

RNS Number : 7830S
RiverFort Global Opportunities PLC
18 June 2024

For immediate release
2024

18 June

RiverFort Global Opportunities plc ("Riverfort" or the "Company")

Financial Statements

for the year ended 31 December 2023

RiverFort Global Opportunities plc, the investment company listed on AIM, is pleased to announce its audited final results for the year ended 31 December 2023 (extracts from which are set out below) and that the financial statements will shortly be posted to shareholders and made available on the website www.riverfortglobalopportunities.com

For more information please contact:

RiverFort Global Opportunities plc		+44 20 3368 8978
Philip Haydn-Slater, Non-executive Chairman		
Nicholas Lee, Investment Director		
Nominated Adviser		+44 20 7628 3396
Beaumont Cornish		
Roland Cornish/Felicity Geidt		
Joint Broker		+44 20 7186 9950
Shard Capital Partners LLP		
Damon Heath/ Erik Woolgar		
Joint Broker		+44 20 7562 3351
Peterhouse Capital Limited		
Duncan Vasey/Lucy Williams		

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018.

Beaumont Cornish Limited ("Beaumont Cornish") is the Company's Nominated Adviser and is authorised and regulated by the FCA. Beaumont Cornish's responsibilities as the Company's Nominated Adviser, including a responsibility to advise and guide the Company on its responsibilities under the AIM Rules for Companies and AIM Rules for Nominated Advisers, are owed solely to the London Stock Exchange. Beaumont Cornish is not acting for

and will not be responsible to any other persons for providing protections afforded to customers of Beaumont Cornish nor for advising them in relation to the proposed arrangements described in this announcement or any matter referred to in it.

CHAIRMAN'S STATEMENT

HIGHLIGHTS

- Successful redemption of the Company's debt and equity linked portfolio for cash
- Cash balance of circa £1.1 million at the period end, rising to a current balance of circa £2.6 million through the partial redemption of its debt and equity linked portfolio for £2.15 million
- Net asset value of 0.68 pence per share at the period end compared to a pre suspension price of 0.22 pence per share
- Profitable partial realisation of the Company's investment in Smarttech247 Group plc ("Smarttech247")
- Currently pursuing an opportunity to become a listed operating company in the wellness sector and generate additional value for stakeholders

INTRODUCTION

We are pleased to report our results for the year to 31 December 2023 for the Company.

REVIEW OF THE YEAR

During H1 2023, the Company made a limited number of investments and focused on accumulating and preserving cash given the difficult prevailing economic background. At the start of H2 2023, demand for the Company's capital increased with an improvement in investment terms and a number of investments were therefore made, principally into companies in which the Company had previously successfully invested.

However, as the year progressed, the share price of certain of its investments such as Smarttech247 and Mindflair plc ("Mindflair") decreased, notwithstanding the positive underlying performance of these companies. This was primarily due to a weakness in the market for technology companies.

In December 2023, the Company announced that it had been informed by one of its investments, Emergent Entertainment Ltd ("Emergent"), that this company

was engaging with insolvency advisers and, in January 2024, this company entered voluntary liquidation.

At the same time, certain investments within the Company's debt and equity linked portfolio started to struggle which became more apparent post year end. Valoe OYJ, a Finnish company specialising in photovoltaic technology, entered into restructuring proceedings in Finland on 22 January 2024. Gaussin SA, a technology company that designs and assembles zero emission smart vehicles, had also just announced that it expected to report a significant shortfall in sales for 2023 putting further pressure on its share price and liquidity.

The events referred to above, combined with the results of the full year end impairment review of the portfolio, resulted in a significant reduction in the value of the investment portfolio.

Against this background, the Board has been conscious that small investment companies listed on AIM have become increasingly less attractive to investors and that the Company's share price has continued to trade at a significant discount to its underlying net asset value. The Board had therefore already embarked on a review of various options for the Company to provide better value and returns for its shareholders.

The conclusion reached in early 2024, was to first generate cash by initially redeeming part of its outstanding debt and equity linked portfolio. Historically, the Company made the majority of its investments by way of participation certificates in RiverFort Global Opportunities PCC Limited ("RGO PCC"), a Gibraltar based fund and so cash from this portfolio was realised by effectively redeeming these participation certificates.

An opportunity was then identified where, subject to shareholder approval, RGO would become a focused operating business by acquiring the trading assets of S-Ventures plc ("SVEN"), a company listed on the AQSE Growth Market and active in the wellness sector, for circa £3.5 million in new shares in RGO. For the 15 months to 31 December 2023, SVEN expects the group to generate gross revenue from continuing operations of around £21.6 million and EBITDA of £1 million. The company is led by Scott Livingston who has a successful track record of managing and developing brands in the wellness sector.

The Board believes that the proposed acquisition represents an exciting opportunity and would enable RGO to become an operating business with attractive potential for growth and the creation of shareholder value. RGO would bring additional funding to SVEN's operations and provide them with an AIM listing and better access to capital. Going forward, the enlarged group would continue to improve its existing businesses, taking advantage of economies of scale and consolidation of

infrastructure to support their growth. At the same time, the Board believes that there are a number of interesting acquisition opportunities available which would benefit from the team's expertise and existing infrastructure and enable the enlarged group to further scale its operations.

The redemption of the debt and equity linked portfolio attracted a further reduction in the year end portfolio valuation by circa £1 million due to a lack of liquidity of this portfolio and its inherent risk which has subsequently been borne out by certain post period end events in connection with investments in this portfolio. A cash consideration of £2.15 million was received for the redemption of this portfolio in March 2024 and whilst certain of these transactions took place post period end, the overall financial impact has been included in the financial position of the Company as at the year end in order to provide a clear starting position for the Company as it moves forward into 2024. Furthermore, the advisory contract with RiverFort Global Capital Limited has been terminated as there is now no need for this arrangement and it will save significant costs.

Currently, the Company comprises cash plus a small number of investments, principally in listed companies such as Smarttech247 and Mindflair and a loan to S-Ventures and therefore is very well positioned to embark on a new strategy. Furthermore, post year end the Company disposed of part of its stake in Smarttech247, to provide it with additional cash funds going forward.

OUTLOOK AND STRATEGY

2023 has clearly been a difficult year in terms of investment performance given the events that have taken place within its investment portfolio, however, the Company is now very well positioned, with a significant cash balance and listed assets, to embark on a new direction which we firmly believe will be beneficial for all stakeholders. We are currently actively progressing the acquisition of the trading assets of S-Ventures and will provide further updates for shareholders in due course.

Philip Haydn-Slater
Non-Executive Chairman

17 June 2024

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Introduction

The Company is an investing company listed on the AIM market of the London Stock Exchange. It is focused on investing in junior listed companies by way of debt or equity-linked debt investments. Returns are principally generated through a combination of fees, interest and other equity linked or performance-based instruments. This investing strategy enables the Company to reduce the risk and volatility normally associated with investing in junior companies solely by way of equity, and to generate cash income and returns. It also seeks to invest in exciting pre-IPO opportunities that are attractively valued and where there is a clear path to a liquidity event. Since the year end, the debt and equity linked portfolio has been redeemed and the Company is focused on becoming an operating company in the wellness sector through the potential acquisition of S-Ventures plc.

For the year to 31 December 2023, the Company made a loss from continuing operations of £5,342,542 (2022: loss £866,430). The net asset value of the Company as at 31 December 2023 was £5,245,196 (2022: £10,587,738), representing a decrease compared to the previous year as explained in the Chairman's Statement.

The Company's investment portfolio at 31 December 2023 is divided into the following categories:

Category	Cost or valuation (£000)	
	2023	2022
Debt and equity-linked debt investments	2,150	3,612
Equity and other investments	2,005	3,427
Pre IPO investments	200	1,067
Cash resources	1,062	958
Total	5,417	9,064

Debt and equity linked portfolio

During the year, the Company continued to invest in and realise cash from this portfolio. As referred to in the Chairman's Statement, this portfolio has struggled during 2023 with a number of impairments required at the period end.

In early 2024 it was decided to look at the possibility of revising the Company's strategy to become an operating company and therefore this portfolio was redeemed to realise cash. Given the subsequent redemption of this portfolio in 2024, its value at the period end was reduced to the subsequent redemption value.

The Company now comprises cash plus a small number of investments, principally in listed companies such as Smarttech247 and Mindflair and therefore is very well positioned to embark on a new strategy.

Also, post period end, a new investment was made in SVEN in the form of a £1 million loan repayable in 12 months with a 20% coupon.

Equity and other portfolio

At the year end, the Company's equity portfolio comprised the following:

Company	Description	Value of investment 2024 £000	Value of investment 2023 £000
Smarttech247 Group plc	A cyber security company listed on AIM	1,605	2,293
MindFlair plc	An investment company listed on AIM	344	937
Other	Various small holdings and warrants in listed companies	56	197
Total		2,005	3,427

At the end of 2022, shares in Smarttech247 Group plc ("Smarttech247") were admitted to trading on the London Stock Exchange's AIM market raising gross proceeds of £3.7 million through a placing at a price of 29.66 pence per new ordinary share. Smarttech247's share price reduced during the year to 21 pence per share as at the period end, however, this still represented an uplift compared to the level at which the investment was initially made into this company. Recent full year and interim results of Smarttech247 have demonstrated positive growth by this company with a number of new contracts with leading companies being won.

Since the year end, around half of the Company's shareholding in Smarttech247 has been profitably sold due to demand from new investors.

During the period, Pires Investments plc changed its name to Mindflair plc ("Mindflair"). This company continues to invest in AI focused technology investments through three separate venture capital funds managed by Sure Valley Ventures which are cornerstoned by Enterprise Ireland and the British Business Bank. Furthermore, this company also had a significant investment in Emergent that filed for liquidation during 2024. This, combined with the fact that the technology sector has generally struggled during the year, has resulted in a disappointing share price performance for Mindflair. However, this company has some exciting investments in its portfolio and certain realisations are expected in the short to medium term.

Pre IPO investments

The Company's principal investment in this category was Emergent. Emergent was focused on becoming a next-generation entertainment company, bringing audiences and storytellers together by harnessing emerging technologies. Whilst in the earlier part of 2023, the management team had been working on reducing the company's cost base and had revised its 2023 revenue forecasts upwards, as the year progressed trading deteriorated. Then in

December 2023, the Company announced that Emergent was engaging with insolvency advisers and expected shortly to be placed into liquidation which then took place on 10 January 2024 with a resolution to voluntarily wind up the company. This investment has therefore been provided for in full.

Cash resources

At the year end the Company had cash resources of £1.1 million. Since then, a combination of the redemption of the debt and equity linked portfolio, settlement of fees with the Company's investment advisor, the sale of around half of its shareholding in Smarttech247 and the making of a £1 million loan to S-Ventures has increased this balance to a current value of around £2.6 million.

Income breakdown	2023	2022
	£000	£000
Investment income	391	1,167
Net loss from financial instruments at FVTPL	(4,673)	(1,450)
Net foreign exchange (losses)/gains on other financial instruments	(45)	90
Total loss	(4,327)	(193)
Administration costs	(366)	(319)
Investment advisory fees	(624)	(413)
Other gains and losses	(26)	59
Operating loss	(5,343)	(866)

Investment income derived principally from the fees and interest income in relation to our debt and equity linked debt investments. The net loss from financial instruments at FVTPL represents the impact of impairing and redeeming the investment portfolio.

A significant operating loss was recognised during the year as a result of the impairment of certain assets as described earlier, the write off of the Company's investment in Emergent and the redemption of the debt and equity linked portfolio.

KEY PERFORMANCE INDICATORS

The key performance indicators are set out below:

COMPANY STATISTICS	31 December 2023	31 December 2022	Change %
Net asset value	£5,245,000	£10,588,000	-50%
Net asset value - fully diluted per share	0.68p	1.35p	-50%
Closing share price	0.39p	0.75p	-48%
Net asset value premium to the share price	74%	82%	-11%

KEY RISKS AND UNCERTAINTIES

Investments in junior companies can carry a high level of risk and uncertainty, although the returns can be attractive. At this stage there can be no certainty of outcome and the Company may have difficulty in realising the full value from its investments in a forced sale. Furthermore, the Company limits the amount of each commitment, both as to the absolute amount and percentage of the target company.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the Company's financial risk management objectives and policies are set out in Note 21 to these financial statements.

PROMOTION OF THE COMPANY FOR THE BENEFIT OF THE MEMBERS AS A WHOLE

S172 of the Companies Act 2006 requires the Board to promote the Company for the benefit of the members as a whole. In particular, the requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term
- Act fairly between the members of the Company
- Maintain a reputation for high standards of business conduct
- Consider the interests of the Company's employees
- Foster the Company's relationships with suppliers, customers and others and
- Consider the impact of the Company's operations on the community and the environment.

The Directors are collectively responsible for formulating the Company's investment strategy, and during 2023 they have continued to focus on implementing the investment strategy previously approved by shareholders in 2018.

In addition, the application of s172 requirements can be demonstrated in relation to some of the key decisions made during 2023:

- Commitment to developing and applying high standards of corporate governance
- The making of further investments to generate returns for the Company and its shareholders.
- The potential revision of the Company's strategy in order to create more value for its shareholders.

The Board places equal importance on all shareholders and strives for transparent and effective external communications, within the regulatory confines of a listed company. The primary communication tool for regulatory matters and matters of material substance is through the Regulatory News Service ("RNS"). We also provide an environment where shareholders can interact with the Board and management, ask questions and raise any concerns they may have. The Directors believe they have acted in a way they consider most likely to promote the success of the Company for the benefit of its members as a whole, as required by Section 172 (1) of the Companies Act 2006.

GOING CONCERN

The Company's assets now comprise mainly cash and quoted securities. As at the year end, the Company held a significant balance of cash. Furthermore, the Company has prepared cash forecasts to June 2025 that show that the Company has sufficient cash resources for the foreseeable future. Accordingly, the Directors believe that as at the date of this report it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

ON BEHALF OF THE BOARD

Nicholas Lee
Investment Director
17 June 2024

DIRECTORS' REPORT

The Directors present their annual report on the affairs of the Company, together with the audited financial statements for the year ended 31 December 2023.

PRINCIPAL ACTIVITIES

The Company's principal activity is that of an investment company focused on making investments in a number of sectors including the natural resources, technology and healthcare sectors.

RESULTS AND DIVIDENDS

The Company made a loss after taxation of £5,342,542 (2022: loss £866,430). It is not expected that a dividend will be declared for 2023 (2022: £Nil).

The key performance indicators are shown in the Strategic Report.

DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the Company, together with their beneficial interests in the shares of the Company at the end of the year, are listed below. All served on the Board throughout the year, unless otherwise stated. There is a qualifying third party indemnity provision in force for the benefit of the Directors and officers of the Company.

	Percentage of issued share capital	31 December 2023	31 December 2022
P Haydn-Slater	2.58%	20,000,000	20,000,000
N Lee	0.59%	4,601,470	4,601,470
Ms A van Dyke	–	–	–
A Nesbitt	0.13%	1,000,000	1,000,000

SUBSTANTIAL INTERESTS

The Company is aware that as at 17 June 2024, the following, other than the Directors shown above, held in excess of 3% of the issued share capital of the Company:

	Number of ordinary shares	Percentage of issued share capital
Premier Miton Group plc	115,751,211	14.93%
Cannacord Genuity Group Inc (discretionary clients)	115,500,000	14.90%
RiverFort Global Capital Ltd	37,545,600	4.84%
DB Value Investments	34,500,000	4.45%
Shakoor Capital Limited	31,500,000	4.06%
Rulegate Nominees Limited	26,500,000	3.42%
James Lewis	24,295,454	3.13%

CORPORATE GOVERNANCE

The Board recognises its responsibility for the proper management of the Company and is committed to maintaining a high standard of corporate governance. Further details with regard to corporate governance are set out in the Corporate Governance Report.

BOARD OF DIRECTORS

The Company supports the concept of an effective Board leading and controlling the Company. The Board is responsible for approving Company policy and strategy. It meets regularly and has a schedule of matters specifically reserved to it for decision. Management supplies the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professionals at the Company's expense. Training is available for new Directors and other Directors as necessary.

The Board currently consists of four directors, the Investment Director, Nicholas Lee and three non-executive directors, Amanda van Dyke, Andrew Nesbitt and Philip Haydn-Slater. Each Director appointed by the Board since the last AGM holds office until the next AGM and is then eligible for reappointment. Furthermore, one third of Directors who were directors at the time of the two immediately preceding AGMs and who did not retire at such meetings, retire from office by rotation and are then eligible for reappointment.

Given the size of the Board, there is no separate nomination committee. All Director appointments are approved by the Board as a whole.

COMMUNICATIONS WITH SHAREHOLDERS

Communications with shareholders are given a high priority. In addition to the publication of an annual report and an interim report, there is regular dialogue with shareholders and analysts. The Annual General Meeting is viewed as a forum for communicating with shareholders, particularly private investors. Shareholders may question the Chairman and other members of the Board at the Annual General Meeting.

INTERNAL CONTROL

The Directors acknowledge they are responsible for the Company's system of internal control and for reviewing the effectiveness of these systems. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of the Company failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Company has well established procedures which are considered adequate given the size of the business.

POST YEAR END EVENTS

On 22 March 2024, the Company announced an investment in S-Ventures plc ("SVEN") in the form of a £1 million secured loan for a period of 12 months carrying a fixed return of 20% and the redemption of its debt and equity-linked portfolio for £2.15 million in cash. In addition, the Company has signed a non-binding term sheet and is advancing discussions that may lead to the acquisition of 100% of the assets and liabilities (the "Business") of SVEN ("Proposed Acquisition").

The Proposed Acquisition will constitute a reverse takeover ("RTO") under the AIM Rules for Companies (the "AIM Rules") as, inter alia, the Proposed Acquisition will fundamentally change the Company from an Investing Company into an operating business and therefore, in accordance with Rule 14 of the AIM Rules, will require application to be made for the enlarged share capital to be readmitted to AIM ("Admission"), the publication of an AIM admission document ("Admission Document") and approval by the shareholders of the Company at a general meeting. Also, in accordance with Rule 14 of the AIM Rules, trading in the Company's ordinary shares of 0.01 pence each ("Ordinary Shares") were suspended on AIM from 7.30 am on 22 March 2024, until the publication of the Admission Document or an announcement that the Proposed Transaction is not proceeding.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare financial statements in accordance with UK adopted international accounting standards. 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 and profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether they have been prepared in accordance with UK adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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 the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of 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 United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

PROVISION OF INFORMATION TO THE AUDITOR

So far as each of the directors are aware at the time this report was approved:

- there is no relevant audit information of which the Company's auditor is unaware: and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITORS

The auditors, PKF Littlejohn LLP have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the annual general meeting.

This report was approved by the Board on 17 June 2024 and signed on its behalf.

Nicholas Lee
Investment Director

17 June 2024

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR

ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
CONTINUING OPERATIONS:			
Investment income	4	391,151	1,167,379
Net loss from financial instruments at FVTPL	5	(4,672,874)	(1,449,703)
Foreign exchange (losses)/gains on other financial instruments	6	(45,154)	89,703
TOTAL OPERATING LOSS		(4,326,877)	(192,621)
Administrative expenses	7	(365,715)	(318,933)
Investment advisory fees	8	(624,243)	(413,746)
Other gains and losses	9	(25,707)	58,870
LOSS BEFORE TAXATION		(5,342,542)	(866,430)
Taxation	12	–	–
LOSS FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME		(5,342,542)	(866,430)
EARNINGS PER SHARE	13		
Basic earnings per share		(0.689p)	(0.112p)
Fully diluted earnings per share		(0.689p)	(0.112p)

STATEMENT OF FINANCIAL POSITION FOR THE YEAR

ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
NON-CURRENT ASSETS			
Financial asset investments	15	2,205,372	5,952,814
		2,205,372	5,952,814
CURRENT ASSETS			
Financial asset investments		2,150,000	2,152,879
Trade and other receivables	16	729,347	1,854,870
Cash and cash equivalents	17	1,062,338	958,135
TOTAL CURRENT ASSETS		3,941,685	4,965,884
TOTAL ASSETS		6,147,057	10,918,698
CURRENT LIABILITIES			
Trade and other payables	19	901,861	330,960
		901,861	330,960
NET ASSETS		5,245,196	10,587,738
EQUITY			
Share capital	20	77,540	77,540
Share premium account	20	1,568,353	1,568,353
Share options reserve		201,034	201,034
Retained profits		3,398,269	8,740,811
TOTAL EQUITY		5,245,196	10,587,738

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR
ENDED 31 DECEMBER 2023**

	Share capital £	Share premium £	Share options reserve £	Retained profits £	Total equity £
BALANCE AT 1 JANUARY 2022	77,540	1,568,353	201,034	9,901,894	11,748,821
Total comprehensive income	-	-	-	(866,430)	(866,430)
Dividend payment	-	-	-	(294,653)	(294,653)
BALANCE AT 31 December 2022	77,540	1,568,353	201,034	8,740,811	10,587,738
Total comprehensive income	-	-	-	(5,342,542)	(5,342,542)

BALANCE AT 31 December 2023	77,540	1,568,353	201,034	3,398,269	5,245,196
-----------------------------	---------------	------------------	----------------	------------------	------------------

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023 £	2022 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before taxation		(5,342,542)	(866,430)
Adjustments for:			
Profit on disposal of trading investments		–	(8,315)
Fair value loss on trading investments		4,672,874	1,458,018
Foreign exchange losses/(gains) on other financial instruments		45,154	(89,703)
Operating cash flow before working capital changes		(624,514)	493,570
Decrease/(increase) in trade and other receivables		1,125,523	(667,280)
Increase/(decrease) in trade and other payables		570,901	(2,192,440)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES		1,071,910	(2,366,150)
INVESTING ACTIVITIES			
Purchase of investments		(3,690,590)	(3,544,340)
Disposal of investments	15	–	27,316
Debt instrument repayments	15	2,768,037	5,033,776
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES		(922,553)	1,516,752
FINANCING ACTIVITIES			
Dividend payment	14	–	(294,653)
NET CASH USED IN FINANCING ACTIVITIES		–	(294,653)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		149,357	(1,144,051)
Cash and cash equivalents at the beginning of the year		958,135	2,012,483
Effect of foreign currency exchange on cash		(45,154)	89,703
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	17	1,062,338	958,135

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

GENERAL INFORMATION

RiverFort Global Opportunities plc is a public limited company, limited by shares, incorporated in England and Wales. The shares of the Company are listed on the Alternative Investment Market (AIM). The address of its registered office is Suite 39, 18 High Street, High Wycombe, Buckinghamshire, HP11 2BE.

The Company's principal activities are described in the Directors' Report.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied throughout all periods presented in the financial statements.

The Company's financial statements have been prepared in accordance with UK adopted international accounting standards and in accordance with the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments) measured at fair value through profit or loss. The measurement basis is more fully described in the accounting policies below.

The financial statements are presented in pounds sterling (£) which is the functional currency of the Company. The comparative figures are for the year ended 31 December 2022.

GOING CONCERN

The Company's assets now comprise mainly cash and quoted securities. Since the year end, the Company's cash resources have continued to increase as a result of the redemption of the debt and equity linked portfolio and the sale of circa half of the Company's stake in Smarttech247 Group plc. The Company has prepared cash forecasts to June 2025 that show that the Company has sufficient cash resources for the foreseeable future. Accordingly, the Directors believe that as at the date of this report it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In certain circumstances, where fair value cannot be readily established, the Company is required to make judgements over carrying value impairment and evaluate the size of any impairment required.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company holds investments that have been designated as held for trading on initial recognition. Where practicable the Company determines the fair value of these financial instruments that are not quoted (Level 3), using the most recent bid price at which a transaction has been carried out (see accounting policy note, "Valuation of financial asset investments"). These techniques are significantly affected by certain key assumptions, such as market liquidity. Other valuation methodologies such as estimated net asset value may be used and it is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

The Company also holds unquoted share warrants as level 3 investments. The fair values of these warrants have been obtained using the Black Scholes valuation model and applying a 75% discount to allow for the warrants being untraded derivatives with the underlying securities being traded on junior markets. This model makes certain assumptions relating to the volatility of the underlying Company's share price which are applied in the calculation of the fair value of the warrants. The volatility is measured based on the volatility of the share price of the underlying share over the 12 months prior to the issue of the warrants. For the current year, the value has been based on the value achieved when the portfolio was redeemed.

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

Adoption of new and revised standards and interpretations

In the current year, the following new and revised standards have been adopted

- Amendments to IAS 1 Disclosure of Accounting Policies
- Amendments to IAS 8 Definition of Accounting Estimates
- Amendments to IAS 12 Deferred Tax Related to Assets and Liabilities arising from a Single Transaction
- Amendments to IAS 12 International Tax Reform

Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations which have not been applied in these financial statements were in issue but not yet effective:

- Amendments to IAS 1 Classification of Liabilities as Current or Non-current effective from 1 January 2024
- Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements effective from 1 January 2024
- Amendments to IAS 21 Lack of Exchangeability effective from 1 January 2025
- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (deferred indefinitely)
- Amendment to IFRS 16 Leases Lease Liability in a Sale and Leaseback effective from 1 January 2024

The Company does not expect these to have a significant impact on the financial statements. This list excludes any standards or amendments which are expected to have no relevance to the Company

REVENUE RECOGNITION

INVESTMENT INCOME

Interest on fixed interest debt securities, designated at fair value through profit or loss, is recognised in the statement of comprehensive income using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

Other structured finance fees are recognised on the date of the relevant agreement. Income may be recognised at a point in time or over the time. Over time revenue recognition is proportional to progress towards satisfying a performance obligation by transferring control of promised services to a customer. Income which does not qualify for recognition over time is recognised at a point in time when the service is rendered. The Company has no material receivables and contract liabilities from contracts with customers as non-refundable up-front fees are not charged to customers upon commencement of contracts with customers.

Bank deposit interest is recognised on an accruals basis.

FOREIGN CURRENCY TRANSLATION

The functional and presentation currency of the Company is Sterling. Foreign currency transactions are translated into Sterling using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to debt securities and equity investments denominated in currencies other than Sterling and measured at FVTPL are also presented in the income statement within Operating

income. All other foreign exchange gains and losses are presented on a net basis in the income statement within 'Other gains and losses'.

SHARE BASED PAYMENTS

The Company operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense and credited to the share option reserve within equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Options that lapse before vesting are credited back to income. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and, if applicable, share premium when the options are exercised.

CURRENT AND DEFERRED TAX

Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case the tax is also recognised directly in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Temporary differences include those associated with shares in subsidiaries and joint ventures and are only not recognised if the Company controls the reversal of the difference and it is not expected for the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited to equity in which case the related deferred tax is also charged or credited directly to equity.

SEGMENTAL REPORTING

The accounting policy for identifying segments is based on internal management reporting information that is regularly reviewed by the chief operating decision maker, which is identified as the Board of Directors.

In identifying its operating segments, management generally follows the Company's service lines which represent the main products and services provided by the Company. The Directors believe that the Company's continuing investment operations comprise one segment.

FINANCIAL ASSETS

The Company's financial assets comprise investments, cash and cash equivalents and loans and receivables, and are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

FINANCIAL ASSETS INVESTMENTS

CLASSIFICATION OF FINANCIAL ASSETS

The Company holds financial assets including equities and debt securities. The classification and measurement of financial assets at 31 December 2023 is in accordance with IFRS 9.

On the 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 specific dates to cash flows that are Solely Payments 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 on 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 realised 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 advisor is compensated e.g. whether compensation is based on the fair value of the assets managed or the contractual cashflows collected

IFRS 9 subsection B4.1.1-B4.1.2 stipulates that the objective of the entity's business model is not based on management's intentions with respect to an individual instrument, but rather determined at a higher level of aggregation. The assessment needs to reflect the way that an entity manages its business.

The company has determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents, balances due from brokers and other receivables. These financial assets are held to collect contractual cash flows.
- Other Business model: this includes structured finance products, equity investments, investments in unlisted private equities and derivatives. These financial assets are managed and their performance is evaluated, on a fair value basis with frequent sales taking place in respect to equity holdings.

VALUATION OF FINANCIAL ASSET INVESTMENTS

Investment transactions are accounted for on a trade date basis. Assets are de-recognised at the trade date of the disposal. Assets are sold at their fair value, which comprises the proceeds of sale less any transaction cost. Financial asset investments are categorised as either Level 1, Level 2 or Level 3 investments as set out in Note 15. The fair value of Level 1 financial asset investments in the balance sheet is based on the quoted bid price at the balance sheet date, with no deduction for any estimated future selling cost. The valuation of Level 2 and Level 3 financial asset investments are set out in note 15. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the consolidated statement of comprehensive income as "Net gains/(losses) on investments". Investments are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments include forward currency contracts. Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are recognised immediately in the statement of comprehensive income. The company is engaged in hedging activities of its foreign exchange risk. The company does not apply hedge accounting. Given the low level of trading activity,

the Company has estimated that any valuation adjustments are not material and has therefore not incorporated these into the fair value of derivatives.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. They are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method.

OTHER RECEIVABLES

Other receivables from third parties are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

A provision for impairment is made when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. Impaired debts are derecognised when they are assessed as uncollectible.

FINANCIAL LIABILITIES

The Company's financial liabilities comprise trade payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instruments.

TRADE PAYABLES

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

EARNINGS PER SHARE

Earnings per share are calculated by dividing the profit or loss for the year after tax by the weighted average number of shares in issue and is measured in pence per share.

EQUITY

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- Share option reserve represents the value of share options granted but not exercised.
- "Retained losses" represents retained losses.

3 SEGMENTAL INFORMATION

The Company is organised around business class and the results are reported to the Chief Operating Decision Maker according to this class. There is one continuing class of business, being the investment in junior listed and unlisted companies.

Given that there is only one continuing class of business, operating within the UK no further segmental information has been provided.

4 INVESTMENT INCOME

	2023	2022
	£	£

Structured finance fees	211,696	288,232
Other interest receivable	179,455	879,147
	391,151	1,167,379

5 NET LOSS ON INVESTMENTS

	2023	2022
	£	£
Net realised gains on disposal of investments	–	8,315
Net movement in fair value of investments	(4,589,673)	(1,818,234)
Net foreign exchange (loss)/gain on investments	(83,201)	360,216
Net loss on investments	(4,672,874)	(1,449,703)

A cash consideration of £2.15 million was received for the partial redemption of the debt and equity linked portfolio in March 2024 and, whilst certain of these transactions took place post period end, the overall financial impact has been included in the financial position of the Company as at the year end in order to provide a clear starting position for the Company as it moves forward into 2024.

6 FOREIGN EXCHANGE LOSSES ON OTHER FINANCIAL INSTRUMENTS

	2023	2022
	£	£
Exchange (loss)/gain on foreign currency cash balances	(45,154)	89,703
	(45,154)	89,703

7 ADMINISTRATIVE EXPENSES

	2023	2022
	£	£
Loss for the year has been arrived at after charging:		
Wages and salaries	148,362	126,785
Professional and regulatory expenses	121,498	124,330
Audit and tax compliance	62,460	43,200
Other administrative expenses	33,395	24,618
Total administrative expenses as per the statement of comprehensive income	365,715	318,933

AUDITOR'S REMUNERATION

During the year the Company obtained the following services from the Company's auditor:

	2023	2022
	£	£
Fees payable to the Company's auditor for the audit of the Company's financial statements	46,200	39,000

Fees payable to the Company's auditor and its associates for other services:

Other services relating to taxation	–	4,200
	46,200	43,200

8 INVESTMENT ADVISORY FEES

The charge of £624,243 (2022: £413,746) is payable to the Company's investment adviser, RiverFort Global Capital Limited.

9 OTHER GAINS AND LOSSES

	2023	2022
	£	£
Currency exchange differences	(25,707)	58,870
	(25,707)	58,870

10 DIRECTORS' EMOLUMENTS

	2023	2022
	£	£
Aggregate emoluments	144,167	124,000
Social security costs	4,195	2,785
Share based payment expense	–	–
	148,362	126,785

Name of director	Salaries and fees £	Bonuses £	Total 2023 £	Total 2022 £
P Haydn-Slater	*50,000	–	50,000	50,000
N Lee	52,000	–	52,000	52,000
A van Dyke	22,000	–	22,000	22,000
A Nesbitt	20,167	–	20,167	–
	144,167	–	144,167	124,000

*P Haydn-Slater's remuneration of £50,000 was invoiced by Musgrave Financial Ltd, a company controlled by him. In 2022, £48,000 of his remuneration was invoiced by Musgrave Financial Ltd

11 EMPLOYEE INFORMATION

	2023	2022
	£	£
Wages and salaries	94,167	76,000
Consultancy fees	50,000	48,000

Social security costs	4,195	2,785
Share based payment expense	–	–
	148,362	126,785
<hr/>		
Average number of persons employed:		
	2023	2022
	Number	Number
Office and management	3	3
<hr/>		

COMPENSATION OF KEY MANAGEMENT PERSONNEL

There are no key management personnel other than the Directors of the Company.

12 INCOME TAX EXPENSE

	2023	2022
	£	£
Current tax - continuing operations	–	–
<hr/>		

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average rate applicable to profits of the Consolidated entities as follows:

	2023	2022
	£	£
Loss before tax from continuing operations	(5,342,542)	(866,430)
Loss before tax multiplied by rate of corporation tax in the UK of 19% (2022: 19%)	(1,015,083)	(164,622)
Expenses not deductible for tax purposes	630	1,415
Added to tax losses brought forward	1,014,453	163,207
Total tax	–	–
<hr/>		

Unrelieved tax losses of approximately £9,460,000 (2022: £4,125,000) remain available to offset against future taxable trading profits. No deferred tax asset has been recognised in respect of the losses as recoverability is uncertain.

13 EARNINGS PER SHARE

The basic earnings per share is based on the loss for the year divided by the weighted average number of shares in issue during the year. The weighted average number of ordinary shares for the year assumes that all shares have been included in the computation based on the weighted average number of days since issue.

	2023	2022
	£	£
(Loss)/profit attributable to equity holders of the Company:		
(Loss)/profit from continuing operations	(5,342,542)	(866,430)
(Loss)/profit for the year attributable to equity holders of the Company	(5,342,542)	(866,430)
Weighted average number of ordinary shares in issue for basic earnings	775,404,187	775,404,187
Weighted average number of ordinary shares in issue for fully diluted earnings	809,204,187	809,204,187
<hr/>		

EARNINGS PER SHARE

BASIC AND FULLY DILUTED:

- Basic earnings per share from continuing and total operations	(0.689)p	(0.112)p
- Fully diluted earnings per share from continuing and total operations	(0.689)p	(0.112)p

Diluted earnings per share are the same as basic earnings per share as all options currently issued are antidilutive in the current year.

DIVIDENDS

14

	2023	2022	2023	2022
	Pence	Pence	£	£
Amounts recognised as distributions to shareholders in the year				
Final dividend	–	0.038p	–	294,653
	–	0.038p	–	294,653

15

FINANCIAL ASSET INVESTMENTS

All financial asset investments are designated at fair value through profit and loss ("FVTPL")

	2023	2022	2023	2022
	£	£	£	£
At 1 January - fair value	8,105,693	11,072,148		
Purchase of investments designated at FVTPL	3,690,590	3,544,340		
Equity investment disposals	–	(27,316)		
Debt security repayments	(2,768,037)	(5,033,776)		
Net gain on disposal of investments	–	8,315		
Movement in fair value of investments	(4,589,673)	(1,818,234)		
Net foreign exchange (loss)/gain on debt securities	(83,201)	360,216		
At 31 December - fair value	4,355,372	8,105,693		
	Current		Non-current	
	2023	2022	2023	2022
	£	£	£	£
Categorised as:				
Level 1 - Quoted investments	–	–	2,005,372	3,306,909
Level 2 - Unquoted investments	2,150,000	2,152,879	–	1,459,539
Level 3 - Unquoted investments	–	–	200,000	1,186,366
	2,150,000	2,152,879	2,205,372	5,952,814

The table of investments sets out the fair value measurements using the IFRS 7 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 - valued using quoted prices in active markets for identical assets.

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the company for Level 1 financial asset investments are explained in the accounting policy note, "Valuation of financial asset investments". The valuation of Level 2 and Level 3 financial assets are explained on the following page.

Investments categorised as current are debt securities repayable by 31 December 2023.

A cash consideration of £2.15 million was received for the partial redemption of the debt and equity linked portfolio in March 2024 and, whilst certain of these transactions took place post period end, the overall financial impact has been included in the financial position of the Company as at the year end in order to provide a clear starting position for the Company as it moves forward into 2024. At the year end, this portfolio was therefore classified as current assets.

LEVEL 2 FINANCIAL ASSET INVESTMENTS

Level 2 financial asset investments comprise debt securities valued by reference to their principal value, less appropriate allowance where there is a doubt as to whether the principal amount will be fully repaid in accordance with the contractual terms of the obligation.

LEVEL 3 FINANCIAL ASSET INVESTMENTS

Reconciliation of Level 3 fair value measurement of financial asset investments

	2023 £	2022 £
Brought forward	1,186,366	2,893,040
Transfer to Level 1 investments	–	(1,203,465)
Movement in fair value	(986,366)	(502,699)
Carried forward	200,000	1,186,366

The above movement includes a write down of the value of the holding in Emergent Entertainment Limited which entered liquidation early in 2024.

In line with the investment strategy adopted by the Company, Nicholas Lee is on the board of the following investee companies:

	% held by the Company	
	2023	2022
MindFlair plc	13.9%	20.9%
Smarttech247 Group plc	6.2%	6.2%

16 TRADE AND OTHER RECEIVABLES

	2023 £	2022 £
Other receivables	721,056	1,371,797
Prepayments and accrued income	8,291	483,073
	729,347	1,854,870

The Directors consider that the carrying amount of other receivables is approximately equal to their fair value.

17 CASH AND CASH EQUIVALENTS

	2023 £	2022 £
Cash and cash equivalents	1,062,338	958,135

The Directors consider the carrying amount of cash and cash equivalents approximates to their fair value.

TRADE AND OTHER PAYABLES

18

	2023 £	2022 £
Trade payables	56,063	86,608
Other payables	–	2,727
Accrued expenses	845,798	241,625
	901,861	330,960

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Trade payables and Other payables are all due within 6 months of the year end.

19 SHARE CAPITAL

	Number of Ordinary Shares	Share Capital Ordinary shares £	Share premium £
ISSUED AND FULLY PAID:			
At 1 January 2022			
Ordinary shares of 0.1p each	775,404,187	77,540	1,568,353
At 31 December 2022 and 2023	775,404,187	77,540	1,568,353

20 SHARE OPTIONS AND WARRANTS

OPTIONS

On 12 February 2021, the Company granted 16,900,000 options each to Philip Haydn-Slater and Nicholas Lee. The share options have an exercise price of 1.00p per share and will vest as to 50% on grant and 50% upon

the Company's volume weighted average share price being 1.50 pence or greater (being 50% above the Exercise Price) for a period of 10 consecutive days. The options have a 10 year term from the date of grant.

The fair value of the share options at the date of grant was calculated by reference to the Black-Scholes model. The significant inputs to the model in respect of the options granted in the year were as follows:

Grant date	12 Feb 2021
Share price at date of grant	1.25p
Exercise price per share	1.00p
No. of warrants	33,800,000
Risk free rate	0.9%
Expected volatility	78.8%
Expected life of warrant	10 years
Calculated fair value per share	0.59478p

The share options outstanding at 31 December 2023 and their weighted average exercise price are as follows:

	2023		2022	
	Number	Weighted average exercise price Pence	Number	Weighted average exercise price Pence
Outstanding at 1 January	33,800,000	1.00	33,800,000	1.00
Granted	–	–	–	–
Outstanding at 31 December	33,800,000	1.00	33,800,000	1.00

The fair value of the share options recognised as an expense in the income statement was £Nil (2022: £Nil).

WARRANTS

On 10 May 2021, the Company issued 96,470,587 warrants to the subscribers for a private placing, exercisable for a period of 2 years at 3.4p per share.

The share warrants outstanding at 31 December 2023 and their weighted average exercise price are as follows:

	2023		2022	
	Number	Weighted average exercise price Pence	Number	Weighted average exercise price Pence
Outstanding at 1 January	96,470,587	3.40	96,470,587	3.40
Lapsed	(96,470,587)	3.40	–	–
Outstanding at 31 December	–	–	96,470,587	3.40

21 RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated by the Board of Directors and focuses on actively securing the Company's short to medium term cash flows by minimising the exposure to financial markets.

The main risks the Company is exposed to through its financial instruments are credit risk, foreign currency risk, liquidity risk, market price risk and operational risk.

CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Company's growth; and
- to provide capital for the purpose of strengthening the Company's risk management capability.

The Company actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes. The Company is not subject to externally imposed capital requirements.

CREDIT RISK

The Company's financial instruments that are subject to credit risk are cash and cash equivalents and loans and receivables. The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable financial institutions. The credit risk for loans and receivables is mainly in respect of short term loans, made on market terms, which are monitored regularly by the Board.

The Company's maximum exposure to credit risk is £1,789,416 (2022: £2,329,932) comprising cash and cash equivalents and other receivables.

The ageing profile of trade and other receivables was:

	2023	2022
	Total book value	Total book value
	£	£
Current	721,056	1,371,797
Overdue for less than one year	–	–
	721,056	1,371,797

LIQUIDITY RISK

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through maintaining a positive cash balance and controlling expenses and commitments. The Directors are confident that adequate resources exist to finance current operations.

FOREIGN CURRENCY RISK

The Company invests in financial instruments and enters into transactions that are denominated in currencies other than its functional currency, primarily in US dollars (USD). Consequently, the Company is exposed to the risk that the exchange rate of its currency relative to other foreign currencies may change in manner that has an adverse effect on the fair value of the future cashflows of the Company's financial assets denominated in currencies other than the GBP.

The Company's policy is to use derivatives to manage its exposure to foreign currency risk. The instruments used are foreign currency forward contracts. The Company does not apply hedge accounting.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Assets		Liabilities	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	£	£	£	£
US Dollars	365,543	2,339,313	–	61,941

Euro	33,345	1,757,271	–	589,135
Canadian Dollars	–	309,458	–	–
Australian Dollars	–	495,623	–	56,299
Swiss Francs	–	20,228	–	–
	398,888	4,878,066	–	707,375

The following table details the Company's sensitivity to a 5 per cent increase and decrease in GBP against other currencies. 5 per cent is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in the foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5 per cent change in the foreign currency exchange rates. A positive number below indicates an increase in profit and other equity where GBP weakens 5 per cent against the relevant currency. For a 5 per cent strengthening of GBP against the relevant currency, there would be a comparable impact on the profit and other equity, and the balances below would be negative.

	Effect on Profit and Loss	
	31 Dec 2023	31 Dec 2022
	£	£
US Dollars	18,277	113,868
Euro	1,667	58,407
Canadian Dollars	–	15,473
Australian Dollars	–	21,966
Swiss Francs	–	1,011

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk is mitigated by the Company only entering into fixed rate interest agreements, therefore detailed analysis of interest rate risk is not disclosed.

MARKET PRICE RISK

The Company's exposure to market price risk mainly arises from potential movements in the fair value of its investments. The Company manages this price risk within its long-term investment strategy to manage a diversified exposure to the market. If each of the Company's equity investments were to experience a rise or fall of 10% in their fair value, this would result in the Company's net asset value and statement of comprehensive income increasing or decreasing by £221,000 (2022: £403,000).

The Company's strategy for the management of market risk is driven by the Company's investment objective, which is focused on deploying its capital in investments that provide both income and downside protection. It is expected that the Company will deliver returns to shareholders through a combination of capital growth and dividend income.

The Company's market risk is managed on a continuous basis by the Investment Advisor in accordance with the policies and procedures in place. The Company's market positions are monitored on a quarterly basis by the board of directors.

OPERATIONAL RISK

Operational Risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's activities with financial

instruments, either internally within the Company or externally at the Company's service providers such as cash custodians/brokers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour.

The Company's objective is to manage operational risk so as to balance the limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns to shareholders.

The primary responsibility for the development and implementation of controls over the operational risk rests with the board of directors. This responsibility is supported by the development of overall standards for the management of operational risk, which encompasses the controls and processes over the investment, finance and financial reporting functions internally and the establishment of service levels with various service providers, in the following areas:

- Appropriate segregation of duties between various functions, roles and responsibilities;
- Reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements;

The directors' assessment of the adequacy of the controls and processes at the service providers with respect to operational risk is carried out via ad hoc discussions with the service providers. Substantially all the of the assets of the Company are held by Barclays Bank UK and Shard Capital Brokers. The bankruptcy or insolvency of the Company's cash custodian/brokers may cause the Company's rights with respect to the securities or cash and cash equivalents held by cash custodian/ broker to be limited. The board of directors' monitors capital adequacy and reviews other publicly available information of its cash custodian/broker on a quarterly basis.

22 FINANCIAL INSTRUMENTS

The Company uses financial instruments, other than derivatives, comprising cash to provide funding for the Company's operations.

CATEGORIES OF FINANCIAL INSTRUMENTS

The IFRS 9 categories of financial asset included in the statement of financial position and the headings in which they are included are as follows:

	2023	2022
	£	£
FINANCIAL ASSETS:		
Cash and cash equivalents at amortised cost	1,062,338	958,135
Financial assets at fair value through profit or loss	2,205,372	8,105,693
Other receivables at amortised cost	721,056	1,371,797

FINANCIAL LIABILITIES AT AMORTISED COST:

The IFRS 9 categories of financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2023	2022
	£	£
Trade and other payables	56,063	89,335

23 RELATED PARTY TRANSACTIONS

The compensation payable to Key Management personnel comprised £144,167 (2022: £124,000) paid by the Company to the Directors in respect of services to the Company. Full details of the compensation for each Director are provided in the Directors' Remuneration Report.

Nicholas Lee's directorships of companies in which Riverfort Global Opportunities plc has an investment are detailed in Note 15.

24 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent liabilities or capital commitments at 31 December 2023 or 31 December 2022.

25 POST YEAR END EVENTS

Post year end events are set out in the Directors' Report.

26 ULTIMATE CONTROLLING PARTY

The Directors do not consider there to be a single ultimate controlling party.

NOTE TO THE ANNOUNCEMENT

In accordance with Section 435 of the Companies Act 2006, the directors advise that the information set out in this announcement does not constitute the Company's statutory financial statements for the year ended 31 December 2023 or 2022 but is derived from these financial statements. The financial statements for the year ended 31 December 2022 have been delivered to the Registrar of Companies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and will be forwarded to the Registrar of Companies following the Company's Annual General Meeting. The Auditors have reported on these financial statements; their reports were unqualified and did not contain statements under Section 498(2) or the Companies Act 2006.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@lseg.com or visit www.rns.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).