TRU | FIN

INTERIM FINANCIAL REPORT

For the six months ended 30 June 2022

(Unaudited)

CONTENTS

FINANCIAL HIGHLIGHTS
For the six months ended 30 June 2022

Interim Financial Report for the six months ended 30 June 2022 (Unaudited)

- Combined gross revenue for the Group increased 27% to £6.3m (H1 2021: £4.9m)
- Gross revenue at Oxygen Finance Group Limited (together with its subsidiaries) (“Oxygen”) increased by 36% to £2.5m (H1 2021: £1.8m), driven by growth across all revenue streams from new and existing clients
- Gross interest income and fee income at Satago Financial Solutions Limited (“Satago”) increased by 120% to £0.6m (H1 2021: £0.3m) as Satago focused on Lending-as-a-Service (“LaaS”) solutions with Lloyds Bank plc (“Lloyds Bank” or the “Bank”)
- Playstack Ltd (“Playstack”), after a strong H1 2021, maintained gross revenue levels with H1 2022 experiencing 4% growth to £2.3m (H1 2021: £2.2m)
- Gross interest income and fee income at Vertus Capital Limited (“Vertus”) increased 43% to £0.9m (H1 2021: £0.6m), as a result of the increase in new facilities, overall loan book and rising interest rates
- TruFin Group's loss before tax improved to £4.8m (H1 2021: £5.2m)

Financials and KPI's (Unaudited)	6 months to 30 June 2022 £'000	6 months to 30 June 2021 £'000	12 months to 31 December 2021* £'000
Gross Revenue	6,281	4,941	13,115
Loss before tax	(4,795)	(5,173)	(8,422)
Loss before tax includes: share-based payment charge	-	(70)	(70)
Net Assets	42,419	34,655	32,451

**Audited figures*

Post period end developments and outlook

- Oxygen’s early payment revenues continued to grow, reflecting the strength of its local authority client base. By August, record numbers of clients’ suppliers had joined Oxygen’s early payment programmes, driving an all-time high in spend.

  Revenue from Insight Solutions, Oxygen’s market intelligence offering, continues to make strides. Oxygen’s total number of unique clients at the end of H1 2022 was 128 (H1 2021: 108).

  The return of in-person local government conferences following the lifting of Covid restrictions has further strengthened Oxygen’s new business pipeline. Moreover, supply chain issues have led to suppliers holding more inventory, thus increasing working capital requirements. These favourable tailwinds, coupled with rising interest rates and inflation, make Oxygen’s supply side offer even more compelling.

  Having delivered its first full year of EBITDA profit in 2021, Oxygen expects to deliver profitable growth in 2022 and beyond.

- Satago’s partnership with Lloyds Bank was cemented on 29 July, with Satago signing a five-year commercial agreement for the Bank to license Satago's software platform for use by its Single Invoice Finance and Whole of Book Invoice Factoring customers. Ben Stephenson, Managing Director and Head of Specialist Client Solutions at Lloyds Bank Commercial Banking has joined Satago’s board, and we look forward to reporting the progress of this partnership, which is due to roll out to Lloyd’s customers in Q4 2022.

- The release of Playstack's 2022 console line-up garnered over 1 million views on YouTube and similar video streaming platforms – reinforcing the strength of the IP identified and championed by the Playstack team. One PC game launch has been rescheduled, from Q4 2022 to Q1 2023, but allowing Playstack to release the game on multiple formats simultaneously.
- Following the acquisition of Magic Fuel in June 2022, the team has been successfully integrated into the Playstack business and they are on track to deliver revenue growth this year.
- Vertus expects to originate a significant portion of pipeline deals, backlogged by regulatory delays, in September and October. The company's loan book is forecast to grow by 50% in 2022, to £24m (from £16m as at 31 December 2021), with new loan facilities up 80%. Despite investments in technology and new product development, Vertus is forecast to achieve full-year profit in 2022.

James van den Bergh, Chief Executive Officer commented:

"We have had an encouraging first half to 2022, with broad-based growth across the Group reflecting the strong competitive position of each of our companies. Despite inflationary pressures on staff costs and the rising rate environment we remain excited about the value creation opportunities ahead of us.

It is important to remember that our strategic goal remains unchanged: to invest at the early stage of a company's life cycle, guiding the company towards sustainable growth, profitability and ultimately an exit. And with this in mind it is very satisfying to report that Oxygen and Vertus are both expected to be profitable and cash flow positive on a full-year basis during 2022.

It was exceptionally pleasing to welcome Lloyds Bank as shareholders into Satago and to report the signing of the five-year commercial agreement between Satago and Lloyds Banking Group. The new digitised proposition for Lloyds Bank will benefit thousands of Single Invoice Finance and Whole of Book Invoice Factoring customers – which will be especially valuable to these clients as we enter increasingly uncertain economic times.

We see significant further potential in Satago and, as announced on 9 June, the signing of a Letter of Intent ("LOI") with Sage Group plc ("Sage") and Lloyds Bank illustrates this, with further partnerships in the pipeline.

The actions we have taken over the last two years leave TruFin very well positioned; with meaningful progress across all the subsidiaries, we look to the future with confidence."

CHIEF EXECUTIVE'S STATEMENT
For the six months ended 30 June 2022

The subsidiaries within the TruFin Group have been resilient in the first six months of 2022 and the board remains confident regarding prospects for the remainder of 2022.

As at 31 August 2022, the following assets were not less than:

- £10.6m of cash or cash equivalents
- £1.6m of assets within the Satago Group's loan book

The TruFin Group has no more than £3.1m in near-term liabilities.

Oxygen

Momentum within Oxygen is building, with financial and operational performance records continually being broken throughout the first half of 2022. The strong revenue growth enjoyed in the second half of 2021 continued into 2022, resulting in EBITDA profit reaching £0.4m in the first half of 2022, an increase of 600% on H1 2021 (£0.1m).

Gross margins for the first half were 70%, up 10% year-on-year, with Oxygen's infrastructure offering significant capacity to accommodate expanding revenues with minimal incremental cost.

Oxygen continues to see strong demand for its progressive payment practices, big data services and expertise which enable public sector and private organisations to trade more effectively. Payments become frictionless and data becomes information, driving growth and efficiency. The result is better social and economic outcomes. In addition, Oxygen again co-published with EY the Local Government Third-Party Spend Almanac 2022 which has become an essential industry resource detailing local authority expenditure and, for the first time this year, the carbon emissions of councils and their supply chains.

Oxygen's "Early Payment" client portfolio is maturing. Supplier participation in client Early Payment programmes is tracking forecasts and improving upon historic performance. Strong demand for Oxygen's market intelligence Insight Solutions services continues, evidenced by a growing client base which values the opportunities Oxygen provides private sector firms seeking to expand their business with the public sector.

Oxygen's Early Payment clients totalled 55 as at the end of June 2022 (up from 52 in June 2021), with combined supplier spend totalling £23bn. Unprecedented numbers of clients' suppliers participated in Early Payment programmes, with "on-boarded" annual supplier spend exceeding £1bn for the first time. A record amount of new supplier spend (£165m) was added during H1 2022.

Another achievement during the first half of the year saw Oxygen make significant progress helping clients deliver social value to their local communities by offering "FreePay", a service enabling clients to pay its local micro and small suppliers early at no cost. By the end of June 2022 more than 6,000 suppliers were participating in this programme. These local micro and small suppliers enjoyed early invoice payments totalling £250m, without charge, during the first six months of the year.

Strong relationships combined with its growing client portfolio have enabled Oxygen to build new adjacent services and partnerships, many of which have been monetised in H1 and will continue to deliver financially in the future.

Satago

Satago offers its customers a technically advanced invoice finance and cashflow management system via its online software platform. During the first half of 2022, the company was selected as the platform of choice to support the provision of invoice factoring solutions to Lloyds Bank customers, alongside a £5m investment from Lloyds Bank at a pre-money valuation of £20m (the "£5m Investment"). The five-year commercial agreement sealing this partnership was signed on 29 July.

The tie-up shows a shift from the predominantly "own balance sheet financing" previously pursued by Satago to a hybrid model incorporating "partner balance sheet financing", utilising Satago's LaaS solutions and embedded finance model. It leverages Satago's best-in-class platform to allow third-party working capital providers to distribute their much-needed capital more efficiently across the economy. This approach mirrors the overall Group strategy of moving towards recurring fee and subscription income and becoming less reliant on capital intensive interest income; in doing so it removes a key constraint from Satago's growth, allowing the management team to focus on their two core strengths – developing industry-leading technology and forming significant partnerships.

This cornerstone partnership with Lloyds has opened further opportunities – in June Satago announced the signing of a LOI with Sage Group and Lloyds to use Satago's technology to deliver Lloyds' lending products to Sage clients. It is further partnerships like this, with its proprietary technology an invaluable enabler, that Satago will build in the coming years.

Satago's revenue more than doubled in the first half of this year, to £0.6m, compared with the same period in 2021, driven by implementation fees from the Lloyds partnership (£348k), with interest and fee income falling modestly (£252k versus £273k in H1 2021). Loss before tax in the first half of this year increased by £373k, due to one-off professional fees surrounding the finalisation of the Lloyds partnership and increasing staffing capacity to fulfil the requirements of the commercial transaction.

As previously outlined, Satago is in discussions with several more potential strategic partners which could, if successful, result in significant additional growth for the business.

On 9 March 2022, TruFin announced, in conjunction with the commercial agreement with Lloyds and the £5m Investment, that it had agreed to vary the terms of an existing £3m loan to Satago so that it would be convertible into equity capital in Satago at the same pre-money valuation. On 1 September 2022, TruFin exercised its conversion right and converted the £3 million loan into equity in Satago. Following the further £2 million equity investment announced on 29 July 2022, TruFin now holds approximately 70% of the fully diluted share capital of Satago.

Playstack

Playstack is a gaming technology business providing publishing and related services to the mobile game and console sector. Playstack is the Group's entry point into the highly attractive growth market of mobile and console publishing.

Following solid performance in 2021, Playstack set out a three-year commercial plan to deliver growth throughout 2022-2024. So far, we are pleased that this has resulted in the acquisition of Magic Fuel Games Inc and the securing of a major technology contract for 2022 and 2023.

Playstack continues to develop its own innovative technology suite that sets it apart from market rivals.

Vertus

Vertus provides succession finance to Independent Financial Advisers ("IFAs"). The business originates deals through its collaboration with Integrafin Holdings plc ("IntegraFin") and various business brokers focused on the IFA market.

Significant consolidation in the advice market continues, despite current market conditions, as Financial Planners continue to retire from the industry. Firms are performing well financially and therefore the underlying valuations remain resilient. PE-backed consolidators proliferate and continue to drive high valuations and significant deal activity. In contrast, Vertus funds a succession process that ensures planning firms can remain independent and meet client demand for quality and bespoke advice.

The loan book continues to perform well, with the value of the underlying security increasing as Vertus' borrowers consistently grow their client bases. As such, Vertus remains without credit losses since inception.

The market is experiencing delays in regulatory approval of "change of control" applications, which continue to increase origination lead times for Vertus, but there are promising signs that this may ease somewhat in the months ahead. Current market conditions, rising inflation and recession fears have yet to show any significant impact on deal activity or credit risk for Vertus.

After completing a successful renewal of terms with its high-street banking senior debt provider, Vertus has expanded its distribution network beyond IntegraFin exclusively during the first half of this year. The company has successfully engaged with 14 IFA business brokers to position Vertus closer to the transaction market and has expanded its online presence. As such, growth in new facilities originated for the financial year 2022 are forecast to grow by 80% (following new facilities growth of 71% in 2021).

During the first six months of the year, Vertus has invested in tech infrastructure to enable scalable origination and is actively developing a new product for the IFA market. Despite this outlay, Vertus is targeting profitability in 2022. Following renewals of all capital lines on improved terms in 2021, Vertus is now targeting a loan book of £24m by the end of 2022 (from £16m as at 31 December 2021) and has a near-term loan book goal of £50m.

The Board looks to the future with confidence and will keep shareholders updated on the Company's progress.

INDEPENDENT AUDITOR'S REVIEW REPORT TO TRUFIN PLC
For the six months ended 30 June 2022

Independent auditor's review report

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 which comprises:

- unaudited condensed interim consolidated statement of comprehensive income
- the unaudited condensed interim consolidated statement of financial position
- the unaudited condensed interim consolidated statement of changes in equity
- the unaudited condensed interim consolidated statement of cash flows, and
- the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2022 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the United Kingdom and the Disclosure and the AiM rules for Companies.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international account standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting".

Conclusions relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of Conclusion section of this report, nothing has come to our attention to suggest that management have inappropriately adopted the going concern basis of accounting or that management have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with this ISRE, however future events or conditions may cause the entity to cease to continue as a going concern.

Responsibilities of directors

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and the AiM Rules for Companies.

In preparing the half-yearly financial report, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors responsibilities for the review of the financial information

INDEPENDENT REVIEW REPORT TO TRUFIN PLC (CONTINUED)

For the six months ended 30 June 2022

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our conclusions relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

Use of our report

This report is made solely to the Company in accordance with the International Standard on Review Engagements 2410 (UK) "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" Issued by the Financial Reporting Council. Our review work has been undertaken so that we might state to the Company those matters we are required to state to it in an independent review 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 for our review work, for this report, or for the conclusions we have formed.

Crowe U.K. LLP
Statutory Auditor
London, United Kingdom

19 September 2022

UNAUDITED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2022

	Notes	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Interest income	3	1,003	813	1,681
Fee income	3	2,955	1,899	4,330
Publishing income	3	2,323	2,229	7,104
Interest, fee and publishing expenses		(1,947)	(2,196)	(6,214)
Net revenue		**4,334**	**2,745**	**6,901**
Staff costs	5	(6,433)	(5,766)	(11,285)
Other operating expenses		(2,215)	(1,762)	(3,257)
Depreciation & amortisation		(479)	(389)	(794)
Net impairment (loss)/gain on financial assets		(6)	(1)	10
Share of profit from associates		4	–	3
Operating loss		**(4,795)**	**(5,173)**	**(8,422)**
Loss before tax		**(4,795)**	**(5,173)**	**(8,422)**
Taxation	8	230	(20)	986
Loss for the period/year		**(4,565)**	**(5,193)**	**(7,436)**
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss				
Exchange differences on translating foreign operations		9	21	(39)
Other comprehensive income for the period/year, net of tax		**9**	**21**	**(39)**
Total comprehensive loss for the period/year		**(4,556)**	**(5,172)**	**(7,475)**
Loss after tax attributable to:				
Owners of TruFin plc		(3,716)	(5,033)	(7,071)
Non-controlling interests		(849)	(160)	(365)
		(4,565)	**(5,193)**	**(7,436)**
Total comprehensive loss for the period/year attributable to:				
Owners of TruFin plc		(3,706)	(5,013)	(7,112)
Non-controlling interests		(850)	(159)	(363)
		(4,556)	**(5,172)**	**(7,475)**

Earnings per share	Notes	6 months ended 30 June 2022 (Unaudited) pence	6 months ended 30 June 2021 (Unaudited) pence	Year ended 31 December 2021 (Audited) pence
Basic and Diluted EPS	15	(4.3)	(6.2)	(8.7)

UNAUDITED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 June 2022

	Notes	As at 30 June 2022 £'000 (Unaudited)	As at 31 December 2021 £'000 (Audited)
Assets			
Non-current assets			
Intangible assets	9	23,950	21,191
Property, plant and equipment	10	358	65
Deferred tax asset	8	303	303
Loans and advances	11	15,016	11,575
Total non-current assets		**39,627**	**33,134**
Current assets			
Cash and cash equivalents		12,905	7,608
Loans and advances	11	6,860	4,558
Interest in associate		7	3
Trade receivables		2,170	2,585
Other receivables		2,921	2,840
Total current assets		**24,863**	**17,594**
Total assets		**64,490**	**50,728**
Equity and liabilities			
Equity			
Issued share capital	12	85,706	73,548
Retained earnings		(21,943)	(17,731)
Foreign exchange reserve		14	4
Other reserves		(26,531)	(24,393)
Equity attributable to owners of the company		**37,246**	**31,428**
Non-controlling interest		5,173	1,023
Total equity		**42,419**	**32,451**
Liabilities			
Non-current liabilities			
Borrowings	13	15,059	11,351
Total non-current liabilities		**15,059**	**11,351**
Current liabilities			
Borrowings	13	1,746	1,634
Trade and other payables		5,266	5,292
Total current liabilities		**7,012**	**6,926**
Total liabilities		**22,071**	**18,277**
Total equity and liabilities		**64,490**	**50,728**

The financial statements were approved by the Board of Directors on 19 September 2022 and were signed on its behalf by:

James van den Bergh
Chief Executive Officer

UNAUDITED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2022

	Share capital £'000	Retained earnings £'000	Foreign exchange reserve £'000	Other reserves £'000	Total £'000	Non-controlling interest £'000	Total equity £'000
Balance at 1 January 2022	**73,548**	**(17,731)**	**4**	**(24,393)**	**31,428**	**1,023**	**32,451**
Loss for the period	–	(3,716)	–	–	(3,716)	(849)	(4,565)
Other comprehensive income for the period	–	–	10	–	10	(1)	9
Total comprehensive loss for the period	**–**	**(3,716)**	**10**	**–**	**(3,706)**	**(850)**	**(4,556)**
Issuance of shares	12,158	(496)	–	(2,138)	9,524	–	9,524
Issuance of shares to subsidiary	–	–	–	–	–	5,000	5,000
Balance at 30 June 2022 (Unaudited)	**85,706**	**(21,943)**	**14**	**(26,531)**	**37,246**	**5,173**	**42,419**
Balance at 1 January 2021	**73,548**	**(10,730)**	**45**	**(24,395)**	**38,468**	**1,268**	**39,736**
Loss for the period	–	(5,033)	–	–	(5,033)	(160)	(5,193)
Other comprehensive income for the period	–	–	20	–	20	1	21
Total comprehensive loss for the period	**–**	**(5,033)**	**20**	**–**	**(5,013)**	**(159)**	**(5,172)**
Share-based payment	–	70	–	–	70	–	70
Adjustment arising from change in non-controlling interest	–	4	–	–	4	(4)	–
Issuance of subsidiary shares to employees	–	–	–	–	–	19	19
Intragroup transfer of subsidiary	–	–	–	2	2	–	2
Balance at 30 June 2021 (Unaudited)	**73,548**	**(15,689)**	**65**	**(24,393)**	**33,531**	**1,124**	**34,655**

UNAUDITED CONDENSED INTERIM STATEMENT OF CASH FLOWS

For the six months ended 30 June 2022

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Cash flows from operating activities			
Loss before income tax	(4,795)	(5,173)	(8,422)
Adjustments for			
Depreciation of property, plant and equipment	55	47	96
Amortisation of intangible fixed assets	822	646	1,571
Share-based payments	–	70	70
Finance costs	380	310	656
Share of profit from associates	(4)	–	(3)
Loss on disposal of fixed assets	–	2	2
Loss on intragroup transfer of subsidiary	–	2	2
	(3,542)	**(4,096)**	**(6,028)**
Working capital adjustments			
Movements in loans and advances	(5,744)	(215)	(1,472)
Decrease /(increase) in trade and other receivables	566	870	(720)
Decrease in trade and other payables	(1,258)	(2,185)	(1,831)
Net payables on acquisition of subsidiary	(76)	–	–
	(6,512)	**(1,530)**	**(4,023)**
Tax paid	(4)	(15)	(2)
Interest and finance costs paid	(308)	(280)	(716)
Net cash used in from operating activities	**(10,366)**	**(5,921)**	**(10,769)**
Cash flows from investing activities:			
Additions to intangible assets	(1,054)	(935)	(1,779)
Additions to property, plant and equipment	(348)	(10)	(24)
Acquisition of subsidiaries	(1,234)	–	–
Cash on acquisition of subsidiary	19	–	–
Net cash used in investing activities	**(2,617)**	**(945)**	**(1,803)**
Cash flows from financing activities:			
Issue of ordinary share capital	9,524	–	–
Issue of ordinary share capital of subsidiary	5,000	–	148
New borrowings	3,744	1,347	2,353
Net cash generated from financing activities	**18,268**	**1,347**	**2,501**
Net increase/(decrease) in cash and cash equivalents	**5,285**	**(5,519)**	**(10,071)**
Cash and cash equivalents at beginning of the period/year	7,608	17,728	17,728
Effect of foreign exchange rate changes	12	2	(49)
Cash and cash equivalents at end of the period/year	**12,905**	**12,211**	**7,608**

NOTES TO THE UNAUDITED CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2022

1. Accounting policies

Basis of preparation

The annual financial statements of TruFin plc are prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the United Kingdom.

The condensed set of financial statements included in this Interim Financial Report has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' ('IAS 34'). This condensed set of Financial Statements has been prepared by applying the accounting policies and presentation that were applied in the preparation of the TruFin Group's published Financial Statements for the year ended 31 December 2021.

The condensed set of financial statements included in this Interim Financial Report for the six months ended 30 June 2022 should be read in conjunction with the annual audited financial statements of TruFin plc for the year ended 31 December 2021, which were delivered to the Jersey Financial Services Commission. The audit report for these accounts was unqualified and did not draw attention to any matters by way of emphasis.

Going concern

The Directors are satisfied that the TruFin Group has sufficient resources to continue in operation for the foreseeable future, a period of not less than 12 months from the date of the report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

Group information

The TruFin Group ("the Group") is the consolidation of;

- TruFin plc,
- TruFin Holdings Limited,
- Oxygen Finance Group Limited, Oxygen Finance Limited, Oxygen Finance Americas Inc. and Porge Ltd (dissolved 22 March 2022), together the ("Oxygen Group"),
- TruFin Software Limited,
- Satago Financial Solutions Limited, Satago SPV 1 Limited, Satago SPV 2 Limited, Satago Financial Solutions z.o.o, together ("Satago"),
- AltLending (UK) Ltd,
- Vertus Capital Limited and Vertus SPV 1 Limited, together ("Vertus"), and
- Playstack Limited, Bandana Media Ltd, Playignite Ltd, Playstack z.o.o, Playstack OY, Foxglove Studios AB, Magic Fuel Games Inc, Playstack Inc and Playignite Inc, together the ("Playstack Group").

Additionally, the Playstack Group also includes four associate companies incorporated in the UK which have been accounted for using the equity method. These are;

- A 49% interest in PlayFinder Games Ltd,
- A 49% interest in Snackbox Games Ltd,
- A 42% interest in Military Games International Ltd, and
- A 26% interest in Stormchaser Games Ltd.

The principal activities of the Group are the provision of niche lending, early payment services and mobile game publishing.

The financial statements are presented in Pounds Sterling, which is the currency of the primary economic environment in which the Group operates. Amounts are rounded to the nearest thousand.

Significant accounting policies and use of estimates and judgements

The preparation of interim consolidated financial statements in compliance with IAS 34 requires the use of certain critical accounting judgements and key sources of estimation uncertainty. It also requires the exercise of judgement in applying the TruFin Group's accounting policies. There have been no material revisions to the nature and the assumptions used in estimating amounts reported in the annual audited financial statements of TruFin plc for the year ended 31 December 2021.

The accounting policies, presentation and methods of computation in the audited financial statements have been followed in the condensed set of financial statements.

2. General information

TruFin plc is a public limited company incorporated in Jersey. The shares of the Company are listed on the Alternative Investment Market. The address of the registered office is 26 New Street, St Helier, Jersey, JE2 3RA.

A copy of this Interim Financial Report including Condensed Financial Statements for the period ended 30 June 2022 is available at the Company's registered office and on the Company's investor relations website (www.trufin.com).

3. Gross revenue

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Interest income	1,003	813	1,681
Total interest income	**1,003**	**813**	**1,681**
EPPS* contracts	1,519	1,146	2,536
Consultancy fees	247	131	436
Implementation fees	412	26	70
Subscription fees	777	596	1,288
Total fee income	**2,955**	**1,899**	**4,330**
IAP revenue	207	200	428
Advertising revenue	299	139	378
Console revenue	1,816	1,880	6,285
Brand revenue	1	10	13
Total publishing income	**2,323**	**2,229**	**7,104**
Gross revenue	**6,281**	**4,941**	**13,115**

*Early Payment Programme Services

4. Segmental reporting

The results of the Group are broken down into segments based on the products and services from which it derives its revenue:

Short term finance:

Provision of invoice discounting and succession financing for the IFA space. For results during the reporting period, this corresponds to the results of Satago, Vertus and AltLending.

Payment services:

Provision of Early Payment Programme Services. For results during the reporting period, this corresponds to the results of the Oxygen Group.

Publishing:

Publishing of video games. For results during the reporting period, this corresponds to the results of the Playstack Group.

Other:

Revenue and costs arising from investment activities. For results during the reporting period, this corresponds to the results of TruFin Software Limited, TruFin Holdings Limited and TruFin plc.

The results of each segment, prepared using accounting policies consistent with those of the Group as a whole, are as follows:

6 months ended 30 June 2022 (Unaudited)	Short term finance £'000	Payment services £'000	Publishing £'000	Other £'000	Total £'000
Gross revenue	1,491	2,467	2,323	–	6,281
Cost of sales	(441)	(398)	(1,108)	–	(1,947)
Net revenue	1,050	2,069	1,215	–	4,334
Adjusted operating loss*	(2,298)	(232)	(1,085)	(1,180)	(4,795)
Loss before tax	(2,298)	(232)	(1,085)	(1,180)	(4,795)
Taxation	(1)	–	231	–	230
Loss for the period	(2,299)	(232)	(854)	(1,180)	(4,565)
Total assets	30,837	8,208	19,406	6,039	64,490
Total liabilities	(16,907)	(1,859)	(2,572)	(733)	(22,071)
Net assets	13,930	6,349	16,834	5,306	42,419

*adjusted operating loss excludes share-based payment expense

6 months ended 30 June 2021 (Unaudited)	Short term finance £'000	Payment services £'000	Publishing £'000	Other £'000	Total £'000
Gross revenue	896	1,816	2,229	–	4,941
Cost of sales	(424)	(305)	(1,467)	–	(2,196)
Net revenue	**472**	**1,511**	**762**	**–**	**2,745**
Adjusted operating loss*	(1,993)	(443)	(1,463)	(1,204)	(5,103)
Loss before tax	**(1,993)**	**(443)**	**(1,463)**	**(1,274)**	**(5,173)**
Taxation	(17)	–	(3)	–	(20)
Loss for the period	**(2,010)**	**(443)**	**(1,466)**	**(1,274)**	**(5,193)**
Total assets	21,894	7,267	15,001	7,477	51,639
Total liabilities	(12,505)	(1,649)	(2,254)	(576)	(16,984)
Net assets	**9,389**	**5,618**	**12,747**	**6,901**	**34,655**

*adjusted operating loss excludes share-based payment expense

Year ended 31 December 2021 (Audited)	Short term finance £'000	Payment services £'000	Publishing £'000	Other £'000	Total £'000
Gross revenue	1,878	4,133	7,104	–	13,115
Cost of sales	(832)	(873)	(4,509)	–	(6,214)
Net revenue	**1,046**	**3,260**	**2,595**	**–**	**6,901**
Adjusted operating loss*	(3,877)	(548)	(1,439)	(2,488)	(8,352)
Loss before tax	(3,877)	(548)	(1,439)	(2,558)	(8,422)
Taxation	367	175	444	–	986
Loss for the period	**(3,510)**	**(373)**	**(995)**	**(2,558)**	**(7,436)**
Total assets	24,607	8,331	16,774	1,016	50,728
Total liabilities	(13,341)	(1,747)	(2,184)	(1,005)	(18,277)
Net assets	**11,266**	**6,584**	**14,590**	**11**	**32,451**

*adjusted operating loss excludes share-based payment expense

5. Staff costs

Analysis of staff costs:

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Wages and salaries	5,269	4,609	9,011
Consulting costs	193	183	395
Social security costs	744	703	1,409
Pension costs arising on defined contribution schemes	227	223	428
Share-based payment	–	70	70
Government grants	–	(22)	(28)
	6,433	**5,766**	**11,285**

Consulting costs are recognised within staff costs where the work performed would otherwise have been performed by employees. Consulting costs arising from the performance of other services are included within other operating expenses.

Average monthly number of persons (including Executive Directors) employed:

	6 months ended 30 June 2022 (Unaudited) Number	6 months ended 30 June 2021 (Unaudited) Number	Year ended 31 December 2021 (Audited) Number
Management	18	16	16
Finance	11	7	7
Sales & marketing	34	32	23
Operations	50	54	36
Technology	54	43	54
	167	**152**	**136**

Directors' emoluments

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Combined remuneration	376	370	685

6. Employee share-based payment transactions

The employment share-based payment charge comprises:

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Performance Share Plan and Joint Share Ownership Plan Founder Award	–	59	59
Performance Share Plan Market Value Award	–	11	11
Performance Share Plan 2019 Award	–	–	–
Performance Share Plan 2018 Award	–	–	–
Total	–	70	70

Performance Share Plan and Joint Share Ownership Plan Founder Award ("PSP and JSOP")

On 21 February 2018, 3,407,895 shares were granted to selected founder members of senior management of which the share price at date of grant was £1.90 per share. The awards are structured as a Performance Share Plan and a Joint Share Ownership Plan. The Performance Share Plan is structured as a nil cost option with no performance conditions attached. The awards were also granted subject to continued employment until February 2021. The Joint Share Ownership Plan allows the employee to participate in the growth in value over and above the grant price of £1.90. The shares vest 25% on each anniversary of the grant date.

The first 25% of shares (851,973 shares) vested on 21 February 2019 when the share price was £1.98. As a result 817,550 shares subject to the Joint Share Ownership Plan became fully owned by the trustee of the Company's employee benefit trust (the "EBT") and 34,423 became fully owned by senior management.

At the time of Distribution Finance Capital Ltd's ("DFC's") demerger from the Group, there was a modification to the Founder Award. The £1.90 price above which the employee was able to participate in value growth under the Joint Share Ownership Plan was adjusted proportionally by reference to the respective share prices of DFC and TruFin to £0.85. This modification has not resulted in a change in the valuation of the award and this continues to be recognised over the remainder of the original vesting period.

As part of the demerger, holders of Founder Awards also received an award in respect of DFC shares which gave rise to an employer's National Insurance liability of £419,000, which was paid in July 2019.

On 11 September 2019, in connection with his change of role, the unvested Founder Awards in respect of 1,369,244 shares held by Henry Kenner fully vested, the result of which was that all of the relevant shares ceased to be subject to the Joint Share Ownership Plan and instead become fully owned by the EBT. In addition, 1,369,244 shares subject to the Performance Share Plan ceased to be subject to continued employment condition.

The second 25% of Founder Awards held by James van den Bergh vested on 21 February 2020 when the share price was £0.26. As a result, 395,560 shares subject to the Joint Share Ownership Plan became fully owned by the EBT and James' nil cost option under the Performance Share Plan vested in respect of the same number of shares.

On 27 November 2020, Henry Kenner exercised his nil cost option under the Performance Share Plan which resulted in 1,807,217 shares being transferred from the EBT to Henry Kenner on 22 December 2020. This gave rise to an Employer's National Insurance liability of £82,000 which was paid in January 2021.

The third 25% of Founder Awards held by James van den Bergh vested on 21 February 2021 when the share price was £0.78. As a result, 395,560 shares subject to the Joint Share Ownership Plan became fully owned by the EBT and James' nil cost option under the Performance Share Plan vested in respect of the same number of shares.

The final 25% of Founder Awards held by James van den Bergh vested on 22 February 2022 when the share price was £0.81. As a result, 395,558 shares subject to the Joint Share Ownership Plan became fully owned by the EBT and James' nil cost option under the Performance Share Plan vested in respect of the same number of shares.

Performance Share Plan Market Value Award ("PSP Market Value")

On 21 February 2018, options to acquire 4,868,420 shares were granted to the senior management team. The vesting of this award is based on market-based performance conditions. The vesting of these awards is subject to the holder remaining an employee of the Company and the Company's share price achieving five distinct milestones - vesting at 20% each milestone. The exercise price of the awards at the time of grant was £1.90 per share. A Monte Carlo simulation was used to determine the fair value of these options. The model used an expected volatility of 10% and a risk free rate of 1.3%.

In order to reflect the impact of the demerger, the PSP Market Value Award was split into two:

- Part of the award remained as an option in respect of TruFin plc shares ("TruFin Market Value Award")
- Part of the award became an award in respect of DFC shares ("DFC market Value Award")

The TruFin Market Value Award is on the same terms as the original PSP Market Value Award except that:

- The exercise price was adjusted to £0.85, and the share price milestones were adjusted to reflect the demerger
- The exercise price was further adjusted to £0.80, and the share price milestones were further adjusted, to reflect the return of value to shareholders in June 2019
- The exercise price was further adjusted to £0.71, and the share price milestones were further adjusted to reflect the return of value to shareholders in December 2019

The modification has not resulted in a change in the valuation of the award and this continues to be recognised over the remainder of the original vesting period.

The grant of the DFC Market Value Award gave rise to an employer's National Insurance liability for the Company of £265,000 which was paid in July 2019.

Performance Share Plan 2018 Award ("PSP 2018")

On 21 February 2018, options to acquire 1,000,001 shares were granted to the senior management team. The PSP 2018 Award is structured as a nil cost option. The vesting of this award was subject to the holder being in continued employment until February 2021 and the subsidiary companies achieving certain financial metrics over a three-year period.

In order to reflect the impact of the demerger, and as the performance condition relating to the business of DFC was deemed to be achieved in full due to the demerger, the PSP 2018 Award was adjusted as follows:

- the award part vested and was satisfied by way of a cash payment calculated by reference to 50% of the shares subject to the award and a price of £1.90 per share. The cash payments were made in September 2019; and
- the awards otherwise continued in respect of 100% of the TruFin plc shares, but the performance condition related solely to the business of the Oxygen Group.

In 2019, PSP 2018 Awards in respect of 736,843 shares lapsed following members of senior management leaving the Group and changing roles.

The remaining performance condition of this award was not met at the end of the 3 year vesting period.

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For the six months ended 30 June 2022

Performance Share Plan 2019 Award ("PSP 2019")

On 11 September 2019 an option to acquire 320,000 shares was granted to James van den Bergh. The PSP 2019 Award is structured as a nil cost option. The vesting of this award is subject to the holder being in continued employment until September 2022 and subsidiary companies achieving certain financial metrics over a three-year period. The performance vesting conditions had not been met at the end of the 3 year vesting period.

7. Loss before income tax

Loss before income tax is stated after charging:

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Depreciation of property, plant and equipment	55	47	96
Amortisation of intangible assets	822	646	1,571
Staff costs including share-based payments charge	6,433	5,766	11,285

8. Taxation

Analysis of tax credit/charge recognised in the period/year

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Current tax (credit)/charge	(230)	4	(726)
Deferred tax (credit)/charge	–	16	(260)
Total tax (credit)/charge	**(230)**	**20**	**(986)**

Deferred tax asset

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Balance at start of the period/year	303	43	43
(Debit)/credit to the statement of comprehensive income	–	(16)	260
Balance at end of the period/year	**303**	**27**	**303**
Comprised of:			
Losses	303	27	303
Total deferred tax asset	**303**	**27**	**303**

A deferred tax asset was recognised in 2021 in respect of Vertus Capital SPV 1 Limited, as it became profitable.

9. Intangible assets

	Client contracts £'000	Software licences and similar assets £'000	Separately identifiable intangible assets £'000	Goodwill £'000	Total £'000
Cost					
At 1 January 2022	5,490	2,579	1,642	15,746	25,457
Additions	496	603	–	–	1,099
Arising on acquisition of subsidiary	–	3	–	2,522	2,525
Disposals	(45)	(75)	–	–	(120)
Exchange differences	2	–	–	–	2
At 30 June 2022 (unaudited)	**5,943**	**3,110**	**1,642**	**18,268**	**28,963**
Amortisation					
At 1 January 2022	(1,607)	(1,181)	(1,070)	–	(3,858)
Charge for the period	(398)	(260)	(164)	–	(822)
Disposals	–	75	–	–	75
At 30 June 2022 (unaudited)	**(2,005)**	**(1,366)**	**(1,234)**	**–**	**(4,605)**
Accumulated impairment losses					
At 1 January 2022	(408)	–	–	–	(408)
At 30 June 2022 (unaudited)	**(408)**	**–**	**–**	**–**	**(408)**
Net book value					
At 30 June 2022 (unaudited)	**3,530**	**1,744**	**408**	**18,268**	**23,950**
At 31 December 2021	3,475	1,398	572	15,746	21,191

	Client contracts £'000	Software licences and similar assets £'000	Separately identifiable intangible assets £'000	Goodwill £'000	Total £'000
Cost					
At 1 January 2021	4,689	1,834	1,642	15,796	23,961
Additions	1,056	757	–	(50)	1,763
Disposals	(256)	–	–	–	(256)
Exchange differences	1	(12)	–	–	(11)
At 31 December 2021	**5,490**	**2,579**	**1,642**	**15,746**	**25,457**
Amortisation					
At 1 January 2021	(956)	(814)	(742)	–	(2,512)
Charge	(873)	(370)	(328)	–	(1,571)
Disposals	222	–	–	–	222
Exchange differences	–	3	–	–	3
At 31 December 2021	**(1,607)**	**(1,181)**	**(1,070)**	**–**	**(3,858)**
Accumulated impairment losses					
At 1 January 2021	(408)	–	–	–	(408)
At 31 December 2021	**(408)**	**–**	**–**	**–**	**(408)**
Net book value					
At 31 December 2021	**3,475**	**1,398**	**572**	**15,746**	**21,191**
At 31 December 2020	3,325	1,020	900	15,796	21,041

Client contracts comprise the directly attributable costs incurred at the beginning of an Early Payment Scheme Service contract to revise a client's existing payment systems and provide access to the Group's software and other intellectual property. These implementation (or "set up") costs are comprised primarily of employee costs.

The useful economic life for each individual asset is deemed to be the term of the underlying Client contract (generally 5 years) which has been deemed appropriate and for impairment review purposes, projected cash flows have been discounted over this period.

The amortisation charge is recognised in fee expenses within the statement of comprehensive income, as these costs are incurred directly through activities which generate fee income.

Software, licenses and similar assets comprises separately acquired software, as well as costs directly attributable to internally developed platforms across the Group. These directly attributable costs are associated with the production of identifiable and unique software products controlled by the Group and are probable of producing future economic benefits. They primarily include employee costs and directly attributable overheads.

A useful economic life of 3 to 5 years has been deemed appropriate and for impairment review purposes projected cash flows have been discounted over this period.

The amortisation charge is recognised in depreciation and amortisation on non-financial assets within the statement of comprehensive income.

Goodwill and "Separately identifiable intangible assets" arise from acquisitions made by the Group.

10. Property, plant and equipment

Group	Fixtures & fittings £'000	Computer equipment £'000	Right-of-Use Asset £'000	Total £'000
Cost				
At 1 January 2022	53	78	429	560
Additions	51	21	276	348
Disposals	–	(3)	(393)	(396)
At 30 June 2022	**104**	**96**	**312**	**512**
Depreciation				
At 1 January 2022	(44)	(44)	(407)	(495)
Charge	(4)	(13)	(38)	(55)
Disposals	–	3	393	396
At 30 June 2022	**(48)**	**(54)**	**(52)**	**(154)**
Net book value				
At 30 June 2022	**56**	**42**	**260**	**358**
At 31 December 2021	9	34	22	65

Group	Fixtures & fittings £'000	Computer equipment £'000	Right-of-Use Asset £'000	Total £'000
Cost				
At 1 January 2021	52	60	429	541
Additions	2	22	–	24
Disposals	–	(4)	–	(4)
Exchange differences	(1)	–		(1)
At 31 December 2021	53	78	429	560
Depreciation				
At 1 January 2021	(36)	(26)	(339)	(401)
Charge	(8)	(20)	(68)	(96)
Disposals	–	2	–	2
At 31 December 2021	(44)	(44)	(407)	(495)
Net book value				
At 31 December 2021	9	34	22	65
At 31 December 2020	16	34	90	140

11. Loans and advances

	30 June 2022 (Unaudited) £'000	31 December 2021 (Audited) £'000
Total loans and advances	21,886	16,137
Less: loss allowance	(10)	(4)
	21,876	16,133

Past due receivables relating to loans and advances are analysed as follows:

	30 June 2022 (Unaudited) £'000	31 December 2021 (Audited) £'000
Neither past due nor impaired	21,059	16,062
Past due: 0–30 days	794	32
Past due: 31–60 days	20	10
Past due: 61–90 days	1	28
Past due: more than 91 days	2	1
	21,876	16,133

The financial risk management procedures disclosed in the 31 December 2021 audited financial statements have been and remain in place for the period to 30 June 2022.

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For the six months ended 30 June 2022

12. Share capital

	Share Capital £'000	Total £'000
94,182,943 shares at £0.91 per share at 30 June 2022 (unaudited)	**85,706**	**85,706**

On 12 April 2022, the Company issued 13,360,739 ordinary shares through a Placing and an Open Offer. These were issued at £0.75 per share, raising gross proceeds of £10,020,554. This was a discount to par value of £2,138,000, which has been included in Other Reserves in the Statement of Changes of Equity.

All ordinary shares carry equal entitlements to any distributions by the Company. No dividends were proposed by the Directors for the period ended 30 June 2022.

13. Borrowings

	30 June 2022 (Unaudited) £'000	31 December 2021 (Audited) £'000
Loans due within one year	1,746	1,634
Loans due in over one year	15,059	11,351
	16,805	**12,985**

Movements in borrowings during the period/year

The below table identifies the movements in borrowings during the period/year.

	£'000
Balance at 1 January 2022	12,985
Loan Drawdowns	5,180
Loan repayments	(1,435)
Fee amortisation	55
Interest expense	326
Interest paid	(309)
Effect of foreign exchange rate changes	3
Balance at 30 June 2022 (Unaudited)	**16,805**
Balance at 1 January 2021	10,711
Funding drawdown	5,725
Interest expense	528
Origination fees paid	(211)
Fee amortisation	141
Repayments	(3,371)
Interest paid	(506)
Loan written off	(13)
Exchange differences	(19)
Balance at 31 December 2021 (Audited)	**12,985**

14. Acquisition of Subsidiary

On 6 June 2022, Playstack Inc acquired Magic Fuel Games Inc. ("Magic Fuel"), a remote games development studio based in San Francisco, USA.

The consideration for the acquisition was $3 million, $1.5 million of which had been paid by the reporting date, and $1.5 million is payable in May 2023.

In accordance with IFRS 3, the Group has up to one year to finalise the initial accounting for a business combination. At the reporting date, our assessment in relation to the recognition and measurement of separately identifiable intangible assets acquired is ongoing.

15. Earnings per share

Earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period/year.

The calculation of the basis and adjusted earnings per share is based on the following data:

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Number of shares			
At period/year end	94,182,943	80,822,204	80,822,204
Weighted average	86,727,509	80,822,204	80,822,204
Earnings attributable to ordinary shareholders	**£'000**	**£'000**	**£'000**
Loss after tax attributable to the owners of TruFin plc	(3,716)	(5,033)	(7,071)
Adjusted earnings attributable to ordinary shareholders			
Loss for the period/year attributable to the owners of TruFin plc	(3,716)	(5,033)	(7,071)
Adjusted for:			
Share-based payment	–	70	70
Adjusted loss after tax attributable to the owners of TruFin plc	(3,716)	(4,963)	(7,001)
Earnings per share*	**Pence**	**Pence**	**Pence**
Basic and Diluted	(4.3)	(6.2)	(8.7)
Adjusted[1]	(4.3)	(6.1)	(8.7)

* All Earnings per share figures are undiluted and diluted.

Adjusted[1] EPS excludes share-based payment expense, exceptional items and discontinued operations from loss after tax

Management has been granted 5,451,578 share options in TruFin plc (See note 6 for details). These could potentially dilute basic EPS in the future, but were not included in the calculation of diluted EPS as they are antidilutive for the periods presented, as the Group is loss making.

16. Related party disclosures

Transactions with directors

Key management personnel disclosures are provided in notes 5 and 6.

Transactions with directors, or entities in which a director is also a director or partner

	6 months ended 30 June 2022 (Unaudited) £'000	6 months ended 30 June 2021 (Unaudited) £'000	Year ended 31 December 2021 (Audited) £'000
Consultancy services provided by an ex-director	–	21	21

During the period, the Group made loans to Storm Chaser UG, a company based in Germany. Storm Chaser UG is 100% owned by Storm Chaser Games – an associate company of Playstack (see note 1). The balance of the loans including interest at the reporting date was £320,000 (2021: £148,000)

17. Post balance sheet events

On 29 July 2022, the Group completed a further £2 million investment in Satago. For the purposes of this investment, the valuation of Satago is the same pre-money valuation that Lloyds Banking Group participated at for their £5 million investment.

On 9 March 2022, TruFin announced, in conjunction with the commercial agreement with Lloyds and the £5m Investment, that it had agreed to vary the terms of an existing £3m loan to Satago so that it would be convertible into equity capital in Satago at the same pre-money valuation. On 1 September 2022, TruFin exercised its conversion right and converted the £3 million loan into equity in Satago.

Following this transaction, the Group holds approximately 70% of the fully diluted share capital of Satago.

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