

23 March 2021

TEAM plc

("TEAM " or the "Company")

Financial Results for the period from 4 July 2019 to 30 September 2020

TEAM plc (AIM: TEAM), the Jersey based active fund management group, announces its audited results for the period from 4 July 2019 to 30 September 2020. The Company notes the financial results are for a period prior to listing its listing on AIM.

Key Information

- Revenues of £0.70 million for the period
- Loss before tax in the period of £0.47 million
- Net assets of £1.37 million as at 30 September 2020
- TEAM plc acquired TEAM Limited in January 2020, and the below results include the financial results of TEAM Limited for the eight months up to 30 September 2020
- Post period end, on 8 March 2021, TEAM plc was admitted to trading on the AIM market of the London Stock Exchange, having net proceeds receivable by the Company of approximately £6.4 million.

Enquiries:

TEAM

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About the Company:

TEAM PLC wholly owns Theta Enhanced Asset Management Limited, trading as TEAM Asset Management (together, the "Group"). TEAM Asset Management is a Jersey based specialist, investment-led active fund manager currently providing discretionary and advisory portfolio management services to private clients, trusts and charities. The Group intends to target both professional and retail clients through its key discretionary and advisory investment management services and the Directors intend, through both organic growth and a buy-and-build strategy, for the Group to become an internationally recognised wealth and asset management group, driven by an investment process seeking to offer clients positive risk-adjusted returns over the long term.

Chairman's Statement

This is the first report and audited consolidated financial statements for TEAM plc. The company was founded for the purpose of acquiring or merging with regulated financial services companies primarily engaged in wealth management, asset management, cash management or investment management activities located in Jersey and other jurisdictions.

I identified Theta Enhanced Asset Management Limited ("TEAM Limited") as the first acquisition for TEAM plc and raised £1.8 million from individuals either known to me or who were existing shareholders in TEAM Limited to fund the acquisition. TEAM Limited was founded in Jersey in 2001 and is regulated by the JFSC to conduct investment business and fund services business. Since then the company has invested in staff, technology, operations and marketing, and grown the AUM from £116 million to £281 million as at 30 September 2020.

On the 8th March 2021, the Company was listed on the AIM, pricing at 88 pence a share, valuing the business at £7.0 million. We were successful in raising net proceeds of £6.4 million. I am delighted to welcome the new shareholders who supported us in our admission, and thank the original shareholders in TEAM plc who have benefited from the significant growth of the business in the short period the company has been trading.

I would also like to welcome to the board Matthew Moore, who joined as CFO and COO, and Philip Taylor, Michael Gray and David Turnbull as non-executive, and place my thanks on record to Alex Stanton and Luke Smith who were founder directors and stepped down on the listing of the business.

Like all businesses we are only as good as our people. I am most grateful to all at TEAM for their contributions both current and past (thank you Ben Shenton). Jason Jones is now leading the Jersey based entity with our full support and has already made great progress, particularly regarding our recruitment activities. We are looking forward to moving to our new offices which will give us a first class technology infrastructure to further improve our service capabilities.

Lastly, we would not have a business if we were not for our clients. The trust they place in us has to be our priority, and always will be. Thank you to old and new clients.

This report and financial statement is for a period prior to the listing of the company. The improved corporate governance, operational and risk controls that have been put in place to support our position as a company listed on AIM have been effective only since our admission. This report therefore sets out the governance of the business at the time of writing and does not refer to the period to 30 September 2020.

Mr J M Clubb
Executive Chair

Financial review

TEAM plc incurred expenditure relating to raising new equity capital, transaction expenditure relating to the acquisition of TEAM Limited, and costs relating to the preparation of the business for admission on the AIM market.

TEAM plc acquired TEAM Limited in January 2020, and includes the financial results of TEAM Limited for the eight months up to 30 September 2020.

For the year to 30 September 2020 TEAM Limited reported increased revenues of £994,709, a 20% increase on the previous year of £828,736, as additional clients were taken on following the recruitment of new investment managers. Higher operating expenses as a result of the new staff, increased investment in operations, technology and marketing, led to an increased loss for the year of £158,636 after a loss of £68,801 in the previous year.

As at 30 September 2020 TEAM plc had net assets of £1.37 million.

Mr M C Moore
CFO and COO

Financial Statements

Consolidated Statement of Comprehensive Income

The consolidated statement of comprehensive income of the Group for the period from 4 July 2019 to 30 September 2020 is set out below:

	From 4 July 2019 to 30 September 2020
Note	£'000
Continuing activities	

Revenue	3	701
Cost of sales		(69)
Operating expenses	4,5	(1,047)
Interest payable and similar expenses	7	(52)
Loss on ordinary activities before taxation	6	(467)
Taxation	8	5
Loss for the period and total comprehensive loss		(462)
Loss per share (basic and diluted) - Stated in pounds per share	19	(8.13)

The Group has no non-controlling interest, hence loss for the period pertains all to the parent company.

Consolidated Statement of Financial Position

The consolidated statement of financial position of the Group as at 30 September 2020 is set out below:

	Note	30 September 2020 £'000
Non-current assets		
Intangible assets	9	989
Property, plant & equipment	10	44
Deferred tax	8	43
Long term deposit	12	50
		1,126
Current assets		
Trade and other receivables and prepayments	12	307
Cash and cash equivalents		253
		560
Payables: amounts falling due within one year	13	(316)
Net current assets		244
Net assets		1,370
Equity		
Share capital	15	9
Share premium reserves		1,823
Retained earnings		(462)
Total equity		1,370

Consolidated Statement of Changes in Equity

The consolidated statement of changes in Equity of the Group for the period from 4 July 2019 to 30 September 2020 is set out below:

	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
At 4 July 2019	-	-	-	-
Loss for the period	-	-	(462)	(462)
New share capital subscribed	9	1,823	-	1,832
At 30 September 2020	9	1,823	(462)	1,370

Consolidated Statement of Cash Flow

The consolidated statement of cash flow of the Group for the period from 4 July 2019 to 30 September 2020 is set out below:

The only changes in liabilities other than from financing cash flows are in respect of leases, details of additions and disposals of which are given in note 10.

	Note	From 4 July 2019 to 30 September 2020 £'000
Cash flows from operating activities		
Loss for the year before tax		(467)
Adjustments to cash flows from non-cash items:		
Depreciation and amortisation	6	113
Finance costs		52
Trade and other receivables (net of effects from acquisition of subsidiaries)		(289)
Trade and other payables (net of effects from acquisition of subsidiaries)		228
Net cash outflow from operating activities		(363)
Cash flows from investing activities		
Acquisition of subsidiary net of cash acquired	9	(772)
Acquisition of property, plant and equipment	10	(11)
Net cash outflow from investing activities		(783)
Cash flows from financing activities		
Lease liability paid	14	(36)
Issue of share capital at par	15	9
Share premium on issue of shares	15	1,426
Net cash flow from financing activities		1,399
Net increase in cash and cash equivalents		253
Cash and cash equivalents from at beginning of period		-

Non-cash transactions:

During the period, the subsidiary was acquired for a total consideration of £1,500,000, which comprised of cash consideration of £1,102,174 and share capital exchange of £397,826. The cash flow of acquisition of subsidiary above is netted off by the cash acquired of £329,739.

Notes to the Consolidated Financial Statements for the period ended 30 September 2020**1. General information**

TEAM plc (the “**Company**”) is a Registered Public Company limited by share capital incorporated and registered in Jersey, Channel Islands on 4 July 2019. The registered Company number is 129405. The principal place of business is Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA.

The principal activity of the Group is the provision of investment management services.

These financial statements are presented in Pound Sterling (£), rounded to the nearest thousand (£'000), which is the currency of the primary economic environment in which the Group operates.

3. Revenue

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of Group that are regularly reviewed by management, including the chief finance officer and chief operating officer, to allocate resources to the segments and to assess their performance. The Group continues to identify a single reportable segment and within this single reportable segment, total revenue for the year from continuing operations is as follows:

	From 4 July 2019 to 30 September 2020 £'000
Fees	541
Commissions	160
	<u>701</u>

4. Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	From 4 July 2019 to 30 September 2020 £'000
Wages and salaries	536
	<u>536</u>

5. Directors' remuneration

The directors' remuneration for the year was as follows:

**From 4 July 2019
to 30 September 2020
£'000**

J M Clubb	58
L Trevellyan	7
L Smith	6
A Stanton	3
	74
	74

6. Operating loss

Arrived at after charging:

**From 4 July 2019
to 30 September 2020
£'000**

Auditors' remuneration - audit fees	17
Auditors' remuneration - other audit services	21
Costs relating to the admission of the shares	140
Amortisation of intangibles	70
Depreciation of plant and equipment	6
Depreciation of right of use asset	37
Interest on right of use asset	2
	2
	2

7. Interest payable and similar expenses

**From 4 July 2019
to 30 September 2020
£'000**

Interest payable - Right of use asset	2
Long term deposit - other	50
	52
	52

8. Taxation

The Company is a tax resident in Jersey and is subject to 0% income tax as a holding entity. The current and deferred income tax charge in the consolidated financial statements are the tax charges of the Company's subsidiary, TEAM Limited which is subject to 10% income tax, as a financial services entity in Jersey.

Tax charged in the income statement

**As at 30 September 2020
£'000**

Deferred taxation	
Deferred tax	(5)
	(5)
	(5)

The differences are reconciled below:

Loss before tax applicable to financial service companies from date of acquisition to year end	(96)
Tax for financial service companies at 10%	(10)
Effect of permanent expense not deductible in determining taxable profit (tax loss)	5
Effect of temporary expense not deductible in determining taxable profit (tax loss)	1
Tax increase from effect of unrelieved tax losses carried forward	4
Total tax charge	-

Deferred tax

Deferred tax assets and liabilities

	As at 30 September 2020
	£'000
	Asset
2020	
Losses carried forward	40
Capital allowances	3
	<u>43</u>

9. Intangible assets

On the 31 January 2020 TEAM plc Acquired the entire share capital of Theta Enhanced Asset Management Limited ("TEAM Limited"), a company incorporated and registered in Jersey, Channel Islands.

	As at 30 September 2020
	Customer relationships
	£'000
Cost	
At 4 July 2019	-
Acquired through business combinations	1,059
Disposals	-
At 30 September 2020	<u>1,059</u>
Amortisation	
At 4 July 2019	-
Charge for the period	70
At 30 September 2020	<u>70</u>
Carrying amount	
At 4 July 2019	-
At 30 September 2020	<u>989</u>

The Company acquired the entire share capital of TEAM Limited, a company incorporated and registered in Jersey, Channel Islands which provides investment management services. The total consideration paid for TEAM was £1,500,000 which comprises of cash of £1,102,174 and shares amounting to £397,826. Included in the statement of income are £25,467 in transaction costs relating to this acquisition. The primary reason for

the acquisition was to enable the group to provide investment management services.

The value of the customer relationships has been calculated using the excess earnings approach discounted using the incremental borrowing rate of 10.26%. The average life of a customer relationship has been set at ten years and represents both the period over which the value of such relationships have been calculated and the amortisation period of the intangible asset arising. Based on management's assessment, the intangible assets recoverable value is higher than its carrying amount as at 30 September 2020, hence the intangible asset is not impaired.

Since being acquired at the end of January 2020, TEAM Limited, has incurred a total loss of £95,793.

Any goodwill arising through business combinations is allocated to individual assets of its subsidiaries including identified intangible assets. A summary of the fair values of each major class of consideration is listed below:

Categorisation of assets	As at 31 January 2020
	£'000
Intangible asset: customer contracts	1,059
Right-of-use assets	64
Property, plant and equipment	12
Deferred tax	38
Cash and cash equivalents	330
Trade and other receivables	119
Lease liabilities	(72)
Trade and other payables	(50)
	1,500

9. Property, plant and equipment

	Right of use assets	Equipment	Computer hardware	Computer software	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 4 July 2019	-	-	-	-	-
Acquisition of subsidiary	166	95	21	16	298
Additions	-	3	8	-	11
Disposals	-	(92)	(3)	(11)	(106)
At 30 September 2020	166	6	26	5	203
Amortisation					
At 4 July 2019	-	-	-	-	-
Acquisition of subsidiary	101	95	12	14	222
Disposals	-	(92)	(3)	(11)	(106)
Charge for the period	37	2	3	1	43
At 30 September 2020	138	5	12	4	159
Carrying amount					
At 30 September 2020	28	1	14	1	44

The right-to-use asset is in relation to the property at Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA which it occupies. The lease term ends on 30 April 2021.

10. Subsidiary undertakings

Details of undertakings

Details of the investments as at 30 September 2020 (including principal place of business in which the Company holds 20% or more of the nominal value of any class of share capital) are as follows:

Undertakings	Country of incorporation	Holding	Proportion held by Group as at 30 September 2020	Proportion held by Subsidiary as at 30 September 2020
TEAM Limited	Jersey	Ordinary	100%	-
TEAM Nominees Limited	Jersey	Ordinary	<u>100%</u>	<u>100%</u>

TEAM Limited loss from date of acquisition to 30 September 2020 was £95,793 and its net asset position as at 30 September 2020 was £544,875.

TEAM Nominees Limited acts as a nominee company, holding client assets in safe custody on behalf of its parent company. TEAM Nominees Limited does not trade and its net assets amount to £2.

Post year end, new subsidiaries were incorporated by the Group. Please see note 21 for details.

11. Receivables

	As at 30 September 2020 £'000
Due within one year	
Trade receivables	249
Prepayments	58
	<u>307</u>
Due after more than one year	
Long term deposit	50
	<u>50</u>

Impairment of receivables

	As at 30 September 2020 £'000
Impairment included in trade receivables	<u>-</u>

12. Payables

As at 30 September 2020
£'000

	Note	
Due within one year		
Lease liability	14	34
Payables		251
Social security and other taxes		31
		<u>316</u>

13. Lease liabilities

The amount of interest on the lease liabilities recognised as an expense during the period was £2,099. TEAM occupies a property at Royal Court Chambers, 10 Hill Street, St Helier, Jersey, JE2 4UA. The annual repayments of the lease repayments are £60,000 per annum. The lease term ends on 30 April 2021.

	As at 30 September 2020
	£'000
Maturity analysis	
Not later than one year	34
Between two and five years	-
	<u>34</u>

14. Share capital

	As at 30 September 2020
	No.
Allotted, called and fully paid shares	
Ordinary A share capital of £0.10 each	<u>93,000</u>
	As at 30 September 2020
	£'000
Allotted, called and fully paid shares	
Ordinary A share capital of £0.10 each	<u>9</u>

The authorised share capital of the Company is £20,000 divided into 190,000 Class A shares of £0.10 nominal value each and 10,000 Class B Shares of £0.10 nominal value each.

During the period, TEAM PLC issued 93,000 Class A shares with a total consideration above par, resulting in a share premium of £1,822,789 net of share transaction costs of £45,691.

The holders of Class A Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company in respect of their Shares. Each such holder present in person or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll or written resolution to one vote for each Share held.

The holders of Class B Shares shall have no right to receive notice of and attend and vote and speak at any general meeting of the Company and shall not be entitled to vote on any written resolution of the Company in respect of their Class B Shares.

15. Financial instruments

As at 30 September 2020

	£'000
Categorisation of financial instruments	
Financial assets measured at amortised cost:	
Trade receivables	299
Financial assets that are debt instruments measured at amortised cost:	
Cash and cash equivalents	253
	<u>552</u>
Financial liabilities measured at amortised cost:	
Trade payables	(251)
Financial liabilities measured at amortised cost:	
Lease liability	(34)
	<u>(285)</u>

16. Earnings per share

The group's has calculated the weighted-average number of outstanding ordinary shares for the period as follows:

	Number of shares outstanding	Time weighting	Weighted average number of shares
July 2019 - Shares issued	100	15/15	100.00
December 2019 - Shares issued	45,800	10/15	30,533.33
January 2020 - Shares issued	41,400	9/15	24,840.00
June 2020 - Shares issued	4,464	4/15	1,190.40
July 2020 - Shares issued	1,236	3/15	247.20
Weighted average for the period		15 months	56,910.93

	From 04 July 2019 to 30 September 2020
Loss for the financial period and total comprehensive loss	(£461,998)
Weighted average number of shares	56,910.93
Basic loss per share (in pounds)	(8.13)

The Parent Company does not have any contingent issuable shares as at year end, hence diluted loss per share is the same as the basic loss per share.

17. Events after the statement of financial position date

On 12 October 2020, the Company changed its name from Ponterrin Holdings Limited to TEAM Plc.

On 18 November 2020, TEAM (UK) Management Services Limited (“TEAM UK”) was incorporated in England with the company number 13029848. TEAM UK’s shareholding is 100% owned by the Company.

On 11 December 2020, TEAM Midco Limited was incorporated in Jersey with the company number 133111. TEAM Midco Limited shareholding is ultimately controlled and owned by the Company.

On 22 December 2020, a director of the Company provided a loan for a total of £200,000, with an interest rate of 3%. This loan was used to increase the cash available to the Company, in order to cover short term costs.

On 6 January 2021, TEAM Midco Limited purchased the total share capital of TEAM Limited, becoming the parent company from that date.

On 29 January 2021, a director of the Company provided a second loan for a total of £200,000, with an interest rate of 3%. This loan was used to provide funds to TEAM Limited, via the company’s subsidiary TEAM Midco Limited. The total loan owed to the director of £400,000 plus interest of £1,778.08 was repaid by the Company on the 10 March 2021.

On 1 March 2021, the below directors were appointed:

Mr M C Moore
Mr M M Gray
Mr D J K Turnbull
Mr L P C Taylor

On 8 March 2021, TEAM plc was admitted to trading on the AIM market of the London Stock Exchange, having net proceeds receivable by the Company of approximately £6.4 million.