GROUP SEMI-ANNUAL MANAGEMENT REPORT AND UNAUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 3O JUNE 2021

FOR

ALEPH FINANCE GROUP PLC

ALEPH FINANCE GROUP PLC

Contents

For the period ended 30 June 2021

ALEPH FINANCE GROUP PLC

Company Information

For the period ended 30 June 2021

Directors	Andrea Sprizzi Enrico Danieletto (Resigned on 25 March 2021) Mauro Grandinetti Ralph Cameron Snedden
Secretary	Gergana Atanasova Ivanova
Registered number	06469680
Registered office	1st Floor 12 Old Bond Street London WIS 4PW
Auditors	MAH, Chartered Accountants 154 Bishopsgate, London, EC2M 4LN
Website Address:	https://alephgroup.io/

Fair review of the business

History of the company

Aleph Finance Group is a financial company headquartered in London, acting as holding company of its Group that is active in managing investments, providing advisory services and insurance solutions to high net worth individuals, family offices and companies throughout Europe. Aleph was incorporated in 2008 with the legal name of Pairstech Limited and, until 2015, was dormant. As of 3 June 2015, Pairstech Limited changed its legal name to Pairstech CM Ltd.

In March 2016, following the departure of a minority partner of Pairstech Capital Management LLP, Aleph increased its interest in Pairstech in order to support its development.

In 2017, the reporting dates of Aleph have changed from 30 April to 31 December, in order to align them with those of its Investees.

As of 16 April 2018, Pairstech CM Ltd changed its name to Aleph Finance Group Ltd.

On 27 March 2019, the company issued 6.5% 2024 the Non-Convertible Bonds. As of 27 March 2019, the Bonds were admitted to trading on the Vienna MTF, a Multilateral Trading Facility operated by the Wiener Börse AG (the Vienna Stock Exchange).

By way of a written resolution of the Shareholders of Aleph adopted on18 July 2019, Aleph was transformed into a public limited company. On the same day, Aleph executed a stock split with the division of the previous no. 50,000 (fifty thousand) ordinary shares denominated in GBP having a nominal value of GBP 1 (one) each into no. 10,000,000.00 (ten million) ordinary Shares having a nominal value of GBP 0.005 (zero point zero zero five) each. On 22 November 2019 Aleph allotted number 529,477 (five hundred twentynine thousand four hundred seventyseven) ordinary shares denominated in GBP having a nominal value of GBP 0.005 (zero point zero zero five) each, so the share capital was increased at 10,529,477 (ten million five hundred twentynine thousand four hundred seventyseven) ordinary shares.
As of 11 December 2020 Aleph Finance Group plc was listed on Paris Euronext Stock Market - Access Plus segment.

Description of the company's activities

Aleph and its Group are mainly active in the asset management and insurance brokerage industries. Each "business-line" is then divided into different sub-lines, making of Aleph and its Group a real pan- European financial player able to serve clients with a "360-degree" approach.

Aleph’s main activities in this business line are: (i) the development of corporate strategy in favour of its Subsidiaries and Investees and (ii) the management of equity interests in other companies operating in the fund management, wealth management, capital markets and financial services industries

The activities falling within each sub-line can be described as follows.

Wealth Management	Fund Sub-Management	Capital Markets	Financial Services Hub
• Managed Accounts • Advisory Mandates • Portfolio Allocation • Risk Analysis	• UCITS Funds • Alternative Funds • Marketing and Placement • Risk Management	• Corporate Finance • Listing & Placement • Investor Relations Services • Club Deals • Crowdfunding	• Regulatory umbrella • Compliance Oversight • Securitisation Vehicles, Certificates and Funds Setup

Wealth Management

The Group is active in the wealth management space through Pairstech.

The wealth management activities represent the first as well as the key and most relevant business of the Group.

The services falling within such sub-line represent a combination of active management (i.e. managed accounts and portfolio allocation) and advisory (i.e. advisory mandates and risk analysis) activities.

In this business sub-line, the Group has also established strong partnerships with leading credit and financial institutions in the different countries where the Group operates, providing to the Group and its clients custodian, depositary bank, execution, trading and settlement services.

Funds' Sub-Management

Funds' sub-management represents a key area for Aleph and its Group. The Group is active in the fund sub-management industry through Pairstech
The Group firstly operates as a delegated investment manager, both in relation to UCITS and Alternative Investment Funds, based on investment manager agreements entered into with leading European management companies.

Such agreements – whilst, on the one hand, retain the ultimate liability and responsibility to the management companies – on the other hand, attribute significant discretion and powers to the delegated investment manager (i.e. Pairstech) in the execution and monitoring of the investments as well as in the management of the relevant Funds (or compartments thereof).

Such structure allows clients to benefit from, (i) on the one hand, the infrastructure and services of fully regulated and well-respected management companies and (ii) on the other hand, be-spoke investment solutions offered by, and the specific expertise of, Pairstech's investment managers.

Pairstech is also active in the distribution side, by marketing and placing UCITS and Alternative Investment Funds vis-à-vis its clients.

Capital markets

Capital markets historically represent a core business for Aleph and its Group, both on the transactional as well as the advisory side.

The Group advises corporate clients on the entire transactional process, starting from the structuring activities of capital markets' deals (equity and debt) to the placing and listing phase thereof.
In this regard, the Group's main target clients are European small-medium enterprises ("SMEs") wanting to diversify their funding sources and looking to dis-intermediate the traditional banking channel. In this space, Pairstech has gained a top-notch expertise and market recognition in the structuring and distribution of the so-called mini-bonds (i.e. debt securities issued by Italian SMEs), to be listed typically on the ExtraMOT Pro, a market segment managed and organised by the Italian Stock Exchange, or the Vienna MTF, a market of the Vienna Stock Exchange.

Financial Services Hub

The Group also operates as a hub for financial services' solutions.

In this regard, a profitable part of the business is represented by the so-called appointed representative services offered by Pairstech to non-regulated entities intending to benefit from the regulatory umbrella and permissions of Pairstech to carry-out certain regulated activities in the United Kingdom.

The appointed representatives' business requires compliance oversight's services that are carried out by the Group in favour of its appointed representatives.

Finally, another important part of the financial services business is represented by the so-called "special opportunities", such as the set-up and management of securitisation vehicles and/or compartments thereof through which securitisation transactions are executed and the structuring of certificates and other investment products.

Insurance's business line

The insurance brokerage business line is divided into the 3 following sub-lines.

Private Life Insurance	Unit Linked Life Insurance	Health Insurance
Combination of private banking services and asset management embedded within life insurance policies, satisfying the most sophisticated and complex needs with dedicated instruments	A product that combine insurance personal protection with underlying diversified funds portfolio, long terms investment with insurance and fiscal advantages	International medical private schemes protecting entrepreneurs and families related to short terms and long terms Health care needs.

<u>Customers' base and segments</u>

The chart below shows the Group's client base together with the Group's aim.
In particular, the Group focuses on the high-net worth individuals' space in relation to its management and insurance brokerage activities and on the European SMEs' area for its capital markets' business.

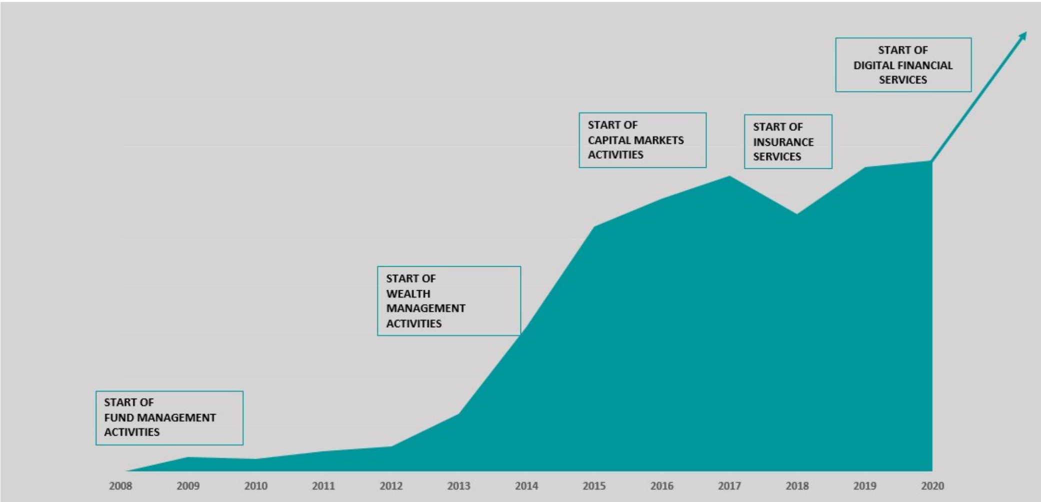
Therefore, the Group presents itself as a pan-European "insurwealth" mid-market platform.

Geographical presence

The Group provides its services mainly in the United Kingdom, Ireland, Switzerland, Italy, Spain and Luxembourg.

Development and performance

The chart below shows the historical evolution of the Company and its Group's business and activities.



Business Model

The business model's key pillars

The business model of Aleph and its Group is based on the following key pillars:

1. Geographical presence: the Group is able to offer seamless investment, asset management, insurance and advisory solutions to its clients in all the most relevant financial jurisdictions in Europe, either through the physical presence of regulated intermediaries/branches or on a freedom to provide services basis;

2. Technology and innovation: the Group strongly believes in the role and importance of technology applied to financial and insurance services. In this regard – through its Investees Opstart and Bridge Insurance Services – the Group is able to offer fintech and digital investment and insurance solutions and products to its clients;

3. Manufacturing and structuring capability: the Group does not only operate as a distributor of third- party products but has a strong capability to internally create and develop its own strategies and portfolios as well as to sub-manage funds thus offering bespoke investment solutions to its clients and offering full transparency about their investments;

4. Illiquid investments' capability and expertise: the Group has gained a strong expertise in illiquid products that are becoming more and more part of institutional and professional clients' portfolios, which often, in this period of low interest rate, look for alternative, attractive and high-yield solutions;

5. Advisory and regulatory services: the Group offers on-going and recurring advisory and regulatory services to SMEs, family offices and appointed representatives, thus ensuring a constant and stable flow of business;

6. Human capital: the Group boasts a group of highly-skilled professional with a good age-combination and with a focus on a specific industry and/or geographical area

First Half of 2021

In the first half of 2021, Aleph Finance Group plc had kept performing accordingly to its business plan, with the monitor and oversight of controlled and participated companies, with no variations in its holdings.
The main holding, Pairstech Capital Management LLP (“Pairstech”) has been transitioning in the post Brexit era, after the conclusion of the “transitional period” as of December 31st 2020. A new application with Italian regulator was filed as of the end of 2020 and authorization to perform certain investment services has been achieved just after the end of 1H21, which required a commisurate effort from the Board and Senior Management. During Q2 a strong governance initiative has been spurred from the Senior Management and the Board, which brought to a renewed governance and the appointment of a new Executive Committee, replacing previous Board of Directors.
As for the underlying business, the Company benefited of a benign situation in the economy and in the financial markets, still in a recovery mode from the pandemic started in 1Q2020.

In terms of other holdings, it is noteworthy the accelerated growth experienced by Bridge Insurance owner of the “viteSicure” brand, together with the entry in the cap table of new institutional venture partners.
The Italian Crowdfunding platform Opstart had a very positive quarter, keeping its lead in terms of deal flows and associated overall funds raised.
From a stock exchange point of view, it’s been the first full semester of listing, with a few relevant institutional players joining the formers investors at listing time, providing with a valuable long term strategic support and valuable support and oversight to the Board, in the interest of the overall shareholders’ base.
Price of the shares have been mostly flat since the listing time, with some remarkable trading activity in conjunction with the entrance of new shareholders.

In terms of Asset Under Management, the first half of 2021 has seen a stable situation compared with December 2020.
As per table below, there was a decrease of the AUM for the Managed Accounts in Eur but an increase of those in USD, so the final balance is -5%.
The Funds managed by the Group had a small increase: +2%

ALEPH FINANCE GROUP PLC

Management Report (Continued)

For The Period ended 30 June 2021

Managed Accounts	2020		2021 H1	
	EUR	USD	EUR	USD
	55.124.631	**3.168.321**	**44.598.874**	**9.338.088**
FUNDS	2020		2021 H1	
LEMANIK HR6	24.059.160		27.029.906	
PHARUS MV7	18.550.897		16.681.099	
CARDIFF	33.523		33.440	
NAXOS	52.392.135		52.392.135	
MAINFIRST O3	21.795.712		22.726.659	
	116.831.427		**118.863.239**	

ON BEHALF OF ALEPH FINANCE GROUP PLC

Andrea Sprizzi
Chief Executive Officer

31 October 2021

ALEPH FINANCE GROUP PLC

Unaudited Financial Statements
For the period ended 30 June 2021

Consolidated Statement of Comprehensive Income
For the period 1 January 2021 to 30 June 2021

Statement not subject to audit

	as at 30 June 2021 - GBP '000
Continuing Operations	
Revenue	4.407
Cost of sales	-4.041
Gross Income	367
Administrative expenses	-266
Other gains/losses	-4
Operating Income	96
Non Operating Items	
Impairment of investments	-
Impairment of intercompany loans	-
Loss on disposal of investments	-
Surplus arising on settlements with trade creditors	-
Admission expenses	-
	96
Finance income	0
Finance costs	-75
Income from investments	0
Earnings before Income tax	**21**
Income tax	0
Earnings for the period	21
Other Comprehensive Income	0
Total comprehensive income for the period	21
Loss and total comprenehsive income attributable to	
Owners of the company	19
Non-controlling interests	2
	21
Income per share	0,20
Basic & Diluted loss per share - pence	

ALEPH FINANCE GROUP PLC

Unaudited Financial Statements
For the period ended 30 June 2021

Consolidated Statement of Financial Position
For the period 1 January 2021 to 30 June 2021

Statement not subject to audit

	as at 30 June 2021 - GBP '000
ASSETS	
Non-current assets	
Intangible asset	0
Property, Plant & Equipment	1
Investments	0
Goodwill	140
CURRENT ASSETS	
Trade and other receivables	1.833
Other financial assets	934
Cash and cash equivalents	1.002
TOTAL ASSETS	**3.910**
EQUITY	
Shareholders' Equity	
Called up share capital	53
Share premium	0
Preference share equity component	0
Share based payment reserve	0
FX Reserve	0
Accumulated deficit	-1.574
Non-Controlling Interest	605
Total Equity	-917
LIABILITIES	
CURRENT LIABILITIES	
Trade and other payables	329
NON-CURRENT LIABILITIES	
Borrowings	4.498
TOTAL LIABILITITES	4.827
TOTAL EQUITY AND LIABILITIES	**3.910**

NOTES TO SEMIANNUAL FINANCIALS STATEMENTS JANUARY TO JUNE 2021

1. General Information

Aleph Finance Group Plc (the "Company") is a public limited company incorporated and domiciled in England and Wales. Details of the registered office, the officers and advisers to the company are presented on the company information page at the start of this report. The Company is listed on the Euronext Access + Paris stock market.

The principal activities of the Group were that of making investments and invoice purchasing.

The consolidated semi-annual financial statements comprised of the Company and its subsidiary Pairstech Capital Management LLP (together referred to as "the Group") as at and for the 6 month period to 30 June 2021. The parent Company financial statements present information about the Company as a separate entity and not about its Group.

2. Brief analysis of the main economic results

First of all, it's important highlight that there is no comparison statement, since this is the first 6 months statement published after the listing.

Nevertheless, there are two major successes achieved:

i. The first one is that, <u>as at 30 June, consolidated profit is equal to 21K gbp; at the end of 2020 the consolidated loss was 800K gbp</u>.
ii. The second one is that, <u>as at 30 June, consolidated total equity is equal to (917) K gbp; at the end of 2020 it was (1,493) K gbp</u>.

We are aware that we have to wait at least the year-end financial statements to be sure that we have reversed the trend and that we are collecting the results and benefits of the investments made, but we can still say that the path is certainly under way.

3. Accounting Policies

The principal accounting policies applied in the preparation of these semi-annual financial statements are set out below. These policies have been consistently applied to all the period presented unless otherwise stated.

Statement of compliance

The consolidated semi-annual financial statements of Aleph Finance Group Plc have been prepared in accordance with International Financial Reporting Standards (IFRSs), International Accounting Standards (IASs) and International Financial Reporting Interpretations Committee (IFRIC) interpretations (collectively 'IFRSs') as adopted for use in the European Union and as issued by the International Accounting Standards Board and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

Basis of preparation

The financial statements have been prepared under the historical cost convention.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period under review.

Going concern

Where the total liabilities of the Group exceed current assets the Directors consider whether it is appropriate to prepare the accounts on a going concern basis. In making this assessment the Directors consider whether they expect the Group to have sufficient resources to meet its anticipated day to day working capital requirements for a period of at least 12 months and whether the Group has the support of its creditors. Where the Directors conclude that the Group has access to sufficient resources and support, the Directors will, subject to and in accordance with applicable laws, prepare the accounts on a going concern basis.

The Directors have assessed the impact of incorporating additional COVID-19 risk factors in the Going Concern assessment over a period of at least 12 months after the signing of these semi-annual financial statements.

Key assumptions considered by management when assessing going concern include adjusting managements best estimate of forecasted performance for factors including the length and extent of restrictions, the resulting general business environment and the speed of recovery of trading after lockdown/tiered restrictions ease. These have been estimated for their respective impacts on the Group's revenues, fixed and variable costs and resultant expected cash flow requirements.

The Group's forecasts and projections, taking into account a reasonable estimate of a possible downturn in trading performance arising from the COVID-19 outbreak, show that the Group has sufficient financial resources for the going concern period. The Directors therefore do not believe that the COVID-19 outbreak represents a material uncertainty about the entity's ability to continue as a going concern.

The Directors have also considered the potential impact on its business of the UK’s exit from the European Union (Brexit). The Directors do not believe that Brexit represents a material uncertainty about the entity's ability to continue as a going concern.

Accordingly, the Directors have adopted the going concern basis in preparing these semi-annual consolidated financial statements.

Basis of consolidation

The consolidated semi-annual financial statements incorporate the semi-annual financial statements of the company and entities controlled by the company (its subsidiaries) made up to 30th June each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated statement of comprehensive income from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Changes in the group’s ownership interests in subsidiaries that do not result in the group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the group’s interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the company.

When the group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Where certain assets of the subsidiary are measured at revalued amounts or fair values and the related cumulative gain or loss has been recognised in other comprehensive income and accumulated in equity, the amounts previously recognised in other comprehensive income and accumulated in equity are accounted for as if the company had directly disposed of the related assets (i.e. reclassified to profit or loss or transferred directly to retained earnings).

The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 “Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or a jointly controlled entity.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the group, liabilities incurred by the group to the former owners of the acquiree and the equity interests issued by the group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;

- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment transactions with share-based payment transactions of the group are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

Revenue recognition

Revenue represents income from the provision of financial services such as wealth and asset management, insurance brokerage, corporate finance, regulatory umbrella and compliance services.

Revenue is recognised over time in accordance with the terms of the agreements with customers.

The pricing of these services (which drives the revenue recognition) depends on the service level required by the client, and on the commercial imperatives and pricing sensitivities of the client.

The contractual performance obligations will typically be embedded in an agreement with the client.

Where that agreement is detailed, the revenue recognition will follow the allocation of fees and revenues against the completion of the agreed performance milestones in the accounting period.

Where the agreement is not specific, the revenue recognition will be in proportion to the completion of performance milestones in the relevant accounting period against the internal costings prepared in advance for each project.

Foreign currency

The functional currency, such as the presentational currency of the Group is Sterling Pound (£). Transactions entered by the Group's entities in a currency other than the reporting currency are recorded at the rates ruling when the transaction occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the statement of financial position date. Exchange differences arising on the re-translation of outstanding monetary assets and liabilities are also recognised in the income statement.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Investments

Investments in subsidiaries are held at cost less any impairment.

Any gain or loss arising from derivative financial instruments is based on changes in fair value, which is determined by direct reference to active market transactions or using a valuation technique where no active market exists.

Fair value measurement

IFRS 13 establishes a single source of guidance for all fair value measurements. IFRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under IFRS when fair value is required or permitted. The resulting calculations under IFRS 13 affected the principles that the Group uses to assess the fair value, but the assessment of fair value under IFRS 13 has not materially changed the fair values recognised or disclosed. IFRS 13 mainly impacts the disclosures of the Group. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards.

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Any bank overdrafts are shown within borrowings in current liabilities.

Financial assets
Financial assets are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Financial assets are initially measured at fair value plus transaction costs, other than those classified as fair value through profit and loss, which are measured at fair value.

Loans and receivables
Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets
For trade receivables and other receivables due in less than 12 months, the Group applies the simplified approach in calculating Expected Credit Losses (ECL's), as permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset’s lifetime ECL at each reporting date. For any other financial assets carried at amortised cost (which are due in more than 12 months), the ECL is based on the 12-month ECL. The 12-month ECL is the proportion of lifetime ECLs that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and informed credit assessment including forward-looking information.

Financial liabilities
Basic financial liabilities, including trade and other creditors and bank loans, excluding any financing transactions, are initially recognised at transaction price and are subsequently measured at amortised cost determined using the effective interest method.
Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Equity instruments
Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Group.

Compound financial instruments

The component parts of compound instruments issued by the group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity net of income tax effects and is not subsequently remeasured.

Impairment of non-financial assets

At each statement of financial position date, the group reviews the carrying amounts of its investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Employee benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled.

Employee benefits expected to be settled more than one year after the end of the reporting period have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy vesting requirements. Cash flows are discounted using market yields on high quality corporate bond rates incorporating bonds rated AAA or AA by credit agencies, with terms to maturity that match the expected timing of cash flows. Changes in the measurement of the liability are recognised in profit or loss**.**

Capital management

Capital is made up of stated capital, premium and retained earnings. The objective of the group's capital management is to ensure that it maintains strong credit ratings and capital ratios. This will ensure that the business is correctly supported and shareholder value is maximised.

The group manages its capital structure through adjustments that are dependent on economic conditions. In order to maintain or adjust the capital structure, the company may choose to change or amend dividend payments to shareholders or issue new share capital to shareholders. There were no changes to the objectives, policies or processes during the year.

Goodwill

Goodwill is carried at cost less accumulated impairment losses. Goodwill is reviewed for impairment at least annually and any impairment is recognised immediately in profit or loss and is not subsequently reversed. Goodwill is deemed to have an indefinite useful life due to the expectation of the acquired business to operate in perpetuity, so is not amortised.
Goodwill is calculated as the excess of the sum of:

i) the consideration transferred;
ii) any non-controlling interest; and
iii) the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired in a business combination.

The value of goodwill recognised on acquisition of each subsidiary in which the Group holds less than a 100% interest will depend on the method adopted in measuring the aforementioned non-controlling interest.

The Group can elect to measure the non-controlling interest in the acquiree either at fair value ('full goodwill method') or at the non-controlling interest's proportionate share of the subsidiary's identifiable net assets ('proportionate interest method'). The Group determines which method to adopt for each acquisition.

Under the 'full goodwill method', the fair values of the non-controlling interests are determined using valuation techniques which make the maximum use of market information where available.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight line method to write off their cost over their estimated useful lives at the following annual rates:

Computer Equipment	33%

Useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the relevant asset, and is recognised in profit or loss in the year in which the asset is derecognised.

3. Segmental Reporting

The accounting policy for identifying segments is based on the internal management reporting information that is regularly reviewed by the Directors.

The Group has one reportable segment which generates revenue from the provision of financial services such as wealth and asset management, insurance brokerage, corporate finance, regulatory umbrella and compliance services.

ON BEHALF OF ALEPH FINANCE GROUP PLC

Andrea Sprizzi
Chief Executive Officer
31 October 2021