25 June 2021

Quantum Blockchain Technologies Plc
("QBT" or "the Company")

FINAL RESULTS

The board of Quantum Blockchain Technologies (AIM: QBT) is pleased to report its final results for the year ended 31 December 2020.

HIGHLIGHTS

- Favourably settled Mediapolis court claim for €1.5 million
- Sipiem legal claim approaching it conclusion, with a valuation of €7.8 million to be paid out should the result be in favour of Clear Leisure 2017 Ltd
- PBV Monitor, ForCrowd and GeoSim all moving forward positively
- Operating loss reduced to €1.1 million (2019: €1.4 million)
- Net Current Assets of €4.9 million (2019: €2.4 million)

POST BALANCE SHEET HIGHLIGHTS

- Raised £1.68 million through two placings
- Name change from Clear Leisure Plc to Quantum Blockchain Technologies Plc to reflect the change in strategy
- Appointed cryptography expert to join the in-house R&D team to develop new blockchain strategy

Francesco Gardin, Executive Chairman of QBT, commented, "2020 was, as for many companies, a challenging year and yet the focus of the Company, to preserve the stability of its operations and investments, should be seen as a success by shareholders. Our commitment to return value to shareholders was strengthened in the year by favourable results in certain legal cases, but mostly by the groundwork we have laid in positioning the Company squarely within the quantum computing, blockchain and cryptocurrencies sectors; the results of which, we expect to be seen in 2021 and beyond."

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About Quantum Blockchain Technologies Plc
QBT (AIM: QBT) is an AIM listed investment company which has recently realigned its strategic focus to technology related investments, with special regard to Quantum computing, Blockchain, Cryptocurrencies and AI sectors. The Company has commenced an aggressive R&D and investment programme in the dynamic world of Blockchain Technology, which includes cryptocurrency mining and other advanced blockchain applications.

For further information, please visit, www.quantumblockchaintechnologies.co.uk

CHAIRMAN'S STATEMENT

I am pleased to present the Group's Final Results for the year ended 31 December 2020.

Following the shareholder approval at the General Meeting held by the Company on 6 May 2021, the Company has changed its name from Clear Leisure Plc to Quantum Blockchain Technologies Plc. Although this report is dedicated, in the main, to the 2020 financial year, which is prior to the change of name, the Company will be referred to as Quantum Blockchain Technologies Plc (the "Company" or "QBT").

Operational Review

2020 was an extremely challenging year during which the Company and the Group had to contend with the business consequences of the Covid-19 pandemic.

In this difficult economic environment, the focus of the board was to preserve the stability of the Company, its investee companies, and its litigation related assets, whilst continuing to explore for new potential investments and projects.

Without doubt, the single most important event of 2020 was the successful conclusion, in June, of the Mediapolis bankruptcy process, for which the wholly owned subsidiary, Clear Leisure 2017 ("CL17"), settled with the receiver for €1,663,000, of which €1,480,933, was received during the year. The balance of €182,067 is due at the closure of the bankruptcy process. Additionally, the receiver awarded CL17 a claim against former Mediapolis directors and members of its internal audit committee, previously valued by the receiver at above €20m. The Company has paid €50,000 to enter this claim, the payment will be deducted from any amount received under the claim.

The Group's other litigation assets (held by CL17) have moved further along the determination process. In respect of the Sosushi Srl ("Sosushi") legal claim (valued up to €1.03m), the Bologna Court has elected to continue the case through an arbitration process, which is expected to be concluded within the end of 2021. The action for liability against former management and internal audit committee (valued at €10.8m by the Company, and later in 2021 confirmed by the Court appointed independent expert up to a value of €7.8m) undertaken by Sipiem in Liquidazione SpA ("Sipiem") is also gradually drawing to close.

The Company maintains a positive outlook for the realisation of these assets, and they have been valued in the accounts at a fair value of €4.4 million.

With regard to its technology assets, the Company's focus has been to assist investee companies in the development of their strategy and sustain the value of the initial investment.

As announced on 28 January 2020, PBV Monitor Srl ("PBV") successfully completed a €300,000 fund raise from an Italian investment company. The transaction effectively valued PBV at €3m (post-money). The Company has retained its 10% shareholding in PBV. Despite Covid-19 delaying the company's strategy by a few months, PBV continued to develop its roadmap, expanding its legal directory services and commercial partnerships. In October 2020 it launched its "Market Intelligence Service" which is receiving encouraging early results.

QBT supported ForCrowd Srl, ("ForCrowd") the Italian crowdfunding platform, in its early stages, leading to the launch of its first crowdfunding campaign in May 2020, followed by a second one in July. Due to the difficult economic situation in Italy, the two campaigns were not successfully completed. However, continuing into 2021, a few interesting crowdfunding projects, remain in the company's pipeline. QBT is working to increase interest in these projects by exploiting the synergies in its portfolio with those of ForCrowd and its clients.

Geosim Systems Ltd ("Geosim"), the Israeli 3D virtual mapping company, delivered, in the first half of 2020, the Digital Twin model of one of the largest international airports in Asia. In the second half of the year, Geosim focused on obtaining new contracts in North America, which led to the finalisation of an important contract with a major airport in early 2021.

As announced in August 2020, QBT engaged Sapphire Capital Partners LLP, an FCA approved and regulated investment management partner, to act as the Investment Manager for the proposed launch of an Enterprise Investment Scheme fund ("EIS fund") in which the Company intends to operate as Investment Advisor.

Another important event was the renegotiation of all Eufingest SA ("Eufingest") loans in November 2020, converting them into a Zero-Coupon Bond ("2020 Zero Coupon Bond"), convertible at 1p per new ordinary share of 0.25 pence each in the Company ("Ordinary Shares") and carrying an implied yield to maturity of 1% and, as such, lowering its cost of capital.

Subsequent to the year end, the Company also changed its investment strategy, with a focus on Quantum Computing, Blockchain, Cryptocurrencies and Artificial Intelligence sectors. In conjunction with this, QBT commenced a research and development ("R&D") and investment programme. The Company's R&D is focused on Cryptography; bringing together the most advanced implementation techniques and functions, along with quantum computing technologies and AI deep learning, to develop a new and disruptive approach to blockchain technology. The investment programme is focused on selecting the most innovative and out-of-the-box start-ups in the Blockchain and cryptocurrency sector.

Financial Review
The group reported a total comprehensive loss of €1.2m for the year ended 31 December 2020: (2019 restated: €0.6m loss). Operating losses for the period were €1,087,000 (2019 restated: €1,384,000 loss). The undiluted Net Asset Value ("NAV") of the Group as of 31 December 2020 was -€2.4m (2019 restated: -€1.6m). The Group had Net Current Assets of €4.9m million as at 31 December 2020, an improvement of €2.5m since last year (2019 restated: €2.4 million).

The comparative 2019 values have been restated, to correctly represent the equity and derivative components of the Company's Bonds. For further details please see Note 25 in the Notes to the Financial Statements section.

Portfolio Companies
As at 31 December 2020, the Group comprised of a diverse portfolio of companies in several growth sectors; primarily leisure and technology. The portfolio included (percentage of equity held is shown in parenthesis):

PBV Monitor Srl (pbvmonitor.com) (10%): PBV Monitor is an Italian company specialising in the acquisition and dissemination of data for the legal services industry, utilising proprietary market intelligence tools and dedicated search software. In 2020 PBV launched its market intelligence service – "PBV Intelligence", whilst also establishing new commercial partnerships.

Sipiem SpA (50.17%): is a minority shareholder in T.L.T. SaS and owns a number of real estate assets in Italy, including a minority stake in the Ondaland Waterpark. It has issued a claim for €10.8m against the previous management team and audit committee. In 2019, the claim was acquired by CL17.

As announced in May 2021 the court-appointed independent expert confirmed the economic merit of the claim for €7.8m. The next procedural steps are as follow:

- The judge will schedule a further hearing to comment the independent expert valuation.
- Following this hearing, each party's lawyers will have 80 days ("Conclusive Briefs Period") to file their conclusive briefs to the Judge.
- The judge's ruling is then expected within 60 days following the conclusion of the Conclusive Briefs Period.

GeoSim Systems Ltd ("Geosim") (geosimcities.com) (4.53%): is an Israel based company that develops 3D modelling software. At the beginning of 2020, Geosim has delivered on its project in Asia to build a Digital Twin model of an international airport despite the inevitable delays due to Covid-19. In 2021, Geosim is working at the completion of a first Phase in the development of a similar 3D Reality Model for a major North American airport.

Mediapolis Srl (84.04%): Currently in bankruptcy procedure. In June 2020, CL17 reached a settlement agreement with the Mediapolis Receiver to the amount of €1,663,000 payable to CL17. CL17 received €1,480,933 in August 2020, with final balance of €182,067 (less €50,000 used to purchase a legal claim against former director and internal audit team) payable at the end. Once the final payment is received, CL17 will have no further claim against Mediapolis. This represents a very important milestone in the Company's life, bringing a successful conclusion to a very complicated issue inherited from the previous management of the Company.

Clear Leisure 2017 Ltd (100%): CL17 holds the remaining rights on the auction proceeds, amounting to €182,067 (less €50,000 used to purchase a legal claim against former director and internal audit team) with €1,480,933 already paid in August 2020. The legal claim had been originally valued by Mediapolis receiver above €20 million.

Furthermore, CL17 is the holder of other potentially important assets: the €10.8m action for liability against Sipiem's previous management and audit committee (in 2021 the economic merit has been confirmed for a value up to €7.8m by a Court appointed independent expert) and the €1.03m action for liability against Sosushi's previous management.

ForCrowd Srl (ForCrowd.com) (20%): During 2020, despite the Covid-19 pandemic, ForCrowd started its first campaigns ("B4TECH" and "Meta Wellness Srl"), as reported above. The investment in ForCrowd is part of a strategy of the Company allowing other portfolio companies to have an easy access to the crowdfunding resources whilst entitling QBT to potential revenue streams (1% of funds received by investors on projects introduced and 3% on funds introduced). In 2021, the Company increased its stake in ForCrowd, moving from 20% to 41.17% for a consideration of €34,000, whilst ForCrowd launched a new crowdfunding campaign.

Miner One Limited (100%): Subsequently the change of Company's name and investment strategy, Miner One will become the vehicle through which QBT will carry out its crypto-mining operations. The container containing the datacentre together with the mining machines are still located in Serbia. It remains on care and maintenance as machines ought to be updated.

Post-Balance Sheet Events

At the start of the year the Company was notified that the Bologna Court elected to continue CL17 €1.03 million legal claim against the previous management of Sosushi through an arbitration process, which will provide a legally binding decision on the matter. The arbitration process formally started on 18th January 2021.

In the same period, CL17 (at the conclusion of the mandatory public bidding process), was assigned a legal claim against Mediapolis former management and internal audit committee, for a consideration of €50,000 to be deducted from the amount still receivable from the Mediapolis Bankruptcy procedure.

In relation to Sipiem's legal claim, in May, the Court appointed independent expert filed his report on the economic merit of the damages suffered by Sipiem at an amount of up to €7.8 million, subject to the Judge ruling that the conduct of Sipiem's former board and internal audit committee was unlawful. Furthermore, as one of the defendants has sadly passed away, CL17 was required to take a few additional mandatory procedural steps that have slightly delayed the proceedings. The Court of Venice has then scheduled the hearing for 10 November 2021 during which the Judge will receive the parties' comments on the report of the independent expert.

In February, via two separate equity placings, the Company raised £680,000 and £1,000,000 (both amounts before expenses), to sustain the Company's running costs and specifically to launch a new Investment Strategy focused on R&D about Blockchain, Cryptocurrency and Quantum computing.

On 14 April 2021, the Company issued a Notice of General Meeting to seek approval to:

- Amend the Company's Investing Policy to be focused on Blockchain, Cryptocurrency, Quantum Computing and AI.
- Change the Company's name from Clear Leisure to Quantum Blockchain Technologies plc.
- Authorise the granting of options to the CEO and current and future management team of the Company.
- Grant authorities to the directors to issue shares in the Company.

At the General Meeting shareholders voted to approve the above and therefore the Company changed its name to Quantum Blockchain Technologies plc.

On this note, in June 2021, the Company announced the launch and progress of the in-house R&D programme in respect of advanced proprietary techniques for Bitcoin mining. The Company entered into a one-year service agreement with a UK based international cryptography expert whose specialism is cryptocurrency mining blockchain optimisations.

The aim of this work is to improve the efficiency of Bitcoin mining, targeting a material reduction in energy usage and faster hash processing, which will increase the probability of successful mining.

As part of the one-year service agreement, the consultant has been awarded share options over 10,000,000 new ordinary shares of 0.25 pence each in the Company at an exercise price of 5p each, which can be exercised between 15 February 2022 and 15 August 2022.

Outlook

The Board remains committed to return value to its stakeholders by:

- Positioning the Company in the Quantum Computing, Blockchain and Cryptocurrency sectors, both via the investment activity and in-house R&D projects.
- Realisation of the legacy assets, for which positive outcomes are expected from claims of the Company.

- Further reduction of the debt position (if and when the conditions are deemed appropriate).

The Board maintains a positive outlook with the Company's new investment strategy focused on Quantum Computing, Blockchain and Cryptocurrency now in place in combination with its existing technology investments and remaining legal claims which the Company believes are drawing towards a positive conclusion.

GROUP INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020	2019
			(restated)
		€'000	€'000
Continuing operations			
Revenue		**12**	13
		12	13
Administration expenses	7	**(1,123)**	(1,397)
Other operating income		**24**	-
Operating loss		**(1,087)**	(1,384)
Finance (costs)/income	8	**(121)**	760
Loss before tax		**(1,208)**	(624)
Tax	11	-	-
Loss from continuing operations		**(1,208)**	(624)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(1,208)**	(624)
Earnings per share:			
Basic and fully diluted loss per share (cents)	12	**€0.182**	**€0.101**

The accounting policies and notes form part of these financial statements.

GROUP AND COMPANY STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Notes	Group 2020	Group 2019 (restated)	Company 2020	Company 2019 (restated)
		€’000	€’000	€’000	€’000
Non-current assets					
Investments	13	**980**	1,117	**434**	521
Total non-current assets		**980**	1,117	**434**	521
Current assets					
Trade and other receivables	14	**5,191**	6,604	**841**	1,493
Cash and cash equivalents	15	**-**	-	**-**	-
Total current assets		**5,191**	6,604	**841**	1,493
Total assets		**6,171**	7,721	**1,275**	2,014
Current liabilities					
Trade and other payables	16	**(334)**	(396)	**(327)**	(339)
Borrowings	17	**-**	(3,691)	**-**	(3,691)
Derivative financial instruments	18	**-**	(121)	**-**	(121)
Total current liabilities		**(334)**	(4,208)	**(327)**	(4,151)
Net current assets/(liabilities)		**4,857**	2,396	**514**	(2,658)
Total assets less current liabilities		**5,837**	3,513	**948**	(2,137)
Non-current liabilities					
Borrowings	17	**(8,212)**	(5,142)	**(8,212)**	(5,142)
Total non-current liabilities		**(8,212)**	(5,142)	**(8,212)**	(5,142)

Total liabilities		**(8,545)**	(9,350)	**(8,539)**	(9,290)
Net (liabilities)/assets		**(2,375)**	(1,629)	**(7,264)**	(7,279)
Equity					
Share capital	19	**7,397**	7,397	**7,397**	7,397
Share premium account	19	**47,124**	47,124	**47,124**	47,124
Other reserves	21	**8,787**	8,376	**462**	51
Retained losses		**(65,683)**	(64,526)	**(62,247)**	(61,851)
Total equity		**(2,375)**	(1,629)	**(7,264)**	(7,279)

An income statement for the parent company is not presented in accordance with the exemption allowed by S408 of the Companies Act 2006. The parent company's comprehensive loss for the financial year amounted to €447,000 (2019: restated €144,000 profit).

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

Group	Share capital €'000	Share premium account €'000	Other reserves €'000	Retained losses €'000	Total equity €'000
At 1 January 2019	**7,227**	**47,038**	**8,376**	**(62,416)**	**225**
Prior year adjustment (note 25)	**-**	**-**	**-**	**(1,486)**	**(1,486)**
At 1 January 2019 (restated)	**7,227**	**47,038**	**8,376**	**(63,902)**	**(1,261)**
Total comprehensive loss for the year	**-**	**-**	**-**	**(624)**	**(624)**
Issue of shares	**170**	**86**	**-**	**-**	**256**
At 31 December 2019 (restated)	**7,397**	**47,124**	**8,376**	**(64,526)**	**(1,629)**
Total comprehensive loss for the year	**-**	**-**	**-**	**(1,208)**	**(1,208)**
Lapsed share options	**-**	**-**	**(51)**	**51**	**-**
Equity portion of convertible loan notes	**-**	**-**	**462**	**-**	**462**
At 31 December 2020	**7,397**	**47,124**	**8,787**	**(65,683)**	**(2,375)**

The following describes the nature and purpose of each reserve:

Share capital	represents the nominal value of equity shares.
Share premium	amount subscribed for share capital in excess of the nominal value.
Retained losses	cumulative net gains and losses less distributions made and items of other comprehensive income not accumulated in another separate reserve.
Other reserves	consist of three reserves, as detailed in Note 21, see below:
Merger reserve	relates to the difference in consideration and nominal value of shares issued during a merger and the fair value of assets transferred in an acquisition of 90% or more of the share capital of another entity.

Loan note equity reserve	relates to the equity portion of the convertible loan notes.
Share option reserve	fair value of the employee and key personnel equity settled share option scheme as accrued at the statement of financial position date.

The accounting policies and notes form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

Company	Share capital	Share premium account	Other reserves	Retained losses	Total
	€'000	€'000	€'000	€'000	€'000
At 1 January 2019	**7,227**	**47,038**	**51**	**(60,509)**	**(6,193)**
Prior year adjustment (note 25)	**-**	**-**	**-**	**(1,486)**	**(1,486)**
At 1 January 2019 (restated)	**7,227**	**47,038**	**51**	**(61,995)**	**(7,679)**
Total comprehensive profit for the year	**-**	**-**	**-**	**144**	**144**
Issue of shares	**170**	**86**	**-**	**-**	**256**
At 31 December 2019 (restated)	**7,397**	**47,124**	**51**	**(61,851)**	**(7,279)**
Total comprehensive loss	**-**	**-**	**-**	**(447)**	**(447)**
Lapsed share options	**-**	**-**	**(51)**	**51**	**-**
Equity portion of convertible loan notes	**-**	**-**	**462**	**-**	**462**
At 31 December 2020	**7,397**	**47,124**	**462**	**(62247)**	**(7,264**

The following describes the nature and purpose of each reserve:

Share capital	represents the nominal value of equity shares.
Share premium	amount subscribed for share capital in excess of the nominal value.
Retained losses	cumulative net gains and losses less distributions made and items of other comprehensive income not accumulated in another separate reserve.
Other reserves	consist of two reserves, as detailed in Note 21, see below:
Loan note equity reserve	relates to the equity portion of the convertible loan notes.
Share option reserve option	fair value of the employee and key personnel equity settled share scheme as accrued at the statement of financial position date.

The accounting policies and notes form part of these financial statements.

GROUP AND COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Group 2020 €'000	Group 2019 (restated) €'000	Company 2020 €'000	Company 2019 (restated) €'000
Cash used in operations					
Loss before tax		**(1,208)**	**(624)**	**(447)**	**144**
Fair value changes in investments			**27**	**-**	**40**
Impairment of investments		89	-	89	**-**
Other gains and losses		**50**	**-**	**-**	**-**
Finance charges		**247**	**(760)**	**247**	**(760)**
Decrease /(increase) in receivables		**1,417**	**882**	**655**	**(95)**
(Decrease) /increase in payables		**(61)**	**(78)**	**(10)**	**118**
Decrease in derivatives		**(121)**	**-**	**(121)**	**-**
Net cash outflow from operating activities		**413**	**(553)**	**413**	**(553)**
Cash flows from investing activities					
Purchase of investments	13	**(2)**	-	**(2)**	-
Net cash outflow from investing activities		**-**	-	**(2)**	-
Cash flows from financing activities					
Proceeds from borrowing		**150**	**291**	**150**	**291**
Repayment of borrowings		**(561)**	**-**	**(561)**	**-**
Interest paid		**-**	**(5)**	**-**	**(5)**
Net cash (outflow)/inflow from financing activities		**(411)**	**286**	**(411)**	**286**

Net (decrease)/increase in cash for the year		**-**	**(267)**	**-**	**(267)**
Cash and cash equivalents at beginning of year		**-**	**267**	**-**	**267**
Cash and cash equivalents at end of year	15	**-**	**-**	**-**	**-**

The accounting policies and notes form part of these financial statements.

1. General Information

Quantum Blockchain Technologies plc is a company incorporated in the United Kingdom under the Companies Act 2006. The Company's ordinary shares are traded on AIM of the London Stock Exchange. The address of the registered office is given on the Company Information page. The nature of the Group's operations and its principal activities are set out in the Directors' report on page 12.

2. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the period covered by these consolidated financial statements.

Basis of preparation

The consolidated Financial Statements of Quantum Blockchain Technologies plc have been prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) in conformity with the requirements of the Companies act 2006 and the parts of Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention as modified by the revaluation of assets and liabilities held at fair value.

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated Financial Statements are disclosed in Note 3.

The Consolidated Financial Statements are presented in Euros (€), the presentational and functional currency, rounded to the nearest €'000.

Basis of consolidation

Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the company and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. All subsidiaries have a reporting date of December.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

On consolidation, the results of overseas operations are translated into pounds sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations, including goodwill arising on the acquisition of those operations, are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income and accumulated in the foreign exchange reserve.

Exchange differences recognised profit or loss in Group entities' separate financial statements on the translation of long-term monetary items forming part of the Group's net investment in the overseas operation concerned are reclassified to other comprehensive income and accumulated in the foreign exchange reserve on consolidation.

On disposal of a foreign operation, the cumulative exchange differences recognised in the foreign exchange reserve relating to that operation up to the date of disposal are transferred to the consolidated statement of comprehensive income as part of the profit or loss on disposal.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less any provision for impairment.

Foreign currency

The functional currency is Euro. Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income. Exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or costs'. All other exchange gains and losses are presented in the income statement within 'other (losses)/gains – net'.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income.

Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

Current taxes are based on the results of the Group companies and are calculated according to local tax rules, using the tax rates and laws that have been enacted or substantially enacted by the reporting date.

Deferred tax is provided in full using the financial position liability method for all taxable temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Deferred tax is measured using currently enacted or substantially enacted tax rates and laws. Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax assets are recognised to the extent the temporary difference will reverse in the foreseeable future and that it is probable that future taxable profit will be available against which the asset can be utilised. Deferred tax is recognised for all deductible temporary differences arising from investments in subsidiaries and associates, to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

Revenue

The Group provides consultancy services, which are invoiced at the point of the provision of the service. Revenue is recognised as earned at a point in time on the unconditional supply of these services, which are received and consumed simultaneously by the customer. The Group measures revenues at the fair value of the consideration received or receivable for the provision of consultancy services net of Value Added Tax.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Financial instruments

Classification and measurement

The Company classifies its financial assets into the following categories: those to be measured subsequently at fair value through the income statement (FVPL) and those to be held at amortised cost.

Classification depends on the business model for managing the financial assets and the contractual terms of the cash flows.

Management determines the classification of financial assets at initial recognition. The Company's policy with regard to financial risk management is set out in Note 18. Generally, the Company does not acquire financial assets for the purpose of selling in the short term.

The Company's business model is primarily that of "hold to collect" (where assets are held in order to collect contractual cash flows). When the Company enters into derivative contracts, these transactions are designed to reduce exposures relating to assets and liabilities, firm commitments or anticipated transactions.

Financial Assets held at amortised cost

The classification applies to debt instruments which are held under a hold to collect business model and which have cash flows that meet the “solely payments of principal and interest” (SPPI) criteria.
At initial recognition, trade receivables that do not have a significant financing component, are recognised at their transaction price. Other financial assets are initially recognised at fair value plus related transaction costs, they are subsequently measured at amortised costs using the effective interest method. Any gain or loss on derecognition or modification of a financial asset held at amortised cost is recognised in the income statement.

Financial Assets held at fair value through profit or loss (FVPL)

The classification applies to the following financial assets. In all cases, transaction costs are immediately expensed to the income statement.

- Debt instruments that do not meet the criteria of amortised costs or fair value through other comprehensive income. The Company has a significant proportion of trade receivables with embedded derivatives for professional pricing. These receivables are generally held to collect but do not meet the SPPI criteria and as a result must be held at FVPL. Subsequent fair value gains or losses are taken to the income statement.
- Equity investments which are held for trading or where the FVOCI election has not been applied. All fair value gains or losses and related dividend income are recognised in the income statement.
- Derivatives which are not designated as a hedging instrument. All subsequent fair value gains or losses are recognised in the income statement.

Trade and other receivables

Trade and other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due. The amount of any provision is recognised in the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value with maturities of three months or less from inception.

Impairment of financial assets

A forward looking expected credit loss (ECL) review is required for: debt instruments measured at amortised costs are held at fair value through other comprehensive income: loan commitments and financial guarantees not measured at fair value through profit or loss; lease receivables and trade receivables that give rise to an unconditional right to consideration.

As permitted by IFRS9, the Company applies the “simplified approach” to trade receivable balances and the “general approach” to all other financial assets. The general approach incorporates a review for any significant increase in counter party credit risk since inception. The ECL reviews including assumptions about the risk of default and expected loss rates. For trade receivables, the assessment takes into account the use of credit enhancements, for example, letters of credit. Impairments for undrawn loan commitments are reflected as a provision.

Financial liabilities

Borrowings and other financial liabilities (including trade payables but excluding derivative liabilities) are recognised initially at fair value, net of transaction costs incurred, and are subsequently measured at amortised costs.

Convertible bonds

Convertible bonds are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible debt. The difference between the proceeds of issue of the convertible loan notes and the fair value assigned to the liability component, representing the embedded option to convert the liability into equity of the Group, is included in equity.

Issue costs are apportioned between the liability and equity components of the convertible loan notes based on their relative carrying amounts at the date of issue. The portion relating to the equity component is charged directly against equity.

The interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible debt to the liability component of the instrument. The difference between this amount and the interest paid is added to the carrying amount of the convertible loan note.

Borrowings costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred.

Trade payables

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

Segmental reporting

In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group. The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its financial statements. The disclosure is based on the information that is presented to the chief operating decision maker, which is considered to be the board of Quantum Blockchain Technologies plc.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the year-end date, taking into account the risks and uncertainties surrounding the obligation.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received net of direct issue costs.

Share capital account represents the nominal value of the shares issued.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

Retained losses include all current and prior period results as disclosed in the statement of comprehensive income.

Other reserves consist of the merger reserve, revaluation reserve, exchange translation reserve and loan equity reserve.

- the merger reserve represents the premium on the shares issued less the nominal value of the shares, being the difference between the fair value of the consideration and the nominal value of the shares.
- the revaluation reserve represents the difference between the purchase costs of the available for sale investments less any impairment charge and the market or fair value of those investments at the accounting date.
- the exchange translation reserve represents the movement of items on the statement of financial position that were denominated in foreign before translation
- the loan equity reserve represents the value of the equity component of the nominal value of the loan notes issued.

Government Grants

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the group will comply with all attached conditions. Government grants which are revenue in nature are recognised on a systematic basis within Other operating income in the Statement of Comprehensive income over the period in which the group recognises as expenses the related costs for which the grants are intended to compensate.

3. Critical accounting judgements and key sources of estimation uncertainty

The preparation of Financial Statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value measurement

Management uses valuation techniques to determine the fair value of financial instruments (where active market quotes are not available) and non-financial assets. This involves developing estimates and assumptions consistent with how market participants would price the instrument. Management bases its assumptions on observable data as far as possible, but this is not always available. In that case management uses the best information available. Estimated fair values may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

In order to arrive at the fair value of investments a significant amount of judgement and estimation has been adopted by the Directors as detailed in the investments accounting policy. Where these investments are un-listed and there is no readily available market for sale the carrying value is based upon future cash flows and current earnings multiples for which similar entities have been sold. The nature of these assumptions and the estimation uncertainty as a result is outlined in Note 13, along with sensitivities in Note 18.

Going Concern

The Group's activities generated a loss of €1,208,000 (2019: €624,000) and had net current assets of €4,857,000 as at 31 December 2020 (2019: €2,396,000). The Group's operational existence is still dependent on the ability to raise further funding either through an equity placing on AIM, or through other external sources, to support the on-going working capital requirements.

After making due enquiries, the Directors have formed a judgement that there is a reasonable expectation that the Group can secure further adequate resources to continue in operational existence for the foreseeable future and that adequate arrangements will be in place to enable the settlement of their financial commitments, as and when they fall due.

For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements. Whilst there are inherent uncertainties in relation to future events, and therefore no certainty over the outcome of the matters described, the Directors consider that, based upon financial projections and dependant on the success of their efforts to complete these activities, the Group will be a going concern for the next twelve months. If it is not possible for the Directors to realise their plans, over which there is significant uncertainty, the carrying value of the assets of the Group is likely to be impaired.

In relation to the impact of Covid-19 on the Company, the Company's employees can carry out their duties remotely, via the network infrastructure in place. As a result, there was no disruption to the operational activities of the Company during the Covid-19 social distancing and working from home restrictions. All key business functions continue to operate at normal capacity.

Notwithstanding the above, the Directors note the material uncertainty in relation to the Group being unable to realise its assets and discharge its liabilities in the normal course of business.

4. Segment information

The Directors are of the opinion that under IFRS 8 - "operating segment" there are no identifiable business segments that are subject to risks and returns different to the core business of investment management. The information reported to the Directors, for the purposes of resource allocation and assessment of performance is based wholly on the overall activities of the Group. Therefore, the Directors have determined that there is only one reportable segment under IFRS 8.

The Group has not generated a material level of income and has no major customers.

5. Staff costs

	Group		Company	
	2020	2019	**2020**	2019
	€'000	€'000	€'000	€'000
Staff costs during the period including directors comprise:				
Wages and salaries	**373**	277	**373**	277
Social security costs and pension contributions	**2**	5	**2**	5
	375	282	**375**	282

6. Directors Emoluments

	2020	2019
	€'000	€'000
Aggregate emoluments	**323**	176
	323	176

Remuneration of the highest paid Director was £267,000 (2019: £134,000)

There are no retirement benefits accruing to the Directors. Details of directors' remuneration are included in the Directors' Report.

7. Expenses by nature

	2020	2019 (restated)
	€'000	€'000
Directors emoluments	**323**	176
Employee emoluments	**80**	106
Legal and professional fees	**419**	337
Audit and accountancy fees	**38**	64
Administrative expenditure	**174**	240
Impairment of assets	**89**	474
	1,123	1,397

8. Finance (costs)/income

	2020	2019 (restated)
	€'000	€'000
Gain on derivatives (note 25B)	**126**	1,018
Interest on convertible bonds (note 25B)	**(247)**	(253)
Bank fees & revaluations	**-**	(5)
	(121)	760

9. Auditor's remuneration

	2020	2019
	€'000	€'000
Group Auditor's remuneration:		
Fees payable to the Group's auditor for the audit of the Company and consolidated financial statements:	**28**	35
Non audit services:		
Other services (tax)	**10**	-
Subsidiary Auditor's remuneration		
Other services pursuant to legislation		10
	38	45

10. Employee numbers

	Group		Company	
	2020 Number	2019 Number	**2020 Number**	2019 Number

The average number of Company's employees, including directors during the period was as follows:				
Management and administration	**4**	4	**4**	4

11. Taxation

	2020	2019
	€'000	€'000
Current taxation	-	-
Deferred taxation	-	-
Tax charge for the year	-	-

The Group has a potential deferred tax asset arising from unutilised management expenses available for carry forward and relief against future taxable profits. The deferred tax asset has not been recognised in the financial statements in accordance with the Group's accounting policy for deferred tax.

The Group's unutilised management expenses and capital losses carried forward at 31 December 2020 amount to approximately €18 million (2019: €22 million) and €8 million (2019: €9 million) respectively.

The standard rate of tax for the current year, based on the UK effective rate of corporation tax is 19% (2019: 19%). The actual tax for the current and previous year varies from the standard rate for the reasons set out in the following reconciliation:

Continuing operations	**2020** **€'000**	2019 (restated) €'000
Loss for the year before tax	**(1,208)**	(624)
Tax on ordinary activities at standard rate	**(229)**	(118)
Effects of:		
Expenses not deductible for tax purposes	**65**	-
Foreign taxes		-
Tax losses available for carry forward against future profits	**164**	118
Total tax	-	-

The UK government has announced that the corporation tax rate will increase from 19% to 25% with effect from 1 April 2023.

12. Earnings per share

The basic earnings per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is computed using the weighted average number of shares during the period adjusted for the dilutive effect of share options and convertible loans outstanding during the period.

The loss and weighted average number of shares used in the calculation are set out below:

	2020			2019		
	Profit/ (Loss) €'000	Weighted average no. of shares 000's	Per share Amount Euro	Profit/ (Loss) (restated) €'000	Weighted average no. of shares 000's	Per share Amount Euro
Basic and fully diluted earnings per share						
Continuing operations	**(1,208)**	**662,371**	**(€0.182)**	(624)	618,891	(€0.101)
Total operations	**1,208)**	**662,371**	**(€0.182)**	(624)	618,891	(€0.101)

IAS 33 requires presentation of diluted earnings per share when a company could be called upon to issue shares that would decrease earnings per share. In respect of 2020 and 2019 the diluted loss per share is the same as the basic loss per share as the loss for each year has an anti-dilutive effect.

13. Investments

The significant entities for which the Group owns shares, including the parent company, held at 31 December 2020 were as follows:

Group Companies	**Ownership**	**Country**	**Company Status**	**Net Assets/(Liabilities) €,000**	**Date of latest accounts**	**Treatment**
Quantum Blockchain Technologies PLC	100.00%	UK	Parent Company	(6,753)	2019	Consolidated
Brainspark Associates Ltd	100.00%	UK	Trading	(669)	2019	Consolidated
Clear Leisure 2017 Ltd	100.00%	UK	Trading	36,245	2019	Consolidated

Milan Digital Twin Ltd	100.00%	UK	Incorporated in 2019	Nil	N/A	Consolidated
London Digital Twin Ltd	100.00%	UK	Incorporated in 2019	Nil	N/A	Consolidated
Clear Holiday Srl	100.00%	Italy	Dormant/ Inactive	10	2014	Not Consolidated
Miner One	100.00%	UK	Dormant	-	2018	Consolidated
Alnitak S.A	100.00%	Luxembourg	Inactive	(8)	2014	Not Consolidated
Mediapolis Investment S.A	71.72%	Luxembourg	Inactive	(6,648)	2010	Not Consolidated
Sosushi Company Srl	99.30%	Italy	In liquidation	654	2013	Not Consolidated
Fallimento Mediapolis Srl	84.04%	Italy	Liquidated	1,204	2016	Not Consolidated
ORH S.P.A	73.40%	Italy	Liquidated	1,718	2012	Not Consolidated
Birdland Srl	52.00%	Italy	In liquidation	(288)	2016	Not Consolidated
Sipiem S.P.A	50.17%	Italy	In liquidation	645	2014	Not Consolidated
Bibop Srl	36.94%	Italy	Liquidated	(211)	2017	No fair value
ForCrowd Srl	20.00%	Italy	Investment	74	2018	Held at fair value
PBV Monitor	10.00%	Italy	Investment	166	2019	Held at fair value
Geosim Systems	4.53%	Israel	Investment	(330)	2018	Held at fair value
Beni Immobili Srl	15.05%	Italy	Investment	14	2014	No fair value
TLT S.P.A	0.25%	Italy	Investment	(2,476)	2016	No fair value

The directors have assessed the group's interests in other entities on an individual basis and come to the overall conclusions as detailed in the table below. Please see the note narrative for additional information on an entity by entity basis.

Quantum Blockchain Technologies PLC

This entity is the UK based group parent and has therefore been included in the consolidation.

Brainspark Associates Limited

This entity is a 100% owned UK incorporated subsidiary of Quantum Blockchain Technologies PLC and has been included in the consolidation.

Clear Leisure 2017 Limited

This entity is a 100% owned UK incorporated subsidiary of Quantum Blockchain Technologies PLC and has been included in the consolidation.

Milan Digital Twin Limited

This entity is a 100% owned UK company which has been incorporated on 30 December 2019 with its first accounts made up to 31 December 2020. This entity only includes unpaid share capital and has not begun operating. It has been included in the consolidation with an overall impact of nil.

London Digital Twin Limited

This entity is a 100% owned UK company which has been incorporated on 30 December 2019 with its first accounts made up to 31 December 2020. This entity only includes unpaid share capital and has not begun operating. It has been included in the consolidation with an overall impact of nil.

Clear Holiday Srl

Clear Holiday Srl is a 100% owned subsidiary of the group incorporated in Italy. However, this entity has not been consolidated on the basis that it is immaterial to the group financial statements. The balances held within the company are not with external third parties and therefore the overall impact on the accounts would be trivial.

Miner One Limited

Miner One Limited is a UK based entity, which was initially set up as a 50% joint venture with 64Bit. During the year, the other 50% shareholding has been acquired from the partner and now it is 100% owned. The entity itself was initially set up with the hope of transferring certain assets, notably a data centre located in Serbia into its possession. However, due to disputes with the previous joint venture partner this did not materialise. In 2019 this entity remained dormant and did not trade during the year. This entity only includes unpaid share capital and has not begun operating, it has been included in the consolidation with an overall impact of nil.

Alnitak S.A.

Alnitak S.A. is a 100% owned subsidiary incorporated in Luxemburg. The company itself is inactive, being kept registered mainly because of a claim filed by the former sole Director. The initial ruling, after losing the case in the first instance has been appealed by Alnitak S.A., but is similar to another claim previously won by Quantum Blockchain Technologies in the Rome court where all legal costs were settled by the claimant.

Although the entity is inactive, there is no active management in Luxemburg and therefore Quantum Blockchain Technologies has also had difficulty formally liquidating the company. The net liability position of Alnitak S.A is immaterial to the group and the balances are largely internal. Therefore, the non-consolidation of this entity is deemed to be immaterial to the group.

On 25 February 2021 Alnitak S.A. has entered a liquidation process and the Group does not expect any further assets or liabilities to arise from these proceedings.

Mediapolis Investment S.A.

Mediapolis Investment S.A. is a 71.72% owned subsidiary incorporated in Luxembourg. The company itself is inactive and is not trading. Previous management failed to pay accountants and local directors for the previous six years and no financial statements have been filed for over seven years. Although this entity is inactive and

71.72% of the shares are held by the group, there is no active management in Luxembourg, and this has led to a difficulty in finalizing a liquidation.

The most recent accounts available were produced in 2010 and the main asset held by the entity is the investment of 13% of the capital in another former group company, Fallimento Mediapolis Srl, which has been liquidated. This investment is carried at approximately EUR6.6m and has been impaired to nil. Therefore, the non-consolidation of this entity is deemed to be immaterial to the group.

On 6 May 2021 Mediapolis Investment S.A. has entered a liquidation process and the Group does not expect any further assets or liabilities to arise from these proceedings.

Sosushi Company Srl

Sosushi Company Srl is a 99.3% owned entity incorporated in Italy. The company is in the process of liquidation and will be liquidated once certain ongoing legal matters have been resolved. No accounts have been approved for this company since 2014, when the process of liquidation begun. Accounting information was never passed to the sole director despite several requests to the accountant. Further actions have now been taken to resolve the issues around accounting information and a new accountant has been appointed. Due to the liquidation, it is deemed that there is no control by the group over the entity and therefore the financial information for Sosushi Company Srl has not been consolidated into the group financial statements. The investment in Sosushi Company Srl is accounted at fair value through profit or loss.

On 24 June 2021, the Company received notification that Sosushi has been declared bankrupt. The Company is now considering if appeal or not.

Sosushi's bankruptcy will have no impact on the Company's balance sheet, as the receivables remain collectable, and the litigation is held via Clear Leisure 2017.

Fallimento Mediapolis Srl

Fallimento Mediapolis Srl is a 84.04% equivalent owned entity incorporated in Italy. Quantum Blockchain Technologies Plc holds directly 74.67% of the capital of the company whilst a 13% stake is held via Mediapolis Investment S.A as noted above. The company was liquidated in 2017 and therefore this is the date from which control is deemed to have been lost. Therefore, the financial information for Fallimento Mediapolis Srl has not been consolidated into the group financial statements. The investment in Fallimento Mediapolis Srl is accounted at fair value through profit or loss.

ORH S.P.A

ORH S.P.A was a 73.4% owned entity incorporated in Italy. The company was liquidated in 2013 and therefore this is the date from which control is deemed to have been lost. Therefore, the financial information for ORH S.P.A has not been consolidated into the group financial statements. The investment in ORH S.P.A is accounted at fair value through profit or loss.

Birdland Srl

Birdland Srl is a 52% owned entity incorporated in Italy. The stake in the entity is indirectly owned via Brainspark Associates Limited. The company was placed into liquidation in 2017 and therefore this is the date from which control is deemed to have been lost. Therefore, the financial information for Birdland Srl has not been consolidated into the group financial statements. The investment in Birdland Srl is accounted at fair value through profit or loss.

Sipiem S.P.A

Sipiem S.P.A is a 50.17% owned entity incorporated in Italy. The entity has not been trading for a number of years and has only been maintained due to the ongoing legal matters with the former directors. An amount receivable has been recognised at the group level relating to the part of the claim which is payable to Quantum Blockchain Technologies PLC. The company is now in liquidation which commenced in 2015. Therefore, this is the date from which control is deemed to have been lost. Therefore, the financial information for Sipiem S.P.A has not been consolidated into the group financial statements. The investment in Sipiem S.P.A is accounted at fair value through profit or loss.

Bibop Srl

Bibop Srl is a 36.94% equivalent owned investment in a company incorporated in Italy. Birldand Srl holds a majority stake in the capital of the company. As Birdland Srl is in liquidation the group does not control or exercise significant influence on Bipop Srl and, accordingly the company is not consolidated, or equity accounted in the group financial statements. As the investment is not held directly by the group, no value is recognised in the financial statements.

ForCrowd Srl

ForCrowd Srl is a 20% owned investment in an entity incorporated in Italy. This is a new investment which has been acquired during the year and has been recognised in the accounts at its fair value.

The value of the investment under equity accounting approximates its cost, as the associate has not started significant operations prior to 31 December 2019. Under this method the amount recognised is €132,000 (2019: €221,090).

This cost has been assessed in relation to the last (and only) equity round of the company in October 2019, in which the entire post money valuation of the company was €1,105,450, with Quantum Blockchain Technologies directly holding the 20% of such amount.

PBV Monitor Srl

PBV Monitor Srl is a 10% owned investment in an entity incorporated in Italy. The investment has been recognised in the accounts at its fair value.

The Fair Value of PBV Monitor €302,000, (2019: €300,000) has been assessed in relation to the last equity round of the company in early 2020, in which the entire post money valuation of the company was €3,020,000, with Quantum Blockchain Technologies directly holding the 10% of such amount.

The post money valuation at which the Company invested in 2018 was €340,000, which also represented the Company's valuation of PBV in Pre Covid-19 conditions. The difference between this original value and the current Fair Value is not attributable to a change of fundamentals to the business. Similarly, the progress made in 2020 has not highlighted any significant divergence from the original business plan.

The difference in the valuation is therefore attributable to lower value attributed to the company during the 2020 equity round. The key assumptions underpinning the equity round at the start of 2020 remain applicable.

The Fair Value assessment of PBV Monitor, is directly related to the company's valuation in future rounds.

Geosim Systems Limited

Geosim Systems Limited is a 4.53% owned investment in an entity incorporated in Israel. The investment has been recognised in the accounts through its fair value and is held via Brainspark Associates Limited.

The Fair Value of Geosim (€546,212, 2019: €596,045) has been assessed in relation to the last equity round of the company in 2018, in which Quantum Blockchain Technologies' 533,990 Geosim shares have been valued at $1.25 each. The difference in the valuation between 2020 and 2019, attributable to the variance in the EUR/USD exchange rate.

The Fair Value assessment of Geosim is directly related to the company's valuation in future rounds and to the EUR/USD exchange rate.

Beni Immobili Srl

Beni Immobili Srl a 15.05% equivalent owned investment in an entity incorporated in Italy. The shares in this company are held via Sipiem S.P.A. No fair value is recognised for this investment as the entity has minimal net assets and the valuation would be trivial to the consolidated financial statements. Moreover, as the investment is held via Sipiem S.P.A, which is in liquidation, the investment should not be recognised as an asset.

TLT S.P.A

TLT S.P.A is a 0.25% owned investment based in Italy. No fair value is recognised for this investment as the entity has a large net liability position and due to the small shareholding, any potential valuation would be trivial to the consolidated financial statements. Moreover, as the investment is held via Sipiem S.P.A, which is in liquidation, the investment should not be recognised as an asset.

	Group		**Company**	
	2020	2019	**2020**	2019
		€'000		
			€'000	
At as 1 January	**1,117**	923	**521**	340
Additions	**2**	221	**2**	221
Foreign exchange	**(50)**	-	**-**	-
Impairment of investments	**(89)**	(27)	**(89)**	(40)
Carrying value at 31 December	**980**	1,117	**434**	521

An amount of €546,212 (2019: €596,045) included within Group investments held for trading is a level 3 investment and represents the fair value of 533,990 shares in GeoSim Systems Ltd. GeoSim Systems Ltd is an Israeli company seeking to establish itself as the world leader in building complete and photorealistic 3D virtual cities and in delivering them through the Internet for use in local searches, real estate and city planning, homeland security, tourism and entertainment. Quantum Blockchain Technologies owns 4.53% of GeoSim Systems Ltd.

An amount of €302,000 (2019: €300,000) included within Company investments held for trading is a level 3 investment and represents the fair value of a 10% interest in PBV Monitor Srl ("PBV"). PBV is an Italian company specialising in the acquisition and dissemination of data for the legal services industry, utilising proprietary market intelligence tools and dedicated search software. Quantum Blockchain Technologies acquired 10% of PBV in December 2018. As part of the investment agreement, Quantum Blockchain Technologies was granted a seat on the board of PBV and was appointed as exclusive advisor to PBV regarding the possible sale of PBV from 1 January 2020 for a period of four years and will be entitled to a 4% commission fee on the proceeds of any sale.

14. Trade and other receivables

	Group		Company	
	2020	2019	**2020**	2019
	€'000	€'000	**€'000**	€'000
Trade receivables	**9**	5	**-**	-
Other receivables	**4,620**	6,102	**40**	45
Amounts owed by related parties	**562**	497	**801**	1,448
	5,191	6,604	**841**	1,493

Group other receivables includes and amount of €4,445,000 (2019: €4,445,000) due in relation to the ongoing Sipiem legal claim, which is unsecured, interest free and does not have fixed terms of repayment; and an amount of €132,000 (2019: €1,613,000) due in relation to the Fallimento Mediapolis Srl bankruptcy procedure.

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

15. Cash and cash equivalents

	Group		Company	
	2020	2019	**2020**	2019
	€'000	€'000	**€'000**	€'000
Cash at bank and in hand	**-**	-	**-**	-
	-	-	**-**	-

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

16. Trade and other payables

	Group		Company	
	2020	2019	**2020**	2019
	€'000	€'000	**€'000**	€'000
Trade payables	**124**	205	**124**	205
Other payables	**143**	124	**141**	72
Accruals	**67**	67	**62**	62
Trade and other payables	**334**	396	**327**	339

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

17. Borrowings

	Group		Company	
	2020	2019 (restated)	**2020**	2019 (restated)
	€'000	€'000	**€'000**	€'000
Zero rate convertible bond 2015	**5,197**	5,142	**5,197**	5,142
Zero rate convertible bond 2020	**3,015**	-	**3,015**	-
Convertible loan note	**-**	3,691	**-**	3,691
Other borrowings	**-**	-	**-**	-
	8,212	8,833	**8,212**	8,833
Disclosed as:				
Current borrowings	**-**	3,691	**-**	3,691
Non-current borrowings	**8,212**	5,142	**8,212**	5,142
	8,212	8,833	**8,212**	8,833

Interest on the bonds is payable annually on 31 March each year. The bonds at 31 December 2020 include all interest accrued to that date. The unpaid interest together with accrued interest to 31 December 2020 is included within current liabilities.

On 25 March 2013 the Company issued €3,000,000 nominal value of zero rate convertible bonds at a discount of 22%. The bonds are convertible at 15p per share and have a redemption date of 15 December 2015.
During 2014 the Company issued €1,885,400 zero bonds in settlement of £1,563,000 7% bonds (see above). Also €600,000 zero bonds were issued in settlement of a debt of €518,000 and €450,000 bonds were issued for cash realising €412,000 before expenses.

On 15 December 2015 the bondholders meeting approved the amendments on the Zero Rate Convertible Bond 2015, originally due on 15 December 2015; Under new terms the final maturity date of the Bond is 15 December 2017 and the interest has been reduced from 9.5% to 7%.

On 15 December 2016 the bondholders meeting approved the amendments on the Zero Rate Convertible Bond 2015, originally due on 15 December 2017; Under new terms the final maturity date of the Bond is 15 December 2018 and the interest has been reduced from 7% to 1%.

On 19 June 2018, the holders of its €9.9m Bonds agreed to extend the final maturity date of the Bonds from 15 December 2018 to 15 December 2022. The Company is now able to convert the Bonds into new ordinary shares of 0.25p each.

On 28 December 2018, bonds with a face value of €2,100,000 plus cumulative interest were converted into 50,992,826 new ordinary shares of 0.25 pence at a price of 3.76 pence per share.

On 5 October 2020, Eufingest SA agreed to extend the repayment date of all loans advanced to the company amounting to €3,375,000 and £30,000 to 31 October 2020.

On 9 November 2020 Eufingest SA agreed to convert all outstanding loans and accrued interest amounting to €3,423,707 into Zero rate convertible bond 2020. The Zero Coupon Bonds 2020 accrue interest at a rate of 2% per annum. Bondholders and convert at any time up to 15 December 2022 at a conversion price of £0.01 per share. The Zero rate convertible bond 2020 is accounted for as a financial instrument with both debt and equity characteristics. The debt element was valued using a market rate assessed by the Directors of 7.99%.

Key Assumptions

The derivative element of the Zero Coupon Bonds 2015 and the Convertible loans were valued at each year end using the Black Scholes option pricing model. The following assumptions were used at each period end.

Convertible loans

	2020	2019
Share price	N/A	0.3p
Expected life	N/A	3 years
Volatility	N/A	60%
Dividend yield	N/A	0%
Risk free interest rate	N/A	0.55%
Fair value	N/A	0.0343p

During 2020 the convertible loan were converted Zero Coupon Bonds 2020

Zero Coupon Bonds 2015

	2020	2019
Share price	0.0265p	0.3p
Expected life	3 years	3 years
Volatility	70%	60%
Dividend yield	0%	0%
Risk free interest rate	(0.03)%	0.55%
Fair value	0p	0p

17. Financial instruments

The Group's financial instruments comprise cash, investments at fair value through profit or loss, trade receivables, trade payables that arise from its operations and borrowings. The main purpose of these financial instruments is to provide finance for the Group's future investments and day to day operational needs.

The Group does not enter into any derivative transactions such as interest rate swaps or forward foreign exchange contracts, as the Group's exposure to movements in foreign exchange rates is not considered significant (see Foreign currency risk management). The main risks faced by the Group are limited to interest rate risk on surplus cash deposits and liquidity risk associated with raising sufficient funding to meet the operational needs of the business.

The Board reviews and agrees policies for managing these risks and they are summarised below.

FINANCIAL ASSETS BY CATEGORY

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

	2020	2019
	€'000	€'000
Financial assets:		
Financial assets held at fair value through profit and loss	**980**	1,117
Trade and other receivables	**5,191**	6,604
Cash and cash equivalents	**-**	-
	6,171	7,721

FINANCIAL LIABILITIES BY CATEGORY

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

	2020	2019
	€'000	(restated) €'000
Financial liabilities at amortised cost:		
Trade and other payables	**334**	396
Borrowings	**8,212**	8,883
Derivative	**-**	121

	8,546	9,400

Financial instruments measured at fair value:

	Level 1 €'000	Level 2 €'000	Level 3 €'000
As at 31 December 2020			
Investments at fair value through profit or loss	**-**	**-**	**980**
	-	**-**	**980**
As at 31 December 2019			
Investments at fair value through profit or loss	-	-	1,117
Derivatives at fair value through profit or loss	-	(121)	-
	-	(121)	1,117

The valuation techniques and significant unobservable inputs used in determining the fair value measurement of level 2 and level 3 financial instruments, as well as the inter-relationship between key unobservable inputs and fair value, are set out in the table below.

Financial Instruments	**Valuation technique used**	**Significant unobservable inputs (Level 3 only)**	**Inter – relationship between key unobservable inputs and fair value (level 3 only)**
Investments	Based on issue of shares in the investments held by the Group and directors assessment on the recoverability of loans.	Assessment of recoverability of loan.	If loan was considered not to be recoverable this would result in the reduction in the fair value of the investment.
Derivative	Black Scholes valuation model was used to calculate value of options at the year end	Not applicable	Not applicable

The Group has adopted fair value measurements using the IFRS 7 fair value hierarchy.

Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1: valued using quoted prices in active markets for identical assets;

Level 2: valued by reference to valuation techniques using observable inputs other than quoted prices included in Level 1;

Level 3: valued by reference to valuation techniques using inputs that are not based on observable markets criteria.

The Level 3 investment refers to an investment in GeoSim Systems Ltd, PBV Monitor Srl, and ForCrowd Srl.

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximising the return to stakeholders through optimisation of the debt and equity balance. The capital structure of the Group consists of debt attributable to convertible bondholders, borrowings, cash and cash equivalents, and equity attributable to equity holders of the Group, comprising issued capital, reserves and retained earnings, all as disclosed in the Statement of Financial Position.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument disclosed in Note 2 to the financial statements.

Financial risk management objectives

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Group's risk management is coordinated by the board of directors and focuses on actively securing the Company's short- and medium-term cash flows by raising liquid capital to meet current liability obligations.

Market price risk

The Company's exposure to market price risk mainly arises from movements in the fair value of its investments held for trading. The Group manages the investment price risk within its long-term investment strategy to manage a diversified exposure to the market. If the investments were to experience a rise or fall of 15% in their fair value, this would result in the Group's net asset value and statement of comprehensive income increasing or decreasing by €160,000 (2019: €167,000).

Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the Board of Directors, which monitors the Group's short, medium and long-term funding and liquidity management requirements on an appropriate basis. The Group has minimal cash balances at the reporting date (refer to Note 2 – Basis of preparation and going concern). The Group continues to secure future funding and cash resources from disposals as and when required in order to meet its cash requirements. This is an on-going process and the directors are confident with their cash flow models.

The following are the undiscounted contractual maturities of financial liabilities:

	Carrying Amount	**Less than 1 year**	**Between 1 and 5 years**	**Total**
	€'000	**€'000**	**€'000**	**€'000**
As at 31 December 2020				
Trade and other payables	**334**	**334**	**-**	**334**
Borrowings	**-**	**-**	**8,633**	**8,633**
	334	**334**	**8,633**	**8,967**
As at 31 December 2019				
Trade and other payables	396	396	-	396
Borrowings (restated)	-	3,750	5,149	8,899
	396	4,146	5,149	9,295

Management believes that based on the information provided in Notes 2 and 3 – in the '*Basis of preparation*' and '*Going concern*', that future cash flows from operations will be adequate to support these financial liabilities.

Interest rate risk
The Group and Company manage the interest rate risk associated with the Group cash assets by ensuring that interest rates are as favourable as possible, whilst managing the access the Group requires to the funds for working capital purposes.

The Group's cash and cash equivalents are subject to interest rate exposure due to changes in interest rates. Short-term receivables and payables are not exposed to interest rate risk. The borrowings are at fixed interest rates.

	Group		Company	
	2020	2019	**2020**	2019
		€'000		€'000
Fixed rate instruments				
Financial assets	**6,171**	7,721	**1,275**	2,014
Financial liabilities	**8,212**	8,428	**8,212**	8,428

Change in interest rates will affect the Group's income statement as follows:

	Gain / (loss)	
Group	**2020**	**2019**
		€'000
Euribor +0.5% / -0.5%	**- / -**	-/-

The analysis was applied to financial liabilities based on the assumption that the amount of liability outstanding as at the reporting date was outstanding for the whole year.

Foreign currency risk management
The Group undertakes certain transactions denominated in currencies other than Euro, hence exposures to exchange rate fluctuations arise. Amounts due to fulfil contractual obligations of £Nil (2019: £Nil) are denominated in sterling. An adverse movement in the exchange rate will impact the ultimate amount payable, a 10% increase or decrease in the rate would result in a profit or loss of £Nil (2019: £Nil). The Group's functional and presentational currency is the Euro as it is the currency of its main trading environment, and most of the Group's assets and liabilities are denominated in Euro. The parent company is located in the sterling area.

Credit risk management
The Group's financial instruments, which are subject to credit risk, are considered to be trade and other receivables. There is a risk that the amount to be received becomes impaired. The Group's maximum exposure to credit risk is €5,191,000 (2019: €6,604,000) comprising receivables during the period. About 67% (2018: 59%) of total receivables are due from a single company. The ageing profile of trade receivables was:

Group	**2020** Total book value €’000	**2020** Allowance for impairment €’000	2019 Total book value €’000	2019 Allowance for impairment €’000
Current	**5,191**	**-**	6,604	-
Overdue more than one year	**-**	**-**	-	-
	5,191	**-**	6,604	-

Company				
Current	**841**	**-**	1,493	-
Overdue more than one year	**-**	**-**	-	-
	841		1,493	-

18. Share capital and share premium

ISSUED AND FULLY PAID:	**Number of ordinary shares**	**Number of deferred shares**	**Ordinary share capital €’000**	**Deferred share capital €’000**	**Share premium €’000**	**Total €’000**
At 1 January 2019	**604,152,600**	**199,409,377**	**1,760**	**5,467**	**47,038**	**54,265**
Issue of shares	4,000,000	-	12	-	23	35
Issue of shares	54,218,847	-	158	-	63	221
At 31 December 2019	**662,371,447**	**199,409,377**	**1,930**	**5,467**	**47,124**	**54,521**
Issue of shares	-	-	-	-	-	-
At 31 December 2020	**662,371,447**	**199,409,377**	**1,930**	**5,467**	**47,124**	**54,521**

All ordinary shares carry equal rights.

The deferred shares have restricted rights such that they have no economic value.

Shares issued for the year ended 31 December 2019:

On 29 August 2019, 4,000,000 new ordinary shares of 0.25 pence per share were issued to F Gardin, in settlement of part of his 2018 remuneration.

On 3 October 2019, the Company issued 54,218,847 new ordinary shares of 0.25p as consideration for the acquisition of 20% interest in ForCrowd Srl, an Italian equity crowdfunding platform based in Milan.

19. Share based payments

The total share-based payment expense recognised in the income statement for the year ended 31 December 2020 in respect of the share options granted was €Nil (2019: €Nil).

The tables below disclose the movements in share options during the year.

Number of options at 1 Jan 2020	Granted in the year	Exercised in the year	Lapsed in the year	Number of options at 31 Dec 2020	Exercise Price, pence	Expiry date
10,000,000	–	–	10,000,000	–	N/A	N/A
3,000,000	–	–	3,000,000	–	N/A	N/A
13,000,000	–	–	13,000,000	–	N/A	N/A

Number of options at 1 Jan 2019	Granted in the year	Exercised in the year	Cancelled in the year	Number of options at 31 Dec 2019	Exercise Price, pence	Expiry date
10,000,000	–	–	–	10,000,000	1.25	31.07.2020
3,000,000	–	–	–	3,000,000	1.25	31.07.2020
13,000,00	–	–	–	13,000,000		

The remaining contractual life at 31 December 2020 is nil years (31 December 2019 – 0.5 years).

The share options have now lapsed and share based reserve has now been transferred to retained earnings.

20. Other reserves

The Group considers its capital to comprise ordinary share capital, share premium, retained losses and its convertible bonds. In managing its capital, the Group's primary objective is to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, through new share issues, the Group considers not only their short-term position but also their long-term operational and strategic objectives.

Group	**Merger reserve €'000**	**Loan note equity reserve €'000**	**Share option reserve €'000**	**Total other reserves €'000**
At 1 January 2019	**8,325**	**43**	**51**	**8,419**
Transfer of reserves	-	(43)	-	(43)
At 31 December 2019	**8,325**	**-**	**51**	**8,376**
Transfer of reserves	-	-	(51)	(51)
Equity portion of convertible loan notes	-	462	-	462
At and 31 December 2020	**8,325**	**462**	**-**	**8,787**

Company	**Loan note equity reserve €'000**	**Share option reserve €'000**	**Total other reserves €'000**
At 1 January 2019 and 31 December 2019	**-**	**51**	**51**
Transfer of reserves	-	(51)	(51)
Equity portion of convertible loan notes	**462**	**-**	**462**
At 31 December 2020	**462**	**-**	**462**

Transfers to reserve relate to share based payments on share options that have now lapsed.

21. Ultimate controlling party

The Group considers that there is no ultimate controlling party.

22. Related party transactions

Transactions between the company and its subsidiaries, which are related parties have been eliminated on consolidation, but are disclosed where they relate to the parent company. These transactions along with transactions between the company and its investment holdings are disclosed in the table below, with all amounts being presented in Euros and being owed to the Group:

	2020	2019	**2020**	2019
Related party	**Group**	Group	**Company**	Company
Clear Leisure 2017 Limited	-	-	180,691	951,243
Sipiem S.P.A	386,697	340,017	386,697	340,017
Sosushi Company Srl	118,033	107,402	118,033	107,402
PBV Monitor Srl	-	5,000	-	5,000
Geosim Systems Limited	46,068	44,671	46,068	44,671
64-Bit Limited (JV partner)		- -		-
	550,798	497,091	**731,489**	1,448,334

On 29 August 2019, 4,000,000 new ordinary shares of 0.25 pence per share were issued to F Gardin at a price of 0.75 pence per share, in settlement of part of his 2018 remuneration.

During the year, Metals Analysis Limited, a company in which R Eccles is a Director, charged Quantum Blockchain Technologies Plc €33,679 (2019: €49,833) for consultancy fees. The amount owed from Metals Analysis Limited at year end is €3,563 (2019: €14,631).

In 2019 the shareholder loan as disclosed in Note 17 'Borrowings' is a loan provided by Eufingest which has a 14.28% shareholding also has an outstanding loan for €3,750,000.

Included in trade and other payables is an amount of €Nil (2019; €14,427) owed to Mr F Gardin, Director.

Remuneration of key management personnel
The remuneration of the directors, who are the key personnel of the group, is included in the Directors Report. Under "IAS 24: Related party disclosures", all their remuneration is in relation to short-term employee benefits.

23. Events after the reporting date
The Company, at the beginning of the year, was notified that the Bologna Court elected to continue CL17 €1.03 million legal claim against the previous management of Sosushi through an arbitration process, which will provide a legally binding decision on the matter that formally started on 18th January 2021.

In the same period, CL17 (at the conclusion of the mandatory public bidding process), was assigned a legal claim against Mediapolis former management and internal audit committee, for a consideration of €50,000 to be deducted from the amount still receivable from the Mediapolis Bankruptcy procedure.

On 11 February 2021, the Company raised £680,000 (before expenses) through the placing of 113,333,333 new ordinary shares of 0.25p each at a price of 0.60p per share.

On 22 February 2021, the Company raised £1,000,000 (before expenses) through the placing of 100,000,000 new ordinary shares of 0.25p at a price of 1p per share to an individual investor, John Story. Mr Story was also granted 100,000,000 warrants over the Company's shares which will entitle the warrant holder to one new share at a price of 2p per share. The warrants are exercisable for a period of 2 years.

On the same date the Company issued 10,526,316 and 11,320,755 Ordinary Shares in the Company to Francesco Gardin, respectively at a price of 0.285 pence per new Ordinary Share (closing price at 31/12/2019) in settlement of £30,000 being his 2019 remuneration payable through the issue of Ordinary Shares, and at a price per share of 0.265 pence per new Ordinary Share (closing price at 31/12/2020) in settlement of £30,000 being his 2020 remuneration payable through the issue of Ordinary Shares.

24. Events after the reporting date (continued)
On 14 April 2021, the Company issued a Notice of General Meeting to seek approval to:

- Amend the Company's Investing Policy to be focused on Blockchain, Cryptocurrency, Quantum Computing and AI.
- Change the Company's name from Clear Leisure to Quantum Blockchain Technologies plc.
- Authorise the granting of options to the CEO and current and future management team of the Company.
- Grant authorities to the directors to issue shares in the Company.

At the General Meeting shareholders voted to approve the above and therefore the Company changed its name to Quantum Blockchain Technologies plc.

In relation to Sipiem's legal claim, in May, the Court appointed independent expert filed his report on the economic merit of the damages suffered by Sipiem at an amount of up to €7.8 million, subject to the Judge ruling that the conduct of Sipiem's former board and internal audit committee was unlawful.

In June 2021, the Company announced the launch and progress of the in-house R&D programme in respect of advanced proprietary techniques for Bitcoin mining. The Company entered into a one-year service agreement with a UK based international cryptography expert whose specialism is cryptocurrency mining blockchain optimisations. As part of the one-year service agreement, the consultant has been awarded share options over 10,000,000 new ordinary shares of 0.25 pence each in the Company at an exercise price of 5p each, which can be exercised between 15 February 2022 and 15 August 2022.

Also in June 2021, QBT announced that it increased its stake in Forcrowd to 41.17%, having purchased an additional 21.17% stake in ForCrowd held by minority shareholders for a total consideration of €34,000,

25. Prior year adjustment

The comparative figures for the year ended 31 December 2019 have been restated as set out in the tables below:

Restated Group Income and Statement of Comprehensive Income for the year ended 31 December 2019

	Ref.	2019	Restatement	2019 Restated
		€'000	€'000	€'000
Continuing operations				
Revenue		13	-	13
		13	-	13
Administration expenses		(1,397)	-	(1,379)
Exceptional items		-	-	-
Operating loss		(1,384)	-	(1,366)
Finance charges	B	(200)	960	760
Loss before tax		(1,584)	960	(606)
Tax		-		-
Loss from continuing operations		(1,584)	960	(606)
Other comprehensive (loss)				
Loss on translation of overseas subsidiaries	B	(1,584)	960	(606)

TOTAL COMPREHENSIVE LOSS FOR THE YEAR	(1,584)	960	(606)
Earnings per share:			
Basic and fully diluted loss per share (cents)	(€0.003)	-	(€0.101)

Restated Group Statement of Financial Position as at 31 December 2019

	Ref.	Group 2019 €'000	Restatement 2019 €'000	Group 2019 (restated) €'000
Non-current assets				
Investments		1,117	-	1,117
Total non-current assets		1,117	-	1,117
Current assets				
Trade and other receivables		6,604	-	6,604
Cash and cash equivalents		-	-	-
Total current assets		6,604	-	6,604
Total assets		7,721	-	7,721
Current liabilities				
Trade and other payables		(396)	-	(396)
Borrowings	C	(3,750)	59	(3,691)
Derivative liability	D	-	(121)	(121)
Total current liabilities		(4,146)	(62)	(4,208)
Net current assets/(liabilities)		2,458	(62)	2,396

Total assets less current liabilities		3,575	(62)	3,513
Non-current liabilities				
Borrowings	E	(4,678)	(464)	(5,142)
Total non-current liabilities		(4,678)	(464)	(5,142)
Total liabilities		(8,824)	(526)	(9,350)
Net assets		(1,103)	(526)	(1,629)
Equity				
Share capital		7,397	-	7,397
Share premium account		47,124	-	47,124
Other reserves	21	8,376	-	8,376
Retained losses		(64,000)	(526)	(64,526)
Total equity		(1,103)	(526)	(1,629)

Restated Company Statement of Financial Position as at 31 December 2019

	Ref.	Company 2019 €'000	Restatement 2019 €'000	Company 2019 (restated) €'000
Non-current assets				
Investments		521	-	521
Total non-current assets		521	-	521

Current assets				
Trade and other receivables		1,493	-	1,493
Cash and cash equivalents		-	-	-
Total current assets		1,493	-	1,493
Total assets		2,014	-	2,014
Current liabilities				
Trade and other payables		(339)	-	(339)
Borrowings	C	(3,750)	59	(3,691)
Derivative liability	D	-	(121)	(121)
Total current liabilities		(4,089)	(62)	(4,151)
Net current assets/(liabilities)		(2,596)	(62)	(2,658)
Total assets less current liabilities		(2,075)	(62)	(2,137)
Non-current liabilities				
Borrowings	E	(4,678)	(464)	(5,142)
Total non-current liabilities		(4,678)	(464)	(5,142)
Total liabilities		(8,767)	(464)	(9,290)
Net (liabilities)/assets		(6,753)	(526)	(7,279)
Equity				
Share capital		7,397	-	7,227
Share premium account		47,124	-	47,124
Other reserves	21	51	-	51
Retained losses		(61,325)	(526)	(61,851)

Total equity	(6,753)	(526)	(7,279)

Restated Group Statement of Cash Flows for the year ended 31 December 2019

	Group	**Restatement**	**Group**
	2019	**2019**	**2019**
	€'000	**€'000**	**(restated)** **€'000**
Cash used in operations			
Loss before tax	(1,584)	960	(624)
Fair value changes in investments	27	-	27
Finance charges	200	(960)	(760)
Decrease in receivables	882	-	882
Decrease in payables	(78)	-	(78)
Net cash outflow from operating activities	(553)	-	(553)
Cash flows from financing activities			
Proceeds from borrowing	291	-	291
Interest paid	(5)	-	(5)
Net cash inflow from financing activities	286	-	286
Net decrease in cash for the year	(267)	-	(267)
Cash and cash equivalents at beginning of year	267	-	(267)
Cash and cash equivalents at end of year	-	-	-

Restated Company Statement of Cash Flows for the year ended 31 December 2019

	Company 2019 €'000	Restatement 2019 €'000	Company 2019 (restated) €'000
Cash used in operations			
Loss before tax	(816)	960	144
Fair value changes in investments	40	-	40
Finance charges	200	(960)	(760)
Increase in receivables	(95)	-	(95)
Increase in payables	118	-	118
Net cash outflow from operating activities	(553)	-	(553)
Cash flows from financing activities			
Proceeds from borrowing	291	-	291
Interest paid	(5)	-	(5)
Net cash inflow from financing activities	286	-	286
Net increase in cash for the year	267	-	267
Cash and cash equivalents at beginning of year	(267)	-	(267)
Cash and cash equivalents at end of year	-	-	-

Notes to prior year restatement tables

Group and Company

In previous periods the Group had incorrectly accounted for Zero Coupon Bonds 2015 and Other convertible loan notes (see note 17). Both these loans included embedded derivatives which were required to be valued at inception with the balance being amortised over the life of the loan. The embedded derivative portion of the loan was required to be valued at each year end with any change in value being included in finance income/costs in the Income statement.

Pre 1 Jan 2019 Adjustments

A. As the above loans commenced prior to 1 January 2019 the correction also effected prior periods resulting in an additional loss of €1,486,000 being recognised in the group and company balances split between an increase in the derivative liability of €1,140,000 and an increase in the combined loan balances of €346,000.

2019 Adjustments

B. This is the gain in the derivative element of the Zero Coupon Bond 2015 and other convertible loans of €1,019,000 less additional interest on the above loans of €59,000.
C. This represents increase in the above loan balances as a result of the accrued interest of €59,000
D. This represents the balance on the derivative element of the above loans as a result of the movement described in 1 above.
E. This represents the increase in the Zero Coupon Bond balance as the result of adjustments in 2018 and accrued interest in 2019.

The Company advises that the 2020 Report and Accounts will be posted out to shareholders, together with the AGM notice and form of proxy. The AGM will be held at Company's legal address, 22 Great James Street London WC1N 3ES, at 12pm on Monday, 19 July 2020. In light of current Government social distancing measures relating to Covid-19, this year's AGM will run as a closed meeting, with only the quorum necessary for a valid meeting. Shareholders will not be permitted to attend. We are therefore strongly encouraging Shareholders to vote by electing the Chairman of the Company as proxy.

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