

**Sivota Plc**

**Annual Report and Financial Statements**

**For the period starting 22 September 2020 to 31 December 2021**

# Sivota Plc

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# **Sivota Plc**

## **Company Information**

**For the period starting 22 September 2020 to 31 December 2021**

### **Directors**

Tim Weller – Non-Executive Chairman

Ziv Ben-Barouch – CEO

Neil Jones – Non-Executive Director, Secretary

### **Registered Office**

New London House,

172 Drury Lane

London, England

WCB 5QR

### **Auditors**

Crowe UK LLP

55 Ludgate Hill

London, England

EC4M 7JW

### **Register**

Computershare Investor Services  
PLC

The Pavilions

Bridgwater Rd

Bristol

BS13 8AE

### **Financial Adviser & Broker**

Canaccord Genuity Limited

88 Wood Street

London, England

EC2V 7QR

# Sivota Plc

## Chief Executive Officer's report for the period starting 22 September 2020 to 31 December 2021

Dear Shareholders,

I'm delighted to be introducing the first annual report of Sivota Plc for the period from its establishment day, 22 September 2020, to 31 December 2021.

Sivota was established in September 2020 in order to acquire controlling stakes and then act as a holding company for various target businesses operating or founded in Israel, predominantly across the technology sector.

Sivota has a strong local presence and an extensive business network throughout Israel. The Company believes that these networks, relationships, and partnerships are all essential for identifying future investments and developing a robust investment pipeline.

Management have worked hard to execute our strategy, with the progress and results achieved:

- In July 2021, the Company successfully completed its listing on the Main Market (Standard Segment) of the London Stock Exchange by issuing 1,035,000 ordinary shares of £0.01 each at a subscription price of £1 per share, which raised £1,035,000. Substantially all of the cash raised is used for working capital, to be primarily used to undertake financial, commercial and legal due diligence on potential transactions.
- On 12 May 2022, the Company completed the acquisition of a majority stake in Apester Ltd, a digital marketing engagement platform (the "Acquisition"). Under the terms of the Acquisition agreement, the Company received Preferred Seed Shares in the capital of Apester for an aggregate price of US \$12.0 million (£9.8 million), which provided the Company with 57.5 per cent. of Apester's voting rights.
- The cash consideration for the Acquisition was funded through a £11.5 million (gross) placing and direct subscription of 11,500,000 new ordinary shares of Sivota of one pence each. The Company is currently suspended from trading pending the publication of a prospectus relating to the Acquisition, which is expected to be published in [July] 2022.

Apester is Sivota's first acquisition and is closely aligned with Sivota's strategic principles. Sivota is keen to leverage Apester's existing assets whilst applying forward thinking leadership and insight in order to increase value for Sivota's shareholders over time.

# **Sivota Plc**

**Chief Executive Officer's report for the period starting 22 September 2020**

**to 31 December 2021 (continued)**

Sivota's strategy is to continue to seek investment opportunities predominantly in the Israeli technology sector while supporting and advising Apester and the execution of its growth strategy, is a key focus.

I look forward to reporting to you on our progress over the coming year.

Ziv Ben-Barouch,

Chief Executive Officer

29 June 2022

# Sivota Plc

## Strategic report for the period starting 22 September 2020 to 31 December 2021

The Directors present the Strategic Report of Sivota (“the Company”) for the period starting 22 September 2020 to 31 December 2021.

### Business model, review of the business and future developments

Sivota was established in order to acquire controlling stakes and then act as a holding company for various target businesses operating or founded in Israel, predominantly in the technology sector. Whilst the acquisition of a controlling stake is Sivota’s expected strategy, it may elect to acquire full control or less than a controlling holding. In addition, it may elect to do so in connection with a target which is not operating or founded in Israel.

On 12 May 2022, Sivota has completed its first acquisition, being a majority stake (57.5%) in Apester Ltd, a digital marketing engagement platform.

Sivota’s strategy is to continue to seek investment opportunities in companies which have most, if not all, of the following attributes:

- later stage of growth;
- organic and/or external growth potential;
- unique technology;
- Israeli-related/founded companies;
- international exposure/potential; and
- existing management with ability to contribute to growth and success.

Sivota has developed a clear methodology including a strategic, operational and financial diagnostic plan to apply to companies following their acquisition, after which, Sivota will:

- focus initially on the growth and then expansion of the target company;
- bring in specialists who combine deep sector knowledge with foresight that comes from experience;
- bring in the support of investors and leadership;
- enhance management on a temporary basis with Sivota’s industry partners and professionals; and
- involve management and employees.

# Sivota Plc

## Strategic report for the period starting 22 September 2020 to 31 December 2021 (continued)

### Investment in Apester

On 12 May 2022, the Company completed the acquisition of a majority stake in Apester Ltd, a digital marketing engagement platform, for a consideration of US\$12.0 million (£9.8 million).

Apester is a digital experience end-to-end software platform that enables brands to engage and understand customers across all digital media channels, in turn increasing lead generation, brand uplift, conversion and sales for its customers.

Apester is a user friendly, cost effective and scalable technology. Code free, it allows untrained users to create interactive experiences in a matter of minutes and then to distribute it across multiple digital media channels, and later gather data and analyse it to improve performance. The platform provides tools to create a range of personalised interactive experiences and applications, including customer surveys, mobile landing pages, onboarding forms, interactive videos, polls, quizzes, custom applications and web stories.

Apester is Sivota's first acquisition and is closely aligned with Sivota's strategic principles.

The Company's business is directed by the Board and is managed on a day-to-day basis by the CEO, Ziv Ben-Barouch. The Board oversees compliance, sets objectives and policies of Sivota through performance reporting, budget updates and periodic operational reviews.

### Key performance indicators (KPIs)

At this stage in its development, the Company is focusing on financing and operating KPI's.

### Financial KPIs

#### Funding

In July 2021, the Company raised £1,035,000 (£885,075 net of issuance costs) through a subscription and completed admission to the London Stock Exchange's Main Market ("LSE").

# Sivota Plc

## Strategic report for the period starting 22 September 2020 to 31 December 2021 (continued)

### Revenues and Expenditure

The Company generated no revenue during the year. However, it is expected that the Apester acquisition will ultimately generate revenue for the Company.

The Company has made a loss before tax of £365,285 for the period from its incorporation in September 2020 to 31 December 2021, reflecting the cost of being listed, expenses relating to the Apester Acquisition and administrative expenses.

### Liquidity, cash and cash equivalents

At 31 December 2021 Sivota had a cash balance of £749,138 and it had no debt as at 31 December 2021.

### Operating KPI's

During 2021 the Company was focusing on the Apester Acquisition, which was successfully completed in May 2022.

### **Employees**

There were no employees during the year apart from the directors. The Chief Executive Officer is the sole key manager. All current members of the Board and the key manager are males. For more information about the Company's key management personnel see Note 13.

### **Social, Community and Human Rights Issues**

Sivota is still at an early stage of development and further consideration will need to be given to social, community and human rights issues affecting its business.

### **Principal risks and uncertainties**

#### Difficulties in acquiring suitable targets

The Company's strategy and future success is dependent to a significant extent on its ability to identify sufficient suitable acquisition opportunities and to execute these transactions on terms consistent with the Company's strategy. If the Company cannot identify suitable acquisitions, or successfully execute any such transactions, this will have an adverse effect on its financial and operational performance.

# Sivota Plc

## Strategic report for the period starting 22 September 2020 to 31 December 2021 (continued)

### On-going COVID-19 outbreak

COVID-19 may present a wide range of potential issues or complications for the Company, most of which are unascertainable as at the date of this document, in particular as the impact of COVID-19 in different jurisdictions and commercial sectors continues to develop and/or may not be known for some time.

### **Section 172(1) Statement - Promotion of the Company for the benefit of the members as a whole**

The Board believes they have acted in a way most likely to promote the success of the Company for the benefit of its members as a whole, as required by section 172.

This section serves as the Company's section 172 statement and should be read in conjunction with the Strategic report and the Directors' report. Section 172 of the Companies Act 2006 requires Directors to act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, taking into account the factors listed in s172 in regard to:

- (a) the likely consequences of any decision in the long term;
- (b) the interests of the Company's employees;
- (c) the need to foster the Company's business relationships with suppliers, customers and others;
- (d) the impact of the Company's operations on the community and the environment;
- (e) the desirability of the Company's maintaining a reputation for high standards of business conduct; and
- (f) the need to act fairly between members of the Company.

However, the company is currently cash shell. Hence, the only key stakeholder identified is the investor.

# Sivota Plc

Strategic report for the period starting 22 September 2020 to 31 December 2021  
(continued)

Stakeholder	Their interest	Engagement method
<b>Investors</b>	<ul style="list-style-type: none"><li>- Business sustainability</li><li>- High standard of governance</li><li>- Comprehensive review of financial performance of the business</li><li>- Ethical behaviour</li><li>- Awareness of long term strategy and direction</li><li>- Continual approval of market perception of the business</li><li>- Delivering long term value</li></ul>	<ul style="list-style-type: none"><li>- Annual and Interim reports</li><li>- Regular operations and trading updates</li><li>- RNS Announcements</li><li>- Investor relations section on website</li><li>- AGM</li><li>- Shareholder circulars</li><li>- Shareholder liaison through board</li><li>- Board encourages open dialogue with the Company's investors</li><li>- Social media</li></ul>

Tim Weller

Non-Executive Chairman

29 June 2022

# Sivota Plc

## Directors' report for the period from 22 September 2020 to 31 December 2021

**The Directors submit their report with the audited Financial Statements for the period from 22 September to 31 December 2021.**

### General information

Sivota ("the Company"), was incorporated as a public Limited Company under the laws of England and Wales with registered number 12897590 on 22 September 2020.

On July 22, 2021 the Company completed a placing and was listed on the Main Market (Standard Segment) of the LSE.

Sivota was established in order to acquire controlling stakes and then act as a holding company for various target businesses operating or founded in Israel, predominantly in the technology sector.

### Results for the year and distributions

The Company results are set out in the Statement of Comprehensive Income.

The total comprehensive loss for the period was £365,285. The Company received no income, and the full amount of the loss is due to expenses incurred in capital raising (to the extent not deducted from share premium), expenses relating to the Apester's Acquisition and administrative expenses.

The Board continues to prudently manage its cash resources and has minimised ongoing operating costs.

The Company paid no distribution or dividends during the period.

# Sivota Plc

## Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)

### The Board of Directors

#### Active directors:

The Directors who held office during the financial year and to the reporting date, together with details of their interest in the shares of the Company at the reporting date were:

	Number of Ordinary Shares	Percentage of Ordinary shares
<b>Tim Weller – Non-Executive Chairman</b>	100,000	9.22%
<b>Ziv Ben-Barouch – CEO</b>	325,000	29.95%
<b>Neil Jones – Non-Executive Director</b>	17,100	1.58%

#### **Tim Weller – Non-Executive Chairman – appointed on 29 June 2021**

Tim Weller is a successful entrepreneur. He is the founder of Incisive Media and was Chairman until its successful sale to Eagletree Private Equity in March 2022. He successfully floated Incisive on the Main Market of the London Stock Exchange in 2000 and in 2006 he led the £275m management buyout which took the company private again. Tim has more than 15 years' experience chairing and investing in public and private equity backed businesses. He was Non-Executive director and Chairman of RDF Media from 2005-2010 and was also Non-Executive Chairman of Polestar from 2009-2011 until its sale to Sun European Partners LLP. Tim was Independent Non-Executive Director and Chairman of Tremor International between 2014 and August 2020. He was Chairman of TI Media, one of the largest consumer magazine and digital publishers in the UK from April 2019 to May 2020 following its sale to Future Plc. He is also Chairman of Trustpilot, a leading provider of trusted company reviews and led its \$1.4m IPO in March 2021. Tim was Chairman of Superawesome, a leading technology company that powers the global kids' digital media ecosystem until its sale to Epic Games in September 2020. Mr Weller was a member of the Shadow Cabinet New Enterprise Council, which advised the then Shadow Chancellor of the Exchequer, George Osborne, on business and enterprise prior to the 2010 General Election, and was voted Ernst & Young Entrepreneur of the Year – London in 2001. In 2005, he received the publishing industry's top honour – the Marcus Morris award.

# Sivota Plc

## Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)

### **Ziv Ben-Barouch – CEO – appointed on 29 June 2021**

Ziv Ben-Barouch is an experienced operator and leader with decades of experience in finance and investments within technology companies. He has a proven track record of leading corporate turnarounds, M&A, IPOs, and strategically guiding companies as they build their business. Ziv is the co-founder and managing partner of Pereg Ventures, a US-Israeli Venture Capital Firm focused on B2B data companies which is backed by investments from Nielsen, a world leader in marketing intelligence, the Tata Group, and other leading financial institutions. At Pereg, Ziv has led and participated in the direct investment of 13 early stage technology companies that have raised in combined excess of \$250M in follow-on investments from leading investors and led on the disposal of two portfolio companies to NYSE listed counterparties. Prior to founding Pereg, he was Senior Principal and CFO at Viola, a technology-focused investment group with over \$3 billion in assets under management. Before joining Viola, Ziv was the CFO of SpaceNet Inc, a specialty telecommunications company providing managed network solutions by satellite and terrestrial technologies for business, government and residential users in North America. He led SpaceNet's turnaround and participated in SpaceNet's parent company's \$70m NASDAQ listing. Ziv has key relationships with Israeli and international investment firms in the technology space which he will be able to leverage to assist Sivota. Ziv is an Israeli Certified Public Accountant.

### **Neil Jones - Non-Executive Director – appointed on 28 June 2021**

Neil has held Board positions in UK multi-national public & private companies for over 20 years. He has a deep understanding of the UK Corporate Governance code and Board procedures from these and other NED positions. He is currently Group Corporate Development Director at Inizio an international healthcare and communications group formed by the combination of Huntsworth PLC and UDG PLC both of which were taken private by Private Equity Group Clayton, Dubilier & Rice in 2020 & 2021, having previously held the position of COO & CFO at Huntsworth since February 2016. Prior to Huntsworth he was CFO of ITE Group plc (Now Hyve plc), a FTSE listed international organiser of exhibitions and conferences and before that he was Group Finance Director of Tarsus Group plc, another international trade exhibition organiser. He is also the Senior Independent Director of Tremor International, a dual listed (Nasdaq & AIM) Ad-Tech company. Neil is a member of the ICAEW, qualifying with PWC in 1990.

# Sivota Plc

## Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)

### **Directors who resigned during the reporting period:**

Tal Hagai – Non-Executive Director - appointed on 2 November 2020, resigned on 29 June 2021

Itshayek Irit Segal - Non-Executive Director - appointed on 22 September 2020, resigned on 29 June 2021

Speier Ariel - Non-Executive Director - appointed on 24 December 2020, resigned on 29 June 2021

### **Policy for new appointments**

Without prejudice to the power of the Company to appoint any person to be a Director pursuant to the Articles the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with the Articles.

### **Substantial shareholders**

The issued share capital of the Company consists of 1,085,000 Ordinary Shares and 4,950,000 Deferred Shares. The Deferred Shares carry no voting rights, no rights to dividends and on a return of capital are only entitled to a return once a sum of £1,000,000 has been paid on each

# Sivota Plc

## Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)

Ordinary Share. No single person directly or indirectly, individually or collectively, exercises control over the Company.

The Directors are aware of the following persons, who had an interest in 3% or more of the issued ordinary share capital of the Company as at 31 May 2022:

Shareholder	Number of Ordinary Shares	Percentage of ordinary shares
Prytek Investment Holdings Pte Ltd	1,787,949	14.21%
Ophir Yahalom	1,668,883	13.26%
Ronen Kirsh	1,418,728	11.27%
Schroders Investment Management Ltd	1,247,750	9.91%
Trico Fuchs Ltd	1,213,392	9.64%
Ehud Levy	1,023,167	8.13%
Hagai Tal	616,702	4.90%
Herald Investment Management	500,000	3.97%
Tim Weller	400,000	3.18%
Ziv Ben-Barouch	526,821	4.19%

### Financial risk management

The Company's principal financial instruments comprise cash balances and accounts payable arising in the normal course of its operations.

# Sivota Plc

## Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)

The Company's objectives when managing capital are to safeguard the Company's 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. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

As at 31 December 2021 the Company's exposure to financial risks was immaterial. For more information see Note 10.

### Responsibility statement

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations. In addition, the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("IFRSs") in conformity with the requirements of the UK Companies Act 2006.

The Financial Statements are required to 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;
- present information and make judgements that are reasonable, prudent and provide relevant, comparable and understandable information.
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

# Sivota Plc

## Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)

The Directors are responsible for the maintenance and integrity of the corporate and Financial Statements. Legislation governing the preparation and dissemination of Financial Statements may differ from one jurisdiction to another.

We confirm that to the best of our knowledge:

- the Financial Statements, prepared in accordance with International Accounting Standards in conformity with the requirements of the UK Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company for the period;
- the Director's report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face.
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy.

The Directors are responsible for maintaining the Company's systems of controls and risk management in order to safeguard its assets.

### Corporate governance

The Board supports high standards of corporate governance. The Company complies with the Quoted Companies Alliance Corporate Governance Code (the "QCA Code") and will continue to do so from Readmission.

The QCA Code applies the key elements of good corporate governance in a manner that is consistent with the different needs of growing companies and therefore is suitable to the Company's current status.

The company is still at an early stage of development and in the process of developing its systems, strategy and standards to permit the Company to comply with the QCA Code.

The Board intends to meet regularly to review, formulate and approve the Company's strategy, budgets, and corporate actions and oversee the Company's progress towards its goals.

# **Sivota Plc**

## **Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)**

The Board established an Audit Committee and a Remuneration and Nomination Committee with effect from the Company's admission to trading on the Main Market. In addition, the Board established an Acquisitions Committee which will consider potential targets where a Director has a potential conflict and, following completion of investments, will establish a risk committee which will monitor the financial and commercial performance of investments.

### **Audit Committee**

The Audit Committee consists of Neil Jones and Tim Weller, each of whom have recent and relevant financial experience. The Audit Committee will normally meet at least twice a year at the appropriate times in the reporting and audit cycle. The committee has responsibility for, amongst other things, the monitoring of the financial integrity of the financial statements of the Group and the involvement of the Group's auditors in that process. It will focus in particular on compliance with accounting policies and ensuring that an effective system of internal financial control is maintained. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports, remains with the Board.

The terms of reference of the Audit Committee cover such issues as membership and the frequency of meetings, as mentioned above, together with requirements of any quorum for and the right to attend meetings. The duties of the Audit Committee covered in the terms of reference are: financial reporting, internal controls, internal audit, external audit and reserving. The terms of reference also set out the authority of the committee to carry out its duties.

During the reporting period the Audit Committee held a meeting on 27 September 2021 that was chaired by Neil Weller.

### **Remuneration and Nomination Committee**

The Remuneration and Nomination Committee consists of Tim Weller and Neil Jones. The Remuneration and Nomination Committee will meet at least once a year. It will have responsibility for the determination of specific remuneration packages for executive directors and any senior executives or managers of the Group, including pension rights and any compensation payments, and recommending and monitoring the level and structure of remuneration for senior management, and the implementation of share option, or other performance-related, schemes.

# **Sivota Plc**

## **Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)**

The Remuneration and Nomination Committee will also be responsible for considering and making recommendations to the Board in respect of appointments to the Board, the board committees and the chairmanship of the board committees. It is also responsible for keeping the structure, size and composition of the Board under regular review, and for making recommendations to the Board with regard to any changes necessary. The Remuneration and Nomination Committee also considers succession planning, taking into account the skills and expertise that will be needed on the Board in the future.

The terms of reference of the Remuneration and Nomination Committee cover such issues as membership and frequency of meetings, as mentioned above, together with the requirements for a quorum and the right to attend meetings. The duties of the Remuneration and Nomination Committee covered in the terms of reference relate to the following: determining and monitoring policy on and setting level of remuneration, early termination, performance-related pay, pension arrangements, authorising claims for expenses from the chief executive officer and chairman, reporting and disclosure, share schemes and appointment of remuneration consultants. The terms of reference also set out the reporting responsibilities and the authority of the committee to carry out its duties.

No committee meetings were held during the reporting period.

### **Acquisitions Committee**

The Acquisitions Committee consists of all Independent Directors, in the event of a potential acquisition target being introduced to the Company by a Director where that Director has an interest or other conflict of interest. In such circumstances, the Acquisitions Committee will have a full remit to negotiate the terms of such transaction (including engaging and liaising with professional advisers) and the conflicted or interested Director will not be invited to join or attend any meetings of the committee.

No committee meetings were held during the reporting period.

### **Role of the Board**

The Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed priorities. It is accountable to shareholders for the creation and delivery of long-term shareholder value. To achieve this, the Board directs and monitors the Company's affairs within a framework of control which enables risk to be reviewed and managed effectively.

# **Sivota Plc**

## **Directors' report for the period from 22 September 2020 to 31 December 2021 (continued)**

### **Board meetings**

The core activities of the Board are carried out in scheduled meetings and regular reviews of the business are conducted. Additional meetings and conference calls are arranged to consider matters which would require discussions outside of scheduled meetings. The Directors maintain frequent contact with each other to discuss issues of concern and keep them fully briefed to the Company's operations. All Directors attended all Board meetings held.

### **Employee and greenhouse gas (GHG) emissions**

The Company currently has no trade or employees other than the Directors. Therefore, the Company has minimal carbon or greenhouse gas emissions as it is not practical to obtain emissions data at this stage. It does not have responsibility for any emissions producing sources under the Companies Act 2006.

### **Going concern**

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Further details are given in Note 2 to the financial statements. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

### **Subsequent events**

Please see Note 15 for details of the Company's subsequent events.

### **Auditors**

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The auditors, Crowe U.K LLP, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

By Order of the Board

Tim Weller, Chairman 29 June 2022

## Sivota Plc

### Directors' remuneration report for the period from 22 September 2020 to 31 December 2021

The Remuneration and Nomination Committee will have responsibility for the determination of specific remuneration packages for executive directors.

The current directors' remuneration comprises a basic fee or salary and at present there is no long-term incentive plan or share option package for the directors.

#### Neil Jones

According to the appointment letter signed on in July 2021, Neil Jones agreed not to be paid any fees until the Company had undertaken a fundraising of at least £8,000,000. Following completion of a fundraising by the Company in May 2022 he will be paid £22,500 per annum to act as a non-executive director of the Company.

According to the appointment letter, Neil will be eligible for participation in the Company's share option plan when adopted.

In addition, Neil agreed to subscribe at 1.71% of the Company's issued share capital at the admission in July 2021. These ordinary shares will be subject to lock-in pursuant to which Neil will not be able to sell or dispose of such ordinary shares for a period of 4 years.

Neil's appointment will be for an initial period of 12 months from the admission on and will continue unless terminated by either party giving to the other not less than 3 months' notice or without notice in cases the Company can terminate the appointment immediately.

#### Tim Weller

According to the appointment letter signed in July 2021, Tim Weller agreed not to be paid any fees until the Company had undertaken a fundraising of at least £8,000,000. Following completion of a fundraising by the Company in May 2022 he will be paid £70,000 per annum to act as a non-executive director of the Company.

If the Company's market capitalisation exceeds £100,000,000 the Board will consider an increase in the fee.

According to the appointment letter, Tim will be eligible for participation in the Company's share option plan when adopted.

In addition, Tim agreed to subscribe £100,000 for the Company's issued share capital at the admission in July 2021.

# Sivota Plc

## Directors' remuneration report for the period from 22 September 2020 to 31 December 2021 (continued)

Tim's appointment will continue unless terminated by either party giving to the other not less than 6 months' notice or without notice in cases the Company can terminate the appointment immediately.

### Ziv Ben-Barouch

According the employment agreement signed on in July 2021 Ziv Ben-Barouch is paid a salary of £18,000 per annum to act as chief executive officer. Following completion of a fundraising by the Company in May 2022 he will be paid a salary of £70,000 per annum.

The Company may, in its absolute discretion pay a bonus of such amount, at such intervals and subject to such conditions as the Company may in its absolute discretion determine taking into account specific performance targets.

Ziv's appointment commenced on the admission in July 2021 and shall continue until terminated by either party giving to the other not less than 6 months' written notice or without notice in cases the Company can terminate the appointment immediately.

### **Remuneration paid to the Directors' during the reporting period:**

	<b>Fee</b>	<b>Salary</b>	<b>Other remuneration (*)</b>	<b>Total</b>
Neil Jones	-	-	-	-
Tim Weller	-	-	-	-
Ziv Ben-Barouch	-	£9,400	-	£9,400

(\*) other remuneration such as bonuses, incentives or share-based payments.

# Sivota Plc

## Directors' remuneration report for the period from 22 September 2020 to 31 December 2021 (continued)

### Directors interests in shares as at 31 May 2022:

	Number of ordinary shares	Percentage of ordinary shares
Neil Jones	17,100	0.14%
Tim Weller	400,000	3.18%
Ziv Ben-Barouch	526,821	4.19%
Hagai Tal – resigned on 29 June 2021	566,802	4.90%
Irit Itshayek – resigned on 29 June 2021	10,000	0.08%

By Order of the Board

Tim Weller

Chairman

29 June 2022

## **Independent auditor's report to the members of Sivota Plc**

### **Opinion**

We have audited the financial statements of Sivota plc (the "Company") for the period ended 31 December 2021 which comprise the statement of comprehensive income, the statement of financial position, statement of cash flows, statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in preparation of the company financial statements is applicable law and UK-adopted international accounting standards.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the period then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards;
- 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included obtaining management's assessment of going concern, including a cash flow forecast that extended for at least the next 12 months which included the cash flows of the newly acquired Apester business. We produced scenarios to stress test that forecast to consider whether the Group has sufficient cash resources to continue for at least the next 12 months from the dated of approval of these financial statements.

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

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

### **Overview of our audit approach**

#### *Materiality*

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements.

We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be £18,500, based on 3% of the net assets.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. We determined performance materiality to be £12,950.

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

We agreed with the Audit Committee to report to it all identified errors in excess of £925. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

#### *Overview of the scope of our audit*

Sivota plc was a stand alone company as at the year ended 31 December 2021 and all audit work was conducted by the audit team remotely.

#### *Key Audit Matters*

<b><i>Key audit matter</i></b>	<b><i>How the scope of our audit addressed the key audit matter</i></b>
<b><i>Allocation of share issue costs</i></b>  Sivota was admitted to the Main Market of London Stock Exchange during the period. To facilitate this process, various costs were incurred both related to the stock market listing and issuance of new shares. There is a risk that these costs have not been allocated between statement of comprehensive income and equity on a rational and consistent basis.  Management allocated these costs based on their nature. Costs that relate to the stock market listing have been recorded as an expense in the statement of comprehensive income. Incremental costs that are directly attributable to issuing new shares have been deducted from equity. Common costs have been apportioned between other comprehensive income and equity as discussed in Note 5.	 We have assessed the nature of share issue costs based on documentation and reviewed management's allocation of these costs between the statement of comprehensive income and equity.  <i>Key observations</i>  We are satisfied that the allocation between statement of comprehensive income and equity is on a reasonable basis.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

### **Other information**

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

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

We have nothing to report in this regard.

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

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion based on the work undertaken in the course of our 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 directors' report and the strategic report have been prepared in accordance with applicable legal requirements.

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

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 by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the directors' remuneration report to be audited 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 the directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 14, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below, however the primary responsibility for the prevention and detection of fraud lies with management and those charged with the governance of the company. We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and the procedures in place for ensuring compliance. The most significant areas identified were the Companies Act 2006.

- As part of our audit planning process we assessed the different areas of the financial statements, including disclosures, for the risk of material misstatement. This included considering the risk of fraud where direct enquiries were made of management and those charged with governance concerning both whether they had any knowledge of actual or suspected fraud and their assessment of the susceptibility of fraud.
- We have read board and committee minutes of meetings, as well as regulatory announcements, as part of our risk assessment process to identify events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As part of this process, we have considered whether remuneration incentive schemes or performance targets exist for the Directors.
- In addition to the risk of management override of controls, we have considered the fraud risk related to any unusual transactions or unexpected relationships, including assessing the risk of undisclosed related party transactions. Our procedures to address this risk included testing a risk-based selection of journal transactions, both at the year end and throughout the year.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

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

## **Other matters which we are required to address**

We were appointed by the board on 25 April 2022 to audit the financial statements for the period ended 31 December 2021. This is our first year of acting as the company auditors.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the company and we remain independent of the company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

## **Use of our 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Leo Malkin  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
London

29 June 2022

Sivota PLC

Statement of Comprehensive Income  
For the Period starting 22 September 2020 to 31 December 2021

	For the period starting 22 September 2020 to 31 December 2021
Note	£
Revenue	-
Administrative expenses	375,691
<b>Operating loss</b>	<u>(375,691)</u>
Finance income	10,406
<b>Loss before taxation</b>	<u>(365,285)</u>
Income tax	-
<b>Loss and total comprehensive loss for period</b>	<u>(365,285)</u>
<b>Loss per share</b>	<u>8</u> <u>(0.27)</u>

The accompanying notes are an integral part of the Financial Statements.

**Sivota PLC**

**Statement of Financial Position**

		<b>As at 31 December 2021</b>
<b>ASSETS</b>	<b>Note</b>	<b>£</b>
<b>Current assets</b>		
Other receivables	<b>6</b>	40,867
Cash and cash equivalents		749,138
<b>Total current assets</b>		<b>790,005</b>
 <b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners</b>		
	<b>8</b>	
Share capital		10,850
Deferred shares		49,500
Share premium		921,832
Accumulated Losses		(365,285)
<b>Total equity attributable to Shareholders</b>		<b>616,897</b>
 <b>Current liabilities</b>		
	<b>7</b>	
Accruals		170,893
Other payables		2,215
<b>Total current liabilities</b>		<b>173,108</b>
		<b>790,005</b>

The accompanying notes are an integral part of the Financial Statements.

The financial statements on page 27 to 38 were authorised for issue by the board of directors on 30 June 2022 and were signed on its behalf by Ziv Ben-Barouch.

Ziv Ben-Barouch

CEO

29 June 2022

**Sivota PLC**

**Statement of Changes in Equity  
For the Period starting 22 September 2020 to 31 December 2021**

	Ordinary Share capital	Deferred Shares	Share Premium	Accumulate d losses	Total equity
	£				
<b>Balance as at 22 September 2020</b>	-	-	-	-	-
Loss for the period starting 22 September 2020 to 31 December 2021	-	-	-	(365,285)	(365,285)
Total comprehensive loss for the period	-	-	-	(365,285)	(365,285)
<b>Transactions with owners:</b>					
Share capital issuance on incorporation	50,000	-	-	-	50,000
Deferred shares	(49,500)	49,500	-	-	-
Share capital issuance on admission	10,350	-	1,024,650	-	1,035,000
Share issue cost	-	-	(102,818)	-	(102,818)
Total transactions with the owners	10,850	49,500	921,832	-	982,182
<b>Balance as at 31 December 2021</b>	<b>10,850</b>	<b>49,500</b>	<b>921,832</b>	<b>(365,285)</b>	<b>616,897</b>

The accompanying notes are an integral part of the Financial Statements.

**Sivota PLC**

**Statements of Cash Flow**  
**For the Period starting 22 September 2020 to 31 December 2021**

	<b>For the period starting 22 September 2020 to 31 December 2021 £</b>
<b>Cash generated used in operating activities</b>	
Loss for the period	(365,285)
<i><u>Working capital adjustments:</u></i>	
Increase in other receivables	(40,867)
Increase in accruals	170,893
Increase in other payables	2,215
<b>Net cash used in operating activities</b>	<b>(233,044)</b>
 <b>Cash flows from financing activities</b>	
Proceeds from the issue of Ordinary Shares, net of issuance costs	982,182
<b>Net cash flow from financing activities</b>	<b>982,182</b>
 <b>Net increase in cash and cash equivalents</b>	 <b>749,138</b>
 Cash and cash equivalents at beginning of period	 -
<b>Cash and cash equivalents at end of period</b>	<b>749,138</b>

The accompanying notes are an integral part of the Financial Statements.

## Sivota Plc

### Notes to the Financial Statements For the Period starting 22 September 2022 to 31 December 2021

#### 1. General information

The Company is a public limited company incorporated and registered in England and Wales on 22 September 2020 with registered company number 12897590 and its registered office situated in England and Wales with its registered office at New London House, 172 Drury Lane, London WC2B 5QR.

On 22 July 2021 the company completed a placing and listed on the Main Market of the London Stock Exchange - see Note 8 below.

#### 2. Basis of preparation

The principal accounting policies applied in the preparation of the Company Financial Information are set out below. These policies have been consistently applied throughout the period presented, unless otherwise stated.

The Company Financial Statements have been prepared in accordance with International Accounting Standards in conformity with the requirements of the UK Companies Act 2006.

The Company Financial Information of the Company is presented in Great British Pounds Sterling (“£”); also the Company’s functional currency.

#### **Standards and interpretations issued but not yet applied**

##### *New standards, interpretations and amendments effective from 22 September 2020*

There were no new standards or interpretations effective for the first time for periods beginning on or after 22 September 2020 that had a significant effect on the Company’s Financial Statements.

##### *New standards, interpretations and amendments not yet effective*

At the date of authorisation of these Financial Statements, a number of amendments to existing standards and interpretations, which have not been applied in these Financial Statements, were in issue but not yet effective for the year presented. The Directors do not expect that the adoption of these standards will have a material impact on the financial information of the Company in future periods.

## **Sivota Plc**

### **Notes to the Financial Statements For the Period starting 22 September 2020 to 31 December 2021**

At the date of authorisation of the Company Financial Information, the Directors have reviewed the standards in issue by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee, which are effective for the accounting periods ending on or after the stated effective date. In their view, none of these standards would have a material impact on the financial reporting of the Company.

#### **Going concern**

As at 31 December 2021 the Company had cash and cash equivalents in amount of £749,138. Subsequent to the year-end the Company raised additional £11,500,000 to fund Apester's investment – see Note 15.

As part of their going concern assessment, the Board of Directors have reviewed cash flow forecasts consolidated with Apester for the 12 months from the date these financial statements were signed.

The Directors are satisfied that the Company has adequate resources to continue in operation for at least 12 months from the date of approval of the financial statements and that it is appropriate to prepare financial statements on the going concern basis.

### **3. Accounting policies**

#### **Cash and cash equivalents**

Cash and short-term deposits in the balance sheet comprise cash at bank and in hand and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **4. Financial assets and liabilities**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are offset if there is a legally enforceable right to set off the recognised amounts and interests and it is intended to settle on a net basis.

## Sivota Plc

### Notes to the Financial Statements For the Period starting 22 September 2020 to 31 December 2021

#### 5. Use of assumptions and estimates

In preparing the Company Financial Information, the Directors have to make judgments on how to apply the Company's accounting policies and make estimates about the future.

The Directors do not consider there to be any critical judgments that have been made in arriving at the amounts recognised in the Company Financial Information.

#### Cost of new shares and cost of listing

The cost of new shares issued is deducted from share premium while the cost of the Initial Public Offering is record as administrative expense. In arriving at the split of the common costs a rational and appropriate basis has been applied in order to estimate the allocation.

#### 6. Other receivables

	<b>As at 31 December 2021 £</b>
Vat receivable	38,939
Other receivables	1,929
	<b>40,867</b>

#### 7. Current Liabilities

	<b>As at 31 December 2021 £</b>
Accruals (*)	170,893
Other payables	2,215
	<b>173,108</b>

(\*) includes £119,810 accruals related the Apester's Transaction - see Note 15.

**Sivota Plc**

**Notes to the Financial Statements  
For the Period starting 22 September 2020 to 31 December 2021**

**8. Equity**

a. Composition of share capital:

<b>Class of Shares</b>	<b>Issued and Outstanding Number of Shares</b>
Ordinary Shares of £0.01 par value	1,085,000
Deferred Shares of £0.01 par value	4,950,000

The company has no authorised share capital limit.

b. Movement in Ordinary Shares' capital:

<b>Date</b>	<b>Movement</b>	<b>Number of Ordinary Shares</b>	<b>Par value £</b>	<b>Price per share £</b>	<b>Total proceeds, net of issuance costs £</b>
Incorporation on 22 September 2020	Issuance of Ordinary Shares to the original subscriber - Mr. Hagai Tal	5,000,000	0.01	0.01	50,000
18 December 2020	Redesignation of Ordinary Shares to Deferred Shares (*)	(4,950,000)	0.01	1.00	-
22 July 2021	Issuance of Ordinary shares on the Admission	1,035,000	0.01	1.00	932,182
Total as at 31 December 2021		1,085,000			982,182

(\*) The Deferred Shares carry no voting rights, no rights to dividends and on a return of capital are only entitled to a return once a sum of £1,000,000 has been paid on each Ordinary Share. The entire class of Deferred Share can be acquired by the Company at any time for no consideration.

c. Loss per share

The weighted average number of shares –	1,336,710
Loss for the period –	(365,285)
Loss per share –	(0.27)

## Sivota Plc

### Notes to the Financial Statements For the Period starting 22 September 2020 to 31 December 2021

Diluted earnings per share has not been disclosed on the basis the company was loss making and therefore the impact of any potentially dilutive ordinary shares would be anti-dilutive. In addition, the company does not have any potentially dilutive instruments.

#### 9. Capital management policy

The Directors' objectives when managing the Company's capital are to safeguard the Company's 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 capital structure of the Company consists of equity attributable to equity holders of the Company, comprising issued share capital and reserves.

#### 10. Financial instruments

The Company's principal financial instruments comprise other payables. The Company's accounting policies and method adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset and equity instrument are set out in Note 3 "*Accounting policies*" to the Company Financial Information. The Company does not use financial instruments for speculative purposes.

##### ***Financial risk management***

The Directors use a limited number of financial instruments, comprising mainly cash and other payables, which arise directly from the Company's initial operations. The Company does not trade in financial instruments.

##### **Financial risk factors**

The Company's activities expose it to a variety of financial risks, being currency risk, credit risk, liquidity risk and cash flow interest rate risk. The Directors' overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

##### ***Currency risk***

The Company does not currently operate internationally and its exposure to foreign exchange risk is limited to transactions and balances that are denominated in currencies other than £.

## Sivota Plc

### Notes to the Financial Statements For the Period starting 22 September 2020 to 31 December 2021

#### *Credit risk*

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. As at 31 December 2021 the company's exposure to credit risk is immaterial.

#### *Liquidity risk*

Prudent liquidity risk management implies maintaining sufficient cash and available funding through an adequate amount of committed credit facilities. The Directors ensure that the Company has adequate resource to discharge all its liabilities. The Directors have considered the liquidity risk as part of their going concern assessment.

#### *Cash flow interest rate risk*

The Company has no significant interest-bearing liabilities and assets.

#### ***Fair values***

The Directors assessed that the fair values of cash, other receivables and trade payables approximate their carrying amounts.

#### **11. Related Party Transactions**

On 8 December 2020 the sole shareholder, Mr. Hagai Tal, transferred £50,000 to the bank account at the nominal value of 100% of the share capital on incorporation.

In January 2021, the Company received \$1,010,000 from Mr. Hagai Tal and £125,000 cash from Mr. Tim Weller, in advance of the issue of Ordinary Shares. On 9 April 2021, all amounts owed to Mr. Hagai Tal were repaid in full, without any issue of shares.

#### **12. Ultimate controlling party**

From the incorporation to 22 July 2021 Mr. Hagai Tal was the ultimate controlling party. Following listing and placing on the Main Market (Standard Segment) of the LSE, see Note 1 above, there ceased to be any controlling party.

## Sivota Plc

### Notes to the Financial Statements For the Period starting 22 September 2020 to 31 December 2021

#### 13. Key management personnel compensation

There were no staff costs on the basis that no staff were employed by the Company during the period ended 31 December 2021. The only key management compensation incurred during the reporting period was Ziv Ben Barouch's director fees in amount of £9,400.

#### 14. Auditors remuneration

The auditors' remuneration for the reported period was as follows:

Audit fees	£27,000
Non-audit fees	£50,250

#### 15. Subsequent events

##### Apester's Share Purchase Agreement

On 24 January 2022 the Company entered into a Share Purchase Agreement ("SPA") with Apester Ltd, a digital marketing engagement platform, that was completed on 12 May 2022. Under the terms of SPA Apester will issue to the Company Preferred Seed Shares for an aggregate consideration of \$12.0 million (£9.8 million) of which \$6.0 million was paid on 13 May 2022 and the further \$6.0 million is to be paid within 90 days. The issue of the Preferred Seed Shares will provide the Company with 57.5% of Apester's voting rights. The purchase price to be allocated mainly to net tangible assets of Apester (after the investment) in the amount of approximately \$4.0 million (£3.3 million) and the intangible assets in the total of amount of approximately \$14.6 million (£11.9 million).

Pursuant to the articles of association of Apester, that were exercised following SPA's completion, the Company also has certain veto and consent rights, including the right to appoint a majority of directors to the Apester's Board.

In addition, amongst other customary provisions, SPA contains various warranties typical in a transaction of this nature from Apester in favour of the Company, regarding the operations, employees and the business and assets of Apester.

## Sivota Plc

### Notes to the Financial Statements For the Period starting 22 September 2020 to 31 December 2021

#### Apester's Convertible loans

In addition to the acquisition of Apester's shares, the Company entered into two convertible loan assignment agreements with lenders to Apester, pursuant to which \$1.6 million (£1.3 million) in convertible loans (plus interest) were assigned to the Company, for consideration equal to the aggregate outstanding principal and interest accrued until the date of SPA's completion. The convertible loans bear interest at a rate of 6% per annum and will be capable of conversion by the Company into Preferred Seed Shares in Apester. If converted in full, the Preferred Seed Shares immediately after the SPA's completion represent approximately 5.6% of Apester's share capital on a fully diluted basis. If the convertible loans are not so converted, Apester will be required to repay all outstanding principal and interest on the loans in full in 24 monthly instalments starting February 2024.

#### Fundraising

The cash consideration for the acquisition of Apester's shares and convertible loans was funded through a £11.5 million (gross) placing and direct subscription of 11,500,000 new ordinary shares of one pence each in the Company from existing and new investors in the Company. The issue price is 100 pence per new ordinary share. As a result of the acquisition and the fundraising the Company will bear additional transaction costs at the amount of approximately £490,000.

#### Management agreement

With the completion of SPA, the Company and Apester also entered into a Management Services Agreement, according to which the Company will provide certain management services to Apester in consideration of the annual management fee, calculated as 2% of the total investment made by the Company into Apester. The agreement will continue for up to five years from the SPA's completion.