

# **APQ** global limited

Half Year Report for the six months ended 30 June 2019

# APQ global limited

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## FINANCIAL HIGHLIGHTS

### For the six months ended 30 June 2019

Book Value at 30 June 2019 was \$72.5m, a decrease of \$3.9m from \$76.4m since the start of the period. The term “book value” herein includes the assets of APQ Global Limited and its subsidiaries net of any liabilities. The results include the net assets of the Company and its subsidiaries, presented in US dollars.

Book Value per share in the period decreased by 5.17 from 97.84 to 92.67 cents.

Loss per share for the period were \$0.01348 (for the six months ended 30 June 2018 – loss per share was \$0.19132).

Dividends paid in GBP totalled 3.00 pence (3.93 cent) per share and were declared and paid during the period as follows:

- 1.50 pence (1.97 cent) per share      Ex Dividend 31 January 2019      Paid 1 March 2019
- 1.50 pence (1.96 cent) per share      Ex Dividend 2 May 2019      Paid 31 May 2019

After the period end, a further dividend of 1.50 pence (1.95 cent) per share was declared on 18 July 2019 in relation to the quarter ended 30 June 2019.

In the period covered by these financial statements, the share price of the Company has consistently traded at a discount over the actual Book Value of the Company.

There have been further AIM market trades since 30 June 2019, details of these can be found on the London Stock Exchange website by following the link below. Monthly book values and quarterly reports are also made available as they fall due.

<http://www.londonstockexchange.com/exchange/prices-and-markets/stocks/summary/company-summary/GG00BZ6VP173GGGBXASQ1.html>

**DIRECTORY**

**Registered Office and Business Address:**

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Le Bordage  
St Peter Port  
Guernsey  
GY1 1DB

**Company Secretary and  
Corporate Services Provider**

Active Services (Guernsey) Limited  
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Le Bordage  
St Peter Port  
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**Registrar and Transfer Agent**

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Guernsey  
GY2 4LH

**Solicitors**

**As to English law:**

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1 Finsbury Circus  
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United Kingdom  
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**TISE Sponsor**

Carey Commercial Limited  
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Guernsey  
GY1 4LX

**Directors:**

Bart Turtelboom  
Wayne Bulpitt  
Wesley Davis  
Philip Soulsby

**Nominated Adviser and Broker**

Nplus1 Singer Advisory LLP  
1 Bartholomew Lane  
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United Kingdom  
EC2N 2AX

**Principal Bankers**

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Paradeplatz 8  
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**Advocates**

**As to Guernsey law:**

Mourant Ozannes  
Royal Chambers  
St Julian's Avenue  
St Peter Port  
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GY1 4HP

**Independent auditors**

BDO LLP  
150 Aldersgate Street  
London  
United Kingdom  
EC1A 4AB

For the latest information, please visit:

[www.apqglobal.com](http://www.apqglobal.com)

### Introduction

The Company ended the 6 months ended 30 June 2019 with fairly defensive positioning. Accounting for GBP/USD exchange rate movements and the dividend paid, the Company returned -1.3% to its shareholders for the 6 months ended 30 June 2019, measured in USD. The Company paid dividends of 3.93 cents (3.00p) during the period and its book value was \$0.93 per share at 30 June 2019.

During the period the Company slightly increased its exposure to risk assets across the board, particularly equities and emerging market (“EM”) currencies while maintaining a very healthy cash position. During the period under review, exposure to credit markets made 6.5%, whilst equity investments returned 4.6%. EM Currency exposure contributed 1.0%. Local currency bond exposure returned 0.4%.

The Company is well on track to meet its target annual dividend yield of 6.0% and the dividend is well covered by economic income in the portfolio. Net of funding costs, 61% of total income is stemming from the FX portfolio, 21% from the credit portfolio and the remaining 18% from the Equity and Strategic portfolios.

As at 30 June 2019, the Company’s exposure to credit and government bonds was 29.9% of book value. Local currency bond exposure was 13.3% of book value. EM equities accounted for 28.2% of book value and EM Currency exposure 76.2% of Book Value.

### Liquid Markets Portfolio

During the period, the Company selectively added to its EM equity exposure, adding some single name exposure across Brazil, Russia and Mexico. The Company kept its position in City of London Investment Group. Additionally, we elected to add to our exposure to the MSCI Emerging Markets Index, taking advantage of growing momentum.

The Company believes that the medium-term global economic growth outlook will be supportive for emerging markets equities. However, we remain conscious of the multitude of risks around the world: the US-China trade war shows little signs of abating, the monetary policy outlook in the US and Europe increasingly points to a significant slowdown in the world economy going into next year and President Trump continues to throw the book at the post-war economic order.

From a sector perspective, the bulk of the Company’s emerging market exposure is in Financials, followed by Materials and Energy, after taking into account the sector composition of the MSCI EM & Brazilian Index exposure.

The Company’s emerging markets credit book is well diversified for stable income growth and the largest position is in Pemex, accounting for 2.8% of book value. Geographically, the credit portfolio is also well diversified with the largest positions concentrated in China (23.2%), Sri-Lanka (14.0%) and Mexico (9.2%). From a sector perspective, the credit exposure is concentrated in government entities, financials and corporations in the energy sector.

During the quarter, the Company increased its EM currency exposure. The largest long positions were held in the Brazilian Real (8.03% of book value), Egyptian Pound (3.1%) and the Argentine Peso (1.6%). The largest short positions were held in Russian Ruble (-21.8%), Mexican Peso (-17.86%) and South African Rand (-12.5%). The portfolio stress tests indicate that the Company would lose -3.56% of book value for a 10% sell-off in the S&P equity index, -0.02% in value if credit spreads were to widen 10% and -0.75% in value if interest rates in the US were to increase by 1%.

### Strategic Investment Portfolio

The Company has maintained its investment in City of London Investment Group (‘CLIG’) representing 10.3% of its overall book value. APQ Global believes that the positive outlook for the EM equity asset class, the prudent management and an attractive dividend yield bode well for the CLIG stock price.

## Direct Investment Portfolio

In the period, the Group completed the 100% acquisition of Frontier Consultancy Ltd. and rebranded it as New Markets Media & Intelligence (NMMI). The investment was made via a newly created holding company, APQ Knowledge Ltd, which is 100% owned by APQ Global Limited. The investment constitutes approximately 0.50% of APQ's Book Value and incorporated earn out acquisition terms with significant scope for business expansion. The business has multiple tiers of service offerings at escalating pricing and term contracts to a varied client base. The business includes an existing conference and event planning business with large scope for expansion both by specific subject matter and geographic region.

The business operations and development are led by the former Emerging Markets Editor-at-Large for Bloomberg, Gavin Serkin, who has deep relationships with journalists across the most sophisticated financial media. This enables NMMI to run a lean business with global reach and distribution that creates the narrative to secure maximum media coverage and engineer brand building for their clients.

NMMI's network includes a full complement of writers, broadcasters, marketers, event organisers and investment professionals, covering every skill set in marketing, PR and investor relations. The rich editorial content New Markets Media & Intelligence generates empowers unique digital marketing capabilities that accurately deliver thought leadership.

Additionally, in the first quarter of 2019 APQ Corporate Services Ltd. (a wholly owned entity of APQ Global Limited) completed the 100% acquisition of Palladium Trust Services Ltd, U.K. Palladium Trust Services provides advice and execution services relating to the establishment and administration of corporate, trust, and fund vehicles. It leverages its London base through a global network of boutique corporate fiduciaries to provide operational capabilities in over 25 jurisdictions. Palladium specialises in structuring solutions for trusts and funds and setting up limited partnerships and companies.

Palladium has delivered a variety of customized structures to suit client needs that have included Sharia compliant funds, real estate / intellectual property companies, family limited partnerships with devolved financial and insulated controlling interests, bespoke structuring solutions for Latin American families, and special purpose investment vehicles structuring to cater to specific client needs.

Additionally, the Company incorporated GEO Strategic Partners Ltd., a wholly owned subsidiary of APQ Corporate Services Ltd. GEO provides Digital Strategic Communication Services to its clients across the Globe.

## Principal Risks and Uncertainties

The Directors believe the risks described below are the material risks relating to the Company:

- The Company's performance is dependent on the performance of key members of management. The departure of any key individual from the management team may adversely affect the returns available to the Company.
- Changes in law or regulation or tax legislation may adversely affect the Company's ability to carry on its business or adversely impact its tax position and liabilities.
- The Company is subject to Cyber Risk in the form of both risk of failure of systems and also of the risk of malignant action against the Company by way of Information Technology.
- The Company, through the implementation of its business model and strategy, faces financial risks including market risk, credit risk and liquidity risk. These risks and the controls in place to mitigate them are reviewed at board meetings.
- The Company and APQ Cayman Limited (a Subsidiary) will have an exposure to foreign exchange rate risk as a result of changes, both unfavourable and favourable, in exchange rates between United States Dollars and the currencies in which some assets and liabilities are denominated, principally Pound Sterling. APQ Cayman Limited has investments denominated in Pound Sterling while the Company has assets and liabilities denominated in Pound Sterling.
- The Directors note that the Company's future performance may be adversely affected by the economic and political instability surrounding the outcome of Brexit.

The Directors believe the risks described below are the material risks relating to the Company through its investment into the APQ Cayman Limited:

- APQ Cayman Limited has investment exposure to emerging markets, which are subject to certain risks and special considerations that are not typically associated with more developed markets and economies.
- APQ Cayman Limited invests in derivative instruments which can be highly volatile and may be difficult to value and/or liquidate. Derivatives will be used for gearing purposes which may expose investors to a high risk of loss.
- APQ Cayman Limited seeks exposure to emerging markets through the use of structured products which carry additional credit risks, are inherently difficult to value, illiquid and subject to counterparty risk on maturity.
- APQ Cayman Limited is subject to the risk of the inability of any counterparty to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes. Where the Company utilises derivative instruments, it is likely to take credit risk with regard to such counterparties and bear the risk of settlement default.
- APQ Cayman Limited is subject to custody risk in the event of the insolvency of any custodian or sub-custodians.

These risks are mitigated by the control and oversight of the Board. The Board will consider the risks of the Company as a whole on a regular basis at its Board meetings and on an annual basis shall review the effectiveness of its risk management systems, ensuring that all aspects of risk management and internal control are considered. The processes for its annual reviews includes reporting and recommendations from the Board as well as adoption and review of a formal risk matrix documenting the risks facing the Company, as well as the assessed probability and impact of the identified risks. Other risk mitigation measures include, but are not limited to:

- Oversight by Executive Directors and key management with the requisite knowledge and experience in emerging and credit markets
- Oversight by Non-Executive Directors
- Dual signing authority on bank accounts
- Business Continuity Plans of the various service providers
- Ongoing Cyber Risk training
- Ongoing review of third party service providers by the Board
- Ongoing review whether to engage in currency hedging to manage currency risk

**Principal Risks and Uncertainties (continued)**

The Directors believe that the risks described below are the key risks in respect of an investment in the ordinary shares of the Company (the 'Ordinary Shares'):

- There may be volatility in the price of the Ordinary Shares and the market price of the Ordinary Shares may rise or fall rapidly. To optimise returns, Shareholders may need to hold the Ordinary Shares for the long term.
- The price of the Ordinary Shares may decline below their respective issue price and Shareholders may not be able to sell their Ordinary Shares at a price equal to or greater than their issue price.
- Shareholders will have no right of redemption and must rely, in part, on the existence of a liquid market in order to realise their investment. Although the Ordinary Shares are admitted to trading on AIM, there can be no assurance as to the levels of secondary market trading in Ordinary Shares or the prices at which Ordinary Shares may trade. The Ordinary Shares may trade at a discount to the Net Asset Value per Ordinary Share.
- Local laws or regulations may mean that the status of the Company and the Shares are uncertain or subject to change, which could adversely affect investors' ability to hold the Shares.
- The Company's functional and presentational currency is US Dollars. Therefore, there is currency risk as Ordinary Shares are traded on AIM in Pounds Sterling.

The Company issued further CULS in 2018, increasing its leverage to 42%. The Company is required to repay interest at 3.5% on the CULS quarterly and so the Company must ensure that it has liquid resources available to repay this interest. Furthermore, any CULS not previously redeemed, purchased or converted will be repaid by the Company on 30 September 2024 at its nominal amount and thus the Company must ensure it has resources available at this time to make these repayments.



**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

We confirm that to the best of our knowledge:

- the condensed set of financial statements has been prepared in accordance with IAS 34 Interim Financial Reporting as adopted by the EU and gives a true and fair view of the assets, liabilities, financial position and profit of the group as required by DTR 4.2.4R;
- the half yearly report includes a fair review of the information required by:
  - (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and
  - (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the entity during that period.

For and on behalf of the Board

Wayne Bulpitt  
Chairman, APQ Global Limited

September 2019

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)  
For the six months ended 30 June 2019

	Note	For the six months ended 30 June 2019 \$	For the six months ended 30 June 2018 \$
Turnover	4	6,265,886	4,885
Net loss on financial assets at fair value through profit and loss	11	(4,532,368)	(13,492,036)
Administrative expenses	5	(2,002,185)	(991,473)
<b>Operating loss for the period before tax</b>		<b>(268,667)</b>	<b>(14,478,624)</b>
Interest receivable	6	350,046	693,170
Interest payable	7	(1,135,266)	(1,148,292)
<b>Loss on ordinary activities before taxation</b>		<b>(1,053,887)</b>	<b>(14,933,746)</b>
Tax on loss on ordinary activities		-	-
<b>Loss on ordinary activities after taxation for the financial period</b>		<b>(1,053,887)</b>	<b>(14,933,746)</b>
<b>Basic and diluted earnings per share</b>	8	<b>(0.01348)</b>	<b>(0.19132)</b>

The notes on pages 13 to 24 form an integral part of the Financial Statements.

There is no other comprehensive income.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2019

	Note	30 June 2019 \$	31 December 2018 \$
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	10	21,971	25,721
Leased assets	17	123,713	-
Investments	11	103,898,757	74,154,302
<b>Total non-current assets</b>		<b>104,044,441</b>	<b>74,180,023</b>
<b>Current assets</b>			
Trade and other receivables	12	1,012,124	33,839,280
Cash and cash equivalents		570,132	511,871
<b>Total current assets</b>		<b>1,582,256</b>	<b>34,351,151</b>
<b>Total assets</b>		<b>105,626,697</b>	<b>108,531,174</b>
<b>Current liabilities</b>			
Trade and other payables	13	(868,425)	(253,384)
<b>Total current liabilities</b>		<b>(868,425)</b>	<b>(253,384)</b>
<b>Long term liabilities</b>			
Long term lease liabilities	17	(41,064)	-
3.5% Convertible Unsecured Loan Stock	14	(32,257,873)	(31,834,626)
<b>Total long-term liabilities</b>		<b>(32,298,937)</b>	<b>(31,834,626)</b>
<b>Net assets</b>		<b>72,459,335</b>	<b>76,443,164</b>
<b>Equity</b>			
Share capital	15	99,664,954	99,596,856
Equity component of 3.5% Convertible Unsecured Loan Stock	14	6,919,355	6,919,355
Other capital reserves		295,088	264,076
Retained earnings		(29,492,549)	(25,409,610)
Exchange reserve		(4,927,513)	(4,927,513)
<b>Total equity</b>		<b>72,459,335</b>	<b>76,443,164</b>
<b>Net asset value per ordinary share</b>		<b>92.67c</b>	<b>97.84c</b>

The Financial Statements were approved by the Board of Directors of APQ Global Limited and signed on September 2019 on its behalf by:

\_\_\_\_\_  
Bart Turtelboom  
Chief Executive Officer  
Date: September 2019

\_\_\_\_\_  
Wesley Davis  
Director

The notes on pages 13 to 24 form an integral part of the Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the six months ended 30 June 2019

	Share capital \$	CULS equity component \$	Other capital reserves \$	Retained earnings \$	Exchange reserve \$	Total \$
<b>At 1 January 2018</b>	99,494,707	4,285,225	-	1,141,163	(4,927,513)	99,993,582
<b>Comprehensive income for the period</b>						
Loss for the period	-	-	-	(14,933,746)	-	(14,933,746)
<b>Total comprehensive income for the period</b>	<b>99,494,707</b>	<b>4,285,225</b>	<b>-</b>	<b>(13,792,583)</b>	<b>(4,927,513)</b>	<b>85,059,836</b>
<b>Contributions by and distributions to owners</b>						
CULS equity component	-	2,634,130	-	-	-	2,634,130
Dividends	-	-	-	(3,291,184)	-	(3,291,184)
<b>As at 30 June 2018</b>	<b>99,494,707</b>	<b>6,919,355</b>	<b>-</b>	<b>(17,083,767)</b>	<b>(4,927,513)</b>	<b>84,402,782</b>
<b>At 1 January 2019</b>	99,596,856	6,919,355	264,076	(25,409,610)	(4,927,513)	76,443,164
<b>Comprehensive income for the period</b>						
Loss for the period	-	-	-	(1,053,887)	-	(1,053,887)
<b>Total comprehensive income for the period</b>	<b>99,596,856</b>	<b>6,919,355</b>	<b>264,076</b>	<b>(26,463,497)</b>	<b>(4,927,513)</b>	<b>75,389,277</b>
<b>Contributions by and distributions to owners</b>						
Share based payments	-	-	105,846	-	-	105,846
Share based payments settled in cash	-	-	(6,736)	-	-	(6,736)
Issue of share awards	68,098	-	(68,098)	-	-	-
Dividends	-	-	-	(3,029,052)	-	(3,029,052)
<b>As at 30 June 2019</b>	<b>99,664,954</b>	<b>6,919,355</b>	<b>295,088</b>	<b>(29,492,549)</b>	<b>(4,927,513)</b>	<b>72,459,335</b>

The notes on pages 13 to 24 form an integral part of the Financial Statements.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)

For the six months ended 30 June 2019

	Note	For the six months ended 30 June 2019 \$	For the six months ended 30 June 2018 \$
<b>Cash flow from operating activities</b>			
<b>Cash generated from operations</b>			
Loss for the financial period		(1,053,887)	(14,933,746)
<b>Adjustments for non-cash income and expenses</b>			
Equity settled share-based payments	16	105,846	-
Depreciation	10	6,885	5,713
Net loss on financial assets at fair value through profit and loss	11	4,532,368	13,492,036
<b>Changes in operating assets and liabilities</b>			
Increase in trade and other receivables	12	(894,705)	(21,016)
Increase/(decrease) in trade and other payables	13	532,392	(230,259)
<b>Cash generated/(used in) from operations</b>		<b>3,228,899</b>	<b>(1,687,272)</b>
Interest receivable	6	(350,046)	(693,170)
Interest payable	7	1,135,266	1,148,292
<b>Net cash inflow/(outflow) from operating activities</b>		<b>4,014,119</b>	<b>(1,232,150)</b>
<b>Cash flow from investing activities</b>			
Payments to acquire investments	11	(904,466)	-
Payments to acquire property, plant and equipment	10	(3,135)	(19,019)
Interest received	6	350,046	693,170
Loan to APQ Cayman Limited	12	349,504	(9,177,615)
<b>Net cash outflow from investing activities</b>		<b>(208,051)</b>	<b>(8,503,464)</b>
<b>Cash flow from financing activities</b>			
Equity component of CULS	14	-	2,634,130
Issue of CULS	14	-	9,936,752
Equity dividends paid	9	(3,029,052)	(3,291,184)
Interest on CULS	14	(681,109)	(684,506)
Cash settled share-based payments	16	(6,736)	-
<b>Net cash (outflow)/inflow from financing activities</b>		<b>(3,716,897)</b>	<b>8,595,192</b>
<b>Net decrease in cash and cash equivalents</b>		<b>89,171</b>	<b>(1,140,422)</b>
Cash and cash equivalents at beginning of period		511,871	4,005,434
Exchange rate fluctuation on CULS	14	(30,910)	-
<b>Cash and cash equivalents at end of period</b>		<b>570,132</b>	<b>2,865,012</b>
<b>Non-current loans and borrowings</b>			
Brought forward		31,834,626	22,135,311
Cash flows		(681,109)	10,628,741
Non cash flows		1,104,356	(228,203)
<b>Closing balance</b>		<b>32,257,873</b>	<b>32,535,849</b>

The notes on pages 13 to 24 form an integral part of the Financial Statements.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**For the six months ended 30 June 2019**

**1. Corporate information**

The interim consolidated financial statements of APQ Global Limited (the “Group”) for the six months ended 30 June 2019 were authorised for issue in accordance with a resolution of the Board of Directors on 30 September 2019. The Company is incorporated as a limited company in Guernsey. The Company was incorporated on 10 May 2016 for an unlimited duration in accordance with the Companies (Guernsey) Law, 2008. The Company's registered office is at 1st Floor, Tudor House, Le Bordage, St Peter Port, Guernsey, GY1 1DB.

The objective of the Company is to steadily grow its earnings to seek to deliver attractive returns and capital growth through a combination of building growing businesses in emerging markets as well as earning revenue from income generating operating activities.

The Company and its subsidiaries have no investment restrictions and no maximum exposure limits will apply to any investments made by the Group, unless otherwise determined and set by the Board from time to time. No material change will be made to the Company's or subsidiaries objective or investing policy without the approval of Shareholders by ordinary resolution.

The Group's investment activities are managed by the Board.

The shares are quoted on The International Stock Exchange for informational purposes. The ordinary shares are admitted to trading on AIM.

**2. Significant accounting policies**

**2.1 Basis of preparation**

These interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2018 Annual Report.

Taking account of the financial resources available to the Company, the directors believe that the Company is well placed to manage its business risks successfully despite the current uncertain economic outlook. After making enquiries the directors have a reasonable expectation that the Company has adequate resources for the foreseeable future, a period of not less than twelve months from the date of this report. Accordingly, they continue to adopt the going concern basis in preparing the condensed financial statements.

**2.2 Basis of accounting**

APQ Global Limited has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2018 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2019 and will be adopted in the 2019 annual financial statements. The only new standard impacting the Group that will be adopted in the annual financial statements for the year ended 31 December 2019, and which have given rise to changes in the Group's accounting policies is IFRS 16 “Leases”.

On 1 January 2019, the Group adopted all of the requirements of IFRS 16 – Leases. IFRS 16 Leases was issued in January 2016 and provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

To determine the split between principal and interest in the lease the Company is required to estimate the interest it would have to pay in order to finance payments under the new lease. The interest rate used by the Company is based on the implicit interest rate utilised in calculating the Company's most recent issue of convertible loan stock. The impact of the estimated interest rate is currently considered to be immaterial to the financial statements, but the Directors will review this approach as appropriate.

The Group has taken advantage of the transition exemptions available on the implementation of IFRS 16 and have adopted the modified retrospective approach. This will mean that the Group has not needed to restate the comparatives stated in these financial statements for the year ended 31 December 2018 in the 2019 interim consolidated financial statements. The effect of the adoption of IFRS 16 has resulted in the increase of both assets and liabilities by \$124k and accelerated the expense recognised within the Statement of Comprehensive Income.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**For the six months ended 30 June 2019**

**2. Significant accounting policies (continued)**

**2.3 Functional and presentational currency**

As of 1 January 2017, the Company changed its presentational and functional currency from Pounds Sterling to US Dollars.

During the year ended 31 December 2017, the Company also changed the currency in which it presents its financial statements from Pounds Sterling to US Dollars, to bring the presentational currency in line with its functional currency. A change in presentational currency is a change in accounting policy which is accounted for retrospectively.

**2.4 Fair value measurement**

The Company measures its investment in APQ Cayman Limited at fair value at each reporting date, which is considered to be the carrying value of the net assets of APQ Cayman Limited. APQ Cayman Limited measures its underlying investments at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For all other financial instruments not traded in an active market, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm's length market transactions adjusted as necessary and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

For assets and liabilities that are measured at fair value on a recurring basis, the Company identifies transfers between levels in the hierarchy by re-assessing the categorisation (based on the lowest level input that is significant to the fair value measurement as a whole), and deems transfers to have occurred at the beginning of each reporting period.

**3. Segment Information**

For management purposes, the Group is organised into one main operating segment, which invests in equities and credit, government and local currency bonds. All of the Group's activities are interrelated, and each activity is dependent on the others. Accordingly, all significant operating decisions are based upon analysis of the Group as one segment. The financial results from this segment are equivalent to the financial statements of the Group as a whole.

The following table analyses the Group's assets by geographical location. The basis for attributing the assets are the place of listing for the securities or for non-listed securities, country of domicile.

<b>Group</b>	<b>30 June 2019</b>	<b>31 December 2018</b>
	<b>\$</b>	<b>\$</b>
Cayman	102,227,611	107,109,483
United Kingdom	461,313	417,338
Guernsey	2,937,773	1,004,353
	<u>105,626,697</u>	<u>108,531,174</u>

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**For the six months ended 30 June 2019**

**4. Analysis of turnover**

	<b>For the six months ended 30 June 2019</b>	<b>For the six months ended 30 June 2018</b>
	\$	\$
Dividends received from APQ Cayman Limited	5,963,216	-
Rental income	(674)	4,885
Other income from BARTR business operations	303,344	-
	<u>6,265,886</u>	<u>4,885</u>

**5. Analysis of administrative expenses**

	<b>For the six months ended 30 June 2019</b>	<b>For the six months ended 30 June 2018</b>
	\$	\$
Personnel expenses	239,620	170,383
Finance lease expenses	45,168	-
Operating lease expenses	-	49,743
Depreciation expenses	6,885	5,713
Audit fees	48,350	42,463
Audit related services	8,273	6,931
Nominated advisor fees	32,424	48,755
Expenses incurred in relation to investment in BARTR Holdings Limited	599,097	-
Administration fees and expenses	94,035	35,068
Director's fees for Bart Turtelboom	38,927	62,158
Director's fees for Wayne Bulpitt	26,130	20,575
Director's fees for Richard Bray	-	20,575
Director's fees for Philip Soulsby	11,334	12,001
Director's fees for Wesley Davis	36,000	-
Other expenses	191,058	133,232
Professional fees	389,720	286,272
Share based payment expenses	105,846	-
Insurance	5,500	5,824
Recharge of expenses to APQ Cayman Limited	(171,751)	-
Net exchange losses	295,569	91,780
	<u>2,002,185</u>	<u>991,473</u>

**6. Interest receivable**

	<b>For the six months ended 30 June 2019</b>	<b>For the six months ended 30 June 2018</b>
	\$	\$
Loan interest receivable from APQ Cayman Limited (note 12)	350,046	693,132
Bank interest received	-	38
	<u>350,046</u>	<u>693,170</u>



NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
For the six months ended 30 June 2019

7. Interest payable

	For the six months ended 30 June 2019	For the six months ended 30 June 2018
	\$	\$
Interest on 3.5% Convertible Unsecured Loan Stock 2024	<u>1,135,266</u>	<u>1,148,292</u>

8. Earnings Per Share

The basic and diluted earnings per shares are calculated by dividing the profit or loss by the average number of ordinary shares outstanding during the period.

	For the six months ended 30 June 2019	For the six months ended 30 June 2018
	\$	\$
Total comprehensive income for the period	(1,053,887)	(14,933,746)
Average number of shares in issue	78,170,417	78,055,000
Earnings per share	<u>(0.01348)</u>	<u>(0.19132)</u>

For the current period the effect of share awards vested but not yet issued is not dilutive as the effect of this dilution would be to decrease the loss per share. For the prior period there was no dilution per ordinary share.

9. Dividends

Dividends were declared in the period ended 30 June 2019 as follows:

	Ex-dividend date	Payment date	Dividend (£)	Dividend (\$)	Dividend per share (£)	Dividend per share (\$)
First dividend	31 January 2019	1 March 2019	1,172,420	1,511,601	0.015	0.020
Second dividend	2 May 2019	31 May 2019	1,172,818	1,517,451	0.015	0.020
			<b>2,345,238</b>	<b>3,029,052</b>	<b>0.030</b>	<b>0.040</b>

The stated dividend policy of the Company is to target an annualised dividend yield of 6% based on the Placing Issue Price. The past two dividend payments of £0.015 are on target with the stated policy. In addition, the Company declared a further dividend of 1.5 pence (1.95 cent) per share on 18 July 2019 in respect of the quarter ended 30 June 2019.

There is no guarantee that any dividends will be paid in respect of any financial period. The ability to pay dividends is dependent on a number of factors including the level of income returns from the Group's investments. There can be no guarantee that the Group will achieve the target rates of return referred to in this document or that it will not sustain any capital losses through its activities.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six months ended 30 June 2019**

**10. Property, plant and equipment**

	Office equipment \$	Furniture and fixtures \$	Leasehold improvements \$	Total \$
<b>Cost</b>				
At 1 January 2019	58,021	19,352	34,588	111,961
Additions during the period	<u>3,135</u>	<u>-</u>	<u>-</u>	<u>3,135</u>
At 30 June 2019	<u>61,156</u>	<u>19,352</u>	<u>34,588</u>	<u>115,096</u>
<b>Accumulated depreciation</b>				
At 1 January 2019	37,676	13,976	34,588	86,240
Charge for the period	<u>6,013</u>	<u>872</u>	<u>-</u>	<u>6,885</u>
At 30 June 2019	<u>43,689</u>	<u>14,848</u>	<u>34,588</u>	<u>93,125</u>
<b>Net book value</b>				
At 30 June 2019	<u>17,467</u>	<u>4,504</u>	<u>-</u>	<u>21,971</u>
At 31 December 2018	<u>20,345</u>	<u>5,376</u>	<u>-</u>	<u>25,721</u>

**11. Investments**

	APQ Cayman Limited \$	APQ Corporate Services Limited \$	BARTR Holdings Limited \$	Total \$
At 1 January 2019	73,387,622	-	766,680	74,154,302
Additions	33,372,357	904,466	-	34,276,823
Fair value movement	(4,532,368)	-	-	(4,532,368)
	<u>102,227,611</u>	<u>904,466</u>	<u>766,680</u>	<u>103,898,757</u>

APQ Cayman Limited was acquired during the year ended 31 December 2016. APQ Global Limited wholly owns APQ Cayman Limited whose registered office of the Company is at the offices of Mourant Ozannes Corporate Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108, Cayman Islands. The Company meets the definition of an investment entity. Therefore, it does not consolidate APQ Cayman Limited and recognises it as an investment at fair value through profit or loss.

APQ Global Limited is the managing partner of APQ Partners LLP whose registered office is at 22-23 Old Burlington Street, London, W1S 2JJ. This subsidiary is consolidated into the group financial statements.

On the 19 November 2018, the Company invested \$766,680 in BARTR Holdings Limited, a company incorporated in England and Wales, whose registered office is Tobias House St. Marks Court, Thornaby, Stockton-On-Tees, United Kingdom, TS17 6QW. This capital interest represents a 40% shareholding and equivalent voting rights. BARTR Holdings Limited wholly owns two subsidiaries, BARTR Connect Limited, whose registered office is Tobias House St. Marks Court, Thornaby, Stockton-On-Tees, Stockton-On-Tees, United Kingdom, TS17 6QW, and BARTR Technologies Limited, whose registered office is 156 Great Charles Street Queensway, Birmingham, England, B3 3HN, the Company therefore has an indirect 40% interest in these subsidiaries.

On 10 January 2019, the Company incorporated a wholly owned subsidiary APQ Corporate Services Limited for the purpose of acting as a holding company for new investments. In addition, on 1 March 2019, the Company incorporated a wholly owned subsidiary APQ Knowledge Limited also for the purpose of acting as a holding company for new investments.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS For the six months ended 30 June 2019

### 11. Investments (continued)

On 21 December 2018, the Group entered into an agreement to purchase 100% of the following 5 entities; Palladium Trust Services, a Company incorporated in England and Wales, Palladium Trust Company (NZ) Limited, a company incorporated and domiciled in New Zealand, Palladium Corporate Service (Singapore) Pte Limited, a company incorporated and domiciled in Singapore, Palladium Finance Group Limited (Seychelles), a company incorporated and domiciled in the Seychelles and Palladium Trust Company (BVI) Limited, a company incorporated and domiciled in the British Virgin Islands. The completion of this purchase was finalised on 22 February 2019. The total consideration of the purchase agreement was \$290,518 (£222,500). All 5 of the entities are 100% owned by APQ Corporate Services Limited.

On 26 February 2019, the Group entered into an agreement to purchase 100% of Frontier Consultancy Limited, a Company incorporated in England and Wales. The total consideration of the purchase agreement was \$613,947 (£463,742). The entity is 100% owned by APQ Knowledge Limited.

On 12 April 2019, APQ Corporate Services Limited incorporated a wholly owned subsidiary, GEO Strategic Partners Limited, a Company incorporated in the Isle of Man.

#### Valuation techniques

APQ Cayman Limited has a portfolio of tradable assets and liabilities which it values at fair value using the same policies as the Company. The Company is able to redeem its holding of APQ Cayman Limited at its net asset value. Fair value of the investment in APQ Cayman Limited is therefore measured at its Net Asset Value.

The investment in BARTR Holdings Limited was completed on 19 November 2018. There have been no significant changes to the circumstances of BARTR Holdings Limited and its subsidiaries, or to wider market conditions. Its carrying value at acquisition therefore approximates its fair value.

The investment in APQ Corporate Services Limited was completed on 10 January 2019. There have been no significant changes to the circumstances of APQ Corporate Services Limited and its subsidiaries, or to wider market conditions. Its carrying value at acquisition therefore approximates its fair value.

#### Unlisted managed funds

The Company classifies its investments into the three levels of the fair value hierarchy based on:

Level 1: Quoted prices in active markets for identical assets or liabilities;

Level 2: Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has classified its investments in APQ Cayman Limited, BARTR Holdings Limited and APQ Corporate Services Limited as level 3 because its net asset value is deemed to be an unobservable input. The most significant unobservable input used in the fair value of the investment in APQ Cayman is the NAV. The movement in the investments in the year are shown above. The movement of investments classified under level 3 is the same as the table above.

#### Sensitivity

The most significant unobservable input used in the fair value is the NAV of APQ Cayman Limited. A reasonable change of 5% in the NAV will have an impact of \$5,111,381 (31 December 2018 - \$3,669,381) on the fair value of the investment.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six months ended 30 June 2019**

**12. Trade and other receivables**

	<b>30 June 2019</b>	<b>31 December 2018</b>
	\$	\$
Trade debtors	117,930	21,808
Loan to APQ Cayman Limited	-	33,721,861
Prepayments and accrued income	861,628	59,044
Other debtors	32,566	36,567
	<u>1,012,124</u>	<u>33,839,280</u>

During the period, the Company converted the \$33,372,357 loan with APQ Cayman Limited, from the proceeds of the CULS issue to an investment. In addition, the Company charged interest of \$350,046 (six months ended 30 June 2018 - \$693,132) to APQ Cayman Limited for the period ended 30 June 2019. This was fully received during the period and no balance was outstanding at period end. Interest is accrued on the outstanding balance of the loan at such rate as is required to enable the Company to meet its obligations to holders of its convertible unsecured loan stock 2024 in relation to the payment of interest thereon.

**13. Trade and other payables**

	<b>30 June 2019</b>	<b>31 December 2018</b>
	\$	\$
Trade creditors	130,495	115,046
Other creditors	63,262	37,315
Loan from APQ Corporate Services Limited	98,258	-
Loan from APQ Knowledge Limited	424,348	-
Accruals	69,413	101,023
Finance lease liabilities	82,649	-
	<u>868,425</u>	<u>253,384</u>

**14. 3.5% Convertible Unsecured Loan Stock 2024**

	<b>Nominal number of CULS</b>	<b>Liability component</b>	<b>Equity component</b>
	\$	\$	\$
As at 1 January 2019	41,446,167	31,834,626	6,919,355
Amortisation of discount on issue and issue expenses	-	1,135,266	-
Interest paid during the period	-	(681,109)	-
Exchange differences	-	(30,910)	-
As at 30 June 2019	<u>41,446,167</u>	<u>32,257,873</u>	<u>6,919,355</u>

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six months ended 30 June 2019**

**14. 3.5% Convertible Unsecured Loan Stock 2024 (continued)**

At an Extraordinary General Meeting held on 4 September 2017, Resolutions were passed approving the issue of 4,018 3.5 per cent. convertible unsecured loan stock 2024 (“CULS”) to raise £20,090,000 before expenses. The CULS were admitted to trading on the International Securities Market, the London Stock Exchange’s market for fixed income securities and dealings commenced at 8.00 a.m. on 5 September 2017.

Following Admission there were 4,018 CULS in issue. Holders of the CULS are entitled to convert their CULS into Ordinary Shares on a quarterly basis throughout the life of the CULS, commencing 31 December 2017, and all outstanding CULS will be repayable at par (plus any accrued interest) on 30 September 2024. The initial conversion price is 105.358 pence, being a 10 per cent. premium to the unaudited Book Value per Ordinary Share on 31 July 2017. Following conversion of 80 per cent. or more of the nominal amount of the CULS originally issued, the Company will be entitled to require remaining CULS Holders to convert their outstanding CULS into Ordinary Shares after they have been given an opportunity to have their CULS redeemed.

On 22 January 2018, the Company raised a further £10,207,300 (\$14,492,418) before expenses through the issue of 1,982 units of 3.5 per cent. convertible unsecured loan stock 2024 in denominations of £5,000 (\$7,099) nominal each, at an issue price of £5,150 (\$7,312) per unit.

**15. Share Capital**

The issued share capital of the Company is 78,187,891 ordinary shares of no par value listed on The International Stock Exchange and AIM.

Quantitative information about the Company's capital is provided in the statement of changes in equity and in the tables below.

The shares are entitled to dividends when declared and to payment of a proportionate share of the Companies net asset value on any approved redemption date or upon winding up of the Company.

The Company's objectives for managing capital are:

- To invest the capital in investments meeting the description, risk exposure and expected return indicated in its listing documents.
- To maintain sufficient liquidity to meet the expenses of the Company, pay dividends and to meet redemption requests as they arise.
- To maintain sufficient size to make the operation of the Company cost-efficient.
- The Board has authority to purchase up to 14.99 per cent. of the issued Ordinary Share capital of the Company. The Board intends to seek a renewal of this authority at each annual general meeting of the Company. No buy backs occurred during the period under review.

	<b>Ordinary shares No</b>	<b>£</b>	<b>\$</b>
As at 1 January 2019	78,134,735	76,697,133	99,596 856
Shares issued from share awards during the period	53,156	50,340	68,098
At 30 June 2019	78,187,891	76,747,473	99,664,954

During the period ended 30 June 2019, 53,156 (period ended 30 June 2018 - nil) shares were issued as part of the share award scheme as detailed in note 16.

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six months ended 30 June 2018**

**16. Share awards**

On 19 April 2017 (and amended 17 July 2018), the Company established a share award scheme for the employees of the Company. The scheme grants the Board the authority to allot share awards or share options with service conditions attached. Share awards or options can only be awarded for performance periods whereby the book value per share (excluding dividend transactions) exceeds the book value per share for all previous performance period ends. The maximum amount of share awards or options is determined by reference to 20% of the increased performance of the current book value per share against all previous performance periods. The Board retains the right to settle these awards in either shares or cash.

The first share awards were granted in 2018 with respect to the performance period ended 31 December 2017.

Grant date	Type of award	No. of instruments	Fair value of instrument granted pence	Vesting conditions	Final vesting date
1 January 2018	Shares	584,141	128.11	Awards vest quarterly over 5 years provided the employee is still in service of the Group.	31 December 2022
			<b>Charge for awards to be settled in Equity</b>	<b>Charge for awards to be settled in Cash</b>	<b>Total charge for share based awards</b>
			\$	\$	\$
At 1 January 2019			366,225	10,103	376,328
Six month period ended 30 June 2019			99,110	6,736	105,846
			<u>465,335</u>	<u>16,839</u>	<u>482,174</u>

Fair value for the award dated 1 January 2018 is calculated by reference to the fixed value of cash per share that the Board is at discretion to pay rather than settle the award in shares.

The unvested portion of the share awards currently granted is \$266,170 (At 31 December 2018 - \$372,016).

**17. Leases**

**Operating lease commitments**

The Company's subsidiary, APQ Partners LLP, leases office space and information with regards to this lease is outlined below:

<b>Rental lease asset</b>	<b>\$</b>
Leased asset recognised on adoption of IFRS 16 on 1 January 2019	164,951
Depreciation for the period	(41,238)
At 30 June 2019	<u>123,713</u>

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six months ended 30 June 2019**

**17. Leases (continued)**

	<b>30 June 2019</b>
<b>Future minimum undiscounted cash flows</b>	<b>\$</b>
Less than one year	89,089
One to five years	44,545
	<hr/>
	133,634
	<hr/>
<b>Lease liabilities in the Statement of Financial Position</b>	<b>\$</b>
Current	82,649
Non-current	41,064
	<hr/>
	123,713
	<hr/>
<b>Charges in Statement of Comprehensive Income</b>	<b>\$</b>
Depreciation of lease asset	41,239
Finance cost on lease liabilities	3,929
	<hr/>
Finance lease expenses	45,168
	<hr/>

**18. Capital Management**

The Group can raise new capital which may be implemented through the issue of a convertible debt instrument or such other form of equity or debt as may be appropriate. It also has a buy-back authority subject to a maximum buy-back of 14.99 per cent of the issued Ordinary Shares.

The Group's objectives for managing capital are:

- To invest the capital into investments through its subsidiary, APQ Cayman Limited.
- To maintain sufficient liquidity to meet the expenses of the Group and pay dividends.
- To maintain sufficient size to make the operation of the Group cost-effective.

The Group may utilise borrowings in connection with its business activities. Although there is no prescribed limit in the Articles or elsewhere on the amount of borrowings that the Group may incur, the Directors will adopt a prudent borrowing policy and oversee the level and term of any borrowings of the Group and will review the position on a regular basis.

The Group's capital comprises:

	<b>30 June 2019</b>	<b>31 December 2018</b>
	<b>\$</b>	<b>\$</b>
Share capital	99,664,954	99,596,856
Equity component of 3.5% Convertible Unsecured Loan Stock 2024	6,919,355	6,919,355
Other capital reserves	295,088	264,076
Retained earnings	(29,492,549)	(25,409,610)
Exchange reserve	(4,927,513)	(4,927,513)
	<hr/>	<hr/>
<b>Total shareholders' funds</b>	<b>72,459,335</b>	<b>76,443,164</b>
	<hr/>	<hr/>

**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the six months ended 30 June 2019**

**19. Related party transactions**

Richard Bray was a director of the Company and its wholly owned subsidiary, APQ Cayman Limited, as well as being a director of Active Management Services Limited which is part of the Active Group as is Active Services (Guernsey) Limited.

Wayne Bulpitt founded the Active Group; he is also a shareholder of the Company.

Bart Turtelboom founded APQ Partners LLP and is also a director of APQ Cayman Limited as well as the largest shareholder of the Company.

The Directors are remunerated from the Company in the form of fees, payable monthly in arrears. Bart Turtelboom was entitled to an annual salary of £120,000 as Chief Executive Officer of the Company. From 1 April 2018 this was split between the Company and APQ Cayman Limited.

		APQ Global Limited - Remuneration		APQ Global Limited - Share based remuneration		APQ Cayman Limited - Remuneration		Total	
		\$		\$		\$		\$	
		For the six months ended 30 June 2019	For the six months ended 30 June 2018	For the six months ended 30 June 2019	For the six months ended 30 June 2018	For the six months ended 30 June 2019	For the six months ended 30 June 2018	For the six months ended 30 June 2019	For the six months ended 30 June 2018
Bart Turtelboom	Chief Executive Officer	38,927	62,158	84,677	-	38,927	20,141	162,531	82,299
Wayne Bulpitt	Non-Executive Chairman	26,130	20,575	-	-	-	-	26,130	20,575
Richard Bray	Executive Director	-	20,575	-	-	-	2,500	-	23,075
Wesley Davis	Executive Director	36,000	-	-	-	36,000	-	72,000	-
Philip Soulsby	Non-Executive Director	11,334	12,001	-	-	-	-	11,334	12,001
		<u>112,391</u>	<u>115,309</u>	<u>84,677</u>	<u>-</u>	<u>74,927</u>	<u>22,641</u>	<u>271,995</u>	<u>137,950</u>

APQ Global Limited has incurred \$47,397 (six months ended 30 June 2018 - \$35,068) of fees and expenses to Active Services (Guernsey) Limited as administrator of the Company. As at 30 June 2019, APQ Global Limited owed \$9,242 to Active Services (Guernsey) Limited (31 December 2018 - \$11,261).

During the period, the Company converted the \$33,372,357 loan with APQ Cayman Limited, from the proceeds of the CULS issue to an investment. In addition, the Company charged interest of \$350,046 (six months ended 30 June 2018 - \$693,132) to APQ Cayman Limited for the period ended 30 June 2019. This was fully received during the period and no balance was outstanding at period end. Interest is accrued on the outstanding balance of the loan at such rate as is required to enable the Company to meet its obligations to holders of its convertible unsecured loan stock 2024 in relation to the payment of interest thereon.

APQ Global Limited has supported APQ Cayman Limited by paying directors fees of \$nil (six months ended 30 June 2018 - \$833) during the period to Richard Bray as he was a director of both entities.

As described in the Listing Document, and under the terms of the Services Agreement, APQ Partners LLP assist the Board and the Group's management based in Guernsey with the implementation of its business strategy, provide research on business opportunities in emerging markets and provide support for cash management and risk management purposes. APQ Partners LLP are entitled to the reimbursement of expenses properly incurred on behalf of APQ Global Limited in connection with the provision of its services pursuant to the agreement. APQ Partners LLP has recharged expenses of \$208,835 (six months ended 30 June 2018 - \$311,579) to APQ Global Limited during the period. As at 30 June 2019, APQ Global Limited was owed \$152,168 from APQ Partners LLP (31 December 2018 - \$229,391). In both the current and prior period amounts have been eliminated on consolidation.



**NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**For the six months ended 30 June 2019**

**19. Related party transactions (continued)**

During the period, APQ Global Limited provided \$210,000 (six months ended 30 June 2018 - \$nil) to BARTR Connect Limited in the context of an investment in BARTR Holdings Limited, an entity over which the Company has significant influence. At 30 June 2019, \$nil (31 December 2018 - \$nil) was due to BARTR Connect Limited (See Note 11).

During the period, APQ Global Limited invested \$290,518 in APQ Corporate Services Limited for its purchase of the 5 Palladium entities, which hasn't been paid in full as the purchase of the Palladium entities has a deferred payment schedule. In addition, APQ Global Limited provided funding of \$144,464 to APQ Corporate Services Limited during the period. As at 30 June 2019, \$98,258 (31 December 2018 - \$nil) was due to APQ Corporate Services Limited (See Note 11).

During the period, APQ Global Limited invested \$613,947 in APQ Knowledge Limited for its purchase of the Frontier Consultancy Limited, which hasn't been paid in full as the purchase of Frontier Consultancy Limited has a deferred payment schedule. As at 30 June 2019, \$424,348 (31 December 2018 - \$nil) was due to APQ Knowledge Limited (See Note 11).

**20. Events after the reporting period**

After the period end, a further dividend of 1.5 pence (1.95 cent) per share was declared on 18 July 2019 and was paid on 23 August 2019 in relation to the quarter ended 30 June 2019.