Apollon Formularies plc (formerly AfriAg Global plc)

Annual Report and Financial Statements
for the year ended 31 December 2020

Registered number 002845V

Apollon Formularies (formerly AfriAg Global plc)

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Company information

Directors	David Lenigas (resigned 12 April 2021) Hamish Harris (resigned 12 April 2021) Donald Strang (resigned 12 April 2021) Kevin Sheil (appointed 12 April 2021) Nicholas Ingrassia (appointed 12 April 2021) Stephen D Barnhill M.D (appointed 12 April 2021) Nicholas Barnhill (appointed 12 April 2021)
Registered office	Quayside House 6 Hope Street Castletown Isle of Man IM9 1AS
Corporate Adviser and Broker	Peterhouse Capital Limited 80 Cheapside, London, EC2V 6EE United Kingdom
Auditor	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus London E14 4HD
Solicitors to English Law	Hill Dickinson. LLP The Broadgate Tower 20 Primrose Street London, EC2A 2EW United Kingdom
Bankers	Lloyds Bank plc 39 Threadneedle Street, London, EC2R 8AU United Kingdom
Isle of Man Registered Agent and Administrator	Quayside Services Limited Quayside House 6 Hope Street Castletown Isle of Man IM9 1AS
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Chairman's Statement

I am pleased to present the audited financial statements of Apollon Formularies ("Apollon" or the "Company"), to shareholders for the year ended 31 December 2020.

It was announced in 2020 that Apollon would enter into a reverse takeover with AfriAg Global PLC which was completed in early 2021. Much of 2020 was spent gearing up to listing on the Aquis Stock Exchange.

Since the year-end, we published a prospectus setting out the final details of the acquisition of Apollon Limited and the re-admission of the enlarged group to trading on the Aquis Growth Market. As part of the listing Apollon secured £2.5 million through an oversubscribed fundraise at 5p, highlighting the investor appetite for our unique medical cannabis company.

While we have achieved a huge milestone for Apollon, of which I am immensely proud, we must not forget the setting in which this was achieved. The continued social and economic impact of the coronavirus pandemic has touched all corners of world and I would like to send well wishes to all and thank the Apollon team in Jamaica and the United Kingdom for their hard work and resilience through these challenging times.

Due to a national lockdown in Jamaica, Apollon's affiliate, Apollon Formularies Jamaica Limited ("Apollon Jamaica"), which operates the processing and extraction laboratory, patient treatment centre and an onsite medical cannabis dispensary at Doc's Wellness Centre, was temporarily closed.

It was with great pleasure that, as announced on 27 May 2021, we have reopened the facility and operation in Negril, Jamaica, and have resumed treating patients, following Apollon Jamaica's receipt of COVID-19 Health and Safety Protocols Certification.

Jamaica

Apollon's primary focus remains on strengthening its core business in Jamaica, where our affiliate, Apollon Jamaica, is federally licenced to cultivate, conduct research and development, process and extract cannabis oils, perform clinical trials under the direction of the Ministry of Health (MOH), and dispense its medical cannabis formulations.

Alongside the reopening of Apollon's treatment facility in Negril which was closed due to Covid-19, the Company also signed a long-term lease in 2021 for its first International Cancer Institute in the Jamaican capital, Kingston, which is the country's key medical hub. The new facility will allow Apollon to expand its patient treatment programme for both Jamaican and international medical patients and, at the same time, generate additional revenue for the Company.

As well as benefiting Apollon's patients, this facility brings the excellent opportunity to gather invaluable patient data on the Company's medical cannabis formulations. It is our ability to treat patients under licensed physician prescriptions and perform clinical trials to gather patient data that sets Apollon apart from its peers.

Integral to Apollon's work is the ability to handle THC, a psychoactive compound found in cannabis which is under schedule one control in the United Kingdom. Our team in Jamaica, led by Paul Burke, can produce full-spectrum oils, inclusive of THC, meaning we can effectively treat different diseases with targeted formulations.
As announced in May 2021, we completed joint testing with Aion Therapeutic Inc. ("Aion"), a BC based international pharmaceutical company trading on the Canadian Securities Exchange, which revealed a combination of Aion's medicinal mushroom formulations and Apollon's medical cannabis formulations were effective in killing HER2+ breast cancer cells grown in 3D cell culture via three separate mechanisms: direct cell cytotoxicity, immune stimulated T-cell cytotoxicity, and macrophage induced phagocytosis.

The independent testing, which was performed by BIOENSIS, a third party, pre-clinical predictive pharmaceutical testing laboratory, showed that Apollon Jamaica's medical cannabis formulations were particularly effective in killing living HER2+ cancer cells directly. When the two formulations were combined, nearly 100% of HER2+ breast cancer cells in 3D cell cultures were killed through the three different pathways.

Further to this, Apollon announced at the end of June that our medical cannabis formulations were successful in killing triple-negative breast cancer (TNBC) cells in 3D cell cultures. Metastatic triple-negative breast cancer is an aggressive form of breast cancer with limited treatment options and comprises around 10-20% of diagnosed breast cancers. The testing was again performed by BIOENSIS and showed that our formulations killed nearly 100% of the TNBC cells in 3D cultures.

Although we are in the early stages with Apollon's treatment for breast cancer, the significance of our pre-clinical laboratory findings is clear. In women, breast cancer is the most commonly diagnosed cancer and the leading cause of cancer death[1].. The medical cannabis formulations created by Apollon which are currently available by physician prescription in Jamaica are comparatively inexpensive, providing an opportunity for more woman with breast cancer both locally and internationally to be treated by licensed Jamaican doctors.

If successful in the clinical setting, we have the ability to make a positive impact, especially in Jamaica, where many women have gone without treatment because traditional chemotherapy, radiation and surgery cancer treatment protocols are expensive and require a great deal of infrastructure.

Finally, the Company has commenced the legal process to transfer the economic interest of 49% currently held in favour of Apollon Jamaica to the Company. The Cannabis License Authority licenses are required to be transferred individually. This important process cannot be "fast-tracked" and the Company will update the market on progress at its earliest opportunity.

Outlook

Our successful listing in the London market, coupled with the reopening, and expansion, of our businesses in Jamaica has signalled a strong and positive start to the year for Apollon.

As we look towards the next financial year, the challenges we faced during 2020 remind us of the robustness and resilience of Apollon's business. In what is a relatively new industry, we bring investors an established, revenue generating, seed to patient company, complete with a full suite of licences and extensive data on our medical cannabis formulations.

We have already shown the ambition of the Company securing a three-year lease for our first International Cancer Institute in Kingston to complement our work at Doc's Wellness Centre in Negril. The lease was signed in June 2021. In the near-term, our focus will remain on independent testing of our medical cannabis formulations, particularly for different cancers. Our results thus far indicate that Apollon's treatments appear to be effective in killing triple-negative and HER2+ breast cancer cells in 3D culture.

In the long-term we plan to emulate our success in Jamaica across jurisdictions where medical use of THC containing products is legal, as we continue to deliver on Apollon's strategy of becoming the premier global medical cannabis company.

Finally, I would like to thank again our team in Jamaica and the UK, our strategic partners, shareholders, and advisors for their work in Apollon's listing and ongoing support. As we continue to adapt to the 'new normal' bought on by Covid-19, 2021 looks to be a productive year of treating patients, developing new targeted formulations, and growing our business. In the meantime, we look forward to providing further updates on Apollon's successes in 2021.

The directors of the Company accept responsibility for the contents of this announcement.

Stephen D Barnhill M.D
Chairman
30 June 2021

[1] Hyuna Sung PhD, Jacques Ferlay MSc, ME, Rebecca L. Siegel MPH, Mathieu Laversanne MSc, Isabelle Soerjomataram MD, MSc, PhD, Ahmedin Jemal DMV, PhD, Freddie Bray BSc, MSc, PhD. CA: A Cancer Journal for Medical Practitioners; Global Cancer Statistics 2020: GLOBOCAN Estimates of Incidence and Mortality Worldwide for 36 Cancers in 185 Countries

Strategic report

The Directors of the Company present their Strategic Report on the Company for the period ended 31 December 2020.

Strategic approach
The Company's aim is to create value for shareholders by developing medicinal cannabis pharmaceutical investment opportunities.

Organisation overview
The Company's business is directed by the Board and is managed on a day-to-day basis by the Directors. The Board monitors compliance with objectives and policies of the Company's through monthly performance reporting, budget updates and periodic operational reviews.

The corporate head office of the Company's is located in London, UK.

Review of business
In September 2018, shareholder approval was obtained at a general meeting for the expansion of the Company's investment strategy to include medicinal cannabis. The Company expanded its existing investment strategy to also include investments in companies, projects or products that are progressing research in and development of medicinal cannabis and its derivatives, producing or cultivating medicinal cannabis, producing or supplying products derived from or related to cannabis (including, but not limited to, hemp and cannabidiol products); and/or commercialising or marketing medicinal cannabis and its derivatives. The Company sees tremendous opportunities in the sector, especially in the field of medical research.

During 2020 the Company invested in Apollon Formularies Limited which operates in the medicinal cannabis sector. The Company has furthered its strategy through the acquisition of the full share capital of Apollon Formularies plc in early 2021. The profit of the Company for the period ended 31 December 2020 before taxation amounts to £330,942 and held a total of £12,161 in cash. The value of the Company's investment in Apollon Formularies Limited at 31 December 2020 was £1,060,000.

Principal risks and uncertainties

Dependence on key personnel
The Company is dependent upon its executive management team and various technical consultants. Whilst it has entered into contractual agreements with the aim of securing the services of these personnel, the retention of their services cannot be guaranteed. The development and success of the Company depends on the Company's ability to recruit and retain high quality and experienced staff. The loss of the service of key personnel or the inability to attract additional qualified personnel as the Company grows could have an adverse effect on future business and financial conditions.

Uninsured risk
The Company may become subject to liability for hazards that cannot be insured against or third-party claims that exceed the insurance cover. The Company may also be disrupted by a variety of risks and hazards that are beyond its control.

Funding risk
The Company has raised sufficient funds to enable it to undertake investment activities as part of the acquisition of Apollon Formularies plc. To date the sources of funding available to the Company have been through the issue of equity capital in the Company, either via an equity placing or debt convertible into equity and the Company believes that these will continue to be the main sources of funding going forward. However, the Company's ability to raise further funds will depend on the success of the Company's investment strategy. The Company may not be successful in procuring funds on terms which are attractive to it and, if such funding is unavailable, the Company may be required to reduce the scope of its activities.

Financial risks
The Company's operations expose it to a variety of financial risks that include foreign currency exchange rates, market risk, credit risk and liquidity risk. The Company has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs. The Company does not use derivative financial instruments to manage its financial risks and, as such, no hedge accounting is applied.

Banking Risk
Although the use of medical cannabis in the UK and Jamaica is legal, laws still exist both locally and via treaty that have inhibited many banks from providing traditional banking services (i.e., accept deposit of funds, making payments using funds, transferring funds, etc.) for businesses involved with medical cannabis. Consequently, businesses that are otherwise lawfully involved in the medical cannabis industry may have trouble finding a bank willing to accept service their business. The Company is aware that certain banks in Jamaica have limited, or eliminated, banking services as such are sought by businesses engaged legally in the medical cannabis industry.

Operational Risk
The outbreak of the recent global COVID-19 virus has resulted in business disruption and stock market volatility. The extent of the effect of the virus, including its long-term impact, remains uncertain. The Company has implemented extensive business continuity procedures and contingency arrangements to ensure that they are able to continue to operate with minimal disruptions.

Political and legal risk
The Company is exposed to significant political risk resulting from operations in United Kingdom and its interests in Jamaica. This is particularly a factor where initiative involve developing countries, including Jamaica. Moreover, in the United Kingdom, Jamaica and other countries, there are significant changes to laws occurring as relate the medical cannabis and its cultivation, processing, possession, distribution, use, and/or export/import. Even though such changes are making it easier and more permissible for a business to operate that involves medical cannabis, there remain inconsistencies in the law and there can be no guarantee that the laws will continue to evolve so as to be favourable to the Company

Financial performance review
The profit of the Company for the period ended 31 December 2020 before taxation amounts to £330,942 (31 December 2019: loss of £2,182,000). The profit relates to the write off of fees accrued from prior years. The prior year loss was attributable to a £1.953,000 write off of loans to subsidiaries in addition to £206,000 in administration expenses and £23,000 in investment losses.

The Board monitors the activities and performance of the Company on a regular basis. The Board uses financial indicators based on budget versus actual to assess the performance of the Company. The indicators set out below will continue to be used by the Board to assess performance over the year to 31 December 2020.

The two main KPIs for the Company are as follows. These allow the Company to monitor costs and plan future investment activities:

	2020	2019
Cash and cash equivalents	**£12,161**	£98,000
Administrative expense as a percentage of total assets	**0%***	16%
Debt to asset ratio	**8%**	41%

*In 2020 the Company wrote off previous outstanding directors fees resulting in a profit for the year and was recorded under administration expense. Refer to Note 6 and Note 16.

Cash has been used to fund the Company's operations, primarily in relation to seeking investment opportunities.

Strategic report (continued)

Prior year restatement

On 27 November 2019 at a General Meeting of the Company it was approved that the Ordinary Shares were consolidated on the basis of 1 new Ordinary Share with no par value of £0.10 for every 100 Ordinary shares held with a par value of £0.001. The 2019 accounts incorrectly presented the shares as having a par value of 10p each.

As a result of the above, a prior year restatement in respect of the classification of the ordinary shares and share premium have been reflected within the financial statements. See Note 20 for details of the impact on the financial statements. There was no impact on profit or loss.

During the year, we have reviewed the prior year accounting treatment of the investments held, which were classified as Available for Sale Investments. Following this review, we have concluded that the investments should be treated as financial assets at fair value through profit or loss in accordance with IFRS 9.

As a result of the above, a prior year restatement in respect of the classification of the investments held have been reflected within the financial statements. See Note 20 for details of the impact on the financial statements. There was no impact on profit or loss.

The Strategic Report was approved by the Board on 30 June 2021.

Stephen D Barnhill M.D
Chairman

Directors' report

The directors present their report on the Company and its audited financial statements for the year ended 31 December 2020.

Principal Activity and Business Review

The principal activity of the Company is an international medicinal cannabis pharmaceutical investment company. In 2021 the Company acquired Apollon Formularies Limited which holds an interest in Apollon Formularies Jamaica which is licensed and approved to cultivate, process, perform research and development for, and sell medical cannabis therapeutic products

Dividends

The Directors do not recommend the payment of a dividend for the year.

Review of the business and future developments

A full review of the Company's performance, financial position and future prospects is given in the Chairman's Report, incorporating the Strategic Report.

Directors and their interests

The interests of the Directors at 31 December 2020 in the ordinary share capital of the Company (all beneficially held) were as follows:

	31 December 2020 No.	31 December 2019 No. (*)
David Lenigas (executive chairman)	1,240,000	1,240,000
Donald Strang (non-executive director)	400,000	400,000
Hamish Harris (non-executive director)	400,000	400,000

(*) Post share consolidation shares held.

David Lenigas, Donald Strang and Hamish Harris resigned on 12 April 2021.

Further details on directors emoluments can be found in Note 6. £70,000 in termination payments were agreed and booked as an accrual to be paid in 2021 to settle the outstanding directors fees of David Lenigas, Donald Strang and Hamish Harris.

Substantial shareholdings

The substantial shareholders with more than a 3% shareholding at 22 June 2021 are shown below

	Holding	Percentage
Roderick McIllree	217,485,940	29.37%
Apollon Formularies Inc	171,800,948	23.20%

Employees
The Company has no directly employed personnel.

Creditor payment policy
The policy of the Company is to:

(a) Agree the terms of payment with suppliers when settling the terms of each transaction;

(b) Ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and

(c) Pay in accordance with its contractual and other legal obligations provided suppliers comply with the terms and conditions of supply.

Charitable donations
During the period, the Company made no charitable donations (2019 - £Nil).

Financial reporting
The Board has ultimate responsibility for the preparation of the annual audited accounts. A detailed review of the performance of the Company is contained in the Chairman's report (incorporating the strategic report). Presenting the Chairman's report (incorporating the strategic report) and Director's Report, the Board seeks to present a balanced and understandable assessment of the Company's position, performance and prospects.

Internal control
A key objective of the Directors is to safeguard the value of the business and assets of the Company's. This requires the development of relevant policies and appropriate internal controls to ensure proper management of the Company's resources and the identification and mitigation of risks which might serve to undermine them. The Directors are responsible for the Company's system of internal control and for reviewing its effectiveness. It should, however, be recognised that such a system can provide only reasonable and not absolute assurance against material misstatement or loss.

Risk management
The directors have in place a process of regularly reviewing risks to the business and monitoring associated controls, actions and contingency plans. Risk is further discussed in Note 15.

Corporate Governance
Audit and Remuneration Committees have been established and during the year both comprised Donald Strang and Hamish Harris, with Hamish Harris as Chairman thereof up until the date of their resignation being 12 April 2021. From this date the audit committee will be Nicholas Ingrassia as chairperson, with Kevin Sheil, Stephen D. Barnhill, M.D. and Nicholas Barnhill as members. The remuneration committee will be chaired by Nicholas Barnhill with Kevin Sheil and Stephen D. Barnhill, M.D. as members

The role of the Remuneration Committee is to review the performance of the executive Directors and to set the scale and structure of their remuneration, including bonus arrangements. The Remuneration Committee also administers and establishes performance targets for the Company's employee share schemes and executive incentive schemes for key management. In exercising this role, the terms of reference of the Remuneration Committee require it to comply with the Code of Best Practice published in the Combined Code.

The Audit Committee is responsible for making recommendations to the Board on the appointment of the auditors and the audit fee, and receives and reviews reports from management and the Company's auditors on the internal control systems in use throughout the Company and its accounting policies.

Going concern
The Directors noted the losses that the Company has made for the year ended 31 December 2020. The Directors have prepared cash flow forecasts up until July 2022 which take account of the current cost and operational structure of the Company.

The cost structure of the Company comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Company to operate within its available funding. The outbreak of the recent global COVID-19 virus has resulted in business disruption; however the Directors do not believe this will impact the going concern of the business.

These forecasts demonstrate that the Company has sufficient cash funds available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

It is the prime responsibility of the Board to ensure the Company remains as going concerns. At 31 December 2020 the Company had cash and cash equivalents of £12,161 and borrowings of £nil. The Company has minimal contractual expenditure commitments and the Board considers the present funds sufficient to maintain the working capital of the Company for a period of at least 12 months from the date of signing the Annual Report and Financial Statements. For these reasons the Directors adopt the going concern basis in the preparation of the Financial Statements

This report was approved by the Board on 30 June 2021 and signed on its behalf.

Stephen D Barnhill M.D
Chairman

Statement of directors' responsibilities

Isle of Man company law requires the directors to keep reliable accounting records which correctly explain the transactions of the Company, enable the financial position of the Company to be determined with reasonable accuracy at any time and allow financial statements to be prepared. The shareholders have resolved, in accordance with the Companies Act 2006 and the Articles of Association, that the directors prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of its profit or loss for that period.

On this basis the directors have elected to prepare the financial statements for the Company in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. In preparing these financial statements, International Accounting Standard 1 requires that:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Isle of Man Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Website publication

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom and the Isle of Man governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board of Directors

Stephen D Barnhill M.D
Chairman
30 June 2021

Independent auditor's report to the members of AfriAg Global plc

Opinion

We have audited the financial statements of AfriAg Global Plc (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the cash flow forecasts prepared by management for the period up to July 2022 corroborating, providing challenge to key assumptions and reviewing for reasonableness;
- A comparison of actual results for the year to forecasts to assess the forecasting ability/accuracy of management;
- Reviewing post-year end RNS announcements; and
- Assessing the adequacy of going concern disclosures within the Annual Report and Financial Statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be £21,000 based on approximately 2% of net assets on the basis that the Company's investments are the main components of the Statement of Financial Position.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on 60% of overall materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £1,050, which is based on 5% of overall materiality. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular we looked at areas involving significant accounting estimates and judgements by the Directors in respect of the carrying values of the Company's investments and considered future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including evaluation whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified such as valuation, classification and impairment of investments, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our scope addressed this matter
Valuations, classification and impairment of investments (Note 10)	
The Company held an investment with a value of £1.16 million as at 31 December 2020. This investment represents one of the most significant assets on its Statement of Financial Position and there's a risk that it is being materially misstated. There is the risk that these investments have not been valued, disclosed and classified in accordance with IFRS 13 and IFRS 9. Given the entity is a new audit client, there is also an ownership risk where AfriAg Global Plc may not have full title to the investment held.	Our work in this area included; • Reviewing the valuation methodology for the investments held and ensuring that the carrying values are supported by sufficient and appropriate audit evidence and is in line with the requirements of IFRS 13; • Ensuring that all asset types are categorised according to IFRS, including the accounting disclosures as required under IFRS 9; • Reviewing the movement in investments to ensure they are accounted for and disclosed correctly in line with IFRS 9; • Reviewing disclosures in relation to said assets; • Ensuring that AfriAg Global Plc has full title to the investment held;

	• Ensuring that appropriate disclosures surrounding the estimates made in respect of any valuations are included in the financial statements; and • Considering whether the transactions have been accounted for correctly within the financial statements. As a result of the procedures performed above, a prior year restatement in respect of the classification of the investments held, was reflected within the financial statements. The conclusion of our work was that the investments are fairly stated in the financial statements, and we consider that management's judgement in respect of the carrying value and classification of financial investments is materially reasonable.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report to the members of AfriAg Global plc (continued)

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the company and the sector in which it operates to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the sector etc. This is evidenced by discussion of laws and regulations with the management, reviewing regulatory news service announcements, minutes of meetings of those charged with governance and a review of legal or professional expenditures.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from Isle of Man Companies Act 2006, AQSE rules, GDPR, Employment Law, Health and Safety Law, Anti-Bribery and Money Laundering Regulations and QCA compliance.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. These procedures included, but were not limited to
    - Discussion with management regarding potential non-compliance;
    - Review of legal and professional fees to understand the nature of the costs and the existence of any non-compliance with laws and regulations; and
    - Review of minutes of meetings of those charged with governance and regulatory news service announcements.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to the carrying value of the investments.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business and review of bank statements during the year to identify any large and unusual transactions where the business rationale is not clear.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: *www.frc.org.uk/auditorsresponsibilities*. This description forms part of our auditor's report.

Independent auditor's report to the members of AfriAg Global plc (continued)

Use of our report

This report is made solely to the company's members, as a body, in accordance with our engagement letter dated 11 January 2021. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Zahir Khaki (Engagement Partner)
For and on behalf of PKF Littlejohn LLP
Registered Auditor
June 2021

15 Westferry Circus
Canary Wharf
London E14 4HD

Financial statements
Statement of comprehensive income for the year ended to 31 December 2020

	Note	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Administration expenses	5	332	(206)
Operating profit/(loss)	5	**332**	**(206)**
Loans advanced to subsidiaries written-off		-	(1,953)
Investment loss	7	(2)	(23)
Profit/(Loss) before taxation		**330**	**(2,182)**
Taxation	8		-
Profit/(Loss) for the period attributable to equity holders of the parent		**330**	**(2,182)**
Other comprehensive income			
Transfer to income statement		-	-
Other comprehensive income for the period net of taxation		**-**	**-**
Total comprehensive income for the year attributable to equity holders of the parent		**330**	**(2,182)**
Earnings per share			
Basic (pence)	9	1.05	(8.67)
Diluted (pence)	9	1.01	(8.67)

The accompanying accounting policies and notes on pages 21 to 37 form part of these financial statements.

Statement of financial position at 31 December 2020

	Note	31 December 2020 £'000	31 December 2019 (restated) £'000
Current assets			
Trade and other receivables	11	9	16
Financial Investments	10	1,160	1,167
Cash and cash equivalents		12	98
		1,181	**1,281**
Total assets		**1,181**	**1,281**
Current liabilities			
Trade and other payables	12	(96)	(525)
		(96)	**(525)**
Net current assets		**1,085**	**756**
Net assets		**1,085**	**756**
Equity			
Share premium account	13	11,705	11,706
Share based payment reserve		-	128
Retained earnings		(10,620)	(11,078)
		1,085	**756**

The financial statements of Apollon Formularies plc (registered number 002845V) were approved by the Board of Directors and authorised for issue on 30 June 2021 and were signed on its behalf by:

Stephen D Barnhill M.D
Chairman

The accompanying accounting policies and notes on pages 21 to 37 form part of these financial statements.

Apollon Formularies plc (formerly AfriAg Global plc)

Statement of changes in equity for the year ended to 31 December 2020

	Share Capital (restated)	Share Premium (restated)	Share based payment reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000
At 31 December 2018	**1,761**	**8,630**	**279**	**(9,047)**	**1,623**
(Loss) for the period	-	-	-	(2,182)	(2,182)
Total Comprehensive Income	**-**	**-**	**-**	(2,182)	(2,182)
Shares issued	1,410	-	-	-	1,410
Share issue costs	-	(95)	-	-	(95)
Consolidation of shares*	(3,171)	3,171	-	-	-
Transfer with equity	-	-	(151)	151	-
Total contributions by and distributions to owners of the Company	**(1,761)**	**3,076**	**(151)**	**151**	**1,315**
At 31 December 2019	**-**	**11,706**	**128**	**(11,078)**	**756**
Profit for the period				330	330
Total Comprehensive Income				**330**	**330**
Shares issued	-	-	-	-	-
Share issue costs	-	(1)	-	-	(1)
Transfer with equity	-	-	(128)	128	-
Total contributions by and distributions to owners of the Company	**-**	**(1)**	**(128)**	**128**	**(1)**
At 31 December 2020	**-**	**11,705**	**-**	**(10,620)**	**1,085**

*The movement of £3,171,000 from share capital to share premium is restated as referred to in Note 20

The accompanying accounting policies and notes on pages 21 to 37 form part of these financial statements.

Apollon Formularies plc (formerly AfriAg Global plc)

Statement of cash flows for the year ended 31 December 2020

	Year ended 31 December 2020 £'000	Year ended 31 December 2019 £'000
Cash flows from operating activities		
Operating profit/(loss)	331	(206)
Decrease in trade and other receivables	7	1
(Decrease) / Increase in trade and other payables	(428)	67
Net cash outflow in operating activities	**(90)**	**(138)**
Investing activities		
Receipts on sale of investments	5	-
Payments on purchase of investments	-	(1,160)
Net cash inflow/(outflow) in investing activities	**5**	**(1,160)**
Financing activities		
Issue of share capital	-	1,410
Issue costs	(1)	(95)
Net cash (outflow)/inflow from financing activities	**(1)**	**1,315**
Net (decrease)/increase in cash and cash equivalents	**(86)**	**17**
Cash and cash equivalents at beginning of period	**98**	**81**
Cash and cash equivalents at end of period	**12**	**98**

The accompanying accounting policies and notes on pages 21 to 37 form part of these financial statements.

1 General information

Apollon Formualries plc (formerly AfriAg Global plc) is a company incorporated in the Isle of Man under the Isle of Man Companies Act 2006. The address of its registered office is 34 North Quay, Douglas, Isle of Man, IM1 4LB. The Company's ordinary shares are traded on the AQSE Exchange Growth Market as operated by Aquis Stock Exchange Ltd ("AQSE").

The financial statements of Apollon Formularies plc for the year ended 31 December 2020 were authorised for issue by the Board on 30 June 2021 and the statements of financial position signed on the Board's behalf by Stephen Barnhill.

2 Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These Policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of Preparation of Financial Statements

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and as applied in accordance with the provisions of the Isle of Man Companies Act 2006. The principal accounting policies adopted by the Company are set out below.

The Financial Statements are presented in Pounds Sterling (£) rounded to the nearest pound. The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 3

New standards, amendments and interpretations adopted by the Company

(a) New and amended standards mandatory for the first time for the financial periods beginning on or after 1 January 2020

No new and/or revised Standards and Interpretations have been required to be adopted, and/or are applicable in the current year by/to the Company, as standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2020 are not material to the Company.

(b) New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted

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

Standard	Impact on initial application	Effective date
IFRS 16 (Amendments)	Property plant and equipment	*1 January 2022
IAS 1 (Amendments)	Classification of Liabilities as Current or Non-Current.	1 January 2022
IAS 37 (Amendments)	Provisions, contingent liabilities and contingent assets	*1 January 2022

*subject to EU endorsement

The Company is evaluating the impact of the new and amended standards above. The Directors believe that these new and amended standards are not expected to have a material impact on the Company's results or shareholders' funds.

Going Concern

The Directors noted the losses that the Company has made for the Year Ended 31 December 2020. The Directors have prepared cash flow forecasts which take account of the current cost and operational structure of the Company.

The cost structure of the Company comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Company to operate within its available funding.

These forecasts demonstrate that the Company has sufficient cash funds available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

It is the prime responsibility of the Board to ensure the Company remains as going concerns. At 31 December 2020, the Company had cash and cash equivalents of £12,161 and borrowings of £nil. The Company has minimal contractual expenditure commitments and the Board considers the present funds sufficient to maintain the working capital of the Company for a period of at least 12 months from the date of signing the Annual Report and Financial Statements. For these reasons the Directors adopt the going concern basis in the preparation of the Financial Statements.

The Company has adequately planned and, where relevant, put in place mitigation strategies for the impacts of COVID-19. The ongoing uncertainty around the pandemic may lead to short term market volatility and uncertain long-term impacts which may affect the Company's operations or future funding requirements.

Basis of preparation

The financial statements have been prepared on the historical cost basis, except for the measurement to fair value of assets and financial instruments as described in the accounting policies below, and on a going concern basis.

The financial report is presented in Pound Sterling (£) and all values are rounded to the nearest thousand pounds (£'000) unless otherwise stated.

Finance costs / investment revenue

Borrowing costs are recognised as an expense when incurred.

Investment revenue is recognised as the Company becomes entitled to such revenue. Dividends are accounted for on receipt thereof.

Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors that makes strategic decisions.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Notes to the financial statements (continued)

Prior year restatement

On 27 November 2019 at a General Meeting of the Company it was approved that the Ordinary Shares were consolidated on the basis of 1 new Ordinary Share with no par value of £0.10 for every 100 Ordinary shares held with a par value of £0.001. The 2019 accounts incorrectly presented the shares as having a par value of 10p each.

As a result of the above, a prior year restatement in respect of the classification of the ordinary shares and share premium have been reflected within the financial statements. See Note 20 for details of the impact on the financial statements. There was no impact on profit or loss.

During the year, we have reviewed the prior year accounting treatment of the investments held, which were classified as Available for Sale Investments. Following this review, we have concluded that the investments should be treated as financial assets at fair value through profit or loss in accordance with IFRS 9.

As a result of the above, a prior year restatement in respect of the classification of the investments held have been reflected within the financial statements. See Note 20 for details of the impact on the financial statements. There was no impact on profit or loss.

Financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

The Company's activities give rise to some exposure to the financial risks of changes in interest rates and foreign currency exchange rates. The Company has no borrowings and is principally funded by equity, maintaining all its funds in bank accounts.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through OCI, or fair value through profit or loss.

The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Financial assets (continued)

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Company's financial assets at amortised cost include trade receivables (not subject to provisional pricing) and other receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised when:

- The rights to receive cash flows from the asset have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Notes to the financial statements (continued)

Financial assets (continued)

The Company recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms. ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables (not subject to provisional pricing) and other receivables due in less than 12 months, the Company applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Company does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset's lifetime ECL at each reporting date.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and loans.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. IFRS 9.4.2.1(a) Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss and other comprehensive income.

Financial liabilities (continued)

Loans and borrowings and trade and other payables

After initial recognition, interest-bearing loans and borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss and other comprehensive income.

This category generally applies to trade and other payables.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss and other comprehensive income.

Liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit and loss or other liabilities, as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost.

Financial investments

Non-derivative financial assets comprising the Company's strategic financial investments in entities not qualifying as subsidiaries, associates or jointly controlled entities. These assets are classified as financial assets at fair value through profit or loss. They are carried at fair value with changes in fair value recognised through the income statement. Where there is a significant or prolonged decline in the fair value of a financial investment (which constitutes objective evidence of impairment), the full amount of the impairment is recognised in the income statement.

Listed investments are valued at closing bid price on 31 December 2020. For measurement purposes, financial investments are designated at fair value through income statement. Gains and losses on the realisation of financial investments are recognised in the income statement for the period. The difference between the market value of financial instruments and book value to the Company is shown as a gain or loss in the income statement for the period.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).

Notes to the financial statements (continued)

Financial investments (continued)

- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The fair values for the Company's assets and liabilities are not materially different from their carrying values in the financial statements.

Equity
Share capital is determined using the nominal value of shares that have been 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.

The share-based payment reserve represents the cumulative amount which has been expensed in the income statement in connection with share based payments, less any amounts transferred to retained earnings on the exercise of share options.

Foreign currency reserve represents the exchange translation gains/(losses) on converting overseas subsidiaries.

Retained earnings include all current and prior period results as disclosed in the income statement.

Cash and cash equivalents
Cash and cash equivalents includes cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within current liabilities on the balance sheet.

Financial liabilities
Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instrument.

All financial liabilities initially recognised at fair value less transaction costs and thereafter carried at amortised cost using the effective interest method, with interest-related charges recognised as an expense in finance cost in the income statement. A financial liability is derecognised only when the obligation is extinguished, that is, when the obligation is discharged or cancelled or expires.

Trade payables
Trade payables are non-interest-bearing and are initially measured at fair value and thereafter at amortised cost using the effective interest rate.

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

The tax currently payable is based on taxable profit for the period. Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax represents the tax expected to be payable or recoverable on the temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Company has reoccurring tax losses which can be used to offset future profits. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. No deferred tax asset has been recognised in the current year.

Provisions
Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that the Company 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 balance sheet date, taking into account the risks and uncertainties surrounding the obligation

Share based payments
The Company issues equity-settled share-based benefits to employees. All equity-settled share-based payments are ultimately recognised as an expense in profit or loss with a corresponding credit to reserves.

Share-based payments relating to the subsidiary company increase the carrying value of the investment in the subsidiary and are included in the loss on disposal of the subsidiary.

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of any share options the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

3 Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the Company's accounting policies, as described in note 2, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Valuation of share-based payments to employees

The Company estimates the expected value of share-based payments to employees and this is charged through the income statement over the vesting period. The fair value is estimated using the Black Scholes valuation model which requires a number of assumptions to be made such as level of share vesting, time of exercise, expected length of service and employee turnover and share price volatility. This method of estimating the value of share-based payments is intended to ensure that the actual value transferred to employees is provided for by the time such payments are made.

Unlisted investments

The Company is required to make judgments over the carrying value of investments in unquoted companies where fair values cannot be readily established and evaluate the size of any impairment required. It is important to recognise that the carrying value of such investments cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately. Management's significant judgement in this regard is that the value of their investment represents their cost less previous impairment.

4 Segmental information

Segmental analysis is not applicable as there is only one operating segment of the continuing business – investment activities. The performance measure of investment activities is considered by the Board to be profitability and is disclosed on the face of the statement of comprehensive Income. The Board will continually review the segmental analysis of the business on an ongoing basis and at each reporting date.

5 Operating Loss

	Year to 31 Dec 2020 £'000	Year to 31 Dec 2019 £'000
Operating loss is stated after charging:		
General administration expenditure	**(52)**	(94)
Wages and salaries	**384**	(112)
	332	(206)

In 2020 the Company wrote off previous outstanding directors fees resulting in a gain of £404,000 for the year which was recorded under administration expense. Refer to Note 6.

In addition to auditors' remuneration shown above, the auditors received the following fees. During the period the auditor was changed from Chapman Davis LLP to PKF Littlejohn LLP.

	2020 £'000	2019 £'000
Fees payable to the Company's auditor and its associates for the audit of the Company Financial Statements	**18**	11
	18	11

6 Directors fees

2020	**Fees and salaries £'000**	**Written off salary payments £'000**	**Total £'000**
D Lenigas	-	(179)	(179)
D Strang	10	(95)	(85)
H Harris	10	(130)	(120)
	20	(404)	(384)
2019	**£'000**	**£'000**	**£'000**
D Lenigas	36	-	36
A Samaha *	4	-	4
D Strang	36	-	36
H Harris	36	-	36
	112	-	112

(*) A Samaha resigned as a director on 9 August 2019.

The Directors' fees totalling £70,000 that have been accrued and remain unpaid as at 31 December 2020 all relate to the current and previous years unpaid fees (2019: £494,000). These fees have been agreed as part of the termination agreements with David Lenigas (owed nil), Donald Strang (owed £35,000) and Hamish Harris (owed £35,000). During the year directors' fees relating to prior years were written off as per settlement agreements with existing directors for a total amount of £404,000. The Company has no other directly employed personnel apart from directors. The average number of employees during the year was 3 all of whom were directors.

7 Investment loss

	Year to 31 Dec 2020 £'000	Year to 31 Dec 2019 £'000
Income/(Loss) on sale of investments	**(2)**	-
Interest received	**-**	1
Income/(Loss) on market value revaluation at 31 December	**-**	(23)
Total investment loss	**(2)**	(22)

8 Taxation

	Year to 31 Dec 2020 £'000	Year to 31 Dec 2019 £'000
Total current tax	**-**	-

The tax charges for the period use the standard rate applicable in the Isle of Man of 0% (2019 – 0%).

	2020 £'000	2019 £'000
Profit/(Loss) on ordinary activities before tax	**330**	(2,480)
Tax thereon @ rates above	**-**	-
Factors affecting charge for the period:		
Losses arising in territories where no tax is charged	**(330)**	(471)
Current tax charge for the period	**-**	-

9 Earnings/(loss) per share

The calculation of loss per share is based on the loss after taxation divided by the weighted average number of shares in issue during the period:	**2020 £'000**	2019 £'000
Net Profit/(loss) after taxation (£000's)	**330**	(2,480)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings/(loss) per share (millions)	**31.71**	25.16
Weighted average number of ordinary shares and options for the purposes of diluted earnings/(loss) per share (millions)	**32.90**	25.16
Basic earnings/(loss) per share (expressed in pence)	**1.05**	(8.67)
diluted earnings/(loss) per share (expressed in pence)	**1.01**	(8.67)

As inclusion of the potential ordinary shares would result in a decrease in the loss per share made in the previous financial year they are considered to be anti-dilutive, as such, a diluted earnings per share is not included.

10 Financial investments

Financial investments comprise investments in listed and unlisted securities which are traded on stock markets throughout the world, and are held by the Company as a mix of strategic and short term investments.

Income from these investments was £nil for dividends received for the year to 31 December 2020 (2019: £nil)

Financial assets at fair value through profit or loss:	£000	£000	£000	£000
	Level 1	Level 2	Level 3	Total
Fair Value at 1 January 2018	30	-	-	30
Additions	-	-	1,160	1,160
Fair value changes	(23)	-	-	(23)
Fair Value at 31 December 2019	7	-	1,160	1,167
Fair Value at 1 January 2020	7	-	1,160	1,167
Disposal	(7)	-	-	(7)
Fair Value at 31 December 2020	-	-	1,160	1,160
The financial assets splits are as below:				
Non-current assets - listed	-	-	-	-
Non-current assets - unlisted	-	-	1,160	1,160
Non-current assets – unlisted convertible loans	-	-	-	-
Total	-	-	1,160	1,160

Level 1 represents those assets, which are measured using unadjusted quoted prices for identical assets.
Level 2 applies inputs other than quoted prices that are observable for the assets either directly (as prices) or indirectly (derived from prices).
Level 3 applies inputs, which are not based on observable market data.

11 Trade and other receivables

	31 December 2020 £'000	31 December 2019 £'000
Current trade and other receivables		
Other debtors	1	5
Prepayments & accrued income	8	11
Total	9	16

12 Trade and other payables

	31 December 2020 £'000	31 December 2019 £'000
Current trade and other payables		
Trade creditors	**10**	13
Other creditors	**-**	1
Taxation and social security	**1**	-
Accruals	**85**	511
Total	**96**	525

13 Share capital

	Ordinary Shares Number	Share Premium Value £'000	Nominal Value £'000
At 31 December 2018	**1,761,001,037**	**8,630**	**1,761**
On 16/05/2019 - 300 million shares issued at 0.01p per share	300,000,000	-	300
On 29/05/2019 - 700 million shares issued at 0.01p per share	700,000,000	-	700
On 21/06/2019 - 250 million shares issued at 0.01p per share	250,000,000	-	250
On 14/11/2019 - 160 million shares issued at 0.01p per share	160,000,000	-	160
Cost of capital	-	(95)	-
Pre – consolidation 100:1 (see below)	3,171,001,037	8,535	3,171
Post – consolidation shares – Ordinary shares of no par value	31,710,011	3,171	(3,171)
At 31 December 2019	**31,710,011**	**11,706**	**-**
Cost of capital	**-**	**(1)**	**-**
At 31 December 2020	**31,710,011**	**11,705**	**-**

Notes to the financial statements (continued)

Shares issued during the year ended 31 December 2020:
No shares were issued by the Company, during the year to 31 December 2020.

Shares issued during the year ended 31 December 2019:
300 million shares were issued by the Company, by way of a placing on 16 May 2019 for cash at a price of 0.1p per share.

700 million shares were issued by the Company, by way of a placing on 29 May 2019 for cash at a price of 0.1p per share.

250 million shares were issued by the Company, by way of a placing on 26 June 2019 for cash at a price of 0.1p per share.

160 million shares were issued by the Company, by way of a placing on 14 November 2019 for cash at a price of 0.1p per share.

On 27 November 2019 at a General Meeting of the Company it was approved that the Ordinary Shares were consolidated on the basis of 1 new Ordinary Share with no par value of £0.10 for every 100 Ordinary shares held with a par value of £0.001.

Warrants in issue
As at 31 December 2020, nil warrants (2019: nil) remain outstanding. No warrants were issued, exercised, or lapsed during the year ended 31 December 2020 (2019: nil).

Share Options
The Company has as at 31 December 2020, nil (2019: 1,190,000) share options issued through its share schemes. During the year nil options were issued (2019: nil), nil options were exercised (2019: nil), nil options were cancelled (2019: nil), 1,190,000 options expired (2019: 100,000).

14 Share based payments

A modified Black-Scholes model has been used to determine the fair value of the share options on the date of grant. The fair value is expensed to the income statement on a straight-line basis over the vesting period, which is determined annually. The model assesses a number of factors in calculating the fair value. These include the market price on the date of grant, the exercise price of the share options, the expected share price volatility of the Company's share price, the expected life of the options, the risk- free rate of interest and the expected level of dividends in future periods.

As disclosed in note 5 the share option charge for the period was £nil *(2019- £nil).* On the lapse of the 1,190,000 share options, £128,000 was transferred from the share based payment reserve to retained earnings by way of an equity reserve transfer.

The options currently in issue are detailed below:

Exercise Price	Grant Date	Expiry Date	31 December 2019	Granted	Expired	31 December 2020	Weighted average exercise price
Summary of options							
£0.10	07/12/2012	31/12/2020	690,000	-	(690,000)	-	£0.10
£0.25	01/07/2016	31/12/2020	500,000	-	(500,000)	-	£0.25
			1,190,000	-	(1,190,000)	-	£0.16

The above table represents the post ordinary share consolidation options, on the basis of 100:1.

15 Financial instruments

The Company's financial instruments comprise cash at bank and payables which arise in the normal course of business. It is, and has been throughout the period under review, the Company's policy that no speculative trading in financial instruments shall be undertaken. The Company has been solely equity funded during the period. As a result, the main risk arising from the Company's financial instruments is currency risk. The Company's financial instruments are held at fair value through profit or loss.

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 are disclosed in note 2 of the accounts.

	2020	2019
	£'000	£'000
Financial assets (current)		
Cash and cash equivalents	**12**	**98**
Financial liabilities (current)		
Trade payables	**10**	**13**

Interest rate risk and liquidity risk

As the Company has no borrowings, it only has limited interest rate risk. The impact is on income and operating cash flow and arises from changes in market interest rates. Cash resources are held in current, floating rate accounts.

Currency risk

The Directors consider that there is no significant currency risk faced by the Company The Company is denominated in pound sterling. Apollon Formularies Jamaica, has currency exposure to Jamaican dollars. As the interest in this entity is 49% this is not considered a significant risk to the Company

Notes to the financial statements (continued)

15 Financial instruments (continued)

Market risk
The company's current exposure to market risk in relation to its financial investments, which are listed on stock markets throughout the world.

Fair values
Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash held by the company with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

The directors consider there to be no material difference between the book value of financial instruments and their values at the balance sheet date.

16 Related party transactions
Remuneration of Key Management Personnel
The remuneration of the Directors and other key management personnel of the Company are set out below in aggregate for each of the categories specified in IAS24 Related party Disclosures.

	2020	2019
	£'000	£'000
Short-term employee benefits	20	112
Write off of directors fees	(404)	-
	(384)	112

Refer to Note 6 for more information on payments made to directors. The write off of directors' fees was agreed as part of settlement agreements with the directors.

17 Capital Commitments & Contingent Liabilities
There are no non-cancellable capital commitments as at the balance sheet date. The Company has no contingent liabilities at the balance sheet date.

18 Ultimate control
The Company has no individual controlling party.

19 Events after the end of reporting period

On 13 April 2021, the proposed reverse takeover of Apollon Formularies Limited had completed. The Company acquired the full share capital of Apollon Formularies Limited via the issuance of 666,666,666 shares based on 3.95 consideration shares being issued for every 1 ordinary share in Apollon Formularies Limited. The acquisition constitutes a reverse acquisition as the shareholders of Apollon Formularies Limited will acquire control of Apollon Formularies Plc (formerly AfriAg Global plc).

The Company is still undergoing the initial workings in relation to this but this acquisition falls outside the scope of IFRS 3. Therefore, it is not expected for any business combinations or goodwill to arise. On this basis, the net assets and liabilities arising from the acquisition have not been disclosed.

On 13 April 2021, the Company issued 50,000,000 Ordinary Shares at a price of 5 pence per share raising a total of £2,500,000.

20 Prior Year Restatement

On 27 November 2019 at a General Meeting of the Company it was approved that the Ordinary Shares were consolidated on the basis of 1 new Ordinary Share with no par value of £0.10 for every 100 Ordinary shares held with a par value of £0.001. The 2019 accounts incorrectly presented the shares as having a par value of 10p each.

The impact of the prior year restatement in respect of the classification of the ordinary shares and share premium are as follows:

	2019 – As presented	Restatement	2019 – As restated
Share capital	3,171	(3,171)	-
Share premium account	8,534	3,171	11,705

During the year, the prior year accounting treatment of the investments held, which were classified as available for sale investments, has been revisited. The investments should be treated as financial assets at fair value through profit or loss in accordance with IFRS 9.

The impact of the prior year restatement in respect of the classification of the investments held are as follows:

	2019 – As presented	Restatement	2019 – As restated
Available for Sale Investments	1,167	(1,167)	-
Financial investments	-	1,167	1,167