



RNS Number : 7722Q
Roquefort Investments PLC
29 October 2021

Roquefort Investments plc
("Roquefort Investments" or the "Company")

Interim Results to 30 June 2021

Roquefort Investments plc (LSE:ROQ), the London listed investment company established to acquire businesses focused on early-stage opportunities in the medical biotechnology sector, is pleased to present its interim results for the six-month period ended 30 June 2021.

Highlights

- Successfully admitted to trading on the London Stock Exchange ("LSE") as of 22 March 2021
- Cash Balance at period end of £880,445

Chairman Statement

I am pleased to present the interim financial statements to shareholders for the six months ending 30 June 2021.

During the period under review the Company was primarily concerned with listing on the standard segment of the London Stock Exchange, which was successfully achieved on 22 March 2021. The Company then turned its attention to identifying and screening suitable businesses focused on early-stage opportunities in the medical biotechnology sector.

Post period end, on 29 September 2021 we were delighted to announce that Roquefort Investments had entered into non-binding term sheet ("Term Sheet") with Provelmare Holding S.A. to acquire 100% of the total issued equity in Lynamid Limited ("Lynamid") for an initial consideration of £1 million payable 50% in cash and 50% in shares (the "Transaction"). Lynamid has the exclusive worldwide licence to commercialise up to 37 patents related to Midkine-based therapies for the treatment of COVID-19 patients, cancer, autoimmune disorders and chronic kidney disease ("Midkine-Based Therapies").

The Directors of Roquefort Investments consider the Transaction to represent a transformational, value enhancing transaction for shareholders, which is fully aligned with the Company's growth strategy. Lynamid's global patent portfolio for Midkine-Based Therapies provides a platform to develop first-in-class drugs for the treatment of severe inflammatory diseases, autoimmune disorders and cancer. The therapeutic potential of Midkine-Based Therapies has been validated during more than 10 years of research including collaborations with leading academic centres and clinicians resulting in over 900 scientific publications.

To fund the Transaction, Roquefort Investments will be seeking to carry out a placing of new ordinary shares to new and existing investors ("Placing") to raise funds of up to £3 million to finance the cash component of the consideration, pre-clinical drug development and working capital. As such, the Transaction is conditional, inter alia, on a successful Placing.

Should the Transaction complete, it would constitute a Reverse Take-Over ("RTO") under the Listing Rules and accordingly the Company would apply for the re-admission of its shares to the Official List and the Main Market of the London Stock Exchange. Where an RTO is contemplated but has not yet been completed, the FCA will normally suspend a company's listing pending the publication of a prospectus prepared in accordance with the prospectus regulation rules of the FCA and approved by the FCA, or an announcement that the Transaction is not proceeding.

Therefore, at the request of the Company, the FCA suspended the Company's listing on the standard segment of the Official List as of 29 September 2021. Trading on the Main Market of the London Stock Exchange has also been suspended as of 29 September 2021.

I look forward to reporting our progress on this potentially transformative transaction to you in the coming weeks and thank all shareholders for their continued support.

Financial Review

For the 6 months to 30 June 2021 the Company reported a net loss of £301,232, mostly relating to administrative expenses involved with the listing. The Company maintained a strong balance sheet position at 30 June 2021, most notably holding cash at period end of £880,445.

Directors

The following directors have held office during the period to 30 June 2021:

Mr Stephen West (Executive Chairman)
Mr Mark Rollins (Non-Executive Director)
Dr Michael Stein (Non-Executive Director)
Mr Glenn Whiddon (Non-Executive Director) - resigned 20 October 2021

Corporate Governance

The UK Corporate Governance Code (September 2014) ("the Code"), as appended to the Listing Rules, sets out the Principles of Good Corporate Governance and Code Provisions which are applicable to listed companies incorporated in the United Kingdom. As a standard listed company, the Company is not subject to the Code, but the Board recognises the value of applying the principles of the Code where appropriate and proportionate and has endeavoured to do so where practicable.

Responsibility Statement

The Directors are responsible for preparing the Unaudited Interim Condensed Financial Statements in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with International Accounting Standard 34 on Interim Reporting ("IAS 34"). The directors confirm that, to the best of their knowledge, this condensed interim report has been prepared in

accordance with IAS 34 as adopted by the European Union. The interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the six months ended 30 June 2021 and their impact on the condensed financial statements for the period, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- related party transactions that have taken place in the six months ended 30 June 2021 and that have materially affected the financial position of the performance of the business during that period.

On behalf of the board

Stephen West
Executive Chairman
29 October 2021

Enquiries

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For further information, please visit www.roquefortinvest.com and @roquefortinvest on Twitter.

ROQUEFORT INVESTMENTS PLC - CONDENSED INTERIM FINANCIAL STATEMENTS STATEMENT OF COMPREHENSIVE INCOME FOR THE 6 MONTHS ENDED 30 JUNE 2021

		Unaudited 6 Month Period ended 30 June 2021 £	Unaudited 17 Aug to 31 Dec 2020 £
	Notes		
Administrative expenses		(301,232)	(7,624)
Operating loss	6	(301,232)	(7,624)
Finance income/(expense)		-	-
Loss before taxation		(301,232)	(7,624)
Income tax	7	-	-
Loss for the period from continuing operations		(301,232)	(7,624)
Total loss for the year attributable to equity holders of the Company		(301,232)	(7,624)

Other comprehensive loss	-	-
Total comprehensive loss attributable to equity holders of the Company	(301,232)	(7,624)
Basic and diluted earnings per ordinary share (pence)	(1.79)	(0.08)

The notes form an integral part of the Unaudited Condensed Interim Financial Statements

ROQUEFORT INVESTMENTS PLC - CONDENSED INTERIM FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2021

		Unaudited Period ended 30 June 2021 £	Unaudited Period ended 31 Dec 2020 £
ASSETS	Notes		
CURRENT ASSETS			
Cash and cash equivalents		880,445	114,933
Trade and other receivables	9	13,241	1,443
TOTAL ASSETS		893,686	116,376
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	14,331	-
TOTAL LIABILITIES		14,331	-
NET ASSETS		879,355	116,376
EQUITY			
Share Capital	11	313,000	124,000
Share Premium	11	800,000	-
Share Based Payment Reserves	12	74,911	-
Retained Earnings		(308,856)	(7,624)
TOTAL EQUITY		879,355	116,376

The notes form an integral part of the Unaudited Condensed Interim Financial Statements

ROQUEFORT INVESTMENTS PLC - CONDENSED INTERIM FINANCIAL STATEMENTS

STATEMENT OF CASHFLOW

FOR THE 6 MONTHS ENDED 30 JUNE 2021

	Unaudited 6 Month Period ended 30 June 2021 £	Unaudited 17 Aug to 31 Dec 2020 £
Cash flow from operating activities		
Loss before income tax	(301,232)	(7,624)
<i>Adjustments for:</i>		
Share based payment	74,911	-
<i>Changes in working capital:</i>		
Increase in receivables	(11,798)	(1,443)
Increase in payables	14,331	-
Net cash used in operating activities	(232,788)	(9,067)
Cashflows from financing activities		
Proceeds from issue of ordinary shares	1,015,000	124,000
Share issue costs	(25,700)	-
Net cash used in financing activities	989,300	124,000
Net increase in cash and cash equivalents		
Net increase in cash held	765,511	114,933
Cash and cash equivalents at beginning of financial year	114,933	-
Cash and cash equivalents at end of financial year	880,445	114,933

ROQUEFORT INVESTMENTS PLC - CONDENSED INTERIM FINANCIAL STATEMENTS STATEMENT OF CHANGES IN EQUITY FOR THE 6 MONTHS ENDED 30 JUNE 2021

	Ordinary Share capital £	Share Premium £	Share Based Payment Reserves £	Retained earnings £	Total equity £
On Incorporation					
Loss for the period	-	-	-	(7,624)	(7,624)
Total comprehensive loss for the period	-	-	-	(7,624)	(7,624)
Transactions with owners					
Ordinary Shares issued on incorporation (17 August 2020)	50,000	-	-	-	50,000
Issue of ordinary shares (20 November 2020)	74,000	-	-	-	74,000
Total transactions with owners	124,000	-	-	(7,624)	116,376
Balance as at 31 December 2020	124,000	-	-	(7,624)	116,376
At 1 Jan 2021					
Loss for the Period	-	-	-	(301,232)	(301,232)
Total comprehensive loss for the period	-	-	-	(301,232)	(301,232)
Transactions with owners					
Ordinary shares issued (22 March 2021)	200,000	800,000	-	-	1,000,000
Director warrants issued (22 March 2021)	-	-	6,833	-	6,833
Broker seed warrants issued (22 March 2021)	-	-	60,002	-	60,002
Broker placing warrants issued (22 March 2021)	-	-	8,076	-	8,076
Broker warrants exercised (19 th April 2021)	15,000	-	-	-	15,000
Share issue costs	-	(25,700)	-	-	(25,700)
Total transactions with owners	215,000	774,300	74,911	(301,232)	762,979
As at 30 June 2021	339,000	774,300	74,911	(308,856)	879,355

ROQUEFORT INVESTMENTS PLC - CONDENSED INTERIM FINANCIAL STATEMENTS NOTES TO THE INTERIM FINANCIAL INFORMATION FOR THE 6 MONTHS ENDED 30 JUNE 2021

1 General Information

The Company was incorporated on 17 August 2020 as a public company in England and Wales with company number 12819145 under the Companies Act.

The address of its registered office is Eccleston Yards, 25 Eccleston Place, London SW1W 9NF, United Kingdom.

The principal activity of the Company is to pursue opportunities to acquire biotechnology businesses that are focused on early stage opportunities in the medical biotechnology sector to include (but not limited to):

- Drug and vaccine development;
- Diagnostics;
- Immuno-therapy; and
- Cell and gene therapies.

The Company listed on the London Stock Exchange ("LSE") on 22 March 2021.

2 Accounting Policies

IAS 8 requires that management shall use its judgement in developing and applying accounting policies that result in information which is relevant to the economic decision-making needs of users, that are reliable, free from bias, prudent, complete and represent faithfully the financial position, financial performance and cash flows of the entity.

3 Basis of preparation

The Condensed Interim Financial Statements have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and the Companies Act 2006 applicable to companies reporting under IFRS. The Condensed Interim Financial Statements have been prepared in accordance with IAS 34 "Interim Financial Statements." The Condensed Interim Financial Statements do not include all disclosures that would otherwise be required in a complete set of financial statements but have been prepared in accordance with the existing accounting policies of the Company.

The Interim Financial Statements for the period ended 30 June 2021 are unaudited.

The Interim Financial Statements have been prepared using the measurement bases specified by IFRS for each type of asset, liability, income and expense.

The Interim Financial Statements do not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

The Interim Financial Statements are presented in £ unless otherwise stated, which is the Company's functional and presentational currency.

Comparative figures represent the period from incorporation to 31 December 2021, and so are not directly comparable.

Going concern

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the company has the adequate resources to continue in operational existence for the foreseeable future. The Company, therefore, continues to adopt the going concern basis in preparing its interim financial statements.

Accounting policies

The same accounting policies, presentation and methods of computation have been followed in these Condensed Interim Financial Statements as were applied in the preparation of the Company's historic financial information for the year period ended 31 December 2020, as included in the Prospectus dated 27 April 2021, except for the impact of the adoption of the Standards and interpretations described below and new accounting policies adopted as a result of changes in the Company.

Standards and interpretations adopted in the period

There were no new standards or interpretations adopted by the Company in the period.

Standards and interpretations issued and not yet effective:

Standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

Standard	Impact on initial application	Effective date
IFRS 3	Reference to Conceptual Framework	1 January 2022
IAS 37	Onerous contracts	1 January 2022
IAS 16	Proceeds before intended use	1 January 2022
Annual improvements	2018-2020 Cycle	1 January 2022
IFRS 17	Insurance contracts	1 January 2023
IAS 8	Accounting estimates	1 January 2023
IAS 1	Classification of Liabilities as Current or Non-Current.	1 January 2023

4 Critical accounting estimates and judgments

In preparing the Condensed Interim Financial Statements, the Directors have to make judgments on how to apply the Company's accounting policies and make estimates about the future. Estimates and judgements are continuously evaluated based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may deviate from these estimates and assumptions.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below.

5 Employees and Directors' Remuneration

There were no employees of the Company in the period under review, other than the four directors.

Directors remuneration for the period was as follows:

	Cash based remuneration 30 June 2021 £	Share based remuneration 30 June 2021 £	Total remuneration 30 June 2021 £
Stephen West	6,644	-	6,644
Glenn Whiddon	3,323	-	3,323
Mark Rollins	3,323	-	3,323
Michael Stein	3,323	24,941	28,264
	16,613	24,941	41,554

6 Operating Loss

Operating loss from continued operations:

	30 June 2021 £	31 Dec 2020 £
Costs associated with the IPO	(182,053)	-
Director fees	(16,613)	-
Consulting and professional fees	(76,874)	(6,500)
Other expenditure	(25,692)	(1,124)
	(301,232)	(7,264)

7 Income Tax

	30 June 2021 £	31 Dec 2020 £
Current tax	-	-
Deferred tax	-	-
Income tax expense	-	-

Income tax can be reconciled to the loss in the statement of comprehensive income as follows:

	Period ended 30 Jun 2021 £	Period ended 31 Dec 2020 £
Loss before taxation	(301,232)	(7,264)
Tax at the UK corporation tax rate of 19%	(57,234)	(1,449)
Tax losses on which no deferred tax asset has been recognised	57,234	1,449
	-	-

8 Earnings per Ordinary Share

	Period Ended 30 Jun 2021 (unaudited) £	Period Ended 31 Dec 2020 (unaudited) £
Loss for the year from continuing operations - £	(301,232)	(7,264)
Weighted number of ordinary shares in issue	16,832,177	9,160,369
Basic earnings per share from continuing operations - pence	(1.79)	(0.08)

9 Trade and other receivables

	30 June 2021 £	31 Dec 2020 £
Prepayments	6,607	-
VAT receivable	6,634	1,433
	13,241	1,433

10 Trade and other payables

	30 June 2021 £	31 Dec 2020 £
Trade creditors	5,259	-
Accruals	3,323	-
Other payables	5,750	-
	14,331	-

11 Share Capital

	Ordinary Shares #	Share Capital £	Share Premium £	Total £
Issue of ordinary shares on incorporation ¹	5,000,000	50,000	-	50,000
Issue of ordinary shares ²	7,400,000	74,000	-	74,000
Issue of ordinary shares ³	20,000,000	200,000	800,000	1,000,000
Exercise of broker warrants ⁴	1,500,000	15,000	-	15,000
Share issue costs	-	-	(25,700)	(25,700)
At 30 June 2021	33,900,000	339,000	774,300	1,113,300

¹ On incorporation on 17 August 2020, the Company issued 5,000,000 ordinary shares of £0.01 at their nominal value of £0.01.

² On 20 November 2020, the Company issued 7,400,000 ordinary shares at their nominal value of £0.01.

³ On admission to the Standard List of the LSE on 22 March 2021, 20,000,000 shares were issued at a placing price of £0.05.

⁴ On 19 April 2021 1,500,000 brokers warrants were exercised at the exercise price of £0.01 resulting in the issue of 1,500,000 ordinary shares.

12 Share Based Payment Reserves

	Total £	Total £
Directors Warrants Issued ¹	6,833	-
Broker seed warrants Issued ²	60,002	-
Broker placing warrants Issued ³	8,076	-
At 30 June 2021	74,911	-

¹ On admission to LSE on 22 March 2021 750,000 directors' warrants were issued that entitle the warrant holder to subscribe for one Ordinary Share at £0.05 per ordinary share and a further 750,000 directors warrants were issued that entitle the warrant holder to subscribe for one ordinary share at £0.10 per ordinary share.

² On admission to LSE on 22 March 2021 1,500,000 brokers warrants were issued that entitle the warrant holder to subscribe for one Ordinary Share at £0.01 per ordinary share.

³ On admission to LSE on 22 March 2021, 480,000 Broker Placing Warrants were issued that entitle the warrant holder to subscribe for one ordinary share at the placing price of £0.05 per ordinary share.

The fair value of the services received in return for the share options granted are measured by reference to the fair value of the share options granted. The estimate of the fair value of the share options granted is measured based on the Black-Scholes valuations model. Measurement inputs and assumptions are as follows:

	Director Warrants - £0.05	Director Warrants - £0.10	Broker Seed Warrants	Broker Placing Warrants
Weighted average share price	£0.05	£0.05	£0.05	£0.05
Exercise price	£0.05	£0.10	£0.01	£0.50
Weighted average contractual life (years)	5.00	5.00	0.08	3.00
Expected volatility	50%	50%	50%	50%
Expected dividend growth rate	Nil	Nil	Nil	Nil
Risk-free interest rate	0.15%	0.15%	0.15%	0.15%

Warrants

	Number of Warrants	Exercise Price	Expiry date
On incorporation	-	-	-
Issued on 25 November 2020 ¹	5,000,000	£0.10	21 March 2026
Issued on 25 November 2020 ¹	7,000,000	£0.10	21 March 2026
Issued on 17 March 2021	1,500,000	£0.01	20 April 2021
Issued on 17 March 2021	480,000	£0.05	21 March 2024
Issued on 17 March 2021 ¹	750,000	£0.05	21 March 2026
Issued on 17 March 2021 ¹	750,000	£0.10	21 March 2026
Issued on 17 March 2021	10,000,000	£0.10	21 March 2023
Exercised on 19 April 2021	(1,500,000)	£0.01	20 April 2021
At 30 June 2021	23,980,000	£0.097	

¹ The warrants vest on 21 March 2022, being 12 months from date of admission.

The weighted average time to expiry of the warrants as at 30 June 2021 is 3.43 years.

13 Related Party Transactions

On incorporation, the Company issued 2,500,000 Ordinary Shares of £0.01 at £0.01 per Ordinary Share for cash consideration of £25,000 to Stephen West, a Director and 2,500,000 Ordinary Shares of £0.01 at £0.01 per Ordinary Share for cash consideration of £25,000 to Glenn Whiddon, a Director.

On 20 November 2020, the Company issued 500,000 Ordinary Shares of £0.01 at £0.01 per Ordinary Share for cash consideration of £5,000 to Cresthaven Investments Pty Ltd ATF The Bellini Trust (an entity associated with Stephen West, a Director), 3,500,000 Ordinary Shares of £0.01 at £0.01 per Ordinary Share for cash consideration of £35,000 to 6466 Investments Pty Ltd (an entity associated with Glenn Whiddon, a Director) and 3,000,000 Ordinary Shares of £0.01 at £0.01 per Ordinary Share for cash consideration of £30,000 to Mark Rollins, a Director.

All of these shares are paid up.

14 Post Balance Sheet Events

On 18 August 2021, the Company raised £150,000 before expenses through the issue of 3,000,000 new ordinary shares to certain strategic investors at a price of £0.05 per ordinary share. As part of the placing, the Company also issued 1,500,000 warrants to subscribe for new ordinary shares at a price of £0.10 per share, expiring on 22 March 2023.

On 29 September 2021, the Company entered into a non-binding term sheet with Provelmare Holding S.A. ("Provelmare") pursuant to which the Company will acquire 100% of the total issued equity in Lyramid Limited ("Lyramid") for an initial consideration of £1 million payable 50% in cash and 50% in shares.

Other than the above, there has been no significant change in either the financial performance or the financial position of the Company since 30 June 2021.

15 Ultimate Controlling Party

As at 30 June 2021, there was no ultimate controlling party of the Company.

16 Nature of the Interim Financial Statements

The Company Financial Information presented above does not constitute statutory accounts for the period under review.

17 Approval of the Condensed Interim Financial Statements

The Condensed Interim Financial Statements were approved by the Board of Directors on 29

October 2021.

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Anonymous (not verified)

Interim Results to 30 June 2021

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Results and Trading Reports

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