

# **LIMITLESS EARTH PLC**

**Annual Report and Financial Statements for the year ended 31 January 2018**

**Company No. 08810879 (England and Wales)**

# LIMITLESS EARTH PLC

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## LIMITLESS EARTH PLC

For the year ended 31 January 2018

<b>Directors:</b>	Guido Contesso (Chief Executive Officer) Nilesh Jagatia (Finance Director) Peter Jay (Non- Executive Director) Daniele Penna (Non- Executive Director – Appointed 26 June 2017)
<b>Secretary:</b>	Nilesh Jagatia
<b>Company Number:</b>	08810879 (England and Wales)
<b>Registered Office:</b>	30 Percy Street London W1T 2DB
<b>Independent Auditors:</b>	Welbeck Associates Chartered Accountants & Registered Auditors 30 Percy Street London W1T 2DB
<b>Principal Bankers:</b>	Barclays Bank Plc Leicester LEB7 2BB
<b>Solicitors to the Company:</b>	Michelmores LLP, 48 Chancery Lane, London, WC2A 1JF
<b>Nominated advisor:</b>	Cairn Financial Advisors LLP, Cheyne House, Crown Court 62/63 Cheapside, London, EC2V 6AX
<b>Broker:</b>	Peterhouse Corporate Finance Limited 3 <sup>rd</sup> Floor, New Liverpool House, 15 – 17 Eldon Street London EC2M 7LD
<b>Registrar:</b>	Share Registrars Ltd The Courtyard, 17 West Street, Farnham, Surrey GU9 7DR
<b>Company Website:</b>	<a href="http://www.limitlessearthplc.com">www.limitlessearthplc.com</a>

## **LIMITLESS EARTH PLC**

For the year ended 31 January 2018

### **Chairman's statement**

Our focus is on identifying opportunities built on a strategy of demographic trend investing, where the changing patterns of consumer behaviour and population are key drivers of growth, and to target investments, which show the potential to generate returns through capital appreciation.

Within the broader field of demographic trend investing, the board is initially concentrating on cleantech, life sciences and technology as core sectors. The board is acutely aware of the importance of making the right investment in the right sector at the right time. Accordingly, the board rejects most of the investment opportunities presented to it and considers it a strength of the board to be able to source a broad range of attractive opportunities and chose only the best of these. To date we have made five investments into four companies in these sectors and the nature of our investment has varied from equity through to convertible loans. The company is well funded with cash and cash equivalents at the reporting date of £648,333 which supports it being selective.

During the period under review, we are very pleased to have made a further investment in Saxa Gres S.p.A and to have converted our investment in V-Nova. Saxa Gres is a specialist waste recycling industrial business that produces high quality tiles having been acquiring in a distressed turnaround. In respect of V-Nova, we converted our investment following V-Nova's public announcements which include, inter alia, Eutelstat, the biggest European Satellite operator, becoming a minority shareholder in the company, Thaicom selecting the company's technology for their UHD services and the rate of growth of its business in India.

Both these companies are gathering momentum in their fields and we look forward to watching how these investments develop.

**Guido Contesso**  
**Chief Executive Officer**  
30 July 2018

## LIMITLESS EARTH PLC

### The Board of Directors

#### **Guido Contesso, Chief Executive Officer**

Guido Contesso has over 24 years of financial experience in Banking and Asset Management having started his career as a dealer in the Milan Stock Exchange in 1992. He then went on to become a Portfolio manager in Rominvest Luxembourg Fund, then working as a trader at Capitalia (now Unicredit Bank) Capital Markets. He has spent the last 15 years in London in charge of origination, distribution and product design for investments for UBS AG, Barclays Bank and Deutsche Bank. Currently Guido is the Founder and Managing Partner of EBW (East Bridge West) Capital UK, an FCA (AR) regulated UK advisory company. Here Mr Contesso is focused on business development of Fund solutions and Private Equity business for institutional investors.

#### **Nilesh Jagatia, Finance Director**

Nilesh currently serves as Finance Director of AIM quoted Inspirit Energy Holdings plc (L.INSPI), Octagonal Plc, and was Finance Director of a Media quoted company for a period of 5 years until July 2012. Nilesh has over 20 years of experience including senior financial roles in divisions of both Universal Music Group and Sanctuary Group Plc. He served as a Finance Director for an independent record label that expanded into the US. Nilesh is a qualified accountant and holds a degree in finance.

#### **Peter Jay, Non-Executive Director**

Peter Jay brings with him over 40 years of experience as a solicitor specialised in corporate work and, in particular, in public market matters and his experience also includes mergers and acquisitions and management buy-outs. Peter qualified as a solicitor in 1970 and was a partner in Ingledew Brown Bennison & Garrett and then, later, in Stein Swede Jay & Bibring. From 1998 to 2002, he was the Senior Partner of Finers Stephens Innocent moving to Beachcroft LLP in 2003 as a corporate finance partner until he resigned from the firm in 2007. He was a consultant to Beachcroft LLP for the following 2 years. Peter Jay continues to advise companies on corporate finance matters and he has held a number of directorships with both private and public companies.

#### **Daniele Penna, Non-Executive Director**

Daniele is a lawyer with over 20 years of experience in the capital market sector. He spent 12 years in major investment banks (Credit Suisse and Barclays Capital) working on a wide range of structured finance transactions, Debt Capital Market and listed business solutions across EMEA. Daniele started his career as a lawyer in Italy in 1996 at the Attorney General Office of Italy before joining Clifford Chance law firm where he assisted for 4 years major financial institutions on complex structured finance transactions as well as providing regulatory advice on a broad range of listed and OTC structured products. Currently Daniele is Partner and General Counsel of EBW (East Bridge West) Capital UK, an FCA (AR) regulated UK advisory company active in the Fund solutions and Private Equity business space. Daniele holds a Law degree summa cum laude from La Sapienza University of Rome and he is an Italian qualified barrister.

# LIMITLESS EARTH PLC

## Strategic Report

For the year ended 31 January 2018

### Review of the business

A comprehensive review of the business is given in the Chairman's statement on page 2.

### Principal risks and uncertainties

Set out below are the principal risks which we believe could materially affect the Company's ability to achieve its objectives since admission on the Alternative Investment Market (AIM). The risks are not listed in order of significance.

#### *Reliance on its Directors*

The Company's business, development and prospects are dependent upon the continued services and performance of its Directors. The experience and commercial relationships of the Directors help provide the Company with a competitive edge. The Directors believe that the loss of services of any of its Directors, for any reason, or failure to attract and retain necessary personnel in the future, could adversely impact the business, development, financial condition, results of operations and prospects of the Company.

#### *Other directorships*

Investors should note that none of the Directors is in any way limited (other than by their normal duties as company directors) by way of their involvement with the Company, from acting in the management or conduct of the affairs of any other company. Should any conflicts of interest be identified, they will be declared and dealt with appropriately.

#### *Identifying a suitable target*

The Company is dependent upon the ability of the Directors to identify suitable investment opportunities and to implement its Investing Policy. If the Directors are unable to identify further opportunities in line with the Company's Investing Policy for creating value, then the Company may not be able to invest its cash in a manner which accomplishes its objectives. There is no guarantee that the Company will be able to acquire further identified opportunities, or indeed complete the Investment, at an appropriate price, or at all, as a consequence of which resources may be expended fruitlessly on investigative work and due diligence.

#### *Market conditions*

Market conditions may have a negative impact on the Company's ability to execute investments in suitable entities which generate acceptable returns. There is no guarantee that the Company will be successful in sourcing suitable investments. The Company can give no assurance as to how long it will take it to invest any or all of its cash resources, if at all, and the longer the period the greater the likely impact on the Company's performance and financial condition.

#### *Costs associated with potential investments*

The Company expects to incur certain third party costs associated with the sourcing of suitable investments. The Company can give no assurance as to the level of such costs, and given that there can be no guarantee that negotiations to acquire any given investment will be successful, the greater the number of deals that do not reach completion, the greater the likely impact of such costs on the Company's performance, financial condition and business prospects.

#### *Valuation error*

The Company may miscalculate the realisable value of an investment in a project. A lack of reliable information, errors in assumptions or forecasts and/or inability to successfully implement an investment, among other factors, could all result in the project having a lower realisable value than anticipated. If the Company is not able to realise an investment at its anticipated levels of profitability, projected investment returns could be adversely affected.

#### *Financing*

Implementation of the Investing Policy may require significant capital investment. The Company's sources of financing currently are limited. The Company's ability to raise further funds will depend on the success of investments made.

The Company may not be successful in procuring the requisite funds on terms which are acceptable to it (or at all) and, if such funding is unavailable, the Company may be required to reduce the scope of its investments or anticipated expansion. Further, Shareholders' holdings of new share issues may be materially diluted if debt financing is not available.

## LIMITLESS EARTH PLC

### Strategic Report (continued)

For the year ended 31 January 2018

#### **General economic climate**

The Company may acquire or make investments in companies and businesses that are susceptible to economic recessions or downturns. During periods of adverse economic conditions, these companies and businesses may experience decreased revenues, financial losses, difficulties in obtaining access to, and fulfilling commitments in respect of, financing and increased funding costs. Any of the foregoing could cause the value of the investment to decline. In addition, during periods of adverse economic conditions, the Company may have difficulty accessing financial markets, which could make it more difficult or impossible for the Company to obtain funding for additional investments and negatively affect the Company's net asset value and operating results. Accordingly, adverse economic conditions may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company. Factors that may contribute to the general economic climate include industrial disruption, interest rates and the rate of inflation.

#### **Due diligence process**

The Company intends to conduct such due diligence as it deems reasonably practicable and appropriate, based on the facts and circumstances applicable to each potential project, before making an investment. The objective of the due diligence process will be to identify material issues which might affect an investment decision. When conducting due diligence and making an assessment regarding an investment, the Company will be required to rely on resources available to it, including, in the main, public information and, in some circumstances, third party investigations. As a result, there can be no assurance that the due diligence undertaken with respect to any potential project will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such project. Further, there can be no assurance as to the adequacy or accuracy of information provided during any due diligence exercise or that such information will be accurate and/or remain accurate in the period from conclusion of the due diligence exercise until the desired investment has been made. Due diligence may also be insufficient to reveal all of the past and future liabilities relating to the operations and activities of the target, including but not limited to liabilities relating to litigation, breach of environmental regulations or laws, governmental fines or penalties, pension deficits or contractual liabilities.

#### **Ownership risks**

Under the Investing Policy, the Company has the ability to enter into a variety of investment structures, including, but not limited to, joint ventures, acquisition of controlling interests or acquisition of minority interests. In the event the Company acquires a 100 per cent. interest in a particular entity, or makes a single investment in an entity, the resulting concentration of risk may result in a total or partial loss on its investment and have a material adverse effect on the Company's performance.

In the event that the Company acquires less than a 100 per cent interest in a particular entity, the remaining ownership interest will be held by third parties and the subsequent management and control of such an entity may entail risks associated with multiple owners and decision-makers. Any such investment also involves the risk that third party owners might become insolvent or fail to fund their share of any capital contribution which might be required. In addition, such third parties may have economic or other interests which are inconsistent with the Company's interests, or they may obstruct the Company's plans, or they may propose alternative plans. If such third parties are in a position to take or influence actions contrary to the Company's interests and plans, this may affect the ability of the Company to implement its strategies.

In addition, there is a risk of disputes between the Company and third parties who have an interest in the entity in question. Any litigation or arbitration resulting from any such disputes may increase the Company's expenses and distract the Directors from focusing their time on implementing the Investing Policy. The Company may also, in certain circumstances, be liable for the actions of such third parties.

Specific future risks relating to companies and unquoted companies, joint ventures or projects in sectors where changing demographic factors are important drivers of growth. The Company intends to focus initially on projects located in Europe but will also consider investments in other geographical regions. The Company may become an active investor, acquire controlling stakes or minority positions.

## LIMITLESS EARTH PLC

### Strategic Report (continued)

For the year ended 31 January 2018

#### **Early stage development**

The Company may make investments in entities and assets at a relatively early stage of development. There can be no assurances that such companies or assets will successfully develop or that the technologies they have will be suitable for commercialisation. Such entities and assets may require the injection of further capital at a level that the Company, or any third party, is unable or unwilling to meet. Such an outcome may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

#### **Realisation and value of investments**

The Company's investments may be difficult and take time to realise. It can take a period of years for the underlying value or quality of the businesses of smaller companies, such as those in which the Company invests, to be fully reflected in their market value and their market values are often also materially affected by general market sentiment, which can be negative for prolonged periods.

#### **Liquidity and degree of risk associated with AIM traded companies**

Investment in quoted and unquoted companies, joint ventures or projects by its nature, involves a higher degree of risk than investments in companies listed on the Official List. In particular, small companies often have limited product lines, markets or financial resources and may be dependent for their management on a small number of key individuals. In addition, the market for securities in smaller companies is often less liquid than that for securities in larger companies, bringing with it potential difficulties in acquiring, valuing and disposing of such securities. Proper information for determining their value or the risks to which they are exposed may also not be available. Investment returns will, therefore, be uncertain and involve a higher degree of risk than investment in a company on the Official List.

#### **Investments in unquoted companies are subject to a number of risks**

The Company may invest in sectors where changing demographic factors are important drivers of growth. The Company intends to focus initially on projects located in Europe but will also consider investments in other geographical regions inter alia:

- be highly leveraged and subject to significant debt service obligations, stringent operational and financial covenants and risks of default under financing and contractual arrangements, which may adversely affect their financial condition;
- have limited operating histories and smaller market shares than larger businesses making them more vulnerable to changes in market conditions or the activities of competitors;
- have limited financial resources;
- be more dependent on a limited number of management and operational personnel, increasing the impact of the loss of any one or more individuals;
- prove illiquid in terms of the ability to realise value; and
- require additional capital.

All or any of these factors may have a material adverse effect on the business, financial condition, results of operations and prospects of the Company.

#### **Competition**

The Company may face competition from other entities for the same investments, many of which may have significantly greater financial resources than the Company. There is therefore no guarantee that even if the Company identifies a suitable investment it will be successful in completing such investment.

#### **Future outlook**

The Chairman's Statement on page 2 gives information on the future outlook of the Company.



## LIMITLESS EARTH PLC

### Strategic Report (continued)

For the year ended 31 January 2018

#### Key Performance Indicators (KPIs)

The key performance indicators currently used by the Company are investments made to-date and cash resources. The Company intends to establish other key performance indicators in due course once the Company has matured sufficiently. The Company does not use and does not at present intend to use non-financial key performance indicators.

The key performance indicators are set out below:

	31 January 2018	31 January 2017
Investments	£1.603m	£1.296m
Cash and cash equivalents	£0.648m	£1.142m

#### Review of strategy and business model

The Board of directors judge the Company's financial performance by reference to the internal budget which it establishes at the beginning of each financial year and the expected performance of its investments in the future.

The Company's strategy is to invest in sectors where changing demographic factors are important drivers of growth. The Company intends to focus initially on projects located in Europe but will also consider investments in other geographical regions. The Company may become an active investor, acquire controlling stakes or minority positions.

The Board regularly reviews operating and strategic risks and considers in such reviews financial and non-financial information including:

- a review of the business at each Board meeting, focusing on any new decisions/risks arising;
- selection criteria of new investments; and
- reports prepared by third parties.

#### Environment

The Directors consider that the nature of the Company's activities is not inherently detrimental to the environment.

#### Social, community, and human rights

The Board recognises that the Company has a duty to be a good corporate citizen and to respect the laws, and where appropriate the customs and culture of the territories in which it operates. It contributes as far as is practicable to the local communities in which it operates and takes a responsible and positive approach to employment practices.

**Nilesh Jagatia**

**Director**

30 July 2018

# **LIMITLESS EARTH PLC**

## **Directors' Report**

For the year ended 31 January 2018

The directors present their report and the audited financial statements of Limitless Earth Plc for the year ended 31 January 2018. The Company was admitted on the London Stock Exchange's Alternative Investment Market (AIM) on 12 May 2014.

### **Corporate details**

Limitless Earth Plc is incorporated and registered in England and Wales number 08810879. The registered office is 30 Percy Street, London, W1T 2DB

### **Directors**

The following Directors have held office since 31 January 2017:

Guido Contesso	Chief Executive Officer
Nilesh Jagatia	Finance Director
Peter Jay	Non-Executive Director
Daniele Penna	Non- Executive Director (Appointed 26 June 2017)

In accordance with the Company's Articles of Association, directors are required to retire by rotation.

### **Principal activities**

The Investing Policy is to invest principally, but not exclusively, in sectors where changing demographic factors are important drivers of growth. The Company intends to focus initially on projects located in Europe but will also consider investments in other geographical regions. The Company may become an active investor, acquire controlling stakes or minority positions, in each case, as the Board considers appropriate and commercial

### **Strategic Report**

In accordance with section 414c (11) of the Companies Act 2006, the Company chooses to report the review of the business, the future outlook and the risks and uncertainties faced by the Company in the Strategic Report on page 4.

### **Results and Dividends**

The Company's loss from continuing activities for the period was £164,638 (2017: £142,108). There were no dividends paid or proposed by the Company during the period. (2017: £nil)

### **Going concern**

The directors have considered the applicability of the going concern basis in the preparation of these financial statements. This included the review of internal budgets and financial results which show, taking into account reasonably probable changes in financial performance that the Company should be able to operate within the level of its current funding arrangements.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis of preparation for its financial statements.

### **Financial risk management**

The financial risk management is discussed in Note 20 of the financial statements.

## LIMITLESS EARTH PLC

### Directors' Report (Continued)

For the year ended 31 January 2018

#### Directors' interest in shares

Directors' interests in the shares of the Company, including family interests, were as follows:

Director	As at 31 January 2018 Ordinary Shares of 1p each	As at 31 January 2017 Ordinary Shares of 1p each
Guido Contesso	2,490,217	1,186,440
Nilesh Jagatia	-	-
Peter Jay	-	-
Daniele Penna	-	-

#### Substantial shareholdings

According to notifications received, the following persons held 3% or more of the Company's Issued Share Capital on 18 July 2018.

Shareholder	Number of Ordinary Shares of 1p each	Percentage of Issued Share Capital
Lynchwood Nominees Limited	46,497,195	71.10%
Vidacos Nominees Limited	8,723,567	13.34%
Aurora Nominees Limited	7,440,000	11.38%

#### Post year end events

Details of events after the reporting date have been disclosed under note 22.

#### Directors' indemnity

The Company has not provided qualifying third-party indemnities for the benefit of its directors.

#### Auditors

Welbeck Associates have expressed their willingness to continue in office as auditor and a resolution to appoint them will be proposed at the forthcoming Annual General Meeting.

#### Annual General Meeting

The resolutions to be proposed at the forthcoming Annual General Meeting are set in the formal notice of the meeting, as set out on page 31.

#### Recommendation

The Board considers that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and it is unanimously recommended that shareholders support these proposals as the Board intends to do in respect of their own holdings.

**Nilesh Jagatia**

**Director**

30 July 2018

## **LIMITLESS EARTH PLC**

### **Statement of Directors' Responsibilities for the Financial Statements**

For the year ended 31 January 2018

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The Directors are also required to prepare financial statements in accordance with the AIM rules of the London Stock Exchange.

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Disclosure of information**

In the case of each of the persons who are acting as Directors of the Company at the date when this report was approved: -

- so far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act 2006) of which the Company's auditor is not aware; and
- each of the Directors has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information (as defined) and to establish that the Company's auditor is aware of that information.

#### **Publication of Accounts on the Company Website**

The Directors are also responsible for the maintenance and integrity of the corporate, financial and investor information contained on the Company's website. Legislation in the UK concerning the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The Company is compliant with AIM Rule 26 regarding the Company's website.

By order of the Board

**Nilesh Jagatia**

**Director**

30 July 2018

## **LIMITLESS EARTH PLC**

### **Corporate Governance Statement**

For the year ended 31 January 2018

#### **Compliance**

The directors recognise the value of the principles of the UK Corporate Governance Code (the Code). Although, as an AIM Company, compliance with the Code is not required, the Company seeks to apply certain provisions of the Code where practicable and appropriate for a Company of its size.

The following statement describes how the Company seeks to address the principles of the underlying the Code.

#### **Board composition and responsibility**

The Board comprises three Executive Directors who meet on a regular basis. The Board is satisfied with the balance between Executive and Non-Executive Directors which allows it to exercise objectivity in decision making and proper control of the Company's business. The Board considers its composition is appropriate in view of the size and requirements of the Company's business and the need to maintain a practical balance between the Executives and the Non-Executive. Due to the structure of the Company it is considered that it is not appropriate to change the successful Board composition at the present.

All directors are subject to election by shareholders at the first Annual General Meeting after their appointment, and are subject to re-election at least every three years. The Board's primary objective is to focus on adding value to the assets of the Company by identifying and assessing business opportunities and ensuring that potential risks are identified, monitored and controlled. Matters reserved for Board decisions include strategic long-term objectives and capital structure of major transactions. The implementation of Board decisions and day to day operations of the Group are delegated to the executive directors.

#### **Audit committee**

The audit committee, which comprises Nilesch Jagatia (Finance Director) and Peter Jay (Non Executive Director), has the primary responsibility for monitoring the quality of internal control and ensures that the financial performance of the Company is properly measured and reported on and reviews reports from the Company's auditors relating to the Company's accounting and internal controls. The committee is also responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Company is properly monitored and reported. The audit committee meets not less than four times a year.

#### **Remuneration committee**

The remuneration committee, which comprises Nilesch Jagatia (Finance Director) and Guido Contesso (Executive Director), is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options with due regard to the interests of the Shareholders and the performance of the Company.

#### **Company rules for appointment and replacement of directors**

The appointment and removal of directors is governed by the Company's Articles of Association.

#### **Internal controls**

The directors are responsible for ensuring that the Company maintains a system of internal control to provide them with reasonable assurance regarding the reliability of financial information used within the business and for publication and that the assets are safeguarded. There are inherent limitations in any system of internal control and accordingly even the most effective system can provide only reasonable, but not absolute, assurance with respect to the preparation of financial reporting and the safeguarding of assets.

The Company, in administering its business has put in place strict authorisation, approval and control levels within which senior management operates. These controls reflect the Company's organisational structure and business objectives. The control system includes clear lines of accountability and covers all areas of the organisation. The Board operates procedures which include an appropriate control environment through the definition of the above organisation structure and authority levels and the identification of the major business risks.

## **LIMITLESS EARTH PLC**

### **Corporate Governance Statement (Continued)**

For the year ended 31 January 2018

#### **Internal financial reporting**

The directors are responsible for establishing and maintaining the Company's system of internal reporting and as such have put in place a framework of controls to ensure that the on-going financial performance is measured in a timely and correct manner and that risks are identified as early as is practicably possible. There is a comprehensive budgeting system and monthly management accounts are prepared which compare actual results against both the budget and the previous year. They are reviewed and approved by the Board, and revised forecasts are prepared on a regular basis.

#### **Relations with shareholders**

The Company reports to shareholders twice a year. The Company dispatches the notice of its Annual General Meeting, together with a description of the items of special business, at least 21 clear days before the meeting. Each substantially separate issue is the subject of a separate resolution and all shareholders have the opportunity to put questions to the Board at the Annual General Meeting. The members of the Audit and Remuneration Committees normally attend the Annual General Meeting and will answer questions which may be relevant to their work.

The Chairman advises the meeting of the details of proxy votes cast on each of the individual resolutions after they have been voted on in the meeting. The Board intend to maintain a good and continuing understanding of the objectives and views of the shareholders.

## LIMITLESS EARTH PLC

### Report of the Remuneration Committee

for the year ended 31 January 2018

#### Statement of compliance

This report does not constitute a Directors' Remuneration Report in accordance with the Directors' Remuneration Regulations 2007, which do not apply to the Company, as it is not listed on the Main Market of the London Stock Exchange. This report sets out the Company policy on Directors' remuneration, including emoluments, benefits and other share-based awards made to each Director.

#### Policy on Directors' remuneration

Remuneration packages are designed to motivate and retain the Directors to ensure the continued development of the Company and to reward them for enhancing value to shareholders. The main elements of the remuneration package for Executive Directors are basic salary or fees, performance-related bonuses, benefits and share option incentives.

#### Directors' remuneration

The remuneration of the Directors for the period ended 31 January 2018 is shown below:

	Salary and consultancy fees 2018 £	Bonus 2018 £	Total 2018 £	Total 2017 £
Guido Contesso*	70,000	-	70,000	69,375
Nilesh Jagatia**	24,000	-	24,000	21,000
Peter Jay***	12,720	-	12,720	11,520
Daniele Penna	2,520	-	2,520	-
	109,240	-	109,240	101,895

\* Consultancy services of £48,000 (2017: £48,000) were provided by Supply Your Life Limited. Guido Contesso, who is a director and majority shareholder of Supply Your Life Limited and is also a Director and shareholder of the Company.

\*\* Consultancy services of £24,000 (2017: £21,000) were provided by NKJ Associates Limited, of which Director, Nilesh Jagatia, is a Director and major shareholder.

\*\*\* Consultancy services of £12,720 (2017: £11,520) were provided by Zeme Limited, of which Peter Jay is a Director.

#### Directors' share options

There were no share options held by any directors at 31 January 2018 (2017: £nil).

**Nilesh Jagatia**

**Director**

30 July 2018

# LIMITLESS EARTH PLC

## Independent Auditors' Report

to the members of Limitless Earth plc

### Opinion

We have audited the financial statements of Limitless Earth Plc (the 'Company') for the year ended 31 January 2018 which comprise the income statement and statement of comprehensive income, the statement of changes in equity, the statement of financial position, the statement of cash flows, and notes to the financial statements, including a summary of 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 January 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our opinion is not modified in this respect.

### 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, 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 we addressed it

##### Accounting Estimates

Are prepared on a reasonable and consistent basis and are disclosed adequately in the financial statements.

We have considered the basis of the accounting estimates applied when preparing the financial statements and considered the responses to audit questions with professional scepticism.

##### Related Parties

We are required to consider if the disclosures made in the financial statements are complete and accurate and the processes for identifying related parties and related party transactions.

We have assessed the Company's procedures for identifying related parties and ensuring the completeness of the disclosures that are included in the audit planning pack.

##### Management override

We are required to consider how management biases could affect the results of the company.

We have considered the controls in place, remained alert for material and unusual items and tested a sample of journals to assess the risk.



## LIMITLESS EARTH PLC

### Independent Auditors' Report

to the members of Limitless Earth plc

#### Our application of materiality

Materiality for the Company financial statements as a whole was set at £69,000 (2017: £75,000).

This has been calculated as 3% of the benchmark of Gross Assets (2017: 3% of the benchmark of Gross Assets), which we have determined, in our professional judgment, to be one of the principal benchmarks within the financial statements relevant to members of the Company in assessing financial performance.

We report to the director's all corrected and uncorrected misstatements we identified through our audit with a value in excess of £3,450 (2017: £3,750), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

#### An overview of the scope of our audit

Our audit is risk based and is designed to focus our efforts on the areas at greatest risk of material misstatement, aspects subject to significant management judgement as well as greatest complexity, risk and size.

The investments balance is material, and all of the investments are unlisted. As such testing was detailed, through agreement to bank statements and contracts, together with a review of the client calculations and valuations. Specifically, there is a high risk with regard to valuation, as all investments are unquoted. All unquoted investments are carried at GBP cost.

We consider management override and related parties to be qualitatively material. Although it is not the responsibility of the auditor to discover fraud, clearly any instances of fraud which we detect are material to the users of the financial statements. We have tested manual and automated journal entries, with a focus on those journal entries at year end. In addition, as part of our audit procedures to address this fraud risk, we assessed the overall control environment and reviewed whether there had been any reported actual or alleged instances of fraudulent activity during the year. For Related Parties, we have inquired with the client as the relevant related parties. We have also assessed the Company's procedures regarding related parties.

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

#### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

## LIMITLESS EARTH PLC

### Independent Auditors' Report

to the members of Limitless Earth plc

#### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 10, 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.

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

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Auditors' 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.

#### Jonathan Bradley-Hoare (Senior Statutory Auditor)

For and on behalf of Welbeck Associates  
Chartered Accountants and Statutory Auditor  
30 Percy Street  
London  
W1T 2DB

30 July 2018

## LIMITLESS EARTH PLC

### Income Statement and Statement of Comprehensive Income

for the year ended 31 January 2018

	Notes	Year ended 31 January 2018 £	Year ended 31 January 2017 £
<b>Continuing operations</b>			
Administrative expenses		(218,741)	(185,244)
<b>Operating loss</b>	5	<b>(218,741)</b>	<b>(185,244)</b>
Finance Income	8	54,103	43,136
<b>Loss before taxation</b>		<b>(164,638)</b>	<b>(142,108)</b>
Taxation	9	-	-
<b>Loss for the year</b>		<b>(164,638)</b>	<b>(142,108)</b>
<b>Total comprehensive loss for the year</b>		<b>(164,638)</b>	<b>(142,108)</b>
Loss per share:			
Basic and diluted loss per share	10	(0.25p)	(0.22p)

There are no items of other comprehensive income.

The notes on pages 21 to 30 are an integral part of these financial statements.

**LIMITLESS EARTH PLC****Statement of Financial Position**

As at 31 January 2018

	Notes	2018 £	2017 £
<b>Current assets</b>			
Investments	12	1,603,268	1,296,443
Trade and other receivables	13	39,128	45,102
Cash and cash equivalents	14	648,333	1,141,584
<b>Current and Total Assets</b>		<b>2,290,729</b>	<b>2,483,129</b>
<b>Current Liabilities</b>			
Trade and other payables	15	(53,720)	(81,482)
<b>Net Assets</b>		<b>2,237,009</b>	<b>2,401,647</b>
<b>Equity</b>			
Issued Share Capital	16	654,000	654,000
Share Premium	16	2,350,630	2,350,630
Share warrant reserve	17	14,095	14,095
Retained Earnings	18	(781,716)	(617,078)
<b>Total Equity</b>		<b>2,237,009</b>	<b>2,401,647</b>

The notes on pages 21 to 30 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board 30 July 2018.

**Nilesh Jagatia**  
**Director**

Limitless Earth plc Registered No. 08810879

**LIMITLESS EARTH PLC****Statement of Changes in Equity**

for the year ended 31 January 2018

	Share capital	Share premium	Share warrant reserve	Retained earnings	Total
	£	£	£	£	£
<b>At 31 January 2016</b>	654,000	2,350,630	14,095	(474,970)	2,543,755
<b>Changes in Equity for the period ended 31 January 2017</b>					
Total comprehensive loss for the year	-	-	-	(142,108)	(142,108)
<b>At 31 January 2017</b>	<b>654,000</b>	<b>2,350,630</b>	<b>14,095</b>	<b>(617,078)</b>	<b>2,401,647</b>
<b>Changes in Equity for the period ended 31 January 2018</b>					
Total comprehensive loss for the year	-	-	-	(164,638)	(164,638)
<b>At 31 January 2018</b>	<b>654,000</b>	<b>2,350,630</b>	<b>14,095</b>	<b>(781,716)</b>	<b>2,237,009</b>

The notes on pages 21 to 30 are an integral part of these financial statements.

# LIMITLESS EARTH PLC

## Statement of Cash Flows

for the year ended 31 January 2018

	Notes	Year ended 31 January 2018 £	Year ended 31 January 2017 £
<b>Cash flows from operating activities</b>			
(Loss) for the year before tax		(164,638)	(185,244)
Finance income		(54,103)	(1,392)
Decrease/ (increase) in receivables		5,974	(43,710)
(Decrease)/ increase in payables		(27,762)	6,492
<b>Net cash outflow from operating activities</b>		<b>(240,529)</b>	<b>(223,854)</b>
<b>Cash flows from investing activities</b>			
Finance income received net	8	54,103	43,136
Purchase of investments		(306,825)	(208,102)
<b>Net cash outflow from investing activities</b>		<b>(252,722)</b>	<b>(164,966)</b>
Net decrease in cash and cash equivalents during the year		(493,251)	(388,820)
Cash at the beginning of year		1,141,584	1,530,404
<b>Cash and cash equivalents at the end of the year</b>		<b>648,333</b>	<b>1,141,584</b>

The notes on pages 21 to 30 are an integral part of these financial statements.

# LIMITLESS EARTH PLC

## Notes to the financial statements

For the year ended 31 January 2018

### 1. GENERAL INFORMATION

Limitless Earth Plc is a company incorporated and domiciled in the United Kingdom. The Company is a public limited company, which is listed on the AIM market of the London Stock Exchange. The address of the registered office is 30 Percy Street, London, W1T 2DB.

The Investing Policy is to invest principally, but not exclusively, in sectors where changing demographic factors are important drivers of growth. The Company intends to focus initially on projects located in Europe but will also consider investments in other geographical regions. The Company may become an active investor, acquire controlling stakes or minority positions, in each case, as the Board considers appropriate and commercial.

The financial statements are presented in British Pounds Sterling, the currency of the primary economic environment in which the Company's operates from.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied throughout the period, unless otherwise stated.

#### Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and IFRIC interpretations as adopted by the European Union applicable to companies reporting under IFRSs. The financial statements have also been prepared under the historical cost convention.

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 later in these accounting policies.

#### Going Concern

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Statement of compliance

The financial statements comply with IFRS as adopted by the European Union. A number of new and revised Standards and Interpretations have been adopted in the current period by the Company for the first time and do not have a material impact on the financial statements.

The following new standards and amendments to standards and interpretations have been issued but are not yet effective and not early adopted. None of these are expected to have a significant effect on the financial statements of the Company:

IFRS 2	Amendments – Classification and measurement of share-based payments transactions
IFRS 4	Amendment – applying IFRS 9 “Financial Instruments” with IFRS 4 “Insurance Contracts”
IFRS 9	Financial instruments – incorporating requirements for classification and measurement, impairment, general hedge accounting and de-recognition.
IFRS 9	Amendment – Prepayment features with negative compensation
IFRS 10/ IAS 28	Amendments – Sale or contribution of assets between an investor and its associate or joint venture

# **LIMITLESS EARTH PLC**

## **Notes to the financial statements**

For the year ended 31 January 2018

### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **Revenue recognition**

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

#### **Taxation**

Current taxation is the taxation currently payable on taxable profit for the year.

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

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

#### **Financial assets**

The Company classifies its financial assets into one of the following categories, cash and cash equivalents, loans and receivables and investments held at fair value through profit or loss depending on the purpose for which the asset was acquired.

Unquoted investments classified as at fair value through profit or loss are valued by the directors using primary valuation techniques such as recent transactions, last price and net asset value. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the Statement of Comprehensive Income as "Net change in fair value of investments".

#### **Investments held for trading**

All investments determined upon initial recognition as held at fair value through profit or loss are designated as investments held for trading. Investments are initially measured at fair value. Investment transactions are accounted for on a trade date basis. Assets are de-recognised at the trade date of the disposal. Assets are sold at their fair value, which comprises the proceeds of sale less any transaction cost. Unquoted investments are valued by the directors using primary valuation techniques such as recent transactions, last price and net asset value. Subsequently, they are measured at fair value in accordance with IAS 39. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the statement of comprehensive income as "Net gains on investments".



# LIMITLESS EARTH PLC

## Notes to the financial statements

For the year ended 31 January 2018

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at hand and current and deposit balances at banks, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### Loans and receivables

Loans and receivables to third parties are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

#### Financial liabilities

Financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. All interest related charges are recognised as an expense in finance cost in the income statement using the effective interest rate method.

The Company's financial liabilities comprise other payables; namely accrued expenses.

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost less settlement payments.

#### Equity instruments

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

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

The Warrant reserve represents the cumulative cost of share-based payments in relation to warrants issued.

Retained earnings include all current and prior period results as disclosed in the Income Statement and Statement of Comprehensive Income.

### 3. CRITICAL ACCOUNTING JUDGMENTS AND ESTIMATIONS

The preparation of the financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amounts, events or actions, actual results ultimately may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In certain circumstances, where fair value cannot be readily established, the Company is required to make judgements over carrying value impairment and evaluate the size of any impairment required.

#### Investment Valuation

The Company holds investments that have been designated as held for trading on initial recognition. Where practicable the Company determines the fair value of these financial instruments that are not quoted (Level 3), using the most recent bid price at which a transaction has been carried out. These techniques are significantly affected by certain key assumptions, such as market liquidity. Other valuation methodologies such as discounted cash flow analysis assess estimates of future cash flows and it is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

## LIMITLESS EARTH PLC

### Notes to the financial statements

For the year ended 31 January 2018

#### 4. BUSINESS AND GEOGRAPHICAL REPORTING

The accounting policy for identifying segments is now based on internal management reporting information that is regularly reviewed by the chief operating decision maker, which is identified as the Board of Directors.

In identifying its operating segments, management generally follows the Company's service lines which represent the main products and services provided by the Company. The Directors believe that the Company's continuing investment operations comprise one segment. The Company's operations are solely in the United Kingdom. Its primary trading operation and activity is the rendering of services and so no segmental analysis of operations is included.

#### 5. OPERATING LOSS INCLUDES THE FOLLOWING

	2018 £	2017 £
Employee benefit expense (note 7)	109,240	101,895
Other operating expenses	109,501	80,348
<b>Total administrative expenses</b>	<b>218,741</b>	<b>182,243</b>

#### 6. AUDITOR REMUNERATION

During the year the Company obtained the following services from the auditor:

	2018 £	2017 £
Fees payable to the auditor for the audit of the Company	15,000	15,000
Fees payable to the auditor for other services:		
- Tax services	1,500	1,500
- All other services	-	-
<b>Total auditor's remuneration</b>	<b>16,500</b>	<b>16,500</b>

#### 7. EMPLOYEE BENEFIT EXPENSE

	2018 £	2017 £
Wages and salaries	109,240	101,895
<b>Total employee benefit expense</b>	<b>109,240</b>	<b>101,895</b>

All the wages and salaries were paid to the directors. There were no employees in the continuing operations except for the directors. Further disclosures in respect to directors' remuneration are on Report of the Remuneration Committee on page 13.

#### 8. FINANCE INCOME

	2018 £	2017 £
Interest income		
- Interest on short term deposits	231	1,392
- Interest in investments	53,872	41,744
	<b>54,103</b>	<b>43,136</b>

## LIMITLESS EARTH PLC

### Notes to the financial statements

For the year ended 31 January 2018

#### 9. INCOME TAX

	2018 £	2017 £
Current tax	-	-
	-	-
	2017 £	2017 £
Loss on ordinary activities before taxation	(164,638)	(142,108)
Tax calculated at domestic rate applicable to UK standard rate for small companies of 19.2% (2017:20%)	(31,610)	(28,421)
Effects of:		
Expenses not deductible for tax purposes	-	-
Tax losses carried forward	31,610	28,421
<b>Income tax credit</b>	-	-

Approximately tax losses totalling £743,436 (2017: £578,798) have been carried forward for use against future taxable profits.

#### 10. LOSS PER SHARE

##### (a) Basic

Basic loss per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	2018 £	2017 £
Loss from continuing operations attributable to equity holders of the company	(164,638)	(142,108)
Weighted average number of ordinary shares in issue	65,400,000	65,400,000
	Pence	Pence
Basic (loss) per share from continuing operations	(0.25)	(0.22)

##### (b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. No share warrants outstanding at 31 January 2018 were dilutive and all such potential ordinary shares are therefore excluded from the weighted average number of ordinary shares for the purposes of calculating diluted earnings per share. Details of warrants outstanding are given in note 17.

#### 11. DIVIDENDS

There were no dividends paid or proposed by the Company during the year (2017: £ nil).

## LIMITLESS EARTH PLC

### Notes to the financial statements

For the year ended 31 January 2018

#### 12. INVESTMENTS HELD FOR TRADING

	2018 £	2017 £
<b>At 1 February</b>	1,296,443	1,088,341
Cost of investment purchases	306,825	208,102
Fair value adjustment	-	-
<b>31 January – Investments at fair value</b>	1,603,268	1,296,443
<b>Categorised as:</b>		
Level 3 – Unquoted investments	1,603,268	1,296,443
	1,603,268	1,296,443

#### Chronix Biomedical Inc (“Chronix”)

On 8 October 2015 the Company made an investment in Chronix of US\$500,000 (approximately £329,511) in the series I round of convertible preference stock (“Series I Stock”) at a price of US\$0.40 per share. On a fully diluted basis, considering all classes of common and preference stock in issue, at the date of investment, Limitless’ investment represented 0.72% of Chronix’s issued share capital and values Chronix at approximately US\$69 million.

#### V Nova International Ltd (“V-Nova”)

On 18 December 2015, the Company made a cash investment of £500,000 in V-Nova, a company that specialises in Advanced Signal & Data Compression Solutions. The investment was through the acquisition of £500,000 worth of Convertible loan notes. These notes were converted on 4 April 2017 at a 20% discount to the preferential valuation of V-Nova at the time, of £100 million.

On 5 April 2017, the Company announced that it was granted the right to exercise an early conversion of the £500,000 loan note with V Nova Ltd into 7,284,382 Series B1 Participating shares at a 20% discount to a preferential valuation for V-Nova at £100 million.

#### Saxa Gres S.A (“Saxa”)

On 23 December 2015, the Company invested €350,000 (approximately £258,830) in Saxa. As a first round subscriber, Limitless has also been granted an option to acquire 1.1655 per cent. of the equity in Saxa at nominal value with the intention that, once the bonds have been repaid, Limitless will be able to maintain an interest in Saxa of approximate value to the bond investment.

On 21 March 2017, Limitless announced that it has increased its investment in Saxa Gres by acquiring a further 267 Notes for a value of €267,000. These Notes were also accompanied by options to acquire shares in Saxa Gres, in this case to acquire another 1.333% of its equity share capital with each option having an exercise price of €1. In total, Limitless had options to acquire approximately 2.5% of the equity share capital of Saxa Gres at an exercise price of €1 per share.

On 16 November 2017, the company announced that it has made a further investment in Saxa Gres S.p.A. of approximately EUR €75,000. Saxa Gres was raising funds, via an increase in its share capital, in order to invest in a new production line, it required to meet a significant increase in orders. Limitless participated alongside two sizable credit funds in order to maintain its interest in Saxa Gres.

#### Exogenesis

On 6 May 2016, the Company made an investment in Exogenesis, a nanotechnology company which has developed nanoscale surface modification technology to, inter alia, improve the safety and efficacy of implantable medical devices and is being used to develop next generation microscopy tools for DNA analysis.

The Company invested US\$300,000 (approximately £200,000) in the Exogenesis senior convertible notes which accrued an 8 % annual interest (“Notes”). The Notes, together with accrued interest, were convertible into Exogenesis series B preferred stock at a price of US\$0.382 per share or, at the option of Limitless, into Exogenesis series C preferred stock at a 20 % discount to the issue price at the time of the next financing.

## LIMITLESS EARTH PLC

### Notes to the financial statements

For the year ended 31 January 2018

#### 12. INVESTMENTS HELD FOR TRADING (CONTINUED)

On 9 June 2017, the Company extended the maturity date of the loan notes to 31 December 2017 from 30 June 2017 and lowered the conversion threshold amount to \$2,500,000. Upon the cash financing being achieved and the maturity date being reached, the notes were then converted into series B preferred stock at the agreed price.

The table of investments sets out the fair value measurements using the IFRS 7 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets.

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the Company are explained in the accounting policy note, “Investments held at fair value through profit or loss”.

#### LEVEL 3 FINANCIAL ASSETS

Reconciliation of Level 3 fair value measurement of financial assets:

	2018 £	2017 £
Brought forward	1,296,443	1,088,341
Purchases	306,825	208,102
Carried forward	<b>1,603,268</b>	<b>1,296,443</b>

#### 13. TRADE AND OTHER RECEIVABLES

	2018 £	2017 £
Other receivables	31,836	29,744
Prepayments	7,292	15,358
	<b>39,128</b>	<b>45,102</b>

#### 14. CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and on hand	648,333	1,141,584
	<b>648,333</b>	<b>1,141,584</b>

All of the Company's cash and cash equivalents are held in accounts which bear interest at floating rates. The Directors consider that the carrying amount of cash and cash equivalents approximates to their fair value.

#### 15. TRADE AND OTHER PAYABLES

	2018 £	2017 £
Trade Creditors	11,883	-
Accrued expenses	41,837	81,482
	<b>53,720</b>	<b>81,482</b>

## LIMITLESS EARTH PLC

### Notes to the financial statements

For the year ended 31 January 2018

#### 16. SHARE CAPITAL AND SHARE PREMIUM

Ordinary shares of 1p	Number of shares	Share capital £	Share premium £	Total £
At 31 January 2016, 2017 and 2018	65,400,000	654,000	2,350,630	3,004,630

#### 17. SHARE WARRANTS RESERVE

	Year to 31 January 2018 £	Year to 31 January 2017 £
At the beginning of the period	14,095	14,095
Warrants issued	-	-
Warrants cancelled	-	-
At the end of the period	14,095	14,095

The following warrants are outstanding at the end of the period:

Date	Party	Warrants	Exercise price	Expiry date
12 May 2014	Cairn Financial Advisers LLP	654,000	5p	12 May 2019

The fair value of the above warrants was determined using the Black-Scholes valuation model giving a value of 2.155p per share. The significant inputs into the model are detailed below:

Issue date share price	5p
Exercise share price	5p
No. of share options	654,000
Risk free rate	0.5%
Expected volatility	50%
Warrant life	5 years
Calculated fair value per share	2.155p

The average volatility has been calculated by using the average volatility for the Company and other similar companies.

#### 18. RETAINED EARNINGS

	Year to 31 January 2018 £	Year to 31 January 2017 £
At the beginning of the period	(617,078)	(474,970)
Loss for the period	(164,638)	(142,108)
At the end of the period	(781,716)	(617,078)

#### 19. FINANCIAL INSTRUMENTS

The Company's financial assets comprise investments, trade and other receivables and cash and cash equivalents whilst the Company's financial liabilities comprise of accruals, which arise directly from its operations. An equity instrument is any contract that gives a residual interest in the assets of the Company after deducting all of its liabilities. Instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

##### Management objectives and policies

The Company's policy is to maximise the after-tax return on cash deposits, to take all discounts available from the settlement of financial liabilities and to offer settlement discounts that result in the early payment of financial assets, thus minimising credit risk.

## LIMITLESS EARTH PLC

### Notes to the financial statements

For the year ended 31 January 2018

#### FINANCIAL INSTRUMENTS (CONTINUED)

##### Information relating to financial assets and liabilities

Details of the carrying value of the financial assets and liabilities are given in the Statement of Financial Position and the related notes and are carried at cost.

The main risks arising from the Company's instruments with the continuing operations are interest rate and capital risk management. The policy for managing these risks are summarised below and will be applied.

##### Interest rates

Cash deposits are denominated in sterling and held in interest bearing bank accounts which currently require no notice and are with recognised clearing banks. The accounts have been selected to achieve the maximum possible interest rate whilst meeting the Company's daily working capital requirements and are regularly reviewed. The interest rates vary with the bank's base rate.

##### Capital risk management

The Company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the value of its investments and the cash reserve. The Company is currently largely un-gearred, having net cash at 31 January 2018. It is the stated strategy of the Company to invest in companies funded through an equity fundraising.

##### Financial assets and liabilities

#### CATEGORIES OF FINANCIAL INSTRUMENTS

The IAS 39 categories of financial asset included in the statement of financial position and the headings in which they are included are as follows:

	2018 £	2017 £
FINANCIAL ASSETS:		
Cash and cash equivalents	648,333	1,141,584
Loans and receivables	39,128	45,102
Investments held for trading	1,603,268	1,296,443

#### FINANCIAL LIABILITIES AT AMORTISED COST:

The IAS 39 categories of financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2018 £	2017 £
Trade and other payables	53,720	81,482

## 20. RELATED PARTY TRANSACTIONS

During the period, Supply Your Life Limited, a company in which Guido Contesso is a Director and majority shareholder, charged consultancy fee of £48,000 (2017: £48,000). The amount owed to Supply Your Life Limited at year end is £12,000.

During the period, NKJ Associates Limited, a company in which Nilesh Jagatia is a Director and major shareholder, charged consultancy fees of £24,000 during the period (2017: 21,000). The amount owed to NKJ Associates Limited at year end is £2,000.

## **LIMITLESS EARTH PLC**

### **Notes to the financial statements**

For the year ended 31 January 2018

#### **RELATED PARTY TRANSACTIONS (CONTINUED)**

During the period, Zeme Limited, company in which Peter Jay is a Director, charged consultancy fees of during the period £12,720 (2017: 11,520). The amount owed to Zeme Limited at year end is £1,080.

During the period the Company's investment in Saxa Gress earned interest of £53,872 (2017: £29,744). The prior year amount was paid to Global Investment Strategy Limited ("GIS") for logistical purposes. GIS is related to the Company by way of mutual directorships of Mr N Jagatia. The balance outstanding as at year-end in relation to this interest due from GIS is £31,836 (2017: £29,744). The movement is attributable to a foreign exchange gain on the valuation or the balance at the year end.

#### **21. POST YEAR END EVENTS**

As part of Saxa Gres' acquisition discussions, Limitless, alongside fellow investors Halcyon and Bluebay, agreed to a minor reduction its equity shareholding in Saxa Gres from 2.5% to 2.38%. In light of this reduction the Board agreed to sell down part of its current holding of notes amounting to €167,000 leaving a holding of €500,000. The proceeds of the sale will be used by Limitless as investment capital which may include reinvestment in future Saxa Gres fundraisings.

#### **22. ULTIMATE CONTROLLING PARTY**

The Directors do not consider there to be a single ultimate controlling party.

#### **23. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS**

There were no contingent liabilities or capital commitments as at 31 January 2018 (2017: £nil).