

29 September 2023



EIGHT CAPITAL PARTNERS PLC
("Eight Capital" "ECP" or the "Company")

UNAUDITED HALF-YEARLY REPORT FOR THE SIX MONTHS ENDED 30 JUNE 2023

Eight Capital Partners plc (AQSE: ECP), announces its unaudited half-yearly results for the half year ending 30 June 2023. Comparative figures are shown for the comparable period in the previous financial year unless otherwise stated:

Chairman's Interim Report

The Company has built on the results announced in the 2022 Annual Report and Consolidated Financial Statements and is reporting a net profit of £1.2m in the period (2022: £0.5m loss). Revenues, predominantly from project related fees, were a satisfactory £0.6m (2022: £0.05m) and although administration costs grew to £1.3m (2022: £0.4m), this was largely due to a £0.7m unrealised foreign exchange loss, which was offset by a £1.7m fair value gain on the Company's listed investments.

As noted in the 2022 Annual Report and Consolidated Financial Statements that were announced on 12 September 2023, subsequent to the balance date of these interim results, the Group has further strengthened its balance sheet. On 11 August 2023 the Company announced that a general meeting of the holders of the Company's €10,000,000 4.8% Bonds had approved the conversion of those bonds, together with the interest payment due on 3 September 2023, into new ordinary shares in ECP. On 8 September 2023 the Company announced that, further to the announcement on 11 August 2023, application had been made for 25,577,732,855 new ordinary shares at a price of 0.02525 pence per new ordinary share in lieu of the conversion of the Notes and accrued interest.

In September 2021 Eight Capital first announced that it would be implementing a plan to strengthen the balance sheet with the objective of moving the market cap of the business towards £50m. The four step strategy including debt to equity conversions outlined has been implemented and Eight Capital today has a market cap of approximately £49 million, with minimal third party financial debt and a recurring revenue stream of €1 million from interest payments.

The Company is now well placed to execute its fintech strategy:

- building fintech businesses through roll-up of other existing fintechs in the same sector (such as Neobanking and SME digital lending); and
- acquisition of and digitisation of traditional wealth and asset management businesses to create a scaled up fintech - digital asset manager.

This was confirmed in the circular dated 29 September 2022 and in the Annual Report published in August 2023, where it announced that it intended to establish a digital bank division through the acquisition of a NeoBank at the core of its digital lending strategy. SMEs continue to be under-served

by the traditional financial services sector and are sometimes overlooked by larger funding institutions, or, when managed through a traditional banking process, are perceived as difficult to underwrite and therefore expensive to fund. There are significant benefits for SMEs using “fintech” systems and innovatively structured capital solutions to better access capital, either for direct investment or to assist with their working capital management. ECP’s intention is to create a pan-European SME digital lending platform that would deliver faster, quicker and cheaper capital to SME clients. The team has been working intensely towards delivering this strategy and has a number of opportunities that have been developed, with strong potential for a near-term announcement.

In addition, the Company also explained that it believes there is a significant opportunity in wealth and asset management tech, through the acquisition and integration of sub-scale traditional asset managers into a larger, more efficient tech-enabled business. It now intends to establish a second division focused on this roll-up and digitisation asset management strategy, in order that it has resources to analyse two specific opportunities in the sector, for delivery in 2024. It is seeing an increasing number of wealth and asset management consolidation opportunities, that, subject to pricing and building a strong digitisation team pre-acquisition, it intends to progress in 2024.

Dominic White

Chairman

28 September 2023

This announcement contains inside information for the purposes of the UK Market Abuse Regulation.

The Directors of the Company take responsibility for this announcement.

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About Eight Capital Partners:

Eight Capital partners plc is a financial services operating company that aims to grow revenue through businesses engaged in "Fintech" operations including in the digital banking and lending sectors.

ECP seeks to grow its group revenue in these high growth fintech sub-sectors, which it expects to also increase in value, such that they generate an attractive rate of return for shareholders, predominantly through capital appreciation.

www.eight.capital

Eight Capital Partners operates two subsidiary businesses:

Epsilon Capital:

Epsilon Capital is an independent corporate advisory firm based in London with an extensive experience in UK and European capital markets. The team of senior and experienced ECM and M&A professionals is specialised across multiple markets, sectors and geographies and it prides itself on a commercial approach that allows the clients to achieve their growth ambitions.

www.epsiloncapital.com

Innovative Finance:

Innovative Finance is a corporate finance advisory business that develops mergers and acquisitions and financing solutions across multiple sectors, primarily in Europe, with access to international transactions. It focuses on investments in Europe which are linked to technological developments in the financial services industry. www.innovfinance.com

Forward Looking Statements

Certain statements in this announcement, are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as "believe", "could", "should", "envisage", "estimate", "intend", "may", "plan", "potentially", "expect", "will" or the negative of those, variations or comparable expressions, including references to assumptions. These forward-looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors.

Eight Capital Partners plc
Consolidated Statement of Comprehensive Income
for the six months ended 30 June 2023

	Six months ended 30 June 2023 Unaudited £'000	Six months ended 30 June 2022 Unaudited £'000	Year ended 31 December 2022 Audited £'000
Note			
Revenue	572	58	895
Cost of sales	(4)	(9)	(8)
Gross profit	568	49	887
Other operating income	51	10	84
Administrative expenses	(1,321)	(440)	(1,111)
Net change in unrealised/realised gains and losses on investments at fair value through profit or loss	1,724	(46)	1,488
Net gains on fair value through profit or loss	-	-	1,311
Operating profit /(loss)	1,022	(427)	2,659
Finance income	437	486	876
Finance expense including debt modification gain or loss	(221)	(565)	1,103
Profit / (loss) before tax	1,238	(506)	4,638
Taxation	-	-	-
Profit / (loss) for the period	1,238	(506)	4,638
Other comprehensive income	-	(2)	-
Total comprehensive profit/ (loss)	1,238	(508)	4,638
Basic and diluted earnings /(loss) per share (pence):	2	0.0008	(0.03)
		0.02	

Eight Capital Partners plc
Consolidated Statement of Financial Position at 30 June 2023

		As at 30 June 2023 Unaudited £'000	As at 30 June 2022 Unaudited £'000	As at 31 December 2022 Audited £'000
	Note			
Non-current assets				
Goodwill		2,717	3,867	2,717
Intangible assets		7	11	11
Property, plant and equipment		18	17	22
Trade and other receivables		-	-	311
Total non-current assets		2,742	3,895	3,061
Current assets				
Investments	3	30,457	35,362	28,785
Trade and other receivables		1,138	1,349	1,062
Cash and cash equivalents		40	29	22
Total current assets		31,635	36,740	29,869
Current liabilities				
Trade and other payables		818	723	468
Loans and borrowings		1,016	17,593	970
Total current liabilities		1,834	18,316	1,438
Non-current liabilities				
Long term bond		5,948	21,340	5,807
Liability for contingent consideration		-	1,305	-
Loans and borrowings		-	-	402
Total non-current liabilities		5,948	22,645	6,209
Net assets		26,595	(326)	25,283
Capital and reserves				
Share Capital	4	17,484	1,453	17,484
Share premium account		18,099	2,068	18,099
Convertible loan notes		84	84	84
Currency translation reserve		(7)	(16)	-
Retained earnings		(9,065)	(3,915)	(10,384)
Total equity		26,595	(326)	25,283

Eight Capital Partners plc
Notes to the Half-Year Financial Statements
For the six months ended 30 June 2023

1. Accounting policies

Basis of preparation

These interim financial statements have been prepared in accordance with UK-adopted international accounting standards.

The interim financial statements do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2022 audited annual report. The statutory financial statements for the year ended 31 December 2022 were prepared in accordance with UK-adopted international accounting standards. The auditors reported on those financial statements and their Audit Report was unqualified.

The interim financial information is unaudited, has not been reviewed by the Company's auditors and does not constitute statutory accounts as defined in the Companies Act 2006.

The interim financial information was approved and authorised for issue by the Board of Directors on 28 September 2023

Going concern

As at the date of this report, the Group had cash or cash equivalents of circa £545,000, which include cash of £160,000 and listed shares of £345,000, as well as receivables contractually agreed over the next 12 months of circa £1 million.

At the end of June 2024, the Company is due to be repaid more than £30 million pounds, when the 1AF2 Bond matures, of which £29.6 million was covered by a security package at year end. The Group's funding requirements (costs plus current creditors, offset by fees to be earned) excluding net interest income are not expected to exceed £1 million in the next 12 months. Any material capex during the next 12 months will be funded by fresh capital and the Company has always had good support from its main shareholder.

The Directors are therefore of the opinion that the Group has adequate financial resources to enable it to continue in operation for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

2. Profit or loss per share

	Six months ended 30 June 2023 £'000	Six months ended 30 June 2022 £'000	Year ended 31 December 2022 £'000
Basic and diluted			
Profit / (loss) for the period attributable to owners of the Company	1,238	(506)	4,638
Weighted average number of shares:	161,873,969,648	1,564,315,462	19,290,867,985
Basic earnings / (loss) per share (pence):	0.0008	(0.03)	0.02

The basic and diluted earnings per share were determined by dividing the profit or loss attributable to the equity holders of the Company by the weighted average number of shares outstanding during the periods.

3. Investments

	Listed investments £'000	Total £'000
Fair value at 1 January 2022:	24,734	24,734
Fair value adjustment	2,672	2,672
Foreign exchange adjustments	1,379	1,379
Fair value at 31 December 2022:	28,785	28,785
Transfer from trade and other receivables	809	809
Fair value loss on listed investments	1,718	1,718
Foreign exchange adjustments	(855)	(855)
Fair value at 30 June 2023:	30,457	30,457

4. Share capital

Ordinary share capital is summarised below:

	Number of Ordinary Shares of 0.01p	Nominal value £'000
As at 31 December 2022 and 30 June 2023	161,873,969,648	17,484

Deferred share capital is summarised below:

	Number of Deferred Shares of 0.24p	Nominal value £'000
As at 31 December 2022 and 30 June 2023	540,166,760	1,296