Company number: 62008

APQ Global Limited

Annual Report and Consolidated Financial Statements

For the year ended 31 December 2020

APQ Global Limited

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FINANCIAL HIGHLIGHTS
For the year ended 31 December 2020

Book Value at 31 December 2020 was $31.24m, a decrease from $72.92m since the start of the year. The term “book value” herein includes the assets of APQ Global Limited and its subsidiaries[1] net of any liabilities, presented in US dollars.

Book Value per share in the year decreased from 93.19 cents to 39.88 cents.

Earnings loss per share for the year was $0.51642 (2019 – earnings gain per share $0.02951).

Dividends paid, a Key Performance Indicator[2] (KPI) of the business, totalled 1.5 pence/2 cents (2019 – 6 pence/7.6 cents) per share and were declared and paid during the year as follows:

- 1.50 pence (1.97 cent) per share   Ex Dividend 30 January 2020   Paid 2 March 2020*

*Dividend relates to the quarter ended 31 December 2019.

No further dividends were declared during the year.

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

Since 1 January 2020, the following securities have been admitted to the Official list of the International Stock Exchange:

Entity	**Type of instrument**	**No. of instruments**	**Date admitted**
APQ Global Limited	Share warrants	1,000,000	30th January 2020
APQ Capital Services Ltd	Convertible preference shares	268,000	30th January 2020
APQ Global Limited	Ordinary shares	26,578	5th February 2020
APQ Global Limited	Ordinary shares	26,578	8th June 2020
APQ Global Limited	Ordinary shares	26,578	7th August 2020
APQ Global Limited	Ordinary shares	26,578	14th October 2020

The Ordinary Shares disclosed in the above table were also admitted to trading on AIM. There have been further AIM equity issuances since 31 December 2020, 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

[1] In accordance with IFRS 10, the Company, as an Investment Entity, is required to follow certain accounting rules regarding its Subsidiaries. Please refer to Note 15 for further details.
[2] See Page 10 for further details of the Company's KPI's.

DIRECTORY

Company number: 62008

Registered Office and Business Address:
PO Box 142
The Beehive
Rohais, St Peter Port
Guernsey
GY1 3HT

Directors:
Bart Turtelboom
Wayne Bulpitt CBE
Wesley Davis
Philip Soulsby

Company Secretary and Corporate Services Provider
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For the latest information, please visit:
www.apqglobal.com

CHAIRMAN'S STATEMENT
For the year ended 31 December 2020

The aim of the Board is to steadily grow the Company's earnings seeking to deliver attractive returns and capital growth through a combination of building growing businesses globally as well as earning revenue from income generating operating activities[3]. Specifically, our goals are to deliver a dividend yield of 6% per annum (based on capital subscribed)[4] and in addition to generate returns to grow the Company by a further 5-10% per annum[5]. The Company focuses its investment activities globally (in Asia, Latin America, Eastern Europe, the Middle East, Africa, as well as the Channel Islands).

Book Value per share in the year decreased from 93.19 cents to 39.88 cents. After adjusting for the Dividends above, the Total Return for the year was -56.3%[6].

Strategic Investment Portfolio

During November 2020, the Company's investee, APQ Cayman Limited, sold its investment in **City of London Investment Group** ('CLIG'). It held 1,680,495 ordinary shares in CLIG, and the sales took place between 18 and 24 November. The net proceeds from the sales of the CLIG shares were approximately £7.2 million (c.$9.6 million) (see 2020 in review for further details).

Direct Investment Portfolio

In the first quarter of 2020, the Company completed the 100% acquisitions of Parish Group Ltd., Guernsey and Delphos International, Washington DC, USA. The investments were made via a holding company, APQ Corporate Services Ltd. Guernsey, which is 100% owned by APQ Global Ltd. Further details on the acquisition terms can be found in the notes on Page 59.

Founded in 2010 with a focus on financial services innovation, Parish Group has been dedicated to delivering value-driven, efficient corporate and private client services to clients around the world. Parish are renowned for tailored corporate structures including setup, management and ongoing administration of companies in Guernsey and other jurisdictions and have over £800m of assets under administration.

Established in 1987 in Washington DC, Delphos operates a global network of financial solution advisors with additional offices in New York, Los Angeles, Miami, London, Montreal, Hong Kong, Beijing, Guatemala City, and Abuja. Languages spoken include English, Spanish, French, Portuguese, German, Dutch, Flemish. Hindi, Russian, Arabic, Bahasa, Greek, and Chinese. For almost 35 years, Delphos has provided market leading advisory services and secured impactful capital for corporates, fund managers, developers, SMEs, sovereigns, and entrepreneurs.

The Board continues to seek selective opportunities to add to its Direct Portfolio, further to the Company's strategy of diversifying its portfolio of global corporate service providers.

In May 2019, APQ Global commenced trading in telecommunications minutes, generating revenue of $1,026,160, with a net loss of $227,604. The intention of undertaking this activity was to ultimately provide investors with capital return or investment income in combination with its other telecommunication investments, BARTR Holdings Limited and its subsidiary undertakings. Trading was performed by a third-party service provider, and the contracts were initially held by APQ Global, to reduce counterparty risk. Management's intention was to novate these contracts into APQ Connect at a subsequent point in time. By June 2020, this activity had ceased entirely. This activity was a one-off activity and was immaterial in the context of the firm's operations.

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[3] Where we refer to revenue from income generating operating activities this relates to the revenue of our investee companies.
[4] The Capital Subscribed on One Ordinary Share of the Company being £1.00 and thus equivalent to £0.06 in dividends per share.
[5] The dividend paid to ordinary shareholders and capital growth rate of the Company are Key Performance Indicators (KPI's), discussed further on Page 10.
[6] The Total Return of the Company is a KPI and an Alternative Performance Measure in accordance with International Financial Reporting Standards, The Total Return for a given month is calculated as (Book Value Per Share (BVPS) at end of month + Dividends received during month) divided by BVPS at end of previous month. The Total Return on the YTD is then the compounded MTD Total Return for each month in the year. The Company KPI's are discussed further on Page 10.

CHAIRMAN'S STATEMENT (continued)
For the year ended 31 December 2020

Gearing

In January 2020, in relation to the acquisition of Parish Group Limited (PGL), the Company issued 268,000 Convertible Preference Shares (Prefs) with a nominal value of $10. The Prefs were issued with a discretionary cumulative dividend of 6%, a fixed conversion ratio and are nonredeemable[7].

The Company's leverage is now 120%[8] (2019: 47%). The Board has confidence in the long-term prospects for the emerging markets sector and believes that the gearing should enable the Company to generate increased total returns over the longer term. However, the gearing could potentially expose the Company to more sizeable downswings when markets are falling.

Dividends

During the first quarter of 2020, facing unprecedented uncertainty caused by COVID-19 and the significant drawdown in the Book Value, the Board took the decision to temporarily suspend the regular 1.5p quarterly dividend of the Company. As of 31 December 2020, the dividend remains on hold until further notice. The Company paid 1.5p (2.0 cents) during the year related to the fourth quarter of 2019.

Total Return

Book Value per share in the year decreased from 93.19 cents to 39.88 cents. After adjusting for the Dividends above, the Total Return for the year was -56.3%[4]. Further details on the breakdown of the Total Return are shown on page 7, 2020 in Review.

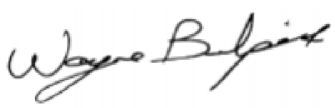
Board Change

There were no changes to the composition of the Board during 2020.

Conclusion

2020 was undoubtedly a challenging year and we considered the impact of the first half in our Interim Statements and below in the 2020 in Review section on page 7; however, I am pleased to report that the Company has emerged from that period resolute, with growth in its Liquid Markets Portfolio, while maintaining a measured risk exposure, and continuing to build its Direct Investment Portfolio.

The Investment performance and outlook for Emerging Markets are discussed in more detail in the CEO's statement on page 6.



Wayne Bulpitt

Chairman, APQ Global Limited

[7] The Prefs are non-redeemable, except at the discretion of the Company who have the right to call back the shares after 5 years. The Prefs are convertible into the ordinary shares of the Company at a fixed ratio of 11.25.
[8] Leverage ratio = (Total CULS Debt in USD + Prefs Liability in USD) / Book Value (Total Equity) USD as of 31st December 2020

CEO'S STATEMENT
For the year ended 31 December 2020

Going into the year, I could never have imagined the profound impact COVID-19 would have on our world and on global markets. The virus rapidly became a global health emergency, devastating our way of life and forcing us to stay at home.

The world's economies responded, with real GDP across the OECD area plummeting an estimated -9.8% throughout Q2 2020[9]. Governments around the world responded enforcing lockdowns. The situation was dire.

By 23 March 2020, global equity markets had recognised the systemic impact of COVID-19 in-tandem. The S&P 500, MSCI Emerging Markets and MSCI World Indices plunged -33.8%, -31.2% and -34.0% respectively from 19 February 2020 levels (1-month prior) on a Total Return basis[10]. The CBOE Volatility Index (VIX)[11] climbed to the highest level since the Global Financial Crisis, to 61.6%, across the same period. Emerging Market currencies such as the Russian Rouble, Brazilian Real and the South African Rand depreciated significantly against the US Dollar (-25%, -19%, -18% respectively).

And yet there was light at the end of tunnel, workforces around the world transformed their homes into offices and into schools. The people responded, fighting the virus on the front line and, through the aid of corporations, created vaccines to combat the virus in record time.

The Company suffered a significant drawdown across the first half of the year, with the Book Value for 2020 decreasing -56.3% (for a breakdown of the Total Return on the year, please see page 7, 2020 in Review). After a tumultuous beginning to the year, the Company partially recovered throughout the last quarter of the year, returning 51.6%, increasing its Book Value by $10.6m across the quarter, on the right path to rebuild its balance sheet. In addition to this, following the Company's recent acquisitions, I believe our Direct Investment Portfolio is now very well positioned to benefit from several growing trends across Emerging Markets globally, particularly with reference to impact and socially responsible investing.

There is still much work to be done, however it is the unfathomable human capacity to resolve that gives me confidence that we can do it.

Bart Turtelboom

CEO, APQ Global Limited

[9] https://www.oecd.org/sdd/na/gdp-growth-second-quarter-2020-oecd.htm.
[10] Using data from Bloomberg Finance LP.
[11] A measure of uncertainty around the expected returns of the S&P 500 Index

2020 IN REVIEW

The Company returned 51.6% to its shareholders in the fourth quarter of 2020, measured in USD, resulting in a performance for calendar 2020 of -56.3%. The Book Value Per Share was $0.40 (equivalent to £0.29) at year end[12].

During the year, exposure to equity markets lost -38.8%, whilst local currency bond exposure returned -0.7% and FX exposure contributed -13.3%. Exposure to credit fell by -3.5%.

Asset Class	Quarter-to-Date	Year-to-Date
Credit	0.0%	-3.5%
Equity	46.9%	-38.8%
FX	5.5%	-13.3%
Rates	-0.9%	-0.7%
TOTAL*	**51.6%**	**-56.3%**

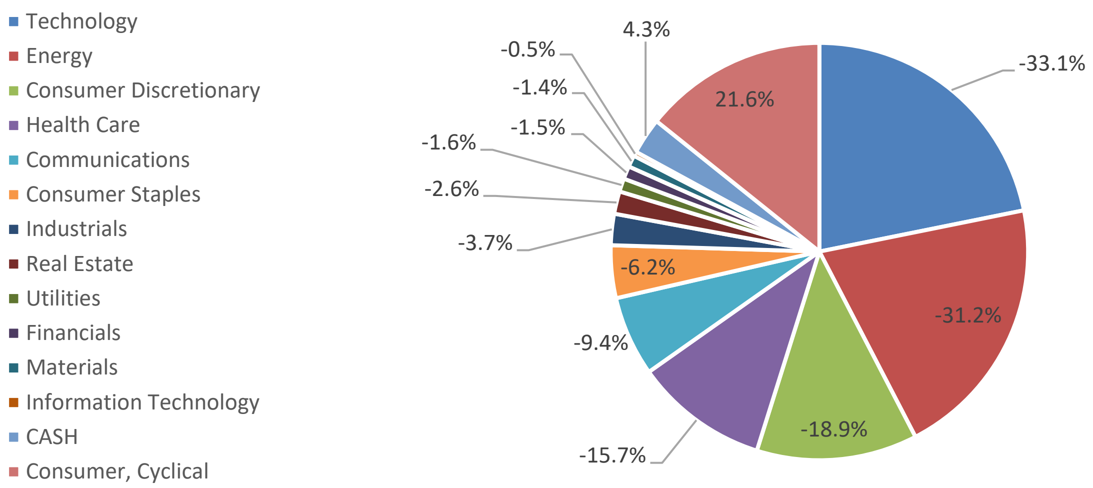
*Note: the contribution for each asset class also includes the relative contribution of other adjustments impacting total return for the period under review. The overall return to shareholder for the year reflects the movements in book value plus dividends paid.

During the year, the Company's largest exposure was to equities. It maintained a very healthy cash position of 43.7% of the liquid market portfolio assets. During the last quarter of the year, exposure to equity markets made 46.9%, whilst local currency bond exposure returned -0.9% and FX exposure contributed 5.5%. There was no exposure to credit during the quarter.

Following a challenging period in Q1 driven by extreme market volatility owing to the initial onset of the COVID-19 pandemic, the Company continued to focus on rebuilding its Book Value, which increased by $10.6m, from $20.6m to $31.2m, during the last quarter of the year. The Board of the Company reviewed its quarterly dividend, which remains on hold whilst the Company endeavors to rebuild its Book Value.

Liquid Markets Portfolio

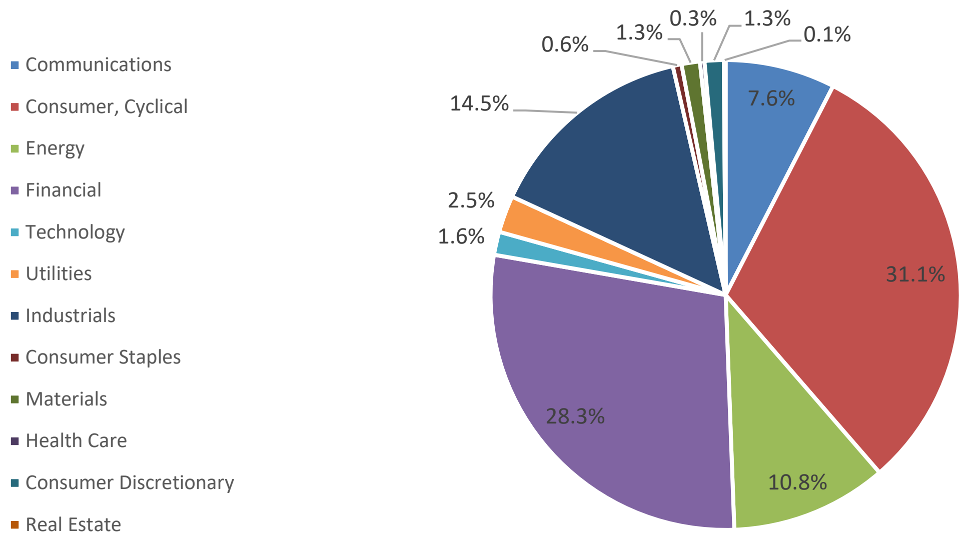
The 2020 performance attribution of the equity portfolio is shown below by sector. The largest contributor to the negative performance of the equity portfolio on the year was exposure to the Technology sector (-33.1%). Whilst exposure to the Consumer Cyclical sector contributed positively (+21.6%).



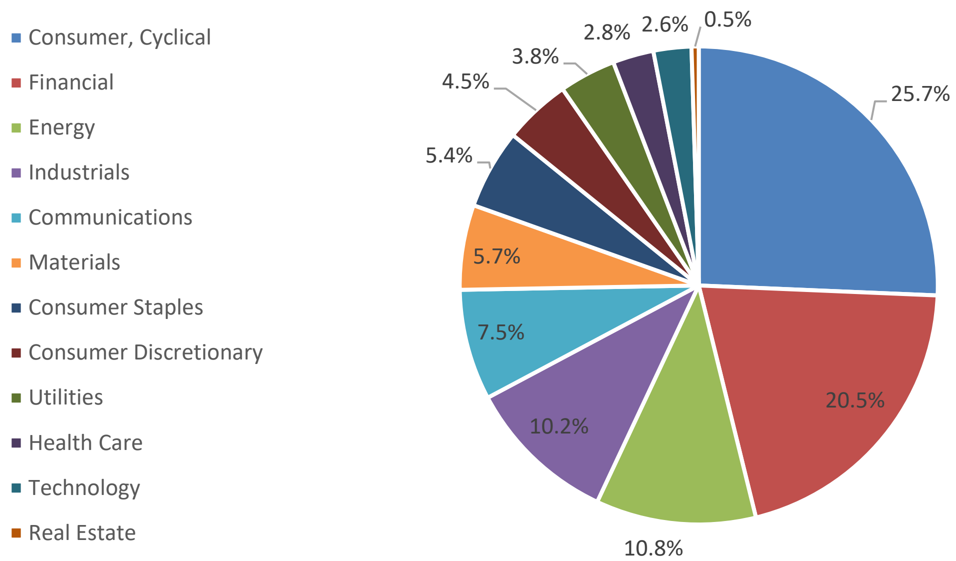
[12] Accounting for the GBP/USD exchange rate and changes in the Fair Value of the Direct Investment Portfolio. The changes in Fair Value of the Direct Investment Portfolio are allocated to Equity.

2020 IN REVIEW (continued)

The Q4 2020 performance attribution of the equity portfolio is shown below by sector. The largest contributor to the performance of the equity portfolio on the quarter was Consumer Cyclicals (+31.1%).



The Company believes the global economic recovery following the COVID-19 pandemic will be supportive for global equity markets. As such, the Company's largest exposure by sector at the end of the year was Consumer Cyclicals (25.7%). The second and third largest sector exposures were in the Financial and Energy sectors, 20.5% and 10.8% respectively.



At the end of 2020, the Company's largest exposure was to global equities, which accounted for 97% of the total liquid portfolio exposure (excluding cash). It maintained a healthy cash position of 43.7% of the liquid assets. The Company significantly decreased its EM currency and credit exposure, holding no trading positions at the end of the year. The Company held one small position in Argentina forming its EM rates exposure (approximately 2%).

2020 IN REVIEW (continued)

At the end of the year, the liquid market portfolio's 1-day Value at Risk (VaR) was -3.7% [13]. The Standalone VaR by Asset class was largely concentrated to Equity (3.5%). By Region, the largest risk was concentrated in Europe (2.4%) and Latin America (1.1%).

Standalone VaR by Asset Class[14]

Asset Class	Standalone VaR
Credit	0.0%
Equity	3.5%
FX	0.4%
Rates	0.0%

Standalone VaR by Region[14]

Region	Standalone VaR
Europe	2.4%
North America	0.5%
Latin America	1.1%
Emerging Markets Other	0.3%

Strategic Investment Portfolio[15]

The Company's investee, APQ Cayman Limited, took profits on its entire investment in City of London Investment Group ('CLIG') during the last quarter of the year, freeing up $9.6m of cash to increase liquidity. It intends to partially redeploy the proceeds in the near future.

Direct Investment Portfolio[16]

As of the year end, the Company held majority investment stakes in four private businesses, following its acquisitions of Delphos International, based in Washington DC and Parish Group Limited, based in Guernsey, earlier in the year. The Fair Value of the Direct Investment Portfolio was down -0.7% year on year. Parish Group Limited and BARTR were the biggest negative contributors to the performance, whilst Delphos International and New Markets Media and Intelligence pared back some of the fall.

From a financial and operational perspective, these holdings were resilient over the year, notwithstanding difficult circumstances brought about by the COVID-19 pandemic. Of particular note, Delphos International begun hiring additional staff to facilitate an increase in its business development. Parish Group Limited has also begun to make additional hires across the Group. New Markets Media and Intelligence (NMMI) has progressed nicely year on year, with revenue growth of 51% over the year.

The Company has an active pipeline of investment opportunities in the corporate services and financial sectors, with a global focus, and will update shareholders on these discussions at the appropriate time.

Post Balance Sheet Events (PBSE)

On 20 January 2021, APQ Global Limited, through its wholly owned Subsidiary, APQ Corporate Services Limited, entered into an agreement to purchase 70% of the FMA- Frontier Markets Advisors Inc ("FMA Inc"), a company incorporated and domiciled in Canada. The total cash consideration of this purchase agreement was $260,000. FMA is a consulting firm that provides investment and risk management services to investors in the emerging and frontier markets. FMA's expertise includes impact investing and development financing. FMA is a member of CAFIID - Canada Forum for Impact Investment and Development.

[13] 98% Confidence Interval, 700 day lookback period.
[14] Standalone VaR indicates the Value at Risk, a gauge of USD exposure, at the individual risk category level, with zero correlation applied across risk category.
[15] The Strategic Investment Portfolio is a sub-category of the Liquid Markets Portfolio. There are currently no positions held in this sub-category.
[16] The Direct Investment Portfolio comprises the Company's Private Investments (Investees) held directly by APQ Global Limited or via a wholly owned subsidiary of APQ Global Limited. See the Note 15 of the Financial Statements for further details.

BUSINESS MODEL AND STRATEGY
For the year ended 31 December 2020

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 well as earning revenue from income generating operating activities in capital markets[17].

The Company's strategy is to:

(i) gain exposure to sovereign, corporate and banking entities for a range of business purposes, including for acquisition financing, working capital and investment purposes. The terms of any bonds or loans will vary but are typically expected to range from six months to five years. The Company expects that the loans will typically be secured;

(ii) invest in different parts of the capital structure, both public and private, of corporate and banking entities in as well as structured finance instruments; and

(iii) take operational control of businesses through the acquisition of minority and majority stakes in public and private companies.

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

The Company has no investment restrictions and investing will not be subject to any maximum exposure limits. No material change will be made to the Company's objective or investing policy without the approval of Shareholders by ordinary resolution. The Company may gain exposure to emerging markets by investing in assets on other, non-emerging markets (such as the London Stock Exchange) as long as the underlying asset has exposure to emerging markets.

Key performance indicators ("KPIs") for the Company will be the growth of the earnings of the Company and the Dividend paid. The Company's KPI's have been selected in accordance with the above strategy to provide both capital gain and income to the Company's shareholders. These KPIs are:

(i) A sufficient per annum increase in earnings to allow a 6% dividend to be paid to shareholders. For earnings related to the year ended 31 December 2020, the Company did not achieve this KPI, and the actual dividends paid, related to performance in FY 2020, were 0%.

(ii) Additional per annum increase in earnings to grow the Company's Book Value by 5 – 10% per annum. For the year ended 31 December 2020, this KPI was not met as earnings decreased from the prior year (see consolidated statement of comprehensive income), and hence the Book Value Per Share fell Year on Year. The main factor driving the earnings decrease was the performance of the Liquid Market Portfolio. In 2020, the Company did not meet this criterion, following operating losses at the Company amidst tough trading conditions (primarily driven by the COVID-19 pandemic), in Emerging Markets.

Alternative Performance Measure ("APM") for the Company:

(iii) One of the Company's KPI's is to pay a 6% Dividend Yield (based on capital subscribed), making income received a key component of the return on investment. The Company makes use of the Total Return, which factors in income received, as well as capital gained, when tracking the performance of the Company and its ability to meet the above KPI. The Total Return on the year was -56.3%.

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[17] Where we refer to revenue from income generating operating activities this relates to the revenue of our Investee companies.

BUSINESS MODEL AND STRATEGY (continued)
For the year ended 31 December 2020

Principal Risks and Uncertainties

The Board has carried out a robust assessment of the Company's emerging and principal risks. The Directors believe the risks described below are the material risks relating to the Company:

Business Area/Process	**Perceived risk**	**Mitigation**
Environment	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.	Considered on an ongoing basis by the Board during quarterly board meetings. Further advice comes from the Investment Advisory Committee.
Key man risk	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.	The Board monitors the dependency of the Company upon any individual on an ongoing basis and where appropriate plans to reduce the impact from this risk.
FX	The Company and its Investees 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. 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. Further detail on foreign exchange risks are discussed in Note 25 of the Financial Statements.	The Company has taken the decision not to hedge its foreign currency exposure, in regards to the Ordinary shares, and thus accepts this risk as part of its investment strategy. The Board may engage in currency hedging in the future, seeking to mitigate foreign exchange risk although there can be no guarantees or assurances that the Group will successfully hedge against such risks.
Cyber Security	The Company will be 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 makes use of Dual Signing Authority and two factor authentication across its banking and other key functional areas where it is available. The Company relies on its service providers to have in place proper cybersecurity systems and checks its providers through the annual third party service provider review
Dividend Risk	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. The ability to pay dividends is dependent on a number of factors including the level of income returns from the Group's businesses.	The Group monitors its income through its management accounts and targets investments that provide income in accordance with its strategy, laid out on the Strategy section on page 10 above.
Financial Risk	The Company will, through the implementation of its business model and strategy, face financial risks including market risk, credit risk and liquidity risk. Further details of these risks can be found in table 2 below.	These risks and the controls in place to mitigate them are reviewed at board meetings. Further detail on financial risks are discussed in Note 25 of the Financial Statements.
Volatility	There may be volatility in the price of the Ordinary Shares and the market price of the Ordinary Shares may rise or fall rapidly. 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.	To optimise returns, Shareholders may need to hold the Ordinary Shares for the long term.

BUSINESS MODEL AND STRATEGY (continued)
For the year ended 31 December 2020

Principal Risks and Uncertainties (continued)

Business Area/Process	Perceived risk	Mitigation
Liquidity	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.	The Board monitors the liquidity of the stock during its quarterly board meetings. The Company employs market making firms to ensure a live market is available in its ordinary shares.
Leverage	The Company has CULS which it is required to repay interest on quarterly, at a rate 3.5% pa. 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.	The Board monitors the leverage present in the Company via its monthly management accounts.
Brexit	The Directors note that the Company's future performance may be adversely affected by any economic and political instability following Britain's exit from the EU on 1 January 2021.	The Board monitors the ongoing situation and is prepared to respond accordingly as situations evolve.
COVID-19	The Directors note that the Company's future performance may be adversely affected by the impact of COVID-19 on the Global economy and markets in which the Company invests.	The Company has successfully migrated its staff to work from home where required and has not encountered any operational, trading, or other issues related to the migration. The Board continues to monitor potential COVID-19 volatility via its quarterly Board meetings.

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

Business Area/Process	Perceived risk	Mitigation
Emerging Markets	APQ Cayman Limited will have 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.	The Company engages a team to actively monitor treasury exposures live in high-end risk management software applications. The team monitors exposure and uses a comprehensive framework, utilising its administrator, banking counterparts and other third party vendors, to ensure exposure levels are correctly measured and reported daily.
Derivative Risk	APQ Cayman Limited will invest 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.	The Company employs a highly experienced management team that monitors exposure on a daily basis and captures derivative exposure using high-end risk software applications. Daily reports are generated from the software and reviewed by the team.
Credit Risk	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.	The Company chooses reputable financial service providers, and uses a spread of counterparties to lessen the impact should one counterparty fail.

BUSINESS MODEL AND STRATEGY (continued)
For the year ended 31 December 2020

Principal Risks and Uncertainties (continued)

Business Area/Process	Perceived risk	Mitigation
Liquidity Risk	The Company could suffer losses as a result of a decrease in liquidity in the capital markets in which it invests. A decrease in liquidity could result in higher exit costs for a given investment, such as the commission or spread charged by the counterparties with which it trades.	The Company chooses reputable financial service providers, and uses a spread of providers to lessen the impact should one be unable to provide a market price.
Third party risk	APQ Cayman Limited will be subject to custody risk in the event of the insolvency of any custodian or sub-custodians with which it transacts	The Company chooses reputable financial service providers as its counterparties, and uses multiple service providers to lessen the impact should one become insolvent.

The Directors believe the risks described below are the material risks relating to the Company through its unquoted investments:

Business Area/Process	Perceived risk	Mitigation
Valuation Risk	The Company's Direct Investment portfolio comprises unquoted investments purchased and sold privately, for which there is no market price available. As a result, management is required to make forecasts and assumptions about certain inputs used in the valuation of these investments. The Company could suffer losses, should these forecasts or assumptions not materialise.	The Company adopts a prudent approach in accordance with International Financial Reporting Standards, and employs external valuation experts to perform these valuations.

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 existing and emerging 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; and
- Ongoing review of third party service providers by the Board.

DIRECTORS' REPORT
For the year ended 31 December 2020

The Directors present the consolidated financial statements of APQ Global Limited (the "Group") for the year ended 31 December 2020. The Group comprises the Company and its subsidiaries[18].

The Company

The Company was incorporated in Guernsey on 10 May 2016. The Company's shares ("Shares") were admitted to The International Stock Exchange on 11 August 2016 and admitted to trading on the AIM segment of the London Stock Exchange on 26 August 2016. The CULS have been admitted to the Order Book for Fixed Income Securities on the London Stock Exchange's International Securities Market, with effect from 7 September 2017.

Principal Activities

The principal activity of the Company is to invest in Companies in emerging markets through the purchase of a variety of financial instruments, including equity, bonds and derivatives through the subsidiary APQ Cayman Limited, and through direct investments in private companies. The Company seeks to earn revenue from dividends and interest received from these investments and realise gains on sales of these investments. Additionally, the Company aims to take majority stakes in private businesses, seeking to earn income throughout the holding period and capital gains upon resale. The anticipated holding period between purchase and sale is expected to be three to seven years.

Functional and presentational currency

The Group's functional and presentational currency is US Dollars. The Group's main activities and returns for the year ended 31 December 2020 are from its subsidiary APQ Cayman Limited and were in US Dollars.

Results and Dividends

The consolidated results for the year are set out in the consolidated statement of comprehensive income on page 35 and the Statement of Financial Position at that date is set out on page 36.

The Company paid dividends during the year as follows:

- A dividend of 1.5 pence (1.97 cent) per share was declared on 23 January 2020 in respect of the quarter ended 31 December 2019. (31 January 2019: 1.5 pence/1.93 cent per share declared for the quarter ended 31 December 2018)

Share Capital

As at 31 December 2020 the Company had in issue 78,347,359 (2019 – 78,241,047) Ordinary Shares of nil par value. During the year 106,312 shares were issued (2019 – 106,312).

Principal Risks and Uncertainties

A Significant risk that arose during the year ended 31 December 2020 was the COVID-19 pandemic.

During the first quarter of 2020, the Company experienced difficult trading conditions in its liquid portfolio due to large market movements in emerging markets currencies, bonds and equities.

The Company took decisive action to mitigate further risk to the balance sheet, de-risking its portfolio of liquid market securities, furthermore, due to ongoing uncertainty, the Board implemented the following cash preservation measure to facilitate a smooth recovery as the world exits the pandemic.

- Suspension of dividends paid to ordinary shareholders until further notice;
- The management bonus scheme to be cut from 20% of profits to 10%;
- Significant cost reduction across all of the Group

Further Principal Risks and Uncertainties are disclosed in the Business Model and Strategy section.

[18] See Note 14 for further details.

DIRECTORS' REPORT (continued)
For the year ended 31 December 2020

Going Concern

Following the measures taken in the first quarter of the year, the Directors believe that it is appropriate to adopt the going concern basis in preparing the Financial Statements since the ultimate assets of the Company mainly consist of securities which are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for at least 12 months from the date of this report. The Company will be able to meet all its liabilities as they fall due. See below for the Stress Testing applied in coming to this conclusion.

Stress Testing

After assessing the Company as a Going Concern in normal (poor) economic conditions across a one year horizon, the Company would maintain an expense coverage ratio of 124 (88), net of paying all its operating expenses and net of its financial payment obligations to the CULS and Preference Shareholders. The Company would not breach any debt covenants and would retain USD 37.4 (+26.5) million in cash as of March 1, 2022[19].

Under normal market assumptions, the Company assumes that it meets all its financial obligations as well as its operating expenses. It earns a nominal income/growth yield on its Liquid Market Portfolio based on prevailing market risk premiums. The Company forecasts to receive dividend income from its Direct Investment Portfolio in line with those paid throughout 2020 ($348k). Under poor economic conditions, the earnings assumptions are halved, and zero dividends are received from the Company's Direct Investment Portfolio, whilst the financial obligations and expenses are held constant. There are zero Fair Value Profit or Losses assumed on the Direct Investment Portfolio throughout the period under review.

Dividend Suspension

The suspension of the dividend paid to ordinary shareholders will increase the liquidity available to the Company by approximately $6m per annum based on last year's distributions. The Board reviews the dividend policy quarterly. The dividend remains on hold until further notice.

Long Term Viability Statement

There is currently no strict regime of Corporate Governance to which the Company must adhere to, however there are guidelines set out for AIM companies. The Company complies with the UK code on Corporate Governance, issued July 2018 for periods beginning on or after 1 January 2019 to the extent outlined in the Corporate Governance section below on page 18. In accordance with provision 31 of the UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the 12 months minimum required by the 'Going Concern' provision. Three years is deemed to be an appropriate time period for management to implement its medium-term strategic objectives set out in the Business Model and Strategy section (page 10) of these financial statements.

Further to page 15 – Going Concern, the Company extends its above analysis to a three-year cash flow forecast (to January 2024) using newly targeted budgets and concluded that:

Assuming normal (poor) economic conditions[20], the Company would preserve an expense coverage ratio net of its financial obligations of 214 (102), retaining $64.5 (+$30.8) million in cash on its balance sheet as of Jan 1, 2024. Providing considerable headroom to absorb poor conditions.

Based on the Company's processes for monitoring operating costs, share discount, internal controls, invested asset allocation, risk profile, liquidity risk and the assessment of the principal risks and uncertainties facing the Company, the Directors have concluded that there is a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three year period.

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[19] Further details on the debt covenants are available on the Company's website here: https://www.apqglobal.com/wp-content/uploads/APQ-Global-Notice-and-Circular-for-EGM-15-August-2017.pdf - section 5.

[20] Normal (Poor) economic conditions are as stated in the Stress Testing section above. There are no planned acquisitions or disposals in the Direct Investment Portfolio during the period.

DIRECTORS' REPORT (continued)
For the year ended 31 December 2020

Directors

The details of the Directors of the Company during the year and at the date of this Annual Report are set out in the Directors section.

As of 31 December 2020, and the date of these financial statements, the following Directors, their close relatives and related trusts, held the following beneficial interests in the Company:

Director	Shares held	% of issued share capital
Bart Turtelboom	22,262,025	28.41%
Wayne Bulpitt	46,500	0.06%

International Tax Reporting

For the purposes of the US Foreign Accounts Tax Compliance Act, the Company registered with the US Internal Revenue Service ("IRS") as a Guernsey reporting Foreign Financial Institution ("FFI") in November 2016, received a Global Intermediary Identification Number (B2KS93.99999.SL.831) and can be found on the IRS FFI list.

The Common Reporting Standard ("CRS") is a standard developed by the Organisation for Economic Co-operation and Development ("OECD") and is a global approach for the automatic exchange of tax information. Guernsey has adopted the CRS which came into effect on 1 January 2016. The CRS replaced the intergovernmental agreement between the UK and Guernsey to improve tax compliance that had previously applied.

The Board will take the necessary actions to ensure that the Company is compliant with Guernsey regulations and guidance in this regard.

Auditor

BDO LLP were reappointed as auditors at the AGM on 13 October 2020 in relation to the year ended 31 December 2020 audit. BDO LLP will be reconsidered for appointment for the December 2021 audit at the AGM expected to be scheduled for August 2021.

Statement of directors' responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable Guernsey law and regulations.

The Companies (Guernsey) Law, 2008 requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and the Companies (Guernsey) Law, 2008.

Under the Companies (Guernsey) Law, 2008 the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

The directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

In preparing these financial statements the Directors are required to:

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

DIRECTORS' REPORT (continued)
For the year ended 31 December 2020

Statement of directors’ responsibilities (continued)

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and its results for the year and to enable them to ensure that the financial statements comply with the Companies (Guernsey) Law, 2008. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Responsibility Statement

The Directors confirm that to the best of their knowledge the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for the shareholders to assess the Group’s performance, business model and strategy.

Disclosure of Information to Auditor

Each of the persons who was a Director at the date of approval of the financial statements confirms that:

1. so far as they are aware, there is no relevant audit information of which the Company’s auditor is unaware; and
2. he has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company’s auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of section 249 of the Companies (Guernsey) Law, 2008.

Corporate Governance

The Directors recognise the importance of robust Corporate Governance and meet regularly to review corporate strategy, the risk profile of the Group and its operating businesses and to monitor the performance of the service providers appointed to the Group. The Board assesses and monitors the culture of the Company, and reviews the sustainability of the Company’s business model and its impact on external stakeholders. Due to the size of the Company the Board are able to monitor the culture through regular contact with employees. More information with respect to the Company’s Business Model can be found on page 10.

There is currently no strict regime of Corporate Governance to which the Directors must adhere over and above the general fiduciary duties and duties of care, diligence and skill imposed on such directors under the Companies (Guernsey) Law, 2008; however, there are guidelines set out for AIM companies. The Directors recognise the importance of sound corporate governance and the Group will seek to take appropriate measures to ensure that the Group complies with the UK Code on Corporate Governance to the extent appropriate and taking into account the size of the Group and the nature of its business. The Directors, having reviewed the UK Code on Corporate Governance, considers that it has complied with the Code throughout the period under review with the exception of the following areas of non-compliance, each of which applied throughout the period:

DIRECTORS' REPORT (continued)
For the year ended 31 December 2020

Corporate Governance (continued)

Areas of non-compliance with the UK Corporate Governance Code which were disclosed at the launch of the Company:

- Provision 5 – The Board does not use any of the methods outlined for engagement with the workforce, further information on the Board's engagement with the workforce is listed below;
- Provision 9 - The Chairman is not independent;
- Provision 11 – At least half the Board, excluding the chairman are not independent non-executive directors;
- Provision 12 – The non-executive directors, led by the senior non-executive director do not meet without the chair at least annually to appraise his performance or on other such occasions which are deemed appropriate;
- Provision 13 – The chair does not hold meetings without the executive directors' present.
- Provision 17 - The Company does not have a nominations committee;
- Provision 20 – Open advertising and/or an external search consultancy should be used for the appointment of the chair and non-executive directors.
- Provision 21 – The Board does not have a regular externally facilitated board evaluation.
- Provision 24 - The audit committee does not contain two independent non-executive directors. The chairman of the Company is a member of the audit committee; and
- Provision 32 - The Company does not have a remuneration committee.

The Directors do not believe that compliance with these sections of the code are necessary due to the size of the Group and the nature of its business. Following the resignation of the Aspida Group (formerly Active Group) as Company Secretary on 10 June 2020 the Company no longer has a material business relation with the Chairman, and he will be formally deemed to be independent after three years from this date. With regards to a remuneration and nomination committee, these responsibilities are undertaken by the full board as appropriate. The Chair meets with fellow Directors and executives regularly. The Board has recently undertaken an independent Governance Review to ensure it continues to meet all appropriate governance standards.

As a Company with its shares admitted to listing on TISE, the Directors comply with the Model Code of TISE and take all reasonable and proper steps to ensure compliance by applicable employees as required by the Listing Rules. The Directors and the Company also comply at all times with the applicable provisions of the Listing Rules.

The Company has adopted an anti-bribery policy and adheres to the requirements of the Prevention of Corruption (Bailiwick of Guernsey) Law, 2003 and the UK Bribery Act 2010.

Board engagement with the workforce and other stakeholders

Due to the size and nature of the business, the directors do not believe that compliance with Provision 5 of the code is necessary. All members of the workforce have access to the executive and non-executive directors and the Board maintains an open dialogue with all members.

The Board considers the impact of the Group's culture, management, and strategic decisions on both the workforce and other external stakeholders. These external stakeholders include, but are not limited to suppliers, the environment and other stakeholders of investments held by the Group.

DIRECTORS' REPORT (continued)
For the year ended 31 December 2020

Internal Audit

The Directors have determined that no internal audit function is required, as the bookkeeping and valuation of assets are performed by third parties, which provides checks and balances on the operations of the Group. The Directors believe that an internal audit function would largely duplicate this oversight and represent additional cost for no additional benefit. The Directors reassess this annually.

Role of the Board

The Board is the Company's governing body and has overall responsibility for maximising the Company's success by directing and supervising the affairs of the business and meeting the appropriate interests of Shareholders and relevant stakeholders, while enhancing the value of the Company and also ensuring protection of Shareholders. A summary of the Board's responsibilities is as follows:

- Statutory obligations and public disclosure;
- Strategic matters and financial reporting;
- Risk assessment and management including reporting compliance, governance, monitoring and control; and
- Other matters having a material effect on the Company.

The Board's responsibilities for the Annual Reports are set out in the Statement of Directors' Responsibilities section.

The Board needs to ensure that 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 Group's performance, business model and strategy.

In seeking to achieve this, the Directors have set out the Group's business strategy and have explained how the Board and its delegated committee operate and how the directors review the risk environment within which the Company operates and set appropriate risk controls. Furthermore, throughout the Annual Report the Board has sought to provide further information to enable Shareholders to have a fair, balanced and understandable view.

Composition and Independence of the Board

The Board comprises two executive directors, one independent non-executive director and one non-independent non-executive director.

Wayne Bulpitt is responsible for leadership of the Board and ensuring its effectiveness as Non-executive Chairman, a role he has held since 20 April 2017. He is not considered independent by virtue of him being the joint chairman of Aspida group of which Aspida Services (Group) Limited is a member, and which supplied administrative services to the Company during the year. On the 10 June 2020, Aspida Services (Group) ceased to supply administrative services to the company.

Bart Turtelboom continues to serve as Chief Executive Officer and Philip Soulsby continues to be the Senior Independent Non-Executive Director.

Wesley Davis was an Executive Director and Finance Director during the year.

	Board		**Audit Committee**	
	Held	Attended	Held	Attended
Bart Turtelboom	11	10	2	2
Wayne Bulpitt	11	10	2	2
Wesley Davis	11	11	2	2
Phil Soulsby	11	11	2	2

Re-election

At every Annual General Meeting any Director appointed by the Board since the last annual general meeting or who held office at the time of the two preceding annual general meetings and who did not retire at either of them shall retire from office and may offer themselves for re-appointment by the Shareholders.

At the AGM, expected to be held in August 2021 (to be confirmed), all the Directors shall offer themselves for re-election.

Terms and Conditions of Appointment on Non-Executive Directors

Each of the Non-Executive Directors shall be subject to re-elections at the first annual general meeting of the Company and thereafter in accordance with the provisions of the Company's articles of incorporation in respect of re-election and retirement. Neither of the Non-Executive Directors has been appointed for a fixed term.

The conditions attached to the appointment of the Non-Executive Directors include the following:

- termination in the event of any serious breach of obligations to the Company or through any act of dishonesty, fraud or serious misconduct;
- attendance at quarterly and ad hoc board meetings and consideration of all board papers pertaining to such meetings;
- compliance with all applicable legal and regulatory requirements; and
- compliance with all applicable legal and regulatory requirements including the TISE model share dealing code and the UK Corporate Governance Code.

Board Evaluation and Succession Planning

The Directors consider how the Board functions as a whole taking into account the balance of skills, experience and length of service into consideration and also reviews the individual performance of its members on an annual basis.

To enable this evaluation to take place, the Board has put in place a process whereby the Company Secretary circulates a questionnaire plus a separate questionnaire for the evaluation of the Chairman. Upon completion, the questionnaires are returned to the Company Secretary for collation and summary before distribution to the Chairman and the other Directors.

The Board considers that it has a breadth of experience relevant to the Company's needs and that any changes to the Board's composition can be managed without undue disruption. Future Directors will undertake an induction programme.

With regards to board composition and external evaluation, the board has considered its effectiveness at least annually and composition on a regular basis. It is both mindful of good practice and the need to continually review the matter. With regards to external evaluation, it is considered that the size and the activity of the Company do not justify such an expense at this stage, however a recent change of service providers and Company Secretary will allow the company to benefit from a "fresh pair of eyes" and informal review.

The Board is cognisant of good practice and recent reviews into the composition of boards. It continually reviews its own composition and believes that it has available an appropriate range of skills and experience. The Board will always ensure that the best available candidates are appointed irrespective of their background, gender or ethnicity.

Company Secretary

During the year, the Company's Secretarial function was delegated to Aspida Services (Guernsey) Limited. From 10 June 2020, Parish Group Limited were appointed as Company Secretary. All Directors have direct access to the Company Secretary and the Company Secretary is responsible for ensuring that Board procedures are followed and that there is good communication within the Board and between the committees of the board listed below and the Board.

Committees of the Board

The Board has established the following committees:

Audit committee

The audit committee is chaired by Philip Soulsby, the independent Director, with all the other Directors as members. The audit committee meets no less than once a calendar year and meetings can also be attended by the Auditors.

The audit committee is responsible for monitoring the integrity of the financial statements of the company and any formal announcements relating to the company's financial performance, and reviewing significant financial reporting judgements contained in them before their submission to the Board. In addition, the audit committee is specifically charged under its terms of reference to advise the Board on the terms and scope of the appointment of the Auditors, including their remuneration, independence, objectivity and reviewing with the Auditors the results and effectiveness of the audit, and in ensuring that the Company's annual report and financial statements are fair, balanced and understandable. The audit committee is also responsible for reviewing the Company's internal financial controls and internal control and risk management systems. They also consider annually the need for an internal audit function.

The audit committee previously met on 5 February 2021 to review and consider the auditors planning for the 2020 audit. It subsequently met in April 2021 to review and approve these financial statements. A report of the Audit Committee detailing their responsibilities is presented in the Audit Committee Report.

The Audit Committee's Terms of Reference state that the Audit Committee shall review the need for any non-audit services provided by the external auditor and authorise on a case by case basis. The Audit Committee's Terms of Reference are available from the registered office of the Company.

Audit fees for the external auditor, BDO LLP, for the year ended 31 December 2020 were $165,948 (2019 - $96,167). A fee of $nil (2019 - $7,992) was paid to BDO LLP for audit related services with respect to review of the 2018 interim financial statements. A fee of $60,770 (2019 - $nil) was paid with respect to other accounting advice.

BDO LLP has served as the Company's auditor for 4 years. The current audit partner is Neil Fung-On, who has held this role for 4 years.

Relations with Shareholders

The Board welcomes shareholders' views and places great importance on communication with its shareholders.

The Board monitors the trading activity on a regular basis and maintains contact with the Company's Nominated Adviser and Broker to ascertain the views of the shareholders, with whom they maintain a regular dialogue. Shareholders' sentiment is also ascertained by the careful monitoring of the discount/premium that the Shares are traded in the market against the book value calculation per Share.

The Company reports to shareholders twice a year and produces a quarterly update which is posted on the Company's website. In addition, it has an Annual General Meeting and a notice convening this together with a proxy voting card is sent with the Annual Report and Financial Statements. The Registrar monitors the voting of the shareholders and proxy voting is taken into account when votes are cast at the Annual General Meeting. Shareholders may contact the Directors via the Company Secretary.

The Chairman and other Directors are available to meet shareholders if required and the AGM of the Company provides a forum for shareholders to meet and discuss issues with the Directors.

Further information regarding the Company can be found on its website at www.apqglobal.com.

DIRECTORS' REPORT (continued)
For the year ended 31 December 2020

Post Balance Sheet Events

On 20 January 2021, APQ Global Limited, through its wholly owned Subsidiary, APQ Corporate Services Limited, entered into an agreement to purchase 70% of the FMA- Frontier Markets Advisors Inc ("FMA Inc"), a company incorporated and domiciled in Canada. The total cash consideration of this purchase agreement was $260,000.

Since 31 December 2020, the following securities have been admitted to the Official list of the International Stock Exchange:

Entity	Type of instrument	No. of instruments	Date admitted
APQ Global Limited	Ordinary shares	26,578	12th January 2021

Annual General Meeting

The Company's Annual General Meeting is due to be held in August 2021 The last Annual General Meeting was held on 13 October 2020.

Related Party Transactions

Transactions entered into by the Company with related parties are disclosed in note 27 of the financial statements.

Signed on behalf of the Board of Directors by:

Wayne Bulpitt
Chairman

Philip Soulsby
Director

Date: 14 April 2021

AUDIT COMMITTEE REPORT
For the year ended 31 December 2020

On the following sections we present the Audit Committee's Report for the year ended 31 December 2020, setting out the responsibilities of the Audit Committee.

Members of the Audit Committee will be available at the AGM to respond to any shareholder questions on the activities of the Audit Committee.

The Audit Committee was formed on 4 November 2016.

Responsibilities

The Audit Committee reviews and recommends to the Board the Financial Statements of the Company and is the forum through which the external auditor reports to the Board of Directors.

The Audit Committee responsibilities include:

- Review of the annual financial statements prior to approval, focusing on changes in accounting policies and practices, major judgmental areas, significant audit adjustments, going concern and compliance with accounting standards, listing and legal requirements;

- Receiving and considering reports on internal financial controls, including reports from the auditors and reporting their findings to the Board;

- Considering the appointment and removal of the auditors, their effectiveness and their remuneration including reviewing and monitoring of independence and objectivity;

- Meeting with the auditors to discuss the scope of the audit, issues arising from their work and any matters the auditors wish to raise;

- Reviewing the Company's corporate review procedures and any statement on internal control prior to endorsement by the Board; and

- Providing advice to the Board upon request as to whether the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Audit Committee reports its findings to the Board, identifying any matters on which it considers that action or improvement is needed, and make recommendations on the steps to be taken.

The audit committee met in April 2021 and were joined by the external auditors, to review the accounts and reports on the operations of the Company. After due consideration they reported to the Board of the Company that in their view the accounts were fair, balanced, understandable and presented the information necessary to allow shareholders to assess the Company's performance, business model and strategy.

Philip Soulsby
Audit Committee Chairman

Date: 14 April 2021

BOARD MEMBERS
For the year ended 31 December 2020

Bart Turtelboom (aged 54) (Chief Executive Officer and Executive Director)
Bart is Chief Executive Officer of APQ Global Limited and is on the board of APQ Cayman Limited. Previously he was the co-founder and Chief Investment Officer and partner of APQ Partners LLP. Prior to APQ Partners LLP, Bart was Co-Head of the Emerging Markets business at GLG and Co-Portfolio Manager of the GLG emerging markets funds. He was previously the Global Co-Head of Emerging Markets at Morgan Stanley, where he ran a multi-billion US Dollar business spanning Asia, Latin America, the Middle East and Africa, and head of its Global Capital Markets Group. Prior to that Bart was a Portfolio Manager at Vega Asset Management and a Director at Deutsche Bank, where he held several roles culminating in coverage of the bank's largest European clients. Bart was an Economist for the International Monetary Fund in Washington D.C. from 1994 until 1997. Bart received a Ph.D. in Economics from Columbia University.

Wayne Bulpitt CBE (aged 59) (Non-Executive Chairman)
Wayne Bulpitt has over 36 years of experience in business leadership in banking, investment and administration services. Having left National Westminster Bank Plc in 1992 to join CIBC Bank & Trust Company, he developed and launched CIBC Fund Managers (Guernsey) Limited in 1994. As Managing Director, Wayne spent the next four years managing and developing the offshore funds and building a third party fund administration capacity.
In 1998 this experience was to prove crucial for the Canadian Imperial Bank of Commerce where, as Director of Offshore Investment Services Global Private Banking & Trust Division, his main priority was to restructure the delivery of their investment management services outside of Canada.
Wayne founded Active Group Limited in 2002, which renamed to Aspida Group following its merger with Optimus in 2019. Aspida is an innovative provider of practical and professional support services such as compliance, corporate secretarial and management services to the finance industry. Wayne is on the boards of various investment management companies and funds (both listed and un-listed), overseeing a diverse range of investment activities.

Philip Soulsby (aged 55) (Independent Non-Executive Director)
Philip Soulsby is a mathematics graduate. He qualified as a chartered accountant in London with BDO Binder Hamlyn, before transferring to KPMG in Guernsey in 1990. There he spent two years specialising in the audit of financial services companies and offshore mutual funds. In 1992 he joined Credit Suisse Fund Administration Limited in charge of finance and compliance, later moving to a role more involved in structuring and marketing mutual fund services, helping the business grow from 12 staff to over 130. During this time, he acted as director to a number of funds and fund managers, and gained a broad knowledge of hedge funds, derivatives and risk control. In 2006, he left Credit Suisse to establish his own business, The Mundi Group Ltd, a fair-trade and ethical products business. He remains a director of several funds and fund management companies and was also Douzenier to the Parish of St Martin, his term of office expired on 31 December 2018.

Wesley Davis (aged 54) (Executive Director and Finance Director)
Wesley Davis was appointed to the Board on 1 January 2019.

Wesley Davis has over 26 years of experience in emerging & frontier markets, both in investment banking and operating company roles. Wesley has served in a consulting capacity on the International Advisory Council of the Company, with a focus on private equity and illiquid credit origination. Wesley has previously assisted emerging & frontier market firms in Africa and Asia with business development and financial advisory services at New Asia Advisory Ltd. Also, he was responsible for international funding and investor relations, while serving as a member of the Board of Directors at Asia Pacific Investment Partners. Wesley has experience in senior roles in emerging markets origination and institutional sales at Renaissance Capital, HSBC Bank and Merrill Lynch.

REMUNERATION POLICY
For the year ended 31 December 2020

No advice or services were provided by any external person in respect of the Board's consideration of the Directors' remuneration.

The Company's policy is that the fees payable to the Directors should reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate directors of a quality required to run the Company successfully. The policy is to review fee rates periodically, although such a review will not necessarily result in any changes to the rates, and account is taken of fees paid to directors of comparable companies.

A management share plan was formalised on 7 April 2017 and amended on 17 July 2018. The plan allows for certain members of the management to benefit from 20% of any increase in the year end book value per share for a given year. Awards can be issued as an allocation of a specified number of shares or as an option (a right to acquired shares under the plan for nil consideration). Cash consideration is an option at the Board's discretion. It could disadvantage other shareholders if cash is taken and cash consideration exceeds the share price. The vesting period for any awards issued can be up to 5 years and subject to certain conditions. Share awards were with respect to the performance period ended 31 December 2017, which have continued to vest over the period. No awards have been issued with respect to the year ended 31 December 2019 and the year ended 31 December 2020 as the performance criteria has not been met.

Remuneration

The non-executive directors are remunerated for their services at such a rate as the Directors determine provided that the aggregate amount of such fees does not exceed $270,550 per annum. No engagement with the workforce has taken place to explain how remuneration aligns with wider company pay policy, this is due to the small size of the Company.

The directors are remunerated in the form of fees, payable monthly in arrears. Bart Turtelboom agreed to waive his entitlement to director's fees whilst he was Chairman. From April 2017 Bart Turtelboom received an annual salary of £120,000 as Chief Executive Officer. From 1 April 2018 the salary was amended to be settled as £60,000 from the Company and £60,000 from APQ Cayman Limited. From 1 May 2020 the salary was amended to be settled as £24,000 from the Company and £96,000 from APQ Cayman Limited.

The Board considers that the salary is reasonable and commensurate with the level of the appointment.

Bart Turtelboom is eligible for a grant of share awards in accordance with the management share plan. For the performance period ended 31 December 2017, Bart Turtelboom was awarded 467,313 share awards which vest quarterly over a 5 year period ending 31 December 2022. In order for the shares to vest Bart Turtelboom must continue to be in employment at each vesting milestone. For the year ended 31 December 2018 93,463 shares had vested of which 70,097 had been issued. The charge for the year ended 31 December 2020 is $86,666(2019 - $149,113) and the remaining portion yet to vest is $61,833 (2019 - $148,499).

No other remuneration has been paid to directors apart from reimbursement of their expenses.

REMUNERATION POLICY (CONTINUED)
For the year ended 31 December 2020

		APQ Global Limited - Remuneration $		APQ Global Limited - Share based remuneration $		APQ Cayman Limited - Remuneration $		APQ Capital Services Limited - Remuneration $		Total $	
		2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Bart Turtelboom	Chief Executive Officer	46,305	76,861	86,666	149,113	108,724	76,861	-	-	241,695	302,835
Wayne Bulpitt	Non-Executive Chairman	51,724	51,384	-	-	-	-	-	-	51,724	51,384
Philip Soulsby	Non-Executive Director	22,607	22,398	-	-	-	-	2,406	-	25,013	22,398
Wesley Davis	Executive Director	43,250	72,000	-	-	43,250	72,000	-	-	86,500	144,000
		163,886	**222,643**	**86,666**	**149,113**	**151,974**	**148,861**	**2,406**	**-**	**404,932**	**520,617**

At 31 December 2020, $9,007 (2019 - $4,415) was payable to the directors.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APQ GLOBAL LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements of APQ Global Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Consolidated Statement of Changes in Equity, Consolidated Statement of Cash Flow and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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 Group's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's assessment of the going concern status and long-term viability of the Group and evaluating management's method of assessing going concern in light of market volatility and the present uncertainties such as the impact of COVID-19.
- Challenging management's assumptions and judgements made, such as revenue and expenditure against historic information.
- Assessing managements stress testing forecasts which included the impact of poor economic conditions on income arising from the investment portfolio and the ability to cover expenditure and interest payments under these conditions. We considered these stressed scenarios against the performance in 2020 in which poor economic conditions had occurred to determine the appropriateness of the stress test and the effect on going concern.

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 Group'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APQ GLOBAL LIMITED (CONTINUED)

Overview

Coverage	*100% (2019: 100%) of Group profit before tax* *100% (2019: 100%) of Group revenue* *100% (2019: 100%) of Group investments*		
Key audit matters		**2020**	**2019**
	Valuation & existence of investments – Cayman Subsidiary and directly held listed investments	✓	✓
	Valuation & existence of investments – Other investments	✓	✓
	Investment Entity Status	✓	✓
Materiality	*Group financial statements as a whole* $680,000 (2019: $1,050,000) based on 1% (2019: 1%) of the gross investment value		

An overview of the scope of our audit

Our Group audit was scoped by obtaining an understanding of the Group and its environment, including the Group's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

All components in the group were in scope for our audit with testing being performed over 100% of the investment balance.

Key audit matters

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APQ GLOBAL LIMITED (CONTINUED)

Key audit matter		**How the scope of our audit addressed the key audit matter**
Valuation & Existence of Investments – Cayman Subsidiary and directly held listed investments *Note 2.6, 2.7 and 15*	The Company has an investment in its subsidiary APQ Cayman Limited (the "Cayman subsidiary") which represents the largest balance in the financial statements. As described in note 2.6, 2.7 and 15, the fair value of the investment in the Cayman subsidiary is based on the net asset value (NAV) of the Cayman subsidiary. The Cayman Subsidiary's NAV is made up of cash balances (44%), a diverse portfolio of equity and derivative instruments (56%) and other assets and liabilities (<1%). The Cayman subsidiary has a portfolio of level 1 and level 2 investments that are recognised at fair value and there is a risk these may not be appropriately stated and/or title over these investments may not exist. Furthermore, the Group holds direct listed investments. Valuation and existence of investments are considered to be key audit matters due to the size of the balance and the level of audit effort required.	In respect of the Cayman subsidiary's portfolio of investments we have performed the following: **Cash** In respect of the cash balances: • 100% of cash balances have been confirmed to third party bank or custodian statements. **Valuation of Quoted Investments** In respect of 100% of the quoted investment valuations: • We confirmed year end prices to independent sources and verified that there are no contra indicators, such as liquidity considerations, to suggest year end prices are not the most appropriate indication of fair value. **Valuation of Bond Investments** For 100% of the bond investment valuations: • We performed re-calculations of the bonds using external sources (e.g. Bloomberg) **Valuation of Derivative Investments** Derivative investments comprised futures, forwards and options. For 100% of the derivative investment valuations: • We performed re-calculations of the derivative contracts using external sources (e.g. Bloomberg) We also considered the completeness, accuracy and clarity of investment related disclosures. In respect of the directly held listed investments we have performed the following: • We confirmed year end prices to independent sources and verified that there are no contra indicators, such as liquidity considerations, to suggest year end prices are not the most appropriate indication of fair value. **Existence of Investments** For 100% of investments held by the Cayman subsidiary and 100% of listed investments held directly by the Company we obtained evidence to support existence by obtaining independent confirmations obtained from custodians and brokers. **Key Observations** Based on the procedures performed we considered management's valuations of these investments to be appropriate. We consider the investment disclosures to be appropriate.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APQ GLOBAL LIMITED (CONTINUED)

<table>
<tr><th colspan="2">Key audit matter</th><th>How the scope of our audit addressed the key audit matter</th></tr>
<tr><td>Valuation & Existence of Investments – Other investments

Note 2.6, 2.7 and 15</td><td>The Group holds investments in a number of other entities either directly or indirectly through subsidiary holding companies. As described in note 2.6, 2.7 and 15, the fair values of the investments are determined by a variety of techniques. These level 3 investments are recognised at fair value and there is a risk these may not be appropriately valued and/or title over these investments may not exist.</td><td>For all investments we:
Challenged whether the valuation methodology was the most appropriate in the circumstances under the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines and applicable accounting standards;
Recalculated the fair value attributable to the Group;
For 100% of investments that were valued using more subjective techniques (discounted cash flow forecasts, revenue multiples and earnings multiples) we:
Reviewed the valuations prepared by management's expert and challenged and corroborated the inputs to the valuation with reference to management information on investee companies, market data and our own understanding and assessed the impact of the estimation uncertainty concerning these assumptions and the disclosure of these uncertainties in the financial statements;
Considered the competence, capabilities and expertise of the management expert through consideration of the qualifications held by the expert and the position held in the firm employing the expert. We also considered the services provided by the firm which employs the expert. We considered the independence and objectivity of the expert through review of the independence declaration made by the expert to the Company in its valuation report. We considered the appropriateness of the methodology and assumptions employed by the expert through review of the accounting framework and valuation guidelines followed.
Reviewed the historical financial statements where available and any recent management information available to support assumptions about maintainable revenues, expenditure, working capital and tax which formed the basis of the cash flow forecasts used in the valuations;
Considered the discount rate applied to the cash flow forecasts by reference to venture capital discount rates;
Considered the appropriateness of the cash flow forecast period with reference to our knowledge of the subsidiaries and industry norms; and
Considered the appropriateness of the comparator market and transaction multiples used with regards to the operating activities of these companies.</td></tr>
</table>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APQ GLOBAL LIMITED (CONTINUED)

Key audit matter		How the scope of our audit addressed the key audit matter
		Key Observations Based on the procedures performed we considered management's fair value estimates to be appropriate. We consider the investment disclosures including disclosures in relation to estimation uncertainty to be appropriate.
Investment Entity Status *Note 2.5, 3 and 15*	As described in note 3 to the financial statements, the Directors have determined that the Group continues to meet the definition of an Investment Entity and therefore holds its investments at fair value through profit and loss as opposed to consolidation. The assessment of whether the Group continues to meet the definition of an investment entity under applicable accounting standards is judgemental and must be reconsidered at each reporting date, taking into account changes in the portfolio and the Group's activities. Due to the increasing number of acquisitions in the prior and current year of unquoted investments and due to the telecommunication minutes operating income stream, further judgement has been required and additional time has been spent by management in re-assessing whether the Group continues to meet the investment entity definition. As a result, more time and effort has been spent during the audit in determining that the Group continues to meet the definition. Furthermore, as a result of the significant management judgement required, this was considered to be an area of audit focus.	We reviewed the Group's listing documents, financial statement disclosures and website publications to confirm that the Group's business purpose, objectives and strategy were congruous with those of an Investment entity. We obtained management's memorandum which details the rationale for why APQ Global Limited continues to meet the definition of an Investment entity and checked that the rationale applied was consistent with the requirements of applicable accounting standards. We also checked that the explanations and rationale were consistent with our understanding of the entity and its activities. We obtained management's memorandum in respect of each of the underlying investments which detailed the rationale for acquiring each of these investments and the exit strategy for each investment. We considered whether the rationale for acquiring these investments was in accordance with our understanding obtained throughout the audit and was consistent with that of an investment entity. Where appropriate we agreed the details included in management's memoranda to supporting evidence such as Board meeting minutes, publications for investors and fair value assessments. We reviewed management's fair value assessment of each of the investments and checked that all of the investments were evaluated on a fair value basis at the year end. We challenged management in respect of the consistency of the telecommunication minutes operating income stream with the activities of an Investment entity to assess and determine whether this impacted on the status of the entity as an investment entity. We assessed and challenged the appropriateness of management's responses with respect to the requirements of the applicable accounting standards.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APQ GLOBAL LIMITED (CONTINUED)

Key audit matter		How the scope of our audit addressed the key audit matter
		We reviewed the key disclosures in respect of this matter to ensure they were complete and accurate and appropriately reflected the requirements of IFRS 10. **Key Observations** Based on the procedures performed we consider management's view regarding the Company's investment entity status to be appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

	Group financial statements	
	2020	2019
Materiality	$680,000	$1,050,000
Basis for determining materiality	1% of the Gross investment balance	1% of the Gross investment balance
Rationale for the benchmark applied	As an Investment entity, investments are the key balance in the financial statements and a key balance of interest to the users. 1% was selected based on the nature of the portfolio and the level of judgement inherent in the valuation.	
Performance materiality	$442,000	$735,000
Basis for determining performance materiality	65% of materiality	70% of materiality

Our performance materiality threshold decreased in the current year due to an increasing number of unquoted investments present in the portfolio which are subject to greater judgement and estimation uncertainty.

Component materiality

We set materiality for each component of the Group based on a percentage of 95% of Group materiality due to the size and our assessment of the risk of material misstatement of the Group. Component materiality was set at $646,000. In the audit of each component, we further applied performance materiality levels of 65% of the component materiality to our testing to ensure that the risk of errors exceeding component materiality was appropriately mitigated.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APQ GLOBAL LIMITED (CONTINUED)

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of $13,000 (2019: $21,000). We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and consolidated financial statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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.

Other Companies (Guernsey) Law, 2008 reporting

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the Parent Company; or
- the Parent Company financial statements are not in agreement with the accounting records; or
- we have failed to obtain all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Responsibilities of Directors

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

In preparing the financial statements, the Directors are responsible for assessing the Group'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 Group 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.

Extent to which the audit was capable of detecting irregularities, including fraud

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:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APQ GLOBAL LIMITED (CONTINUED)

We gained an understanding of the legal and regulatory framework applicable to the Group and industry in which the Group operates and considered the risk of acts by the Group which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with Companies (Guernsey) Law, 2008, IFRS as adopted by the European Union and the AIM listing rules.

We considered compliance with this framework through discussions with the Audit Committee and performed audit procedures on these areas as considered necessary.

We focused on laws and regulations that could give rise to a material misstatement in the Group's financial statements and the susceptibility of the Group's financial statements to material misstatements including fraud. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management and those charged with governance;
- testing of journal postings made during the year to identify potential management override of controls;
- the procedures outlined in our key audit matters above;
- review of legal invoice and correspondence;
- review of minutes or Board meeting minutes throughout the period; and
- obtaining an understanding of the control environment in monitoring compliance with laws and regulations.

We gained an understanding of the relevant laws and regulations impacting the entity and the susceptibility of the financial statements to fraud through our knowledge of the Group from previous years and discussions with management.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

Use of our report

This report is made solely to the Parent Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work has been undertaken so that we might state to the Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

BDO LLP
Chartered Accountants
London, UK
Date 14 April 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

APQ Global Limited

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2020

	Note	2020 $	2019 $
Revenue	5	11,405,149	12,688,702
Net loss on financial assets at fair value through profit and loss	15	(48,194,038)	(3,016,884)
Administrative expenses	6	(2,438,278)	(5,441,673)
Other income	9	739,512	-
Operating (loss) / profit for the year before tax		**(38,487,655)**	**4,230,145**
Interest receivable	10	7,119	352,182
Interest payable	11	(2,525,532)	(2,274,831)
Net gain on financial liabilities at fair value through profit and loss	19	570,507	-
(Loss) / profit on ordinary activities before taxation		**(40,435,561)**	**2,307,496**
Tax on (loss) / profit on ordinary activities		-	-
Total (loss) / profit for the year		**(40,435,561)**	**2,307,496**
Other comprehensive (loss) / income		**-**	**-**
Total comprehensive (loss) / income for the year		**(40,435,561)**	**2,307,496**
Basic earnings per share	12	**(0.51642)**	**0.02951**
Diluted earnings per share	12	**(0.51642)**	**0.02938**

The notes on pages 41 to 74 form an integral part of the Financial Statements.

APQ Global Limited

CONSOLIDATED STATEMENT OF FINANCIAL POSITION **Company No. 62008**
As at 31 December 2020

	Note	2020 $	2019 $
Assets			
Non-current assets			
Property, plant and equipment	14	13,500	17,670
Right of use assets	23	160,376	84,802
Investments	15	67,764,691	105,414,240
Total non-current assets		**67,938,567**	**105,516,712**
Current assets			
Trade and other receivables	16	1,105,234	871,691
Cash and cash equivalents		509,928	1,505,234
Total current assets		**1,615,162**	**2,376,925**
Total assets		**69,553,729**	**107,893,637**
Current liabilities			
Trade and other payables	17	(652,644)	(912,783)
Total current liabilities		**(652,644)**	**(912,783)**
Long term liabilities			
3.5% Convertible Unsecured Loan Stock	18	(36,226,778)	(34,064,993)
6% Convertible preference shares	19	(1,347,099)	-
Lease liabilities	23	(83,781)	-
Total long term liabilities		**(37,657,658)**	**(34,064,993)**
Net assets		**31,243,427**	**72,915,861**
Equity			
Share capital	20	99,869,252	99,733,054
Equity component of 3.5% Convertible Unsecured Loan Stock	18	6,919,355	6,919,355
Equity component of 6% Convertible preference shares	19	100,813	-
Other capital reserves	21	259,460	300,798
Share warrants reserve	22	107,702	-
Retained earnings		(71,085,642)	(29,109,833)
Exchange reserve	2.15	(4,927,513)	(4,927,513)
Total equity		**31,243,427**	**72,915,861**
Net asset value per ordinary share		**39.88c**	**93.19c**

The Financial Statements on pages 35 to 74 were approved by the Board of Directors of APQ Global Limited and signed on 14 April 2021 on its behalf by:

Bart Turtelboom
Chief Executive Officer

Wesley Davis
Director

The notes on pages 41 to 74 form an integral part of the Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 31 December 2020

	Notes	Share capital	CULS equity component	Convertible preference shares equity component	Share warrants	Other capital reserves	Retained earnings	Exchange reserve	Total
As at 1 January 2019		**99,596,856**	**6,919,355**	**-**	**-**	**264,076**	**(25,409,610)**	**(4,927,513)**	**76,443,164**
Comprehensive income for the year									
Profit for the year		-	-	-	-	-	2,307,496	-	2,307,496
Equity after total comprehensive income for the year		**99,596,856**	**6,919,355**	**-**	**-**	**264,076**	**(23,102,114)**	**(4,927,513)**	**78,750,660**
Contributions by and distributions to owners									
Share based payments	21	-	-	-	-	186,391	-	-	186,391
Share based payments settled in cash	21	-	-	-	-	(13,471)	-	-	(13,471)
Issue of share awards	20	136,198	-	-	-	(136,198)	-	-	-
Dividends	13	-	-	-	-	-	(6,007,719)	-	(6,007,719)
As at 31 December 2019		**99,733,054**	**6,919,355**	**-**	**-**	**300,798**	**(29,109,833)**	**(4,927,513)**	**72,915,861**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
As at 31 December 2020

	Notes	Share capital	CULS equity component	Convertible preference shares equity component	Share warrants	Other capital reserves	Retained earnings	Exchange reserve	Total
As at 1 January 2020		**99,733,054**	**6,919,355**	**-**	**-**	**300,798**	**(29,109,833)**	**(4,927,513)**	**72,915,861**
Comprehensive income for the year									
Loss for the year		-	-	-	-	-	(40,435,561)	-	(40,435,561)
Equity after total comprehensive income for the year		**99,733,054**	**6,919,355**	**-**	**-**	**300,798**	**(69,545,394)**	**(4,927,513)**	**32,480,300**
Contributions by and distributions to owners									
Issue of share warrants	22	-	-	-	107,702	-	-	-	107,702
Adjustment to preference share terms	19	-	-	100,813	-	-	-	-	100,813
Share based payments	21	-	-	-	-	108,333	-	-	108,333
Share based payments settled in cash	21	-	-	-	-	(13,473)	-	-	(13,473)
Issue of share awards	20	136,198	-	-	-	(136,198)	-	-	-
Dividends	13	-	-	-	-	-	(1,540,248)	-	(1,540,248)
As at 31 December 2020		**99,869,252**	**6,919,355**	**100,813**	**107,702**	**259,460**	**(71,085,642)**	**(4,927,513)**	**31,243,427**

The notes on pages 41 to 74 form an integral part of the Financial Statements.

APQ Global Limited

CONSOLIDATED STATEMENT OF CASH FLOW
For the year ended 31 December 2020

	Note	2020 $	2019 $
Cash flow from operating activities			
Cash generated from operations			
(Loss) / profit for the financial year		(40,435,561)	2,307,496
Adjustments for non-cash income and expenses			
Equity settled share-based payments	21	108,333	186,391
Depreciation on property, plant and equipment	14	14,298	13,541
Depreciation on right of use assets	23	84,802	84,803
Net loss on financial assets at fair value through profit and loss	15	48,194,038	3,016,884
Net gain on financial liabilities at fair value through profit and loss	19	(570,507)	-
Net gain on amendment to 6% convertible preference share terms	19	(661,581)	-
Net gain on deferred compensation no longer payable	9	(77,931)	-
Exchange rate fluctuations		(343,618)	1,331,787
Changes in operating assets and liabilities			
Decrease / (increase) in trade and other receivables	16	463,758	(498,538)
Increase in trade and other payables	17	78,089	24,030
Increase in receivables from group undertakings	16	(697,301)	(281,489)
Increase in payables from group undertakings	17	31,282	1,960
Cash generated from operations		**6,188,101**	**6,186,865**
Interest received	10	(7,119)	(352,182)
Interest paid	11	2,525,532	2,274,831
Net cash inflow from operating activities		**8,706,514**	**8,109,514**
Cash flow from investing activities			
Payments to acquire investments		(8,045,778)	(338,066)
Payments to acquire property, plant and equipment	14	(10,128)	(5,490)
Interest received	10	7,119	352,182
Loan to APQ Cayman Limited		-	349,504
Net cash inflow / (outflow) from investing activities		**(8,048,787)**	**358,130**
Cash flow from financing activities			
Equity dividends paid	13	(1,540,248)	(6,007,719)
Preference share dividends paid	11	(147,936)	-
Interest on CULS	18	(1,319,273)	(1,347,911)
Cash settled share-based payments	21	(13,473)	(13,471)
Principal paid on lease liabilities	23	(68,432)	(110,379)
Net cash outflow from financing activities		**(3,089,362)**	**(7,479,480)**
Net (decrease) / increase in cash and cash equivalents		**(2,431,635)**	**988,164**
Cash and cash equivalents at beginning of year		1,505,234	511,871
Exchanged rate fluctuations on cash and cash equivalents		1,436,329	5,199
Cash and cash equivalents at end of year		**509,928**	**1,505,234**

CONSOLIDATED STATEMENT OF CASH FLOW
For the year ended 31 December 2020 (continued)

	2020	2019
	$	$
Reconciliation of cash flows to debt		
Brought forward	34,132,003	31,834,626
Cash flows used in servicing interest payments of CULS	(1,319,273)	(1,347,911)
Cash flows used in principal payments of lease liabilities	(68,432)	(110,379)
Non cash flows – recognition of lease liability	160,376	143,850
Non cash flows – net impact of recognition of convertible preference shares	1,347,099	-
Non cash flows – amortisation of discount on CULS issue	2,375,068	2,264,716
Non cash flows – amortisation of discount on lease liabilities	2,528	10,115
Exchange differences	1,104,884	1,336,986
Closing balance	**37,734,253**	**34,132,003**

Net debt comprises the following:		
Convertible Unsecured Loan Stock 2024	36,226,778	34,064,993
6% convertible preference shares	1,347,099	-
Lease liabilities	160,376	67,010
	37,734,253	**34,132,003**

The notes on pages 41 to 74 form an integral part of the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

1. Corporate information

The financial statements of APQ Global Limited (the "Group") for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Board of Directors on 13 April 2021. 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 PO Box 142, The Beehive, Rohais, St Peter Port, Guernsey, GY1 3HT.

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[21].

The Company and its subsidiaries[22] 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 purpose. The ordinary shares are admitted to trading on AIM.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and applicable law. The financial statements have been prepared on a historical-cost basis, except for financial assets and financial liabilities held at fair value through profit or loss (FVTPL) that have been measured at fair value. The financial statements have been prepared on a going concern basis.

The principal accounting policies are set out below.

2.2 Going concern

Following the measures taken in the first quarter of the year, the Directors believe that it is appropriate to adopt the going concern basis in preparing the Financial Statements since the ultimate assets of the Company mainly consist of securities which are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for at least 12 months from the date of this report. The Company will be able to meet all its liabilities as they fall due. See below for the Stress Testing applied in coming to this conclusion.

Stress Testing

After assessing the Company as a Going Concern in normal (poor) economic conditions across a one year horizon, the Company would maintain a sufficient expense coverage ratio net of paying all its operating expenses and net of its financial payment obligations to the CULS and Preference Shareholders. The Company would not breach any debt covenants and would retain USD 37.4 (+26.5) million in cash as of March 1, 2022.

Under normal market assumptions, the Company assumes that it meets all its financial obligations as well as its operating expenses. It earns a nominal income/growth yield on its Liquid Market Portfolio based on prevailing market risk premiums. The Company forecasts to receive dividend income from its Direct Investment Portfolio in line with those paid throughout 2020 ($348k). Under poor economic conditions, the earnings assumptions are halved, and zero dividends are received from the Company's Direct Investment Portfolio, whilst the financial obligations and expenses are held constant. There are zero Fair Value Profit or Losses assumed on the Direct Investment Portfolio throughout the period under review.

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[22]See Note 15

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2020

2. Significant accounting policies (continued)

2.2 Going concern (continued)

Long Term Viability Statement

There is currently no strict regime of Corporate Governance to which the Company must adhere to, however there are guidelines set out for AIM companies. The Company complies with the UK code on Corporate Governance, issued July 2018 for periods beginning on or after 1 January 2019 to the extent outlined in the Corporate Governance section below on page 18. In accordance with provision 31 of the UK Corporate Governance Code, the Directors have assessed the prospects of the Company over a longer period than the 12 months minimum required by the 'Going Concern' provision. Three years is deemed to be an appropriate time period for management to implement its medium-term strategic objectives set out in the Business Model and Strategy section (page 10) of these financial statements.

Further to the above – Going Concern, the Company extends its above analysis to a three-year cash flow forecast (to January 2024) using newly targeted budgets and concluded that:

Assuming normal (poor) economic conditions[23], the Company would preserve an expense coverage ratio of 124 (88), net of its financial obligations of 214 (102), retaining $64.5 (+$30.8) million in cash on its balance sheet as of Jan 1, 2024. Providing considerable headroom to absorb poor conditions.

Dividend Suspension

The suspension of the dividend paid to ordinary shareholders will increase the cash available to the Company by approximately $6m per annum based on last year's distributions. The Board reviews the dividend policy quarterly. The dividend remains on hold until further notice.

2.3 Functional and presentational currency

The Group's presentational and functional currency is US Dollars.

2.4 Standards issued

Standards, amendments and interpretations effective on or after 1 January 2020

The following standards, interpretations and amendments did not have a significant impact on the financial position or performance of the Group:

Amendments to References to the Conceptual Framework in IFRS Standards (effective for financial years beginning on or after 1 January 2020)

Amendments to the definition of a business in IFRS 3 Business Combinations (effective for financial years beginning on or after 1 January 2020)

Amendments to the definition of material in IAS I Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for financial years beginning on or after 1 January 2020)

Amendments to interest rate benchmark reform in IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement and IFRS 7 Financial Instruments: Disclosures (effective for financial years beginning on or after 1 January 2020)

Amendments to IFRS 16, COVID-19-Related Rent Concessions (effective for financial years beginning on or after 30 June 2020)

[23]Normal (Poor) economic conditions are as stated in the Stress Testing section above. There are no planned acquisitions or disposals in the Direct Investment Portfolio during the period.

2. Significant accounting policies (continued)

2.4 Standards issued (continued)

Early adoption of standards

The Group did not adopt new or amended standards in the year that are yet to become effective.

Standards issued but not yet effective

IFRS 17	Insurance Contracts	Effective 1 January 2023

Amendments to standards issued but not yet effective

IAS 1	Presentation of Financial Statements	Effective 1 January 2023
IFRS 3	Business Combinations	Effective 1 January 2022
IFRS 4	Insurance Contracts	Effective 1 January 2021
IFRS 7	Financial Instruments: Disclosures	Effective 1 January 2021
IAS 8	Accounting policies: Changes in Accounting Estimates and Errors	Effective 1 January 2023
IFRS 9	Financial Instruments	
	Benchmark reform issues	Effective 1 January 2021
	Derecognition of financial liabilities	Effective 1 January 2022
IAS 16	Property, Plant and Equipment	Effective 1 January 2022

The impact of these standards is not expected to be material to the reported results and financial position of the Group. The Group has not adopted any of these standards early.

2.5 Basis of consolidation

The Directors have concluded that APQ Global Limited has all the elements of control as prescribed by IFRS 10 "Consolidated Financial Statements" in relation to its subsidiaries and that the Company satisfies the criteria to be regarded as an investment entity. For a detailed analysis of the assessment of the criteria please refer to note 3; Significant accounting judgements, estimates and assumptions. Based on this, the subsidiaries APQ Cayman Limited, APQ Corporate Services Limited and APQ Knowledge Limited are therefore measured at fair value through profit or loss (FVTPL), in accordance with IFRS 13 "Fair Value Measurement" and IFRS 9 "Financial Instruments".

Notwithstanding this, IFRS 10 requires subsidiaries that provide services that relate to the investment entity's investment activities to be consolidated. The subsidiaries APQ Partners LLP and APQ Capital Services Limited assist the Board with implementation of its business strategy, provides research on business opportunities in emerging markets and provides support for cash management and risk management purposes. Accordingly, the consolidated financial statements of the Group include the results of the Company, APQ Partners LLP and APQ Capital Services Limited, whilst APQ Cayman Limited, APQ Corporate Services Limited and APQ Knowledge Limited are measured at FVTPL. The results of APQ Partners LLP and APQ Capital Services Limited are consolidated from the date control commences. Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing these consolidated financial statements.

2.6 Financial instruments

The Group classifies its financial assets and financial liabilities at initial recognition into the following categories, in accordance with IFRS 9 Financial Instruments.

2. Significant accounting policies (continued)

2.6 Financial instruments (continued)

Financial assets at FVTPL

The investments in APQ Cayman Limited, APQ Corporate Services Limited and APQ Knowledge Limited are designated at fair value through profit or loss upon initial recognition on the basis that they are part of a group of financial assets that are managed and have their performance evaluated on a fair value basis, in accordance with risk management and investment strategies of the Company, as set out in the Company's offering document.

In accordance with the exception under IFRS 10 Consolidated Financial Statement for an investment entity, the Company does not consolidate its investments in APQ Cayman Limited, APQ Corporate Services Limited and APQ Knowledge Limited and has designated the investments as fair value through profit or loss in the financial statements. The investments in APQ Cayman Limited, APQ Corporate Services Limited and APQ Knowledge Limited are subsequently measured at fair value with movements in fair value recognised as net gain/(loss) on financial assets at fair value through profit and loss in the consolidated statement of comprehensive income.

The investment in BARTR Holdings Limited is designated as fair value through profit or loss with movements in fair value recognised as net gain/(loss) on financial assets at fair value through profit and loss in the consolidated statement of comprehensive income.

Financial liabilities held at FVTPL

APQ Capital Services Limited, a subsidiary of the Company, issued 6% convertible preference shares ("CPS") which were a compound instrument containing a financial liability held at amortised cost and a financial liability held at fair value through profit and loss.

The fair value of the derivative component held at fair value through profit and loss, containing a variable conversion rate, is derived from the difference between the value of the consideration determined for the total instrument and the fair value assigned to the liability held at amortised cost.

Subsequent measurement at fair value was based on the value of the conversion option. The liability was derecognised on 30 June 2020 as the terms of the instrument were changed to remove the variable conversion rate. Please see 2.8 for more details on this transaction.

Financial assets held at amortised cost

The Group recognises trade debtors, accrued income and other debtors as financial assets classified as amortised cost. These assets are held in order to collect the contractual cash flows and the contractual cash flows are solely payments of principal and interests. These are classified, at initial recognition, as receivables at fair value plus transaction costs and are subsequently measured at amortised cost. The Group has adopted the simplified approach to the credit loss model. Under the simplified credit loss model approach a provision is recognised based on the expectation of default rates over the full lifetime of the financial assets without the need to identify significant increases on credit risk on these assets.

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Group has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and either:

(a) the Group has transferred substantially all of the risks and rewards of the asset; or
(b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Company has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Further detail of the Group's financial assets held at amortised cost are disclosed in Note 16 and Note 25 in these financial statements.

2. Significant accounting policies (continued)

2.6 Financial instruments (continued)

Financial liabilities held at amortised cost

The Group recognises trade creditors, other creditors, accruals liability component of convertible preference shares, and the liability component of convertible loan stock as other financial liabilities. Other financial liabilities are classified, at initial recognition, as payables at fair value net of transaction costs and are subsequently measured at amortised cost using the effective interest method. Further details are disclosed in Note 17, Note 18, Note 19, Note 23 and Note 25 in these financial statements.

The Group derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

2.7 Fair value measurement

The Company measures its investments in APQ Cayman Limited, APQ Corporate Services Limited, APQ Knowledge Limited and BARTR Holdings Limited at fair value at each reporting date.

For APQ Cayman Limited this 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, including APQ Corporate Services Limited, APQ Knowledge Limited and BARTR Holdings Limited, the fair value is determined by using valuation techniques deemed to be appropriate in the circumstances. These have been determined in accordance with the International Private Equity and Venture Capital Valuation (IPEV) Guidelines. These guidelines require the valuer to make judgements with regards to the most appropriate valuation method to be used and the results and inputs used to determine these valuations. Valuation methods that may be used include:

- The income approach – valuation through discounted cash flow forecast of future cash flows or earnings, using appropriate discount rates.
- The market approach – valuation by comparing the asset being valued to comparable assets for which price information is readily available. This price information can be in the form of transactions that have occurred or market information on companies operating in a similar industry.
- The cost approach – valuation based on the cost of reproducing or replacing the asset being valued.

The use of these guidelines requires management to make judgements in relation to the inputs utilised in preparing these valuations. These include but are not limited to:

- Determination of appropriate comparable assets and benchmarks; and
- Adjustments required to existing market data to make it more comparable to the asset being valued.

2. Significant accounting policies (continued)

2.7 Fair value measurement (continued)

The use of these guidelines additionally requires management to make significant estimates in relation to the inputs utilised in preparing these valuations. These include but are not limited to:

- Future cash flow expectations deriving from these assets; and
- Appropriate discount factors to be used in determining the discounted future cash flows.

Where an assets fair value cannot be determined the Company measures these assets at a valuation of $nil.

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.

2.8 6% Convertible preference shares

APQ Capital Services Limited, a subsidiary of the Company, issued 6% convertible preference shares (“CPS”). The CPS contain a perpetual 6% dividend rate and a conversion option for ordinary shares of APQ Global Limited. On initial issue the CPS were recognised as a liability comprising a liability held at amortised cost and a derivative conversion option held at fair value through profit and loss.

At the date of issue, the fair value of the liability component held at amortised cost was estimated by assuming that an equivalent non-convertible obligation of the Company would have a coupon rate of 7.9%. The fair value of the derivative component, containing a variable conversion rate, is derived from the difference between the value of the consideration determined for the acquisition of Parish Group Limited and the fair value assigned to the liability held at amortised cost.

The terms of the CPS were amended on the 30 June 2020, to amend the conversion option to a fixed ratio of CPS to ordinary shares. Subsequent to this amendment to the CPS are regarded as a compound instrument, comprising of a liability component and an equity component. Due to the significant change in the terms of the CPS the initial instrument was derecognised and then recognised at the new fair value. The gain of $661,581 on the derecognition of the liability is recognised within other income in the statement of comprehensive income.

On amendment, the fair value of the liability component was estimated by assuming that an equivalent non-convertible obligation of the Company would have a coupon rate of 11.9%. The fair value of the equity component was determined based on the present value of the average gain on conversion based on a range of simulated share prices.

The dividends on the convertible preference shares are taken to the statement of comprehensive income as finance costs.

2.9 Share warrants

Share warrants issued are measured at fair value at the date of issue using the Black-Scholes pricing model, which incorporates certain input assumptions including the warrant price, risk-free interest rate, expected warrant life and expected share price volatility. The fair value is included as a component of equity and is transferred from the share warrant equity reserve to share capital on exercise. If the warrants expire then the fair value is transferred from the share warrant equity reserve to retained earnings.

2. Significant accounting policies (continued)

2.10 Foreign currency translations

Transactions during the year, including purchases and sales of securities, income and expenses, are translated at the rate of exchange prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Foreign currency transaction gains and losses on financial instruments classified as at FVTPL are included in profit or loss in the statement of comprehensive income as part of the 'net (loss) or gain on financial assets at fair value through profit or loss'.

2.11 Share capital

In the event of the liquidation of the Company the Ordinary Shares entitle the holder to a pro rata share of the Company's net assets. Shares are issued net of transaction costs, which are defined as incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

2.12 3.5% Convertible Unsecured Loan Stock 2024

3.5% Convertible Unsecured Loan Stock 2024 ("CULS") issued by the Company is regarded as a compound instrument, comprising of a liability component and an equity component. At the date of issue, the fair value of the liability component was estimated by assuming that an equivalent non-convertible obligation of the Company would have a coupon rate of 6.5%. The fair value of the equity component, representing the option to convert liability into equity, is derived from the difference between the issue proceeds of the CULS and the fair value assigned to the liability. The liability component is subsequently measured at amortised cost using the effective interest rate.

Direct expenses associated with the CULS issue are allocated to the liability and equity components in proportion to the split of the proceeds of the issue. Expenses allocated to the liability component are amortised over the life of the instrument.

The interest expense on the CULS is calculated according to the effective interest rate method by applying the assumed rate of 6.5% at initial recognition to the liability component of the instrument. The difference between this amount and the actual interest paid is added to the carrying amount of the CULS.

2.13 Share-based payments

On 19 April 2017, and amended on 17 July 2018, the Company formalised a management share plan. The plan allows for certain members of the management to benefit from 20% of any increase in the year end book value per share for a given year (a performance period). Awards can be issued as an allocation of a specified number of shares or as an option (a right to acquired shares under the plan for nil consideration). Since any awards granted are to be settled by the issuance of equity, they are deemed to be equity settled share-based payments accounted for in accordance with IFRS 2.

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, together with a corresponding increase in other capital reserves, based upon the Group's estimate of the shares that will eventually vest, which involves making assumptions about any performance and service conditions over the vesting period. The vesting period is determined by the period of time the relevant participant must remain in the Group's employment before the rights to the shares transfer unconditionally to them. The total expense is recognised over the vesting period, which is the period over which all the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates on the number of awards it expects to vest based on service conditions.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

2. Significant accounting policies (continued)

2.13 Share-based payments (continued)

Where the terms of an equity-settled transaction are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled transaction is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognised for the transaction is recognised immediately. However, if a new transaction is substituted for the cancelled transaction and designated as a replacement transaction on the date that it is granted, the cancelled and new transactions are treated as if they were a modification of the original transaction, as described in the previous paragraph.

The Group retains the right to settle the share award in cash. The transaction is accounted for as an equity settled payment and vested over the life of the award. At the point the Group elects to settle the share award in cash, or an expectation that the award will be settled in cash, the value of the portion to be settled in cash is reclassified from the share-based payment reserve to liabilities. Any difference between the value recorded in the share-based payment reserve and the value of the cash to be paid is recognised as an expense in the statement of comprehensive income.

Per the management share plan the vesting period for any awards issued can be up to 5 years and subject to certain conditions. The first awards were issued in the year with respect to the performance period ended 31 December 2017.

2.14 Retained earnings

Retained earnings consists of profit or losses for the financial year as disclosed in the statement of comprehensive income less foreign currency translation differences. Dividends declared by the Board of Directors are paid and accounted for as a deduction from retained earnings.

2.15 Exchange reserve

During the year ended 31 December 2017, the Company changed the functional and presentational currency in which it presents its financial statements from Pounds Sterling to US Dollars. A change in presentational currency is a change in accounting policy which is accounted for retrospectively. The financial information for the period ended 31 December 2016 was previously reported in Pounds Sterling and was restated in US Dollars using differing exchange rates. The retained earnings were converted using an average rate for the period they related to. Equity shares were converted using the historical date which was the date of issue of the shares. The assets and liabilities were converted at the closing exchange date at 31 December 2016. Therefore, an exchange reserve is included in the Statement of Financial Position to reflect the fact this change in presentational currency from the functional currency to 31 December 2016.

2.16 Distributions to shareholders

Dividends are at the discretion of the Company. A dividend to the Company's shareholders is accounted for as a deduction from retained earnings. An interim dividend is recognised as a liability in the period in which it becomes irrevocable, which is following its payment. A final dividend is recognised as a liability in the period when it becomes irrevocable, which is once it has been approved at the annual general meeting of shareholders.

2.17 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash on hand and short-term deposits in banks that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, with original maturities of three months or less.

Short-term investments that are not held for the purpose of meeting short-term cash commitments and restricted margin accounts are not considered as ‘cash and cash equivalents’.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

2. Significant accounting policies (continued)

2.18 Property, plant and equipment

Property, plant and equipment is recorded at historical cost less accumulated depreciation and impairment losses.

Depreciation is provided on all property, plant and equipment at rates calculated to write off the cost or valuation of each asset on a straight-line basis over its expected useful life to estimated residual values, as follows:

Office equipment	over 3 years
Furniture and fixtures	over 4 years
Leasehold improvements	over 2 years

Residual values, useful lives and depreciation method are reviewed, and adjusted if appropriate, at each year end.

2.19 Impairment of receivables from group undertakings

Impairment provisions for receivables from group undertakings are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, no impairment is recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

2.20 Interest revenue and expenses

Interest revenue and expenses are recognised in the statement of comprehensive income for all interest-bearing financial instruments using the effective interest method.

2.21 Dividend income

Dividend income is recognised on the date when the Company's right to receive the payment is established. This is ordinarily at the ex-dividend date.

2.22 Telecommunication minutes income

Telecommunications minutes income represents income received with respect to the resale of minutes purchased by the Company. The Company had a few customers each governed by separate contracts. The performance obligations under the contracts with these customers is the supply of these minutes. Minutes are supplied at the point of customer utilisation and therefore income is recognised in the period the customer has utilised the minutes. The transaction price is valued per minute and is allocated to each minute sold. This source of revenue has now ceased.

2.23 Net gain or loss on financial assets and liabilities at fair value through profit or loss

Net gains or losses on financial assets and liabilities at FVTPL are changes in the fair value of financial assets and liabilities held for trading or designated upon initial recognition as at FVTPL and exclude interest and dividend income and expenses.

Unrealised gains and losses comprise changes in the fair value of financial instruments for the period and from reversal of the prior period’s unrealised gains and losses for financial instruments which were realised in the reporting period. Realised gains and losses on disposals of financial instruments classified as at FVTPL are calculated using the first-in, first-out (FIFO) method. They represent the difference between an instrument’s initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

2.24 Fee expense

Fees are recognised on an accrual basis. Refer to Note 6 for details of fees and expenses paid in the period.

2. Significant accounting policies (continued)

2.25 Taxes

The Company is taxable in Guernsey at the company standard rate of 0% (2019 – 0%).

However, in some jurisdictions, investment income is subject to withholding tax deducted at the source of the income. Withholding tax is a generic term used for the amount of withholding tax deducted at the source of the income and is not significant for the Company. The Company presents the withholding tax separately from the gross investment income in the statement of comprehensive income. For the purpose of the statement of cash flows, cash inflows from investments are presented gross of withholding taxes, when applicable.

2.26 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are expensed in the period to which they relate.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:
- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made.

Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts recognised in the financial statements and disclosure of contingent liabilities. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Judgements

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

3. Significant accounting judgements, estimates and assumptions (continued)

Assessment as investment entity

Entities that meet the definition of an investment entity within IFRS 10 are required to measure their subsidiaries at fair value through profit or loss rather than consolidate them, except to the extent that the subsidiary provides services that relate to the investment entity's investment activities. The criteria which define an investment entity are, as follows:

- An entity that obtains funds from one or more investors for the purpose of providing those investors with investment management services;
- An entity that commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- An entity that measures and evaluates the performance of substantially all of its investments on a fair value basis.

The Company's listing document details its objective of providing investment management services to investors which includes investing in equities, fixed income securities, private equity and property investments for the purpose of returns in the form of investment income and capital appreciation. This is via its subsidiary APQ Cayman Limited. The Company also holds several private investments either directly or through its other subsidiaries for the purpose of investment income and capital appreciation.

The Company reports to its investors via quarterly investor information, and to its management, via internal management reports, on a fair value basis. All investments are reported at fair value to the extent allowed by IFRS in the Company's annual reports. The Company has an exit strategy for all of its underlying investments.

The Board has concluded that the Company meets additional characteristics of an investment entity, in that it has more than one investment; the Companies ownership interests are predominantly in the form of equities and similar securities; it has more than one investor and its investors are not related parties.

The Board has therefore concluded that the Company meets the definition of an investment entity. These conclusions will be reassessed on an annual basis, if any of these criteria or characteristics change. The Board therefore recognises its investment in APQ Cayman Limited, APQ Corporate Services Limited, APQ Knowledge Limited and BARTR Holdings Ltd at fair value through profit or loss. The Board has also concluded that since APQ Partners LLP and APQ Capital Services Limited provide services related to the Company's investment activities, these subsidiaries should be consolidated.

In May 2019 APQ Global commenced trading in telecommunications minutes. In the year, this generated revenue of $712,946 (2019 - $1,026,160), with a net loss of $17,646 (2019 - $227,604). The intention of undertaking this activity was to ultimately provide investors with capital return or investment income in combination with its other telecommunication investments, BARTR Holdings Limited and its subsidiaries. Trading was performed by a third-party service provider, and the contracts were initially held by APQ Global, to reduce counterparty risk. Management's intention was to novate these contracts into APQ Connect at a subsequent point in time. As this activity was a one-off activity and was immaterial in the context of the firm's operations, the Directors are satisfied that the Investment entity status is maintained, and the financial statements continue to be prepared in accordance with the investment entity provisions of IFRS 10. This activity ceased entirely in June 2020.

Valuation of investments

There are a range of methods for determining the fair value of the unquoted investments held by the Group. Determination of the most appropriate method for valuing these is a key judgement of the Board, and the use of different methods will result in variations in the fair value determined for each investment. The Board determines the most appropriate method based of the life stage of the investment and available comparisons to existing companies operating in the same investments. The Board utilises qualified third parties to assist in deciding the most appropriate valuation technique.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

3. Significant accounting judgements, estimates and assumptions (continued)

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Fair value of investments

The Directors consider that the fair value of the investment in APQ Cayman Limited should be based on the NAV of APQ Cayman Limited, please refer to note 2.6 and note 15 for further discussion regarding the fair value of investments.

The Directors measure the investments in APQ Corporate Services Limited, APQ Knowledge Limited and BARTR Holdings Limited in accordance with the IPEV guidelines. As these investments are unlisted, their fair value is determined through a range of inputs using external comparisons and management generated forecasts. Forecasts are by their nature estimated expectations and this leads to uncertainty with respect to the valuation of these investments. Management were unable to determine a reliable methodology for valuing BARTR Holdings Limited and has therefore recognised the value of its investments as $nil.

The forecast future cash flows are a key estimate in the determination of these valuations and are subject to uncertainty. These forecasts are determined at the Statement of Financial Position date and do not reflect changes in these forecasts from events after the reporting periods.

Fair value of 6% convertible preference shares

Fair value has been determined through a range of inputs and modelling the results of the change in these inputs. Inputs are determined based on past performance, comparable instruments and management's determination of the suspected future time horizons for the conversion of the instruments. These forecasted values are by their nature estimates and therefore there is uncertainty with relation to the valuation of these instruments. Further details in relation to the valuation of these instruments can be found in note 19.

4. 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.

Group	**2020 $**	**2019 $**
Cayman	53,586,488	102,885,960
United Kingdom	551,655	425,085
Guernsey	11,736,157	4,438,129
Europe	3,679,429	-
	69,553,729	107,749,174

5. Analysis of revenue

	2020 $	2019 $
Dividends received from APQ Cayman Limited	9,355,112	11,663,216
Dividends received from APQ Corporate Services Limited	1,255,533	-
Dividends received from APQ Knowledge Limited	81,558	-
Rental income	-	(674)
Telecommunications minutes income	712,946	1,026,160
	11,405,149	12,688,702

6. Analysis of administrative expenses

	Notes	2020 $	2019 $
Personnel expenses	8	598,103	495,435
Depreciation of property, plant and equipment	14	14,298	13,541
Depreciation of right of use assets	23	84,802	84,803
Audit fees		165,948	96,167
Auditors' remuneration - other accounting services		60,770	7,992
Nominated advisor fees		63,473	63,217
Expenses incurred in relation to investment in BARTR Holdings Limited		3,543	179,227
Costs of purchasing telecommunications minutes		730,592	1,253,764
Administration fees and expenses		194,387	182,892
Director's remuneration	7	169,348	227,716
Other expenses		252,731	423,495
Professional fees		1,384,504	810,138
Share based payment expenses	22	108,333	186,391
Insurance		11,380	11,265
Bad debt expenses		216,543	155,111
Recharge of expenses to APQ Cayman Limited		(433,665)	(341,595)
Net exchange (gains)/losses		(1,186,812)	1,592,114
		2,438,278	5,441,673

7. Directors' remuneration

	2020 $	2019 $
Directors' remuneration	166,292	222,643
Share based payment expenses	86,666	149,113
Social security costs on directors' remuneration	3,056	5,073
	256,014	376,829
The highest paid director was Bart Turtelboom (2019 – Bart Turtelboom)	132,971	225,974
Average number of directors in the year	4	4

8. Personnel expenses

	2020 $	2019 $
Short term benefits – wage and salaries	256,037	221,652
Short term benefits – social security costs	25,571	21,341
Short term benefits – other benefits	307,029	244,591
Short term benefits – Share based payment expenses	21,667	37,278
Post-employment benefits	9,466	7,851
	619,770	532,713

Personnel expenses include expenses per note 6 and the portion of share based payments relating to individuals who are not directors of the Company.

Key management personnel expenses, excluding directors' remuneration detailed in note 7, is as follows:

Short term benefits – other benefits	300,062	238,350
Short term benefits – Share based payment expenses	21,667	37,278
	321,729	275,628

Other benefits include drawings paid to the members of APQ Partners LLP and staff benefits such as healthcare.

9. Other income

	2020 $	2019 $
Other income from early settlement of deferred compensation	77,931	-
Other income from amendment to 6% convertible preference share terms	661,581	-
	739,512	-

10. Interest receivable

	2020 $	2019 $
Loan interest receivable from APQ Cayman Limited	-	350,046
Loan interest receivable from Palladium Trust Services Limited	6,488	1,067
Loan interest receivable from New Markets Media & Intelligence Ltd	631	1,069
	7,119	352,182

During 2018, the Company provided a loan of $7,249,304 to APQ Cayman Limited from the proceeds of the CULS issue. The loan was repayable on demand. During 2019, the balance of $33,372,357 was converted into an investment. In addition, the Company charged interest of $nil (2019 - $350,046) to APQ Cayman Limited for the year ended 31 December 2020.

11. Interest payable

	2020 $	2019 $
Interest on 3.5% Convertible Unsecured Loan Stock 2024	2,375,068	2,264,716
Interest on lease liabilities	2,528	10,115
Dividend paid on 6% convertible preference shares	147,936	-
	2,525,532	**2,274,831**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

12. 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 year.

	2020 $	2019 $
Total comprehensive (loss) / income for the year	(40,435,561)	2,307,496
Weighted average number of shares in issue	78,299,359	78,196,993
Earnings per share	**(0.51642)**	**0.02951**
Diluted earnings per share	**(0.51642)**	**0.02938**

The Group had share awards vested but not yet issued, which are not dilutive in 2020, as the impact of dilution would be to decrease the loss per share. In 2019 these awards were dilutive. The impact of these share awards would have no impact on the total comprehensive income/loss for the year. They would increase the weighted average number of shares by 233,657 (2019 – 350,485).

The Group has 6,000 (2019 – 6,000) units of Convertible Loan Stock which are potentially dilutive if converted into ordinary shares. This would increase the weighted average number of shares by 6,000 (2019 - 6,000) exercise price on these conversion options currently exceeds the traded share price of APQ Global. These are not currently dilutive (2019 – not dilutive).

Potentially dilutive instruments issued during the year

On the 29 January 2020, APQ Global issued 1,000,000 share warrants with an exercise price of 70.94p. The possible impact of this dilution would be to increase the weighted average number of shares by 1,000,000. These share warrants are not currently dilutive.

On the 29 January 2020, APQ Global issued 268,000 convertible preference shares which were convertible into a variable number of shares linked to the relative assets attributable to the convertible preference shares. On 30 June 2020, the terms of the Convertible preference shares were changed so that they are now convertible into 11.25 ordinary shares per convertible preference share. The possible impact of this dilution would be to increase the weighted average number of shares by 3,015,000. These convertible preference shares are not currently dilutive.

13. Dividends

Dividends were declared in the year ended 31 December 2020 and 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	0.019
Second dividend	2 May 2019	31 May 2019	1,172,818	1,517,451	0.015	0.019
Third dividend	25 July 2019	23 August 2019	1,173,217	1,464,644	0.015	0.019
Fourth dividend	31 October 2019	29 November 2019	1,173,616	1,514,023	0.015	0.019
Total 2019			**4,692,071**	**6,007,719**	**0.060**	**0.076**
First dividend	30 January 2020	2 March 2020	1,174,014	1,540,248	0.015	0.020
Total 2020			**1,174,014**	**1,540,248**	**0.015**	**0.020**

The stated dividend policy of the Company is to target an annualised dividend yield of 6% based on the Placing Issue Price. Due to the impact of COVID-19 the Company has ceased all dividends until further notice.

There is no guarantee that any dividends will be paid in respect of any financial year. The ability to pay dividends is dependent on a number of factors including the level of income returns from the Company's businesses. 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.

14. Property, plant and equipment

	Office equipment $	Furniture and fixtures $	Leasehold improvements $	Total $
Cost				
At 1 January 2020	63,511	19,352	34,588	117,451
Additions during the year	9,613	515	-	10,128
At 31 December 2020	73,124	19,867	34,588	127,579
Accumulated depreciation				
At 1 January 2020	49,474	15,719	34,588	99,781
Charge for the year	12,523	1,775	-	14,298
At 31 December 2020	61,997	17,494	34,588	114,079
Net book value				
At 31 December 2020	11,127	2,373	-	13,500
At 31 December 2019	14,037	3,633	-	17,670

15. Investments

	APQ Cayman Limited $	APQ Corporate Services Limited $	APQ Knowledge Limited $	BARTR Holdings Limited $	Listed Investments $	Total $
At 1 January 2019	73,387,622	-	-	766,680	-	74,154,302
Additions	33,372,357	290,518	613,947	-	-	34,276,822
Fair value movement	(3,874,019)	562,351	270,721	24,063	-	(3,016,884)
At 31 December 2019	102,885,960	852,869	884,668	790,743	-	67,764,691
Additions	-	8,495,598	-	-	2,048,891	10,544,489
Fair value movement	(49,299,472)	(179,735)	445,374	(790,743)	1,630,538	(48,194,038)
At 31 December 2020	53,586,488	9,168,732	1,330,042	-	3,679,429	67,764,691

The Company meets the definition of an investment entity, it is therefore required to measure its investments, including its subsidiary undertakings at fair value. Subsidiary undertakings whose primary purpose is to support the investment activities of the Company are consolidated on a line for line basis. Subsidiary undertakings which act as an investment holding company are valued based on the underlying trading investment companies they hold. These investments are held solely for capital appreciation and investment income and measured at fair value through profit and loss(“FVTPL”)

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

15. Investments (continued)

Investments in subsidiaries

The following tables outlines the subsidiary undertakings of the Company:

Name	Country of incorporation	Registered Office	Immediate Parent Company	Holding %	Acquisition/ Incorporation Date	Activity	Recognition
APQ Capital Services Limited	Guernsey	PO Box 142, The Beehive, Rohais, St Peter Port, GY1 3HT	APQ Global Limited	100	31 July 2019	Investment support	Consolidated
APQ Cayman Limited	Cayman Islands	Mourant Ozannes Corporate Services (Cayman) Limited, 94 Solaris Avenue, Camana Bay, PO Box 1348, Grand Cayman KY1-1108	APQ Global Limited	100	10 August 2016	Investment entity	FVTPL
APQ Corporate Services Limited	Guernsey	PO Box 142, The Beehive, Rohais, St Peter Port, GY1 3HT	APQ Global Limited	100	10 January 2019	Investment holding company	FVTPL
APQ Knowledge Limited	Guernsey	PO Box 142, The Beehive, Rohais, St Peter Port, GY1 3HT	APQ Global Limited	100	1 March 2019	Investment holding company	FVTPL
APQ Partners LLP	England and Wales	22a St. James's Square, London, SW1Y 4JH	APQ Global Limited	100	10 August 2016	Investment support	Consolidated
New Markets Media & Intelligence Ltd	England and Wales	22a St. James's Square, London, SW1Y 4JH	APQ Knowledge Limited	100	26 February 2019[1]	Trading investment company	FVTPL
Palladium Finance Group Limited	Seychelles	Global Gateway 8, Rue de la Perle, Providence, Seychelles	APQ Corporate Services Limited	100	22 February 2019[2]	Trading investment company	FVTPL

15. Investments (continued)

Palladium Trust Company (NZ) Limited	New Zealand	Level 8, AIG Building, 41 Shortland Street, Auckland, New Zealand 1010	APQ Corporate Services Limited	100	22 February 2019[2]	Trading investment company	FVTPL
Palladium Trust Services Ltd	England and Wales	22a St. James's Square, London, SW1Y 4JH	APQ Corporate Services Limited	100	22 February 2019[2]	Trading investment company	FVTPL

[1]The total consideration of the purchase agreement to acquire New Markets Media & Intelligence Ltd was deferred over a 3 year period. As at 31 December 2020, $187,304 (£137,023) (2019: $355,859 (£279,423)) is still due with respect to this purchase agreement and is included within deferred consideration in Note 17.

[2]The total consideration of the purchase agreement to acquire Palladium was deferred over a 3 and a half year period. During the year, the Company negotiated early settlement of the deferred consideration due under the agreement. A gain of $77,931 has been recognised within other income in Note 9 with respect to this settlement. As at 31 December 2020, $nil (£nil) (2019: $210,540 (£158,929)) is still due with respect to this purchase agreement and is included within deferred consideration in Note 17.

Investments in subsidiaries – additions in 2020

Delphos International, Ltd[3]	United States	2121 K St, N 2121 K St, NW, Suite 1020, Washington, DC 20037	APQ Corporate Services Limited	100	3 March 2020	Trading investment company	FVTPL
Parish Corporate Services Limited[4]	Guernsey	PO Box 142, The Beehive, Rohais, St Peter Port, GY1 3HT	APQ Corporate Services Limited	100	29 January 2020	Trading investment company	FVTPL
Parish Group Limited[4]	Guernsey	PO Box 142, The Beehive, Rohais, St Peter Port, GY1 3HT	APQ Corporate Services Limited	100	29 January 2020	Trading investment company	FVTPL
Parish Nominees Limited[4]	Guernsey	PO Box 142, The Beehive, Rohais, St Peter Port, GY1 3HT	APQ Corporate Services Limited	100	29 January 2020	Trading investment company	FVTPL
Parish Trustees Limited[4]	Guernsey	PO Box 142, The Beehive, Rohais, St Peter Port, GY1 3HT	APQ Corporate Services Limited	100	29 January 2020	Trading investment company	FVTPL

15. Investments (continued)

The Company invested $8,495,598 in APQ Corporate Services Limited in the year. This was to facilitate the investments it has made in Delphos and Parish.

[3]In consideration to the shareholders of Delphos, a capital raising and transaction advisory business, APQ Corporate Services Limited, a wholly owned subsidiary of the Company, paid an upfront amount of $1.5 million in cash. APQ Corporate Services Limited, was also required to make an additional payment to clear the working capital of Delphos prior to the acquisition, this amounted to $112,265. The Company invested $1,612,266 to facilitate this investment.

[4]Parish Group Limited is a fiduciary and corporate services provider. In consideration to the sellers for the acquisition the Company, via its wholly owned subsidiary, APQ Corporate Services, paid a net amount of $4,095,630 cash consideration to the sellers. APQ Capital Services Limited, a wholly owned subsidiary of the Company, issued 268,000 Convertible Preference Shares (convertible into ordinary shares in APQ Global) to the sellers at price of $10 per share. The Company additionally issued 1.0 million warrants in APQ Global with an exercise price equal of 70.94 pence, to the Sellers. Total consideration is valued at $6,883,332 which the Company invested in APQ Corporate Services Limited to facilitate this investment.

Investments in subsidiaries – additions after the reporting period

FMA – Frontier Markets Advisors Inc[5]	Canada	202-230 Ch. du Golf, Montreal, QC H3E 2A8, Canada	APQ Corporate Services Limited	70	20 January 2021	Trading investment company	FVTPL

[5]On 20 January 2021, APQ Corporate Services Limited, a wholly owned subsidiary of the Company, entered into an agreement to purchase 70% of the FMA- Frontier Markets Advisors Inc a company incorporated and domiciled in Canada which provide investment and financing services. The total cash consideration of this purchase agreement was $260,000.

15. Investments (continued)

Investments in subsidiaries – disposals during the year

On 4 December 2020, the Company, via its wholly owned Subsidiary, APQ Corporate Services Limited, sold its investment in GEO Strategic Partners Limited, a company registered in the Isle of Man. GEO Strategic Partners Limited was not consolidated and was recognised as an investment at fair value through profit or loss as part of the valuation of APQ Corporate Services Limited.

On 1 December 2020, Palladium Trust Company (BVI) Limited, a wholly owned subsidiary of the APQ Corporate Services Limited, incorporated in the British Virgin Islands was dissolved.

On 18 December 2020, APQ Connect Limited, a subsidiary of the Company, incorporated in Guernsey was dissolved. The Company wrote off an amount of $216,543 which was due from APQ Connect Limited.

Other investments

On the 19 November 2018, APQ Global Limited acquired a capital interest represents a 40% shareholding and equivalent voting rights 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. BARTR Holdings Limited wholly owns two subsidiaries, BARTR Connect Limited, whose registered office is Tobias House St. Marks Court, Thornaby, Stockton-On-Tees United Kingdom, TS17 6QW, and BARTR Technologies Limited, whose registered office is 156 Great Charles Street Queensway, Birmingham, England, B3 3HN. On 19 May 2020, the capital interest was converted from ordinary shares to preference shares which have no voting rights, but preferential dividends and preferential rights on assets on wind up of BARTR Holdings Limited. BARTR Holdings Limited is held as an investment at fair value through profit or loss.

The Company has made direct investments in equities that are freely traded on international stock exchanges. These investments are highly liquid and measured at fair value through profit and loss.

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 (“NAV”). NAV is determined based on the observable market values of its portfolio of assets and liabilities.

Fair value of the investment in APQ Corporate, has been determined by determining the valuation of its underlying investments. The underlying investments have been valued through the income approach, incorporating comparison with external sources and the expected cash flows of the investment. The income approach was determined to be the most appropriate as the underlying investments are revenue generating businesses.

The investment in APQ Knowledge Limited was completed on 1 March 2019. Fair value has been determined by determining the valuation of its underlying investments. The underlying investments have been valued through the income approach, incorporating comparison with external sources and the expected cash flows of the investment. The income approach was determined to be the most appropriate as the underlying investments are revenue generating businesses.

The fair value of BARTR Holdings Limited of nil. This is due to BARTR Holdings Limited being a pre-revenue technology start-up company for which future revenue is highly uncertain, and without comparable companies to benchmark the valuation against. The income approach and market approach therefore do not produce a reliable valuation and management has therefore determined the valuation to be $nil.

Listed investments are measured at fair value using the current market bid price for the underlying equity as quoted on the applicable stock exchange the security is traded on.

15. Investments (continued)

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 BARTR Holdings Limited, APQ Corporate Services Limited and APQ Knowledge Limited as level 3 as the inputs utilised in valuing the investments are deemed to be unobservable, as they are private investments. The most significant unobservable input used in the fair value of the investments in APQ Corporate Services Limited and APQ Knowledge Limited are the future expected cash flows of the investments these companies hold, used in deriving a valuation using discounted cash flows. Valuation is determined for these holding companies by the value of the underlying investments held. The Company has valued its investment in BARTR Holdings Limited as $nil. The unobservable inputs of future cash flows could not be reliably determined due to the pre-revenue nature of the business and therefore the most reliable fair value to be determined was $nil. The movement in the investments in the year are shown above. Sensitivity to these inputs are discussed in Note 25.

The Company has classified its investments in APQ Cayman Limited as level 3. Valuation is determined based on the NAV. The majority of underlying assets and liabilities of APQ Cayman Limited are held at fair value based on observable markets.

The listed investments are designated as Level 1 instruments in the fair value hierarchy as fair value can be determined by the quoted market price for these assets. The movement of investments classified by level is as per the below.

The movement of investments classified by level is as per the below.

	Level 1 $	Level 2 $	Level 3 $	Total $
At 1 January 2020	-	-	105,414,240	105,414,240
Additions	2,048,891	-	8,495,598	10,544,489
Fair value movement	1,630,538		(49,824,576)	(48,194,038)
	3,679,429	-	64,085,262	67,764,691

16. Trade and other receivables

	2020 $	2019 $
Trade debtors	62,448	68,581
Amounts due from group undertakings	978,790	281,489
Prepayments and accrued income	39,437	466,914
Other debtors	24,559	54,707
	1,105,234	871,691

No expected credit losses adjustments are included in the above balances, as the majority of the balances relate to group undertaking over which the Company has significant oversight, to determine recoverability. Bad debts of $216,543 have been recognised within the year (2019: $155,111).

17. Trade and other payables

	2020 $	2019 $
Trade creditors	100,808	75,260
Amounts due to group undertakings	33,242	1,960
Other creditors	22,749	61,409
Accruals	231,946	140,745
Lease liabilities	76,595	67,010
Deferred consideration	187,304	566,399
	652,644	912,783

18. 3.5% Convertible Unsecured Loan Stock 2024

	Nominal number of CULS $	Liability component $	Equity component $
As at 1 January 2019	41,446,167	31,834,626	6,919,355
Amortisation of discount on issue and issue expenses	-	2,264,716	-
Interest paid during the year	-	(1,347,911)	-
Exchange differences	-	1,313,562	-
As at 31 December 2019	41,446,167	34,064,993	6,919,355
Amortisation of discount on issue and issue expenses	-	2,375,068	-
Interest paid during the year	-	(1,319,273)	-
Exchange differences	-	1,105,990	-
As at 31 December 2020	41,446,167	36,226,778	6,919,355

18. 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 percent. premium to the unaudited Book Value per Ordinary Share on 31 July 2017. Following conversion of 80 percent. 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 percent. 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.

19. 6% convertible preference shares

	Nominal number of preference shares $	Liability held at amortised cost $	Liability held at fair value through profit and loss $	Equity component $
As at 1 January 2020	-	-	-	-
Preference shares issued during the acquisition of Parish	268,000	2,026,016	653,984	-
Fair value movement on derivative component	-	-	(570,507)	-
Derecognition on amendment to conversion terms	-	(2,026,016)	(83,477)	-
Recognition following the amendment to conversion terms	-	1,347,099	-	100,813
As at 31 December 2020	268,000	1,347,099	-	100,813

On the 29 January 2020, APQ Capital Services Limited, a subsidiary of APQ Global, issued 268,000 convertible preference shares at a value of $10 per share, which were convertible into a variable number of shares linked to the relative assets attributable to the convertible preference shares. These convertible preference shares were admitted to trading on The International Stock Exchange on 30 January 2020.

The conversion option into a variable number of shares was identified as a derivative option which was designated at fair value through profit and loss. This instrument was designated as a Level 3 in accordance with the fair value hierarchy as per Note 15. Fair value has been determined in conjunction with a third party valuation firm, using forecasting of the share price at the date the conversion option is exercised. The following assumptions were used in the calculation of the value of the derivative option:

	Assumptions
Implicit interest rate	7.9%
Duration	7 years

19. 6% convertible preference shares (continued)

On 30 June 2020, the terms of the Convertible preference shares were changed so that they are now convertible into 11.25 ordinary shares per convertible preference share. The fair value of the convertible preference shares was remeasured at this date and the previously recognised carrying values of these convertible preference shares were derecognised. Fair value was remeasured using the following assumptions:

	Assumptions
Implicit interest rate	11.9%
Duration	6.6 years

20. Share Capital

The authorised and issued share capital of the Company is 78,347,359 ordinary shares of no par value listed on The International Stock Exchange and AIM. All shares are fully paid up.

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

Holders of ordinary 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. They also hold rights to receive notice, attend, speak and vote at general meetings 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 percent. 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.

	Ordinary shares No	£	$
As at 1 January 2019	78,134,735	76,697,133	99,596,856
Shares issued from share awards during the year	106,312	100,682	136,198
At 31 December 2019	78,241,047	76,797,815	99,733,054
Shares issued from share awards during the year	106,312	100,682	136,198
At 31 December 2020	78,347,359	76,898,497	99,869,252

During the year ended 31 December 2020, 106,312 (2019 – 106,312) shares were issued as part of the share award scheme as detailed in note 21.

21. 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. As the Company does not have a present obligation to settle in cash the awards are all recognised as equity settled share awards.

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 cents	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

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**.**

	2020		2019	
	Number of awards	Weighted average of fair value of instrument	Number of awards	Weighted average of fair value of instrument
		cents		cents
Outstanding at 1 January	379,692	128.11	496,520	128.11
Settled in equity	(106,312)	128.11	(106,312)	128.11
Settled in cash	(10,516)	128.11	(10,516)	128.11
Outstanding at 31 December	262,864	128.11	379,692	128.11

	Charge for awards to be settled in Equity	Charge for awards settled in Cash	Total charge for share based awards
	$	$	$
Year ended 31 December 2019	172,920	13,471	186,391
Year ended 31 December 2020	94,860	13,473	108,333

The unvested portion of the share awards currently granted is $77,291 (2019 - $185,625). Of the awards outstanding the number vested that are available for settlement amount to 29,207 (2019 – 29,207).

22. Share warrants

On 29 January 2020, the Company issued 1,000,000 warrants as part of the acquisition of Parish Group Limited. The fair value of the warrants issued as part of the consideration for this investment was determined using the Black Scholes option pricing model. The assumptions used in the valuation are as follows:

	Assumptions
Share price on issue (pence)	68.50
Exercise price of share warrants (pence)	70.94
Volatility	10.45%
Duration	6.6 years
Risk free rate	1.00%
Dividend yield	0.00%

Issue date	Warrants outstanding at 1 January 2020	Warrants issued in the period	Warrants exercised in the period	Warrants lapsed in the period	Warrants outstanding at 31 December 2020	Exercise price pence	Expiry Date
29 January 2020	-	1,000,000	-	-	1,000,000	70.94	30 August 2026
	-	1,000,000	-	-	1,000,000		

The weighted average remaining life of the warrants outstanding is 5.7 years.

23. Leases

Finance lease commitments

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

Rental lease asset	**2020 $**	**2019 $**
Leased asset on 1 January 2020	84,802	169,605
Depreciation for the year	(84,802)	(84,803)
Additions	160,376	-
At 31 December 2020	160,376	84,802

Rental lease liability	**$**	**$**
Leased asset on 1 January 2020	67,010	143,850
Interest on lease liability	2,528	10,115
Payments for lease	(68,432)	(110,379)
Exchange differences	(1,106)	23,424
New lease commitment	160,376	-
At 31 December 2020	160,376	67,010

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

24. Net asset value per ordinary share

The net asset value per ordinary share is calculated by dividing the net assets of the Group by the number of ordinary shares outstanding at the statement of financial position date.

	2020 $	2019 $
Net assets at 31 December	31,243,427	72,915,861
Shares in issue at 31 December	78,347,359	78,241,047
Net asset value per ordinary share	**39.88c**	**93.19c**

25. Financial risk and management objectives and policies

The Group's objective in managing risk is the creation and protection of shareholder value. Risk is inherent in the Group's activities, but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. The process of risk management is critical to the Group's continuing profitability. Further details of the principal business risks are included on page 11. The Group is exposed to market risk (which includes interest rate risk, currency risk and price risk), liquidity risk, credit risk and investment holding period risk arising from the financial instruments it holds. The following table analyses the Group's financial assets and liabilities in accordance with IFRS 9, which are exposed to these market risks:

Financial Assets		**2020**			**2019**	
	Fair value through profit and loss	**Amortised cost**	**Total**	**Fair value through profit and loss**	**Amortised cost**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Investments	67,764,691	-	67,764,691	105,414,240	-	105,414,240
Trade debtors	-	62,448	62,448	-	68,581	68,581
Amounts due from group undertakings	-	978,790	978,790	-	281,489	281,489
Prepayments and accrued income	-	-	-	-	253,532	253,532
Other debtors	-	14,545	14,545	-	44,888	44,888
Cash and cash equivalents	-	509,928	509,928	-	1,505,234	1,505,234
Total	67,764,691	1,565,711	69,330,402	105,414,240	2,153,724	107,567,964

25. Financial risk and management objectives and policies (continued)

Financial Liabilities	**2020**			**2019**		
	Fair value through profit and loss	**Amortised cost**	**Total**	**Fair value through profit and loss**	**Amortised cost**	**Total**
	$	**$**	**$**	**$**	**$**	**$**
Trade creditors	-	100,808	100,808	-	75,260	75,260
Amounts due to group undertakings	-	33,242	33,242	-	1,960	1,960
Other creditors	-	22,749	22,749	-	61,409	61,409
Accruals	-	231,946	231,946	-	140,745	140,745
Lease liabilities	-	160,376	160,376	-	67,010	67,010
Deferred consideration	-	187,304	187,304	-	566,399	566,399
CULS liability	-	36,226,778	36,226,778	-	34,064,993	34,064,993
6% convertible preference shares liability	-	1,347,099	1,347,099	-	-	-
Total	-	38,310,302	38,310,302	-	34,977,776	34,977,776

Market risk

Market price risk arises from uncertainty about the future prices and valuations of financial instruments held in accordance with the Company's investment objectives. It represents the potential loss that the Company might suffer through market price movements in respect of quoted investments and also changes in the fair value of unquoted investments that it holds. The market risk on the fair value of unquoted investments is a new risk identified in the year.

Market price risk

Equity price risk arises from equity securities held as part of the Group's portfolio of investments. The Group's investments comprise unquoted investments via its subsidiaries (see note 15), listed equities and its investment in BARTR Holdings Limited. APQ Cayman Limited has investments in quoted equities and debt instruments whose value is dependent on movements in markets. The unquoted investments in the Group's other subsidiaries are subject to fluctuations in markets which may impact their profitability and the realisable value on exit from the investments.

The Board seeks to manage this risk whilst also attempting to maximise returns. The Board regularly reviews the portfolio of investments and utilises an investment advisory committee to help manage the risks of the portfolio.

The most significant input used in the fair value of APQ Cayman Limited is the valuations of its underlying portfolio of assets and liabilities. A reasonable change of 10% in the NAV based on these valuations will have an impact of $5,358,649 (2019 - $10,288,596) on the profit of the business.

The valuation of the investments of the Group's other subsidiaries make use of multiple independent unobservable inputs and it is impractical to perform sensitivity analysis on one input utilised in the calculation of the valuations. Estimates and underlying assumptions are reviewed for reasonableness however these inputs are highly subjective. Changes in any one of the variables, earnings or revenue multiples or illiquidity discounts could potentially have a significant effect on valuation.

A reasonable change of 15% in the value of the investment of APQ Corporate Services Limited will have an impact of $1,375,310 (2019 - $127,931) on the profit of the business.

A reasonable change of 15% in the value of the investment of APQ Knowledge Limited will have an impact of $199,506 (2019 - $132,700) on the profit of the business.

A reasonable change in the market price of the directly held listed equities of 20% will have an impact of $735,886 (2019 - $nil) on the profit of the business.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

25. Financial risk and management objectives and policies (continued)

Interest rate risk

The bank accounts of APQ Global Limited are not interest bearing and so there is limited exposure to interest rate risk. In addition, the CULS are at a fixed interest rate so there is no exposure to interest rate risk on these instruments. The Board does not feel it needs to actively manage this risk.

Currency risk

The Group's functional and reporting currency is denominated in US Dollars. The Group's Ordinary Shares are denominated in Sterling. Through its activities in emerging markets the Group will have underlying exposure to a range of emerging market currencies. Accordingly, the Group's earnings may be affected favourably or unfavourably by fluctuations in currency rates. The Board may engage in the future in currency hedging in seeking to mitigate foreign exchange risk although there can be no guarantees or assurances that the Group will successfully hedge against such risks. The Board therefore does not feel it needs to actively manage this risk at this time.

The Group hold assets and liabilities in Pounds Sterling at year end. The following table detail the Group's assets and liabilities and the currency exposure to Pounds Sterling to the Group:

	2020 $	2019 $
Cash and cash equivalents	441,975	407,423
Trade debtors	62,448	68,582
Other debtors	24,559	34,707
Amounts due from group undertakings	128,790	40,830
Trade creditors	(100,808)	(75,260)
Other creditors	(22,749)	(34,371)
Amounts due to group undertakings	(33,242)	(1,960)
Accruals	(231,946)	(140,745)
Lease liabilities	(160,376)	(67,010)
Deferred consideration	(187,304)	(566,399)
CULS	(36,226,778)	(34,064,993)
	(36,305,431)	(34,399,196)

A reasonable change of 5% in the Group's Pounds Sterling net liabilities (2019 – liability) will have an impact of $1,815,272 (2019 - $1,719,960) on the value of the net assets. This level of change is considered to be reasonable based on observations of current conditions.

Liquidity risk

Liquidity risk is the risk that the Group and the Company may not be able to meet a demand for cash or fund an obligation when due. The Board continuously monitor forecast and actual cash flows from operating, financing and investing activities to consider payment of dividends, repayment of the Group's outstanding debt or further investing activities.

The Group may employ borrowings in connection with its business activities. Prospective investors should be aware that in the event that the Group's income falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net revenue of the Group. The Group will pay interest on any borrowing it incurs. As such, the Group is exposed to interest rate risk due to fluctuations in the prevailing market rates. Interest rate movements may affect the level of income receivable by the Group and the interest payable on the Group's variable rate borrowings.

The following table details the Group's expected maturity for its financial liabilities together with the contractual undiscounted cash flow amounts:

25. Financial risk and management objectives and policies (continued)

31 December 2020	Less than 1 year $	1 – 5 years $	5 + years $	Total $
Liabilities				
Trade creditors	(100,808)	-	-	(100,808)
Amounts due to group undertakings	(33,242)	-	-	(33,242)
Other creditors	(22,749)	-	-	(22,749)
Accruals	(231,946)	-	-	(231,946)
Lease liabilities	(76,595)	(83,781)	-	(160,376)
Deferred consideration	(187,304)	-	-	(187,304)
CULS	-	(46,429,300)	-	(46,429,300)
	(652,644)	(46,513,081)	-	(47,165,725)

31 December 2019	Less than 1 year $	1 – 5 years $	5 + years $	Total $
Liabilities				
Trade creditors	(75,260)	-	-	(75,260)
Amounts due to group undertakings	(1,960)	-	-	(1,960)
Other creditors	(61,409)	-	-	(61,409)
Accruals	(140,745)	-	-	(140,745)
Lease liabilities	(67,010)	-	-	(67,010)
Deferred consideration	(249,268)	(317,131)	-	(566,399)
CULS	-	(46,386,938)	-	(46,386,938)
	(595,652)	(46,704,069)	-	(47,299,721)

Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss for the Group by failing to discharge an obligation. The Group generate its returns through its investments (See Note 15) and is thus exposed to the risk of credit-related losses primarily through its investments. The risk of default from the investment in APQ Cayman is considered minimal because the Group is able to redeem its investment in APQ Cayman Limited at any time. The underlying assets within APQ Cayman Limited are readily tradable and thus liquid. The credit risk of its other subsidiary investments are managed by those entities and the credit risk on these receivables are factored into the fair value of these investments held by the Group.

The Group's primary credit risk on its own assets are primarily related to amounts due from group undertakings. These are deemed to be low risk as the Group has significant oversight of these entities and therefore does not recognise any expected credit losses unless the group undertaking no longer has the facility to repay these amounts. The Company will then provide against these amounts in full and once confirmed they are irrecoverable these are written off.

Other significant assets exposed to credit risk are the Group's cash and cash equivalents. The Group banks with Credit Suisse, JPMorgan Chase & Co, HSBC and Barclays. As per Fitch ratings, Credit Suisse has a credit rating of A, JPMorgan Chase & Co has a credit rating of AA-, HSBC has a credit rating of AA- and Barclays has a credit rating of A+.

The Group's maximum exposure to credit risk in relation to the financial assets is the carrying amount as disclosed in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

25. Financial risk and management objectives and policies (continued)

The Group is also exposed to the following risks through its investment in APQ Cayman Limited ("Cayman").

- Cayman 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.
- Cayman invests in derivative instruments which can be highly volatile and may be difficult to value and/or liquidate.
- Cayman 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.
- Cayman 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 Cayman utilises derivative instruments, it is likely to take credit risk with regard to such counterparties and bear the risk of settlement default.
- Cayman is subject to custody risk in the event of the insolvency of the custodian or any sub-custodians.

The Group intentionally exposes itself to these risks as part of its operations. These risks are managed on an ongoing basis by performance reviews of the underlying portfolio on a quarterly basis by the Board of the Group.

26. 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 subsidiaries.
- 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 Board reviews and approves the investment of capital into illiquid investments and regularly reviews its dividend policy to ensure it remains in accordance with its capital aims.

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:

	2020	**2019**
	$	**$**
Share capital	99,869,252	99,733,054
Equity component of 6% Convertible preference shares	100,813	-
Equity component of 3.5% Convertible Unsecured Loan Stock 2024	6,919,355	6,919,355
Other capital reserves	259,460	300,798
Share warrants reserve	107,702	-
Retained earnings	(71,085,642)	(29,109,833)
Exchange reserve	(4,927,513)	(4,927,513)
Total shareholders' funds	**31,243,427**	**72,915,861**

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

27. Related party transactions

Wayne Bulpitt founded the Active Group, now renamed the Aspida Group, who acted as administrator until 10 June 2020; 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. This is split between the Company and APQ Cayman Limited.

		APQ Global Limited - Remuneration $		APQ Global Limited - Share based remuneration $		APQ Cayman Limited - Remuneration $		APQ Capital Services Limited - Remuneration $		Total $	
		2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Bart Turtelboom	Chief Executive Officer	46,305	76,861	86,666	149,113	108,724	76,861	-	-	241,695	302,835
Wayne Bulpitt	Non-Executive Chairman	51,724	51,384	-	-	-	-	-	-	51,724	51,384
Philip Soulsby	Non-Executive Director	22,607	22,398	-	-	-	-	2,406	-	25,013	22,398
Wesley Davis	Executive Director	43,250	72,000	-	-	43,250	72,000	-	-	86,500	144,000
		163,886	**222,643**	**86,666**	**149,113**	**151,974**	**148,861**	**2,406**	**-**	**404,932**	**520,617**

The directors represent key management personnel. Additional key management personnel are the partners of the LLP, details of their remuneration is disclosed in Note 8.

APQ Global Limited has incurred $36,450 (2019 - $89,770) of fees and expenses to Aspida Services (Guernsey) Limited as administrator of the Company. As at 31 December 2020, APQ Global Limited owed $678 (2019 - $21,677) to Aspida Services (Guernsey) Limited.

On 10 June 2020, the Company changed its administrator from Aspida Services (Guernsey) Limited to Parish Group Limited, a wholly owned subsidiary of APQ Global Limited. APQ Global Limited has incurred $55,027 (2019 - $nil) of fees and expenses to Parish Group Limited as administrator of the Company. As at 31 December 2020 the balance owed to Parish Group Limited was $nil (2019 - $nil).

NOTES TO THE FINANCIAL STATEMENTS (continued)
For the year ended 31 December 2020

27. Related party transactions (continued)

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 $452,759 (2019 - $446,488) to APQ Global Limited during the year. As at 31 December 2020, APQ Global Limited were owed $119,926 (2019 - $142,010) from APQ Partners LLP. In the current and prior year amounts have been eliminated on consolidation.

During the year, the Group recharged expenses to APQ Cayman Limited of $460,525 (2019 - $380,025) and was recharged expenses of $26,860 (2019 - $38,430) from APQ Cayman Limited. The Company received dividends of $9,355,112 (2019 - $11,663,216)

During the year, APQ Global Limited provided $nil (2019 - $280,000) to BARTR Connect Limited, an entity over which the Company has significant influence, in relation to its management of telecommunication contracts. The Company additionally paid expenses on behalf of BARTR Connect Limited that it did not seek to recover from BARTR Connect Limited of $.3,543 (2019 - $117,764). At 31 December 2020, $nil (2019 - $nil) was due to BARTR Connect Limited.

During the year, APQ Global Limited provided funding of $850,000 (2019 - $144,464) to APQ Corporate Services Limited. As at 31 December 2020, $850,000 (2019 - $144,464) was due from APQ Corporate Services Limited (See Note 16). The Company received dividends of $1,255,533 (2019 - $nil)

During the year, the company received dividends of $81,558 (2019 - $nil) from APQ Knowledge Limited

During the year, APQ Global Limited paid $147,936 (2019 - $nil) as dividends to the holders of the convertible preference shares on behalf of APQ Capital Services Limited.

During the year, APQ Global Limited provided a loan to Palladium Trust Services Limited, a group undertaking, of $77,849 (2019 - $37,431). In addition, the loan attracts interest at a rate of 10%. During the year, APQ Global Limited charged interest of $6,489 (2019 - $1,067). As at year end, APQ Global Limited was owed $128,790 (2019 - $40,831) from Palladium Trust Services Limited (See Note 16).

During the year, APQ Global Limited provided a loan to New Markets Media & Intelligence Ltd, a group undertaking, of $nil (2019 - $24,299). In addition, the loan attracts interest at a rate of 10%. During the year, APQ Global Limited charged interest of $631 (2019 - $1,069). During the year, the loan has been fully repaid. During the year, New Markets Media & Intelligence Ltd also provided funding to APQ Global Limited of $2,405 (2019 - $28,404). As at year end, APQ Global Limited owed $33,242 (2019 - $1,960) to New Markets Media & Intelligence Ltd (See Note 17).

During the year, APQ Global Limited provided funding to APQ Connect Limited, a group undertaking, of $120,347 (2019 - $96,195). As at year end, APQ Global Limited was owed $nil (2019 - $96,195) from APQ Connect Limited as the company wrote of a balance of $216,542 due from APQ Connect Limited as it was dissolved (See Note 16).

28. Events after the reporting period

On 20 January 2021, APQ Corporate Services Limited, a wholly owned subsidiary of the Company, entered into an agreement to purchase 70% of the FMA- Frontier Markets Advisors Inc ("FMA Inc"), a company incorporated and domiciled in Canada. The total cash consideration of this purchase agreement was $260,000.

Since 31 December 2020, the following securities have been admitted to the Official list of the International Stock Exchange:

Entity	Type of instrument	No. of instruments	Date admitted
APQ Global Limited	Ordinary shares	26,578	12th January 2021