation of unquoted investments £16,237,975;
  - Going concern – ARCC reviewed the going concern position of the Company, taking into account the 12 month cash flow forecasts. ARCC is satisfied that preparing the financial statements on a going concern basis is appropriate. Disclosures are included in note 1;

Denham Eke
Chairman ARCC
09 December 2020

Report of the Remuneration Committee

As an Isle of Man registered company there is no requirement to produce a Directors' Remuneration Report. However, the Board follows best practice and therefore has prepared such a report.

The Directors have agreed to comply with the provisions of the Quoted Companies Alliance ("QCA") Corporate Governance Code for Small and Mid-Size Quoted Companies (2018) to the extent which is appropriate to its nature and scale of operations.

This report illustrates how the Company complies with those principles in relation to directors' remuneration.

The Level and Components of Non-Executive Directors Remuneration

The Remuneration Policy reflects the Company's business strategy and objectives as well as sustained and long-term value creation for shareholders. In addition, the policy aims to be fair and provide equality of opportunity, ensuring that:

- the Company is able to attract, develop and retain high-performing and motivated employees in the competitive local and wider markets;
- employees are offered a competitive remuneration package to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contribution to the success of the Company;
- it reflects the Company's culture and values; and
- there is full transparency of the Remuneration Policy.

In line with the Board's approach, which reflects that adopted within other comparable organisations, the Remuneration Policy provides for the reward of the Non-Executive Directors through fees and other benefits.

Non-Executive Directors Emoluments

The remuneration for the Non-Executive Directors reflects their responsibilities. It comprises fees, and may include eligibility to participate in an annual bonus scheme, private healthcare and share option incentives, when any of these are considered appropriate.

Annual bonus scheme payments are not pensionable and are not contracted.

The Executive Finance Director does not currently receive any fees for his services. However, based on the Company's performance and cash flow position, the Executive Finance Director may be eligible to participate in an annual bonus scheme. Bonus payments are not pensionable.

The Committee believes that share ownership by executives strengthens the link between their personal interests and those of shareholders. Options will be granted to executives periodically at the discretion of the Remuneration Committee. The grant of share options is not subject to fixed performance criteria. This is deemed to be appropriate as it allows the Committee to consider the performance of the executives and the contribution of the individual executives and, as with annual bonus payments, illustrates the relative importance placed on performance-related remuneration.

Except when required by statute, the Company does not intend to contribute to the personal pension plans of Directors in the forthcoming year.

Executive Directors' Contractual Terms

The service contract of the Executive Director provides for a notice period of six months.

Non-executive Directors' Remuneration

Non-executive Directors do not receive any benefits other than their fees and travelling expenses for which they are reimbursed. The level of fees payable to Non-executive Directors is assessed using benchmarks from a group of comparable biopharma organisations.

Report of the Remuneration Committee (continued)

The Procedure for Determining Remuneration

The Remuneration Committee, comprising two Non-executive Directors, is responsible for setting the remuneration of the Executive Director and is chaired by Richard Reed. Committee members do not take part in discussions concerning their own remuneration. The basic Non-executive Director fee is set by the Chairman. The Chairman of the Committee reports at the Board meeting following a Committee meeting.

It is the view of the Committee that Directors' remuneration awarded across the Company for the year has been in accordance with the Company's stated Remuneration Policy and, on behalf of the Committee I recommend that you endorse this report. An analysis of Directors' emoluments is as follows:

	2020 £000	2019 £000
Emoluments— salaries, bonuses and taxable benefits	**-**	-
— fees	**30**	12
	30	12

Directors' Emoluments

	Fees £000	Bonus £000	Termination payments £000	Benefits £000	**2020 Total £000**	2019 Total £000
Executive - salary						
Denham Eke	—	—	—	—	—	—
Non-executive - fees						
Jim Mellon*	—	—	—	—	—	—
Anderson Whamond	**10**	—	—	—	**10**	10
Richard Reed	**10**	—	—	—	**10**	1
David Giampaolo	**10**	—	—	—	**10**	1
Aggregate emoluments	**30**	**—**	**—**	**—**	**30**	12

* Any emoluments are subject to an agreement with Shellbay Limited whereby Shellbay Limited receives a profit share equating to 15% of any increase in the Net Asset Value per share of the Company, subject to the previous Net Asset Value high watermark being exceeded, and subject to an initial highwater mark of 10 pence per share (please see Note 2 to the Accounts).

Approval
The report was approved by the Board of directors and signed on behalf of the Board.

Richard Reed
Chairman of Remuneration Committee
09 December 2020

Statement of Directors' Responsibilities in Respect of the Directors' Report and the Financial Statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRSs as adopted by the EU), as applicable to an Isle of Man company and applicable law.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of its profit or loss for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable, relevant and reliable;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its financial statements comply with the Isle of Man Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

Report of the Independent Auditors, KPMG Audit LLC, to the members of Agronomics Limited

1. Our opinion is unmodified

We have audited the financial statements of Agronomics Limited ("the Company") for the year ended 30 June 2020 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of Company's affairs as at 30 June 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Isle of Man Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard as applicable to listed entities. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We identified one key audit matter in arriving at our opinion above. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon we do not provide a separate opinion on this matter. The key audit matter identified was as set out below. This key audit matter and the risk significance of this matter is unchanged from 2019.

Key audit matter	The risk	Our response
Valuation of unquoted investments (2020: £16,237,975 2019: £343,832); Refer to note 1(b) (use of estimates and judgement), 1(d) (accounting policy for financial instruments) and note 8 (Fair value of financial instruments) and the Audit, Risk and Compliance Report.	**Subjective valuation** 83.1% (2019: 20.5%) of the Company's total assets (by value) are held in investments where no quoted market price is available. Unquoted investments are measured at fair value, which is established in accordance with the International Private Equity and Venture Capital Valuation Guidelines by using measurements of value such as comparison with prices of recent orderly transactions, where available. requires the use of significant judgments and subjective assumptions. The preparation of the fair value estimate for the unquoted investments and related disclosures is a significant area of our audit given that it represents the majority of the Company's total assets and involves the use of significant judgments and subjective assumptions, which requires special audit consideration because of the likelihood and potential magnitude of misstatements to the valuation of the financial instruments. Further, the uncertainties over the current economic environment caused by the COVID-19 pandemic increases the level of judgment required in fair value estimation.	Our procedures included: • **Control design:** Documenting and assessing the design and implementation of the investment valuation processes and controls; • **Methodology choice:** In the context of observed industry best practice and the provisions of the International Private Equity and Venture Capital Valuation Guidelines, we challenged the appropriateness of the valuation basis selected; • **Comparing valuations:** Where a recent transaction has been used as a basis to value a holding, we obtained an understanding of the circumstances surrounding the transaction such as whether it was considered to be on an arms-length basis and suitable as an input into a valuation. • **Our valuations experience:** Challenging the Directors on key judgments affecting investee company valuations, such as the achievement of key milestones or potential dilution impacts of recent transactions. Our work included consideration of events which occurred subsequent to the year end up until the date of this report. • **Assessing transparency**: Consideration of the appropriateness, in accordance with relevant accounting standards, of the disclosures in respect of unquoted investments and the significant inherent uncertainty associated with valuing such investments.

2. Key audit matters: our assessment of risks of material misstatement (continued)

	The effect of these matters is that, as part of our risk assessment, we determined that the valuation of unquoted investments has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount.	

3. Our application of materiality and an overview of the scope of our audit

Materiality for the financial statements as a whole was set at £189,000 (2019:£17,000), determined with reference to a benchmark of total assets, of which it represents 1% (2019 :1%).

We agreed to report to the Board of Directors any corrected or uncorrected identified misstatements exceeding £9,450 (2019: £850), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Our audit of the Company was undertaken to the materiality level specified above and was performed at the head office of the Company's administrator in the Isle of Man.

4. We have nothing to report on going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease their operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Our responsibility is to conclude on the appropriateness of the Directors' conclusions and, had there been a material uncertainty related to going concern, to make reference to that in this audit report. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model, including where relevant the impact of the Covid pandemic, and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period. We evaluated those risks and concluded that they were not significant enough to require us to perform additional audit procedures.

Based on this work, we are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements.

We have nothing to report in these respects, and we did not identify going concern as a key audit matter.

5. We have nothing to report on the other information in the Annual Report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

6. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 14, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at: www.frc.org.uk/auditorsresponsibilities.

7. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Section 80(c) of the Isle of Man Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

KPMG Audit LLC
Chartered Accountants
Heritage Court
41 Athol Street
Douglas
Isle of Man IM1 1LA

10 December 2020

Statement of comprehensive income
for the year ended 30 June 2020

	Notes	2020 £	2019 £
Income			
Net income/(loss) from financial instruments at fair value through profit and loss	3	**656,377**	(75,995)
Other income		**-**	1,000
		656,377	(74,995)
Operating expenses			
Directors' and performance fees	2	**(30,000)**	(12,500)
Other costs	4	**(691,534)**	(213,595)
Foreign exchange gains		**616,330**	149
Profit/(loss) from operating activities	5	**551,173**	(300,941)
Interest received		**60,558**	12,022
Profit/(loss) before taxation		**611,731**	(288,919)
Taxation	1(h)	**-**	-
Profit/(loss) for the year		**611,731**	(288,919)
Other comprehensive income		**-**	-
Total comprehensive profit/(loss) for the year		**611,731**	(288,919)
Basic and diluted earnings profit/(loss) per share (pence)	11	**0.66**	(1.25)

The Directors consider that the Company's activities are continuing.

The notes on pages 22 to 34 form an integral part of these financial statements.

Statement of financial position
as at 30 June 2020

	Notes	**2020 £**	2019 £
Current assets			
Financial assets at fair value through profit or loss	*7*	**16,740,656**	1,249,955
Trade and other receivables		**18,208**	12,196
Cash and cash equivalents		**2,789,097**	417,952
Total assets		**19,547,961**	1,680,103
Equity and liabilities			
Capital and reserves			
Share capital	*6*	**331**	23
Share premium	*6*	**19,080,138**	1,890,142
Accumulated earnings/(deficit)		**336,409**	(275,322)
		19,416,878	1,614,843
Current liabilities			
Trade and other payables	*9*	**131,083**	65,260
Total equity and liabilities		**19,547,961**	1,680,103

The notes on pages 22 to 34 form an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 09 December 2020 and were signed on their behalf by:

Denham Eke
Director

Statement of changes in equity
for the year ended 30 June 2020

	Notes	Share Capital £	Share Premium £	Accumulated Earnings/(Deficit) £	Total £
Balance at 30 June 2018	6	23	1,890,142	13,597	1,903,762
Total comprehensive loss for the year		-	-	(288,919)	(288,919)
Balance at 30 June 2019	6	23	1,890,142	(275,322)	1,614,843

	Notes	**Share Capital £**	**Share Premium £**	**Accumulated (Deficit)/Earnings £**	**Total £**
Balance at 30 June 2019	6	**23**	**1,890,142**	**(275,322)**	**1,614,843**
Total comprehensive profit for the year		**-**	**-**	**611,731**	**611,731**
Capitalisation of share issue costs		**-**	**(498,413)**	**-**	**(498,413)**
Shares issued during the year	6	**308**	**17,688,409**	**-**	**17,688,717**
Balance at 30 June 2020	6	**331**	**19,080,138**	**336,409**	**19,416,878**

The notes on pages 22 to 34 form an integral part of these financial statements.

Agronomics Limited

Statement of cash flows
for the year ended 30 June 2020

	Notes	**2020** **£**	2019 £
Cash flows from operating activities			
Profit/(loss) for the year		**611,731**	(288,919)
Adjusted for:			
Foreign exchange loss		**-**	(149)
Interest received		**(1)**	(12,022)
Non-cash interest income		**(60,557)**	-
Realised and unrealised (gain)/loss on investments	*8*	**(656,377)**	75,995
Unrealised FX gain on investments	*8*	**(620,989)**	-
Operating loss before changes in working capital		**(726,193)**	(225,095)
Change in receivables		**(6,012)**	2,285
Change in payables	*9*	**65,822**	41,501
Net cash outflow from operating activities		**(666,383)**	(181,309)
Cash flows from investing activities			
Purchase of investments	*8*	**(14,152,777)**	(197,707)
Proceeds from sale of investments	*8*	**-**	2,920
Loan repayment received		**-**	226,584
Interest received		**1**	12,022
Net cash (outflow)/inflow from investing activities		**(14,152,776)**	43,819
Cash flows from financing activities			
Proceeds from issue of shares		**17,447,558**	-
Share issue commissions paid		**(257,254)**	-
Net cash inflow from investing activities		**17,190,304**	-
Increase/(decrease) in cash and cash equivalents		**2,371,145**	(137,490)
Cash and cash equivalents at beginning of year		**417,952**	555,293
Effect of exchange rate differences		**-**	149
Cash and cash equivalents at the end of year		**2,789,097**	417,952

The notes on pages 22 to 34 form an integral part of these financial statements.

Notes
(forming an integral part of the financial statements for the year ended 30 June 2020)

1 Accounting policies

Agronomics Limited is a Company domiciled in the Isle of Man. The Company's strategy is to create value for Shareholders through investing in companies that operate in the nascent industry of modern foods, which are environmentally friendly alternatives to the traditional production of meat and plant-based sources.

The principal accounting policies are set out below.

a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and its interpretations as adopted by the European Union.

There has been no material impact on the financial statements of new standards/interpretations that have come into effect during the current year.

b) Basis of preparation

The financial statements are prepared under the historical cost convention except where assets and liabilities are required to be stated at their fair value.

Use of estimates and judgment

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by the Directors in the application of IFRS, as adopted by the EU, that have a significant impact on the financial statements and estimates with a significant risk of material adjustment in the next financial year relate to valuation of financial assets at fair value through profit or loss. The determination of fair values for financial assets for which there is no observable market price requires judgment as to the selection of valuation techniques as described in accounting policy 1(d). For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement and estimation depending on liquidity, concentration, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument. The portfolio companies are all in the start-up/development stage and in the biotechnology and biopharmaceutical sector. By their nature, such companies are difficult to value, as they have little or no track record regarding sales and margins and may be subject to continued funding being available in order to continue in operation. The eventual outcome may differ materially from the value estimate. See also note 8 in respect of the valuation of financial instruments.

Going concern

The financial statements have been prepared on a going concern basis, taking into consideration the level of cash and liquid investments held by the Company. The Directors have a reasonable expectation that the Company will have adequate resources for its continuing existence and projected activities for the foreseeable future, and for these reasons, continue to adopt the going concern basis in preparing the financial statements for the year ended 30 June 2020.

Functional and presentation currency

These financial statements are presented in Pound Sterling (£) which is the Company's functional currency and rounded to the nearest pound.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

1 Accounting policies (continued)

c) Net income from financial instruments at fair value through profit and loss

Any realised and unrealised gains and losses on investments are presented within 'Investment (loss)/gain'.

Interest income earned during the period, is accrued on a time apportionment basis, by reference to the principal outstanding and the effective rate applicable.

Dividend income is recognised when a security held goes ex-dividend. Dividends are shown as net cash received, after the deduction of withholding taxes.

d) Financial instruments

Recognition and initial measurement
The Company recognises financial assets and financial liabilities at fair value through profit and loss ("FVTPL") on the trade date, which is the date on which the Company becomes party to the contractual provisions of the instrument. A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

Classification
On initial recognition, the Company classifies financial assets as measured at amortised cost or FVTPL.
A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:
- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payment of principal and interest ("SPPI").

All other financial assets of the Company are measured at FVTPL.

Business model assessment
In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information about how the business is managed, including:
- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment manager is compensated: e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the company's continuing recognition of the assets.
The Company has determined that it has two business models.

Held-to-collect business model: this includes cash and cash equivalents. These financial assets are held to collect contractual cash flow.

Other business model: this includes debt securities, equity investments both quoted and unquoted. These financial assets are managed and their performance is evaluated, on a fair value basis.

Fair value measurement principles
The fair value of investment holdings of listed investments is based on their quoted market prices at the reporting date on a recognised exchange or in the case of non-exchange traded instruments, sourced from a reputable counterparty, without any deduction for estimated future selling costs. Financial assets are priced at their closing bid prices, while financial liabilities are priced at their closing offer prices.

Company assets may, at any time include securities and other financial instruments or obligations that are thinly traded or for which no market exists and/or which are restricted as to their transferability under securities laws.

1 Accounting policies (continued)

d) Financial instruments (continued)

If a quoted market price is not available on a recognised stock exchange, or a market is not sufficiently active for the market price to be considered reliable, or if a price is not available from a reputable counterparty, fair value of the financial instruments may be estimated by the Directors using valuation techniques, including use of recent arm's length market transactions, reference to the current fair value of another instrument that is substantially the same, discounted cash flow techniques, option pricing models or any other valuation technique that provides a reliable estimate of prices obtained in actual market transactions.

The Company recognizes transfers between levels of the fair value hierarchy as at the end of the reporting period during which the change occurred.

Reclassifications
Financial assets are not reclassified subsequent to their initial recognition unless the Company were to change its business model for managing financial assets, in which case all affected financial assets would be reclassified on the first day of the first reporting period following the change in the business model.

Impairment
Policy applicable from 1 January 2018
The Company recognises loss allowances for Expected Credit Losses ("ECLs") on financial assets measured at amortised cost.
The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- financial assets that are determined to have low credit risk at the reporting date; and
- other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

Derecognition
The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset that is derecognised) and the consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss. Any interest in such transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Cash and cash equivalents
Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in fair value.

Trade and other receivables
Trade and other receivables originated by the Company are initially recognised at fair value and subsequently stated at amortised cost less impairment losses.

Trade and other payables
Trade and other payables are initially recognised at fair value less directly attributable transaction costs. Subsequently they are measured at amortised cost using the effective interest method.

e) Share capital and share premium

Ordinary shares are classified as equity. The ordinary shares of the Company have a par value of £0.000001 each. Excess proceeds received for the issue of shares has been credited to share premium. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

1 Accounting policies (continued)

f) Foreign currencies

Transactions in foreign currencies are translated into the functional currency at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into functional currency at the rate of exchange ruling at the reporting date. All differences are taken to the income statement.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

g) New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year, and have not been applied in preparing these historical financial statements:

New/revised International Accounting Standards / International Financial Reporting Standards ("IAS/IFRS")	EU Effective date (accounting periods commencing on or after)
Amendment to IFRS 16 Leases	Not yet endorsed
Amendments to References to the Conceptual Framework in IFRS Standards	Endorsed (29 November 2019). EU effective date 1 January 2020.
Amendment to IFRS 3 Business Combinations	Endorsed (21 April 2020). EU effective date 1 January 2020.
Amendments to IAS 1 and IAS 8	Endorsed (29 November 2019). EU effective date 1 January 2020.
Amendments to IFRS 7, IFRS 9 and IAS 39	Endorsed (15 January 2020). EU effective date 1 January 2020.
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	Not yet endorsed.

The Directors do not expect the adoption of the standards and interpretations to have a material impact on the financial statements in the period of initial application.

There has been no material impact on the Company's financial statements of new standards or interpretations that have come into effect during the current reporting period.

h) Taxation

The Company is subject to income tax at a rate of 0% in the Isle of Man, and accordingly, no tax has been provided for in these financial statements.

The Company may be subject to withholding taxes in relation to income from investments, or investment realisation proceeds or gains, and such amounts will be accounted for as incurred.

i) Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being investing in companies that operate in the nascent industry of modern foods, which are environmentally friendly alternatives to the traditional production of meat and plant-based sources. Information presented to the Board of Directors for the purpose of decision making is based on this single segment.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

2 Directors' and performance fees

The fees of Directors who served during the year ended 30 June 2020 were as follows:

	2020	2019
	£	£
Anderson Whamond	**10,000**	10,000
Richard Reed	**10,000**	1,250
David Giampaolo	**10,000**	1,250
	30,000	12,500

On 6 May 2011, Shellbay Investments Limited entered into a Letter of Appointment with the Company to provide the services of Jim Mellon as Non-Executive Chairman of the Company. The Letter of Appointment was for an initial period of twelve months, from 16 May 2011 and was renewed on 1 June 2012, and may be terminated on not less than one month's notice given by either party at any time. The Letter of Appointment contains provisions for early termination, *inter alia*, in the event of a breach by Jim Mellon. Remuneration under the Letter of Appointment shall be payable to Shellbay Investments Limited and shall be satisfied by the issue of such number of Ordinary Shares equivalent to 15.0 per cent. of any increase in the Net Asset Value per share of the Company over each quarterly period, subject to an initial high watermark of 10 pence per share. This fee is recorded as a performance fee since it is based on the performance of the Company. There are no provisions providing for any benefit to Shellbay Investments Limited or Jim Mellon on the termination of the engagement. Total fees payable to Shellbay Investments Limited for the year under this arrangement were £Nil (2019: £Nil) with no balance remaining outstanding at the year-end (2019: £Nil).

Denham Eke was appointed as a Director on 30 May 2012 and currently receives no remuneration for providing his services.

3 Net gain/(loss) from financial instruments at fair value through profit and loss

Derived from financial assets held mandatorily at fair value through profit or loss at initial recognition:

	2020	2019
	£	£
Net realised losses on sale of investments	**-**	(12,556)
	-	(12,556)
Net unrealised gain on investments	**1,097,511**	360,152
Net unrealised (loss) on investments	**(441,134)**	(423,591)
	656,377	(63,439)

4 Other costs

	2020	2019
	£	£
Auditors' fees	**56,307**	19,425
Bank charges	**930**	176
Insurance	**7,134**	6,500
Professional fees	**552,306**	173,989
Sundry expenses	**74,857**	13,505
	691,534	213,595

The Company has no employees.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

5 Profit/(loss) from operating activities

Profit/(loss) from operating activities is stated after charging:

	2020	2019
	£	£
Auditors' fees	**56,307**	19,425
Directors' fees	**30,000**	12,500

6 Share capital and share premium

Each share in the Company confers upon the shareholder:

- the right to one vote at a meeting of the shareholders or on any resolution of shareholders;
- the right to an equal share in any dividend paid by the Company, and
- the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

The Company may by resolution of Directors redeem, purchase or otherwise acquire all or any of the shares in the Company subject to regulations set out in the Company's Articles of Association.

	2020	2019
	£	£
Authorised		
2,000,000,000 Ordinary shares of £0.000001	**2,000**	2,000

	No. of Shares	**Share Capital**	**Share Premium**
Issued			
Balance at 30 June 2019	23,195,558	23	1,890,142
Issued during the year	**308,421,103**	**308**	**17,688,409**
Share issue costs capitalised	**-**	**-**	**(498,413)**
Balance at 30 June 2020	**331,616,661**	**331**	**19,080,138**

Capital management

The Company manages its capital to maximise the return to shareholders through the optimisation of equity. The capital structure of the Company as at 30 June 2020 consists of equity attributable to equity holders of the Company, comprising issued capital, share premium and retained deficit as disclosed.

The Company manages its capital structure and makes adjustments to it in light of economic conditions and the strategy approved by shareholders. To maintain or adjust the capital structure, the Company may make dividend payments to shareholders, return capital to shareholders or issue new shares and release the share premium account. No changes were made in the objectives, policies or processes during the year under review.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

7 Financial assets at fair value through profit or loss

	2020	2019
	£	£
Quoted	**502,681**	906,123
Unquoted	**16,237,975**	343,832
	16,740,656	1,249,955

	2020	2019
	£	£
Equities	**13,779,460**	1,249,955
Convertible loan notes and SAFEs*	**2,961,196**	-
	16,740,656	1,249,955

* A SAFE is a Simple Agreement for Future Equity. SAFE Agreements have similar characteristics to Convertible Loans and are designed to provide an early investor with an "edge" ahead of a larger planned funding. The edge is typically conversion of funds advanced for new equity at a discount to the subsequent raise.

These financial instruments were mandatorily held as at fair value through profit or loss on initial recognition. See note 8 regarding the valuation of investments.

8 Financial instruments

Financial Risk Management

The Company has risk management policies that systematically view the risks that could prevent it from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Company's objectives are achieved. The Company's risk management takes place in the context of day-to-day operations and normal business processes such as strategic and business planning. The Directors have identified each risk and are responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Company's established business objectives.

The Company's principal financial instruments consist of investments, cash, receivables and payables arising from its operations and activities. The main risks arising from the Company's financial instruments and the policies for managing each of these risks are summarised below.

Credit Risk
Credit risk is the risk of loss associated with the counterparty's inability to fulfil its obligations. The Company's credit risk is primarily attributable to receivables and cash balances, with the maximum exposure being the reported balance in the statement of financial position. The Company has a nominal level of debtors and as such the Company believes that the credit risk to these is minimal. The Company holds available cash with licensed banks and financial institutions. The Company considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk. The funds are available on demand.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount 2020	Carrying amount 2019
	£	£
Cash and cash equivalents	**2,789,097**	417,952
Loan receivable	**-**	-
Trade and other receivables	**-**	12,196
	2,789,097	430,148

All of the balances are held in A+ credit rated financial institutions.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

8 Financial instruments (continued)

Financial Risk Management (continued)

Market price risk
Market price risk is the risk that the market price will fluctuate due to macro-economic issues such as changes in market factors specific to that security, market interest rates and foreign exchange rates.

The Company is exposed to significant market price risks as financial instruments recognised are linked to market price volatility.

A 10% increase/decrease in market value of investments would increase/decrease equity and profit by £1,674,066 (2019: £125,000).

Liquidity risk
The Company is exposed to liquidity risk to the extent that it holds investments that it may not be able to sell quickly at close to fair value.

The risk is managed by the Company by means of cash flow planning to ensure that future cash requirements are anticipated and, where financial instruments have to be sold to meet these requirements, the process is carried out in a controlled manner intended to minimise the liquidity risk involved.

The residual undiscounted contractual maturities of financial liabilities are as follows:

30 June 2020

	Less than 1 month £	1-3 months £	3 months to 1 year £	1-5 years £	Over 5 years £	No stated maturity £
Financial liabilities						
Trade and other payables	**131,081**	**-**	**-**	**-**	**-**	**-**
	131,081	**-**	**-**	**-**	**-**	**-**

30 June 2019

	Less than 1 month £	1-3 months £	3 months to 1 year £	1-5 years £	Over 5 years £	No stated maturity £
Financial liabilities						
Trade and other payables	65,260	-	-	-	-	-
	65,260	-	-	-	-	-

Interest rate risk
A significant share of the Company's assets is comprised of cash held at banks. As a result, the Company is subject to risk due to fluctuations in the prevailing level of market interest rates. However, income earned from bank interest is not considered material to the Company's performance or financial position.

The Company holds investments in convertible loan notes ("CLN"), which attract interest income. The rates of interest are fixed for each CLN investment held, which results in a reduced interest rate risk.

Fair values of financial assets and liabilities
At 30 June 2020, the carrying amounts of cash resources, trade and other receivables, and trade and other payables approximate fair value due to their short-term maturities.

Foreign currency risk
The Company is exposed to foreign currency risk on fluctuations related to financial assets and liabilities that are denominated in a number of currencies.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

8 Financial instruments (continued)
Financial Risk Management (continued)

Foreign currency risk (continued)

GBP equivalents as at 30 June 2020

	Financial assets at fair value through profit and loss	**Cash at bank**	**Total by currency**
	£	**£**	**£**
HKD	**118,511**	**-**	**118,511**
USD	**12,092,482**	**4,149**	**12,096,631**
CAD	**307**	**-**	**307**
NZD	**249,663**	**-**	**249,663**
EUR	**4,265,015**	**36,315**	**4,301,330**
	16,725,978	**40,464**	**16,766,442**

GBP equivalents as at 30 June 2019

	Financial assets at fair value through profit and loss	Cash at bank	Total by currency
	£	£	£
HKD	299,618	-	299,618
USD	912,176	4,498	916,674
CAD	9,628	-	9,628
	1,221,422	4,498	1,225,920

The following significant exchange rates applied during the year:

	Average rate for active year 2020	**Average rate for active year 2019**
HKD	**9.82545**	10.1465
USD	**1.26051**	1.294
CAD	**1.69122**	1.712
NZD	**1.98190**	-
EUR	**1.13972**	-

	Year-end rate 2020	**Year-end rate 2019**
HKD	9.55293	9.913
USD	1.23261	1.269
CAD	1.68144	1.661
NZD	2.00270	-
EUR	1.11494	-

Sensitivity analysis

A 5% percent strengthening of Sterling against the relevant currencies above at 30 June 2020 and 30 June 2019 would have decreased equity and profit for the year by the amounts shown below. The analysis assumes that all other variables, in particular interest rates, remain constant.

8 Financial instruments (continued)
Financial Risk Management (continued)

Sensitivity analysis (continued)

2020	**Equity and Profit or loss**
HKD	**(£5,643)**
USD	**(£562,519)**
CAD	**(£15)**
NZD	**(£11,889)**
EUR	**(£363,724)**

2019	**Equity and Profit or loss**
HKD	(£14,268)
USD	(£48,622)
CAD	(£458)

A 5% percent weakening of Sterling against the relevant currencies above at 30 June 2020 and 30 June 2019 would have the equal but opposite effect on the basis that all other variables, in particular interest rates, remain constant.

Fair value of financial instruments

The fair values of financial assets and financial liabilities that are traded in an active market are based on quoted market prices. For all other financial instruments, the Company determines fair values using other valuation techniques in compliance with IFRS9: Financial Instruments, IFRS13: Fair Value Measurement, and based on the International Private Equity and Venture Capital Valuation Guidelines (“IPEV”).

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments;

- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using; quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data;

- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument’s valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Various valuation techniques may be applied in determining the fair value of investments held as Level 3 in the fair value hierarchy. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

8 Financial instruments (continued)
Financial Risk Management (continued)
Fair value of financial instruments (continued)

Fair value hierarchy measurement at 30 June 2020

Investments in securities at fair value:

	Total	Quoted prices In active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable Inputs (Level 3)
Investments				
Quoted	**502,681**	**502,681**	-	-
Unquoted	**16,237,975**	-	-	**16,237,975**
	16,740,656	**502,681**	-	**16,237,975**

Reconciliation of Level 3 investments:

Opening balance at 1 July 2019	**343,832**
Purchases	**14,152,777**
Transfer from Level 1 to Level 3	**4,011**
Unrealised fair value gain	**1,055,808**
Unrealised FX gain	**620,989**
Accrued interest on loan note investments	**60,558**
Closing balance at 30 June 2020	**16,237,975**

Fair value hierarchy measurement at 30 June 2019

Investments in securities at fair value:

	Total	Quoted prices In active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable Inputs (Level 3)
Investments				
Quoted	906,123	906,123	-	-
Unquoted	343,832	-	-	343,832
	1,249,955	906,123	-	343,832

Reconciliation of Level 3 investments:

Opening balance at 1 July 2018	554,318
Purchases	197,707
Disposals	(15,477)
Transfer to Level 1*	(241,086)
Unrealised loss	(151,630)
Closing balance at 30 June 2019	**343,832**

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

8 Financial instruments (continued)
Fair value of financial instruments (continued)

Valuation technique
In the absence of observable prices or suitable unobservable model inputs being available and, given level 3 portfolio companies are in the start-up/development stage and in the biotechnology/ biopharmaceutical sector, the Board believes that a recent share transaction cost represents the best available estimate of fair value. The price of a recent investment valuation technique, calibrated using both financial and technological milestones, is commonly used in a seed, start-up or early-stage situations. Where applicable, the Company's Level 3 investments are valued at the price of each funding round of the respective companies entered into with their shareholders, adjusted where necessary should the Directors deem any adjustment is needed in order to determine the fair value. The fair value of the relevant investee may also be adjusted based on its performance against predetermined milestones. The Directors deem all investments to be held fair value. The price of a recent transaction is deemed most appropriate for the Company's unquoted investments. Although the Board believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. The Board continues to monitor the performance of the investee entities and the underlying information available in order to assess whether the valuation technique adopted and the fair value hierarchy remain appropriate.

No reasonably possible alternative assumptions
IFRS 13 requires disclosure, by class of financial instrument, if the effect of changing one or more inputs to reasonably possible alternative assumptions would result in a significant change to the fair value measurement. However, where fair value is determined with reference to the price of a recent transaction in the equity shares of the unquoted company, such a sensitivity analysis is not relevant. As such the Directors consider there are no reasonably possible alternative assumptions in respect of the level 3 investments held at year end.

The valuation approach adopted for the years ended 30 June 2020 and 30 June 2019 is consistent.

9 Trade and other payables

	2020	2019
	£	£
Provision for audit fee	**47,700**	18,717
Other provisions	**30,000**	7,500
Trade creditors	**53,383**	39,043
	131,083	65,260

10 Related party transactions

Under an agreement dated 1 December 2011, Burnbrae Limited, a Company for which Jim Mellon is the ultimate beneficial owner and Denham Eke is a Director, provide certain services, principally accounting and administration, to the Company. This agreement may be terminated by either party on three months' notice. The charge for services provided in the year in accordance with the contract was £36,000 (2019: £36,000) of which £3,047 was outstanding as at the year-end (2019: £3,564).

Under an agreement dated 6 May 2011, Shellbay Investments Limited, a Company related to both Jim Mellon and Denham Eke, provide the services of Jim Mellon as Non-Executive Chairman of the Company (see note 2). The charge for services provided in the year was £Nil (2019: £Nil) of which £Nil was outstanding at the year-end (2019: £Nil).

In accordance with the published investing policy, Jim Mellon holds personal interests both directly and indirectly in the following investee companies: AgeX Therapeutics Inc, Regent Pacific Group Ltd, Portage Biotech Inc, SalvaRX Group PLC, Cytox Limited, Diabetic Boot Company Limited, Insilico Medicine In, Simply Foods Inc, Shiok Meats Pte. Ltd and Bond Pets LLC.

On 1 July 2020, the Company entered into a bridging-loan facility with Galloway Limited, a related party wholly owned by Jim Mellon. See note 12 for further details.

Notes (continued)
(forming an integral part of the financial statements for the year ended 30 June 2020)

10 Related party transactions (continued)

Edgewater Associates Limited ("Edgewater")
During the year, Directors and Officers insurance was obtained through Edgewater, which is a 100% subsidiary of Manx Financial Group ("MFG"). James Mellon and Denham Eke are Directors of MFG and Denham Eke a Director of Edgewater.

The premium payable on the policy was £7,134, of which £nil was outstanding as at the year end.

11 Basic and diluted earnings per share

The calculation of basic earnings per share of the Company is based on the profit for the year of £611,731 (2019: loss of £288,919) and the weighted average number of shares of 92,152,415 (2019: 23,195,558) in issue during the year.

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares such as warrants and options. There are no dilutive potential ordinary shares in issue at yearend, therefore there is no dilutive effect as at 30 June 2020.

12 Subsequent events

Since the start of January 2020, the outbreak of coronavirus, which is a rapidly evolving situation, has adversely impacted global commercial activities. The rapid development and fluidity of this situation precludes any prediction as its ultimate impact, which may have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown. The Board has been discussing the impact with its investees, which have confirmed that there has been no significant impact on their business operations. The Directors do not believe there is any financial impact to the Financial Statements as at 30 June 2020 as a result of this subsequent event. The Board is monitoring developments relating to coronavirus and is coordinating its operational response based on existing business continuity plans and on guidance from global health organisations, relevant governments, and general pandemic response best practices.

On 1 July 2020, the Company entered into a bridging-loan facility ("Galloway Loan") with Galloway Limited, a related party wholly owned by Jim Mellon. The facility allows the Company to draw-down up to £1.9m, at a nil interest rate. During September 2020, the Company fully utilised this facility in order to acquire investments.

On 26 October 2020, the Company completed an equity fundraise of £10m, issuing and allotting 166,666,667 new ordinary shares. As part of the subscription, the Galloway Loan was settled in full by issuing new ordinary shares to Galloway Limited.

13 Commitments and contingent liabilities

There are no known commitments or contingent liabilities as at the year-end.