



Annual Report and Accounts

For the year
Ended 31 January 2020

Number: 10973102
Company

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Company Information

Directors & Advisers

Directors	Toby Hayward Derek Ward Dr Susan Thompson Anthony Reeves	Non-Executive-Chairman Non-Executive Director Non-Executive Director Non-Executive Director
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Company Secretary SGH Companies Secretaries Limited

Registered Office 6th Floor
60 Gracechurch Street
London
EC3V 0HR

Company number 10973102 (England and Wales)

Brokers Novum Securities Limited
10 Grosvenor Gardens
Belgravia
London
SW1W 0DH

Independent Auditors Crowe U.K. LLP
St. Brides House
10 Salisbury Square
London
EC4Y 8EH

Solicitors Shakespeare Martineau
6TH Floor
60 Gracechurch Street
London
EC3v 0HR

Registrars Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent
BR3 4TU

Banking Metro Bank
One Southampton Row
London
W1S 3AG

Company Website www.bermele.com

Chairman's Statement For the Year Ended 31 January 2020

I am pleased to present the audited financial statements to shareholders of Bermele Plc (the "Company") for the year ended 31st January 2020.

Financial Review

The Company was formed for the purpose of acquiring a business or businesses operating in the pharmaceutical and biotechnology sectors. The Acquisition, of either the assets, or the share capital, of a target company, will be treated as a Reverse Takeover and in order to maintain its listing the enlarged group would be required to apply to have its shares readmitted to the Official List and trading on the Main Market of the London Stock Exchange. During the period, the Company evaluated and considered several businesses for acquisition or investment.

At the General Meeting held on the 13 February 2020, alongside a successful placing to raise £200,000, shareholders authorised the Board to pursue acquisitions outside of the biotechnology and pharmaceutical sector.

I am delighted that on the 20 July the Company announced it has signed Heads of Terms to acquire the entire issued share capital of East Imperial Pte. Ltd. ("East Imperial"), entered into a convertible loan with East Imperial and a legally binding Exclusivity Agreement to facilitate concluding the proposed Acquisition.

The Company incurred a loss for the year ended 31 January 2020 of £638,557. The loss for the period results from the on-going administrative expenses of £370,262 reflecting the ongoing administration costs of being listed, one-off costs of £176,135 incurred for the Admission to the Official List and the London Stock Exchange of £57,847.

The Board continues to prudently manage its cash flow and has minimised ongoing operating costs in light of the Acquisition. At the period end the Company had cash of approximately £490,988 (prior to the Placing).

Board Changes

On 13 August 2019 the company added a broader skill set to the Board with the appointment of Anthony Henry Reeves as a Non-Executive Director of the Company. He has a wealth of domestic and international experience as a director and chairman, specialising in organic growth and strategic acquisitions across a number of sectors including staffing, healthcare and technology



Toby Hayward
Non- Executive Chairman
31 July 2020

Strategic Report

For the Year ended 31 January 2020

The Directors present the Strategic Report of Bermele Plc for the Year ended 31 January 2020.

Review of Business in the Period

Operational Review

The Company's principal activity is set out in the Directors' Report on pages 12 to 14.

The Company was incorporated in England and Wales on 20 September 2017 as a public Limited company under the Companies Act with registered number 10973102. The Company's LEI The Company's LEI is 213800NL4ICLKYSYU749.

On incorporation, 10,000,000 Ordinary Shares were issued at the par value of £0.001 each. On 25 July 2018, the Company issued a further 90,000,000 Ordinary Shares at a par value of £0.001 each. On 9 May 2019, a further 99,999,999 Ordinary Shares of 0.1p each on the standard list raising an estimated net proceeds of £ 916,450

Bermele PLC has been formed for the purpose of acquiring a business or businesses operating in the pharmaceutical and biotechnology sector. The Company will look to acquire a target company with products and technology already at a stage of research and development that will add value to the Company.

Anthony Reeves joined the Company in August 2019. He has a wealth of domestic and international experience as a director and chairman, specialising in organic growth and strategic acquisitions across a number of sectors including staffing, healthcare and technology.

Since Admission, the Company has evaluated several potential acquisitions which were deemed unsuitable due to either the outlook and/or the consideration being sought by the vendors. The Board continues to evaluate several acquisitions and is in preliminary discussions with a potential acquisition. The Board will update the market on progress once exclusivity has been granted and/or there is a high probability that a transaction can be completed.

Business Strategy and Execution

The Directors believe that opportunities exist to acquire one or more existing businesses, ideally with significant intellectual property across a broad range of sectors, as technological advances enable the development of new products and services to seek to prevent, diagnose and treat a multitude of conditions.

The Directors will focus on companies with products and technology already at a stage of research and development that will add value to the Company.

Acquisition Strategy

The Company has been formed to undertake the Acquisition of a business or businesses across a broad range of sectors. The Company may seek to simultaneously acquire one or two businesses that have complementary products or technology in order to create one larger company. The Company's intention is to acquire a controlling majority in a targeted business or company.

In selecting acquisition opportunities to review, the Board focuses on businesses, assets and/or projects that are available at attractive valuations and hold opportunities to unlock embedded value.

Evaluating Acquisition Opportunities

Once an Acquisition target has been identified the Company will undertake a full due diligence process to assess the efficacy and robustness of the products and/or technology and a review of the business and its staff and key employees in order to be in a position to ensure the best possible outcome for the Company.

The Directors intend to mitigate Acquisition risk by appropriate due diligence and transaction analysis.

The Board will conduct initial due diligence appraisals of potential businesses or projects and, where they believe further investigation is warranted, to appoint appropriately qualified personnel and professional advisers to assist. The Board believes it has a broad range of contacts through which it is likely to identify various opportunities that may prove suitable and believes its expertise will enable it to determine quickly which opportunities could be viable and so progress quickly to formal due diligence as appropriate.

The Board proposes to carry out a comprehensive and thorough project review process in which all material aspects of a potential project or business will be subject to rigorous due diligence, as appropriate. Opportunities meeting the following criteria would be eligible for further evaluation:

- Sustainable technological advantage
- Above average business potential

Strategic Report

For the Year ended 31 January 2020

- Sound intellectual property protection or potential for patenting
- Clearly definable milestones for development
- Scientists commitment and dedication

It is possible the Board may consider Acquisitions that do not conform to all of the above framework. However in all cases, opportunities should offer the ability for the shareholders of the Company to benefit from an acquisition through increased shareholder value (measured in terms of profitability, dividend income or increased share price) in the medium to long term.

Evaluation criteria will include:

- In-house expertise
- Peer-reviewed literature
- Investigating other companies developing related technologies
- Consult clinicians
- Identifying competitors
- Understanding the competitive eco system
- Balancing the clinical science and commercialisation skills of management

The above factors are not intended to be exhaustive. Any evaluation relating to the merits of a particular Acquisition will be based on the above factors as well as other considerations deemed relevant to the Company's business objective by the Board.

The Company's focus is to capitalise on the opportunities presented as a result of what the Board believe to be fundamental changes that are underway in certain sectors where innovative new products and technologies sustain growth and new development models to improve productivity. The Company is not bound by geographic location and will consider an acquisition outside the UK if it is in line with the outlined acquisition strategy.

Failure to make an Acquisition

The Company will update shareholders on the Company's progress via the regulatory news service as required and specifically by way of general meeting. Should an Acquisition not be announced by the second anniversary of Admission then the Company will hold a second general meeting to review the future of the Company as a special acquisition vehicle. At the general meeting the Board will seek approval of the shareholders by simple majority to either return the remaining funds to shareholders or continue to look for acquisition targets. In the event that it is decided to return the remaining funds to shareholders it is unlikely that the funds returned will be equal to any original investment made.

Events since the year end

The Board is currently reviewing one potential acquisition opportunities outside the biotechnology & pharmaceutical sector, having dismissed a number of potential transactions which did not fit the mandate of delivering key inflection points of value for shareholders and demonstrating a significant proprietary Intellectual Property (IP) position. The Board looks forward to progressing this transaction and providing further updates to shareholders in due course

COVID-19

The economic environment has changed materially since the year end following the onset of the global COVID-19 pandemic. The United Kingdom and many countries across the world have imposed unprecedented restrictions on the movement of their population, leading to the suspension or closure of many businesses not deemed critical.

However, the director do not believe that COVID-19 is having a material impact on the Company and they have initiated an Acquisition.

Strategic Report

For the Year ended 31 January 2020

Financial review

Results for the period Ended 31 January 2020

The Company incurred a loss for the period ended 31 January 2020 of £638,557. The loss for the period results from: the on-going administrative expenses of £370,262 required to operate the Company; one-off listing & fund-raising costs of £ 176,135 for setting-up the Company and costs incurred for UKLA and the London Stock Exchange of £ 57,847.

Cash flow

Net cash inflow for 31 January 2020 was £482,160. This includes gross proceeds of £1,000,000 for the issue of 100,000,000 on the public offering on 9 May 2019 ordinary shares.

Key Performance Indicators

Other than continued monitoring and minimisation of all operating costs expenditure, there are no key performance indicators for the Year Ended 31 January 2020 as the Company has not completed an acquisition.

Position of Company's Business

As at 31 January 2020 the Company's Statement of Financial Position shows net assets totalling £441,166. The Company has minimal liabilities and is considered to have a strong cash position at the reporting date.

The Board contains personnel with a good history of running businesses that have been compliant with all relevant laws and regulations and there have been no instances of non-compliance in respect of environmental matters.

At present, there are three male and one female Directors in the Company. The Company has four Non- Executive Directors.

The Company ensures that its employment practices consider the necessary diversity requirements and compliance with all employment laws. The Board has experience in dealing with such issues and sufficient training and qualifications to ensure they meet all requirements.

The government of the United Kingdom has issued guidelines setting out appropriate procedures for companies to follow to ensure that they are compliant with the UK Bribery Act 2010. The Company has conducted a review into its operational procedures to consider the impact of the Bribery Act 2010 and the Board has adopted an anti-corruption and anti-bribery policy.

Principal Risks and Uncertainties

The Company operates in an uncertain environment and is subject to a number of risk factors. The Directors consider the following risk factors are of particular relevance to the Company's activities although it should be noted that this list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

Risks/Uncertainties to the Company

Issue	Risk/Uncertainty	Mitigation
No Business track record.	The Company is a newly formed entity with no operating history and although a number of potential acquisition opportunities are being considered none of these are in substantive negotiations and there is a risk that no acquisitions are completed or that acquisitions are completed which do not create value for shareholders.	The management team has experience in acquiring, investing in and/or managing companies in various different sectors. The board between them have almost 100 years of financial experience in various different sectors

Strategic Report
For the Year ended 31 January 2020

Issue	Risk/Uncertainty	Mitigation
The Company relies on the experience and talent of its management and advisers	The Company is dependent on the Directors to identify potential acquisition opportunities and to execute an acquisition and the loss of the services of the Directors could materially adversely affect the Company's strategy or ability to deliver upon it in a timely manner or at all.	All members of the Board and the NON- Executive Directors have a BEEN provided further incentives once an acquisition is completed further incentives, including share options This ensures alignment of the Board and senior management with the long-term success of the business.
The Company is unable to complete any acquisitions	The Company may be unable to complete an acquisition in a timely manner or at all or to fund the operations of the target business if it does not obtain additional funding following completion of an acquisition.	The Board is clear that all acquisitions and investments completed by the Company will provide substantial returns for shareholders which will support the funding requirements. If no such acquisitions is identified by the 2 second anniversary of listing then a board meeting will decide the future of SPA.
Strategy	The Company currently has no assets producing positive cash flow and its ultimate success will depend on the Directors' ability to implement the strategy outlined in its Prospectus, generate cash flow from the Company's potential investments, and access equity and debt financing markets as the Company grows and develops. Whilst the Directors' are optimistic about the Company's prospects, there is no certainty that anticipated outcomes and sustainable revenue streams will happen.	The Board has a clear strategy and very experienced management team that is highly motivated to deliver against the strategy. If the Board is unable to executive the strategy due to unavailable acquisitions at the right price, the Company will consider the timely return of funds to shareholders.
Raising funding	The Company may need to raise substantial additional capital in the future to fund any acquisition and future revenues, taxes, capital expenditures and operating expenses will all be factors which will have an impact on the amount of additional capital required. Any additional equity financing may be dilutive to Shareholders.	It is anticipated that a reverse acquisition will take place and that funds will be raised for the enlarged business in conjunction with the acquisition. The Company monitors its cash requirements carefully and the net proceeds from the share issues in May 2019 have been conserved as much as possible pending completion of an acquisition.
COVID-19	COVID-19 may impact the Company's ability to raise capital to fund acquisitions and working capital and could adversely impact acquisitions' in biopharmaceuticals and technology industry	The Directors are closely monitoring the commercial impact of the COVID-19 pandemic on Biotech & pharmaceutical industry and will only propose compelling acquisitions after carrying out significant due diligence for securing capital. In February 2020, the directors received a mandate to peruse acquisitions outside the biotechnology & pharmaceutical sector.

Strategic Report

For the Year ended 31 January 2020

Composition of the Board

A full analysis of the Board, its function, composition and policies, is included in the Governance Report on pages 16 to 19.

Capital structure

The Company's capital consists of Ordinary Shares which rank pari passu in all respects and which are traded on the Standard list of the Main Market of London Stock Exchange. There are no restrictions on the transfer of securities in the Ordinary Shares of the Company or restrictions on voting rights and none of the Ordinary Shares are owned or controlled by employee share schemes. There are no arrangements in place between shareholders that are known to the Company that may restrict voting rights, restrict the transfer of securities, result in the appointment or replacement of Directors, amend the Company's Articles of Association or restrict the powers of the Company's Directors, including in relation to the issuing or buying back by the Company of its shares or any significant agreements to which the Company is a party that take effect after or terminate upon, a change of control of the Company following a takeover bid or arrangements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that may occur because of a takeover bid.

Section 172 Statement

Under section 172 of the Companies Act 2006 ("Section 172"), a director of a company must act in a way that they consider, in good faith, and would most likely promote the success of the company for the benefit of its members as a whole, taking into account the non-exhaustive list of factors set out in Section 172.

Section 172 also requires directors to take into consideration the interests of other stakeholders set out in Section 172(1) in their decision making.

The Company, as a special purpose acquisition vehicle seeking an acquisition that: has yet to complete an acquisition; has one employees; and has a Board and business which came together in conjunction with the Company's listing on the Main Market, Standard Segment, in May 2019 (the "Admission"), has had relatively little interaction with its members and internal stakeholders during the Year ended to 31 January 2020 (the "Reporting Period").

It should be noted that due to the early stage of the Company's development, the Board also deems the Company's impact on external stakeholders to have been minimal during the Reporting Period. The Company's strategy is to acquiring a business or businesses operating in the pharmaceutical and biotechnology sector. The Company will look to acquire a target company with products and technology already at a stage of research and development that will add value to the Company. The Company will have a wide range of internal and external stakeholders, relations with which the Board will take into consideration both as part of its pre and post-acquisition strategy.

Engagement with our members plays an essential role throughout our business. We are cognisant of fostering an effective and mutually beneficial relationship with our members. Our understanding of our members is factored into boardroom discussions and decisions regarding the potential long-term impacts of our strategic decisions.

Post the Reporting Period end, the Directors have continued to have regard to the interests of the Company's stakeholders, including the potential impact of its future activities and acquisition strategy on the community, the environment and the Company's reputation, when making decisions. The Directors also continue to take all necessary measures to ensure the Company is acting in good faith and fairly between members and is promoting the success of the Company for its members in the long term.

As outlined above, the Company did not retain any employees during the Reporting Period and therefore this Section 172 statement does not make reference to how we consider their interests. The Company will monitor the need to incorporate the interests of employees in its decision making as the Company grows.

The table below acts as our Section 172 statement by setting out the key stakeholder groups, their interests and how Bermele plc engages with them. Given the importance of stakeholder focus, long-term strategy and reputation to the Company, these themes are also discussed throughout this Annual Report.

Stakeholder	Their interests	How we engage
Investors	<ul style="list-style-type: none">Comprehensive review of financialsBusiness sustainabilityHigh standard of governance	<ul style="list-style-type: none">Regular reports and analysis on investors and shareholdersAnnual Report

Strategic Report
For the Year ended 31 January 2020

Stakeholder	Their interests	How we engage
	<ul style="list-style-type: none"> • Success of the business • Ethical behaviour • Awareness of long-term strategy and direction 	<ul style="list-style-type: none"> • Company website • Shareholder circulars • AGM • RNS announcements • Press releases
Regulatory bodies	<ul style="list-style-type: none"> • Compliance with regulations • Company reputation • Insurance 	<ul style="list-style-type: none"> • Company website • RNS announcements • Annual Report • Direct contact with regulators • Compliance updates at Board Meetings • Consistent risk review
Partners	<ul style="list-style-type: none"> • Business strategy • Application of acquisition strategy 	<ul style="list-style-type: none"> • Meetings and negotiations • Reports and proposals • Dialogue with third party stakeholders where appropriate

The Section 172 statement should be read in conjunction with the full Strategic Report and the Company's Corporate Governance Statement.

Approved by the Board on 31 July 2020



Toby Hayward
Non- Executive Chairman
31 July 2020

Directors' Report

For the Year Ended 31 January 2020

Toby Hayward, 61, Non-Executive Chairman

Toby Hayward qualified as a Chartered Accountant with Touche Ross & Co in 1984 and subsequently held a number of senior equity capital market positions in London.

Mr. Hayward was formerly Managing Director and Head of Corporate Broking at Jefferies International Limited, prior to this he was Head of Oil and Gas Equity Capital Markets at Canaccord Adams. He has also previously held the positions of Chairman and Non-Executive Director at Severfield plc and Non-Executive Director and Interim CEO at Afren plc.

Hayward is a Chartered Accountant and member of the Institute of Chartered Accountants of England and Wales.

Dr Susan (Sue) Thompson, 59, Non-Executive Director

Dr Sue Thompson completed an undergraduate degree (Kings College London) and research based Master's degree (University of Oxford) in the Life Sciences, prior to six years in Account Management at two major advertising agencies, contributing to product development, marketing and advertising for large pharmaceutical and consumer companies. She then returned to University to study Medicine and has been qualified as a Consultant Psychiatrist since 2003. Sue continues to practice medicine as a Consultant Psychiatrist, but also maintains a keen interest in business, as Director of both a property investment and a medical services company.

Derek Ward, 57, Non-Executive Director

Derek Ward was previously Executive Vice President, UK Markets & Strategic Relationships at Atos – a leading Business Consulting, Systems Integration and Managed Operations organization with worldwide annual revenues of more than EUR 10 billion. Derek reported directly to the Main Operating Board and was responsible for Strategic Relationships across all UK markets, from Financial Services, Health, Enterprise, Transport and Government. Derek provided leadership in the transformation of the UK business towards its goal of delivering a significant proportion of its revenues from transaction based business services

In his role he also Chaired the UK Strategy Board, was the UK Executive sponsor of Sustainability and as the Worldwide Information Technology Partner for the Olympic Games, Derek was the UK Executive sponsor for London 2012.

Anthony Reeves, 80, Non-Executive Director

Tony has a wealth of domestic and international experience as a director and chairman, specialising in organic growth and strategic acquisitions across a number of sectors including staffing, healthcare and technology. He was formed a non-executive Director of Levrett PLC which completed the successful acquisition of Nuformix by way of reverse takeover in 2017.

Directors' Report

For the Year Ended 31 January 2020

The Directors present their report with the audited financial statements of the Company for the year ended 31 January 2020. A commentary on the business for the year is included in the Chairman's Statement on page 3. A review of the business is also included in the Strategic Report on pages 4 to 9.

Directors

The Directors of the Company during the period and their beneficial interest in the Ordinary Shares of the Company at 31 January 2020 were as follows:

Director	Position	Appointed	Ordinary shares
Anthony Reeves	Non-Executive Director	13/09/2019	1,800,000

Directors Unapproved Options

The following hold unapproved options (being non-tax advantaged options) to subscribe for the following numbers of Ordinary Shares at not less than 0.1 pence per Share:

Director	Position	Appointed	Ordinary shares
Toby Hayward	Non-Executive Chairman	17/04/2018	3,000,000
Dr Susan Thompson	Non- Executive Director	20/09/2017	5,000,000
Derek Ward	Non-Executive Director	17/04/2018	3,000,000
Anthony Reeves	Non-Executive Director	13/09/2019	4,000,000

On the date the Company Shares were listed on the Official List and admitted to trading on the LSE Toby Hayward & Derek Ward were each entitled to 3,000,000 shares & Dr Susan Thompson was entitled to £ 5,000,000 of the potential share options at 0.1p. Anthony Reeves was awarded 4,000,000 shares options at 0.125p

Directors' and officers' liability insurance

The company has, as permitted by s234 and 235 of the Companies Act 2006, maintained insurance cover on behalf of the directors and company secretary indemnifying them against certain liabilities which may be incurred by them in relation to the Group. At the date of this report, the Company has a third-party indemnity policy in place for all Directors.

Substantial Shareholders

As at 31 January 2020, the total number of issued Ordinary Shares with voting rights in the Company was 200,000,000. Details of the Company's capital structure and voting rights are set out in note 15 to the financial statements.

The Company has been notified of the following interests of 3 per cent or more in its issued share capital as at the date of approval of this report.

Party Name	Number of Ordinary Shares	% of Share Capital
Capital Resources inc.	20,000,000	9%
James Bligh	10,000,000	4.5%
Hambro Bruetcher Limited	10,000,000	4.5%
Strada FZE	8,333,333	3.75%
Prompt Properties Management	8,333,333	3.75%
Pipal Investment Limited	8,333,333	3.75%

Financial instruments

Details of the use of the Company's financial risk management objectives and policies as well as exposure to financial risk are contained in the Accounting policies and note 14 of the financial statements.

Dividends

The Directors do not propose a dividend in respect of the year ended 31 January 2020.

Directors' Report

For the Year Ended 31 January 2020

Future developments and events subsequent to the year end

Further details of the Company's future developments and events subsequent to the year-end are set out in the Strategic Report on pages 4 to 9.

Corporate Governance

The Governance report forms part of the Directors' Report and is disclosed on pages 15 to 17.

Going Concern

As set out in the Strategic Report on pages 4 to 9, the current activity of the company is to explore investment opportunities. The Company had £490,988 cash as at 31 January 2020 and ongoing operational costs of circa £200,000 per annum providing significant headroom to fund costs associated with evaluating acquisitions and investments, including due diligence. On this basis, the Board considers the company to have sufficient resources to remain in operational existence for the foreseeable future.

Principal Activities

The Company's principal activity was to seek an acquisition in the Biotech & Technology sector with supporting acquisitions/investments to support transformation of the sector. However, in February 2020 the board were given approval by shareholders to consider acquisitions in all sectors and geographies.

Auditors

The Board appointed Crowe U.K. LLP as auditors of the Company on November 2018. It has expressed its willingness to continue in office and a resolution to reappoint the firm will be proposed at the Annual General Meeting.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report alongside the financial statements in accordance with applicable law and regulations.

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

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the of the Company and of the profit or loss of the Company for that year. The Directors are also required to prepare financial statements in accordance with the Listing Rules and the Disclosure and Transparency and Guidance Rules of the FCA of the London Stock Exchange for companies whose share are admitted to the Standard Segment of the Official List.

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Remuneration Committee Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are also responsible to make a statement that they consider that the annual report and accounts, taken as a whole, is fair, balanced, and understandable and provides the information necessary for the shareholders to assess the Company's position and performance, business model and strategy.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and

Directors' Report For the Year Ended 31 January 2020

dissemination of the financial statements may differ from legislation in other jurisdictions.

Statement of Directors' responsibilities pursuant to Disclosure and Transparency Rules

Each of the Directors, whose names and functions are listed on page 10 confirm that, to the best of their knowledge and belief:

- the financial statements prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and
- the Annual Report and financial statements, including the Strategic Report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face.

Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The report of the Directors was approved by the Board on 31 July 2020 and signed on its behalf by:



Toby Hayward
Non-Executive Chairman
31 July 2020

Directors' Remuneration Report For the Year Ended 31 January 2020

Dear Shareholder

In line with the prospectus The Directors intend, so far as possible given the Company's size and the construction of the Board, to comply with the UK Corporate Governance Code. At this time the Board comprises four members and there is one employee in addition to the Directors. As soon as the Company's business has developed sufficiently, the Directors intend to establish a remuneration committee comprising a majority of non-executive directors

I look forward to setting out a more detailed policy once we are in a position to complete our first acquisition.



Toby Hayward
Non- Executive Chairman
31 July 2020

Bermele Plc

Governance Report

For Year Ended 31 January 2020

Governance Report

Introduction

As a member of the London Stock Exchange Main Market (Standard Listing) the Board of Bermele PLC is not required to comply with the revised UK Corporate Governance Code published by the Financial Reporting Council in July 2018 (“the Code”). However, the Board is committed to maintaining high standards of corporate governance and business ethics. Copies of the Code are available from the Financial Reporting Council’s website at www.frc.org.uk.

The Directors recognise the value of the Code and will take necessary measures to ensure that the Company complies, taking into account the Company’s size and the nature of its business. This report sets out in broad terms how we comply at this point in time and sets out the reasoning where we are not compliant.

The following statements correspond to the principles set out in the Code.

1. Board Leadership and Company Purpose

It is the Board’s responsibility to provide strategic oversight and guidance to ensure the Company is able to create and sustain shareholder value over the long term. For this purpose, the Board encourages an open, respectful and collaborative working environment where all Directors voice their opinions and contribute constructively to the debate.

The Board is committed to maintaining the Company’s culture, values and standards. The Company currently has only one employees.

The Board ensures that all key matters affecting the Company are considered and that material risks and opportunities are identified and discussed by the Board.

The Company values the views of its shareholders and recognises their interest in the Company’s strategy and performance and Board membership. The Board communicates with its shareholders principally through RNS announcements, the Annual Report, and the Company’s website. The Executive Directors regularly engage with shareholders during the year. The Non-Executive Directors will have the opportunity to engage directly with shareholders at the AGM and on other occasions if appropriate. The upcoming inaugural AGM will give the Directors the opportunity to report to shareholders on current and proposed operations of the Company and enables shareholders to express their views on the Company’s business activities. Committee Chairs will also use the inaugural AGM as a forum to engage with shareholders on significant matters related to their areas of responsibility. The Company’s interactions with other stakeholders are outlined in the Section 172 Report of the Strategic Report section of this annual report.

The Company does not presently have a policy on diversity and will look to implement a policy post completion of an acquisition.

2. Division of Responsibilities

The Company’s business is directed by the Board which is comprised of a Non-Executive Chairman, and three Non-Executive Directors, all of whom are considered independent notwithstanding immaterial shareholdings in the Company. As such, in compliance with the Code, at least half the board, are considered to be independent. The Board has not appointed a Senior Independent Director contrary to the Code and will do so after completing an acquisition. The Board provides leadership and direction for the Company, sets overall strategy and oversees implementation, ensures appropriate systems and processes are in place to monitor and manage risk and compliance issues and takes responsibility for financial performance and corporate governance.

The Non-Executive Chairman is primarily responsible for the leadership and effectiveness of the Board. The board’s joint responsibilities includes leading the development and execution of the Company’s long-term strategy, overseeing matters pertaining to the running of the Company and ensuring that the Company meets all legal, compliance and corporate requirements. High level strategic decisions are discussed and taken by the Board with recommendations as appropriate from the Non-Executive Chairman. Operational decisions are also taken by the board jointly.

The biographical details of the Directors are set out on page 10. The Directors are of the opinion that the Board comprises a suitable balance and that the recommendations of the Code have been implemented to an appropriate level.

Bermele Plc

Governance Report

For Year Ended 31 January 2020

During the reporting period, the Board considered all relevant matters within its remit, but focused in particular on the establishment of the Company and the identification of suitable acquisition opportunities for the Company to pursue, the associated due diligence work as required and the decisions thereon.

Attendance at Board meetings since Admission to the Main Market is outlined below.

Member	Position	Meetings attended
Toby Hayward	Non-Executive Chairman	8 of 8
Dr Susan Thompson	Non-Executive Director	3 of 8
Derek Ward	Non-Executive Director	7 of 8
Anthony Reeves	Non-Executive Director	6 of 8

The Company does not have a CEO and, where appropriate, the Non- Executive Chairman assumes the role of CEO. It is the Board's opinion that the current arrangements are appropriate to the Company at this stage of development and that there are sufficient compliance structures within the Company to ensure that the governance functions that would be part of an independent Chairman's responsibility are met. The Board is satisfied with the balance between Executive and Non-Executive Directors which allows it to exercise objectivity in decision making and proper control of the Company's business. The Board considers its composition appropriate in view of the size and requirements of the Company's business

The Non-Executive Directors' role is to act as a sounding board to the Non-Executive Chairman and to be available to shareholders as and when necessary. The Non-Executive Directors also provide constructive input and monitor the delivery of strategy within the risk parameters set by the Board. The Board considers the Non-Executive Directors to be independent in character and judgement and that there are no relationships or circumstances which could materially affect or interfere with the exercise of the Non-Executive Directors strong, independent judgement, knowledge and experience.

It is the responsibility of the Non-Executive Chairman and Company Secretary to ensure the Board members receive sufficient and timely information regarding corporate and business issues to enable them to discharge their duties. The Board is also kept informed of changes in relevant legislation and changing commercial risks with the assistance of the Company's Legal Counsel and auditors.

3. Composition, succession and evaluation

The Board and its governance committees are considered to have the appropriate balance of skills, experience, independence and knowledge of the Company to enable them to discharge their respective duties and responsibilities effectively. Further information on the governance committees and its members are available in the annual report.

Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re-election in accordance with the Company's articles of association. The Company currently offers its Directors for re-election by rotation in accordance with its articles of association every three years. The Board considers this appropriate given the size of the Board and the benefit of stability and experience in the Board composition. This re-election process will be kept under review. Accordingly, the Company is non-compliant with the Code insofar as all Directors are not subject to annual re-election.

As the Company has not undertaken an acquisition, no formal annual appraisal of the performance of the other Directors is undertaken. A formal process will be undertaken once the Company undertakes an acquisition. Accordingly, Board Evaluations is an area where the Company is not compliant with the provisions of the Code.

4. Audit, risk and internal control

The annual report describes the principal risks for the Company and the Board's view of the Company's position and prospects.

The Board acknowledges its responsibility for a sound system of internal control to safeguard shareholders' investments and the Company's assets. Financial, technical and operational risks are reviewed regularly by the Board. The annual report describes the Company's internal control framework and risk mitigations.

5. Remuneration

In line with the prospectus The Directors intend, so far as possible given the Company's size and the construction of the Board, to comply with the UK Corporate Governance Code. At this time the Board comprises four members and there is one employee in addition to the Directors. As soon as the Company's business has developed

Bermele Plc

Governance Report

For Year Ended 31 January 2020

sufficiently, the Directors intend to establish a remuneration committee comprising a majority of non-executive directors

DISCLOSURES REQUIRED BY PUBLICLY TRADED COMPANIES UNDER RULE 7.2.6R OF THE UK LISTING AUTHORITY'S DISCLOSURE AND TRANSPARENCY RULES

The following disclosures are made pursuant to Rule 7.2.6.R of the UK Listing Authority's Disclosure and Transparency Rules (DTR). As at 31 January 2020:

- a) Details of significant direct or indirect holdings of securities of the Company are set out in the Directors Report outlined in this document. The Company is not aware of any agreements between shareholders which may result in restrictions on the transfer of securities or on voting rights.
- b) There are no persons who hold securities carrying special rights regarding control of the Company.
- c) All ordinary shares carry one vote per share without restriction.
- d) The Company's rules about the appointment and replacement of Directors are contained in the company's constitution and accord with the Companies Act 2006. Amendments to the company's constitution must be approved by the Company's shareholders by passing a special resolution.
- e) The Company may exercise in any manner permitted by the Companies Act 2006 any power which a public company limited by shares may exercise under the Companies Act 2006. The business of the Company is managed by or under the direction of the Directors. The Directors may exercise all the powers of the Company except any powers that the Companies Act 2006 or the constitution requires the Company to exercise.
- f) Subject to any rights and restrictions attached to a class of shares and in compliance with the Companies Act 2006, the Company may allot and issue unissued shares and grant options over unissued shares, on any terms, at any time and for any consideration, as the Directors resolve. This power of the Company can only be exercised by the Directors. The Company may reduce its share capital and buy-back shares in itself on any terms and at any time. However, the Companies Act 2006 sets out certain procedures which must be followed in relation to reductions in share capital and the buy-back of shares.

This Governance Report was approved by the Board and signed on its behalf by:

Employment without discrimination

The Company is committed to recruitment of employees on the basis of aptitude and ability. We hire and promote our people regardless of gender, orientation, origin, creed, disability or any other inappropriate discrimination.

Environmental and social

In our day to day business we commit to comply with applicable environmental laws. The direct impact of our operations is low. We also aim to undertake good housekeeping practices such as reducing energy consumption, using sustainable resources and recycling waste.



Toby Hayward
Non-Executive Chairman
31 July 2020

Bermele Plc

Nomination Committee Report

For the Year ended 31 January 2020

Nomination Committee Report

In line with the prospectus The Directors intend, so far as possible given the Company's size and the construction of the Board, to comply with the UK Corporate Governance Code. At this time the Board comprises four members and there is one employee in addition to the Directors. As soon as the Company's business has developed sufficiently, the Directors intend to establish a Nomination committee which will comprise of a majority of non-executive directors



Toby Hayward
Non-Executive Chairman
31 July 2020

BERMELE Plc

Audit Committee Report

For the Year Ended 31 January 2020

Governance

In line with the prospectus The Directors intend, so far as possible given the Company's size and the construction of the Board, to comply with the UK Corporate Governance Code. At this time the Board comprises four members and there is one employee in addition to the Directors. As soon as the Company's business has developed sufficiently, the Directors intend to establish an audit committee and an audit committee comprising a majority of non-executive directors



Toby Hayward
Non-Executive Chairman
31 July 2020

BERMELE Plc

Independent Auditor's Report For the Year Ended 31 January 2020

Independent auditor's report to the Directors of Bermele Plc

Opinion

We have audited the financial statements of Bermele Plc (the "Company") for the year ended 31 January 2020 which comprise the consolidated statements of comprehensive income, the consolidated and parent company statements of financial position, the consolidated and parent company statements of changes in equity, the consolidated and parent company statements of cashflows, and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the company's affairs as at 31 December 2019 and of the company's loss for the year then ended;
- the company financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with International Financial Reports Standards as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006, and, as regards the company financial statements, Article 4 of the IAS Regulation.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 2.2 in the financial statements in relation to going concern. Since the reporting date the Company has identified a possible acquisition target and committed to subscribing £250,000 to loan notes in the target. Further funds may be required to enable the Company to execute the possible acquisition. This condition represents a material uncertainty which may cast doubt about the ability of the Company to continue as a going concern. Our opinion is not modified in respect of this matter.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be £31,900, based on 5% of loss before tax.

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

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

We agreed to report all identified errors in excess of £1,595. Errors below that threshold would also be reported to management if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The Company finance function is based in the United Kingdom and a full scope audit was carried out thereon from our office, and with discussions with management as required. This provided us with sufficient evidence for our

BERMELE Pic

Independent Auditor's Report

For the Year Ended 31 January 2020

opinion on the Company financial statements.

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. These matters included 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.

In addition to the matter described in the material uncertainty relating to going concern section, we have determined the matter described below to be the key audit matter to be communicated in our audit report. This is not a complete list of all risks identified by our audit.

There were no matters which we consider should be separately reported as key audit matters.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 13, 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 and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or Company or to cease

BERMELE Pic

Independent Auditor's Report For the Year Ended 31 January 2020

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.

We designed our audit approach to be capable of detecting irregularities, including fraud. In particular:

- We gained an understanding of the legal and regulatory framework applicable to the Group and considered the risk of acts by the Group which were contrary to applicable laws and regulations, including fraud.
- We designed audit procedures to respond to the risk, 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.

Our tests included, but were not limited to: review of the financial statement disclosures to underlying supporting documentation and enquiries of management.

There are inherent limitations in the audit procedures described above 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 would become aware of it.

We did not identify any key audit matters relating to irregularities, including fraud. As in all of our audits we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

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

Other matters which we are required to address

We were appointed by management to audit the financial statements for the period ending 31 January 2020. Our total uninterrupted period of engagement is 1 year, covering the period ending 31 January 2020.

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Bullock
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

31 July 2020

Statement of Comprehensive Income
For the Year Ended 31 January 2020

	Note	31 January 2020 £	31 January 2019 £
Continuing operations			
Listing expenses		(176,135)	(-)
Administrative expenses		(370,262)	(112,353)
Operating loss		<u>(546,397)</u>	<u>(112,353)</u>
Shares Based Payment		(92,160)	-
Finance income		-	(84)
Loss before tax		<u>(638,557)</u>	<u>(112,437)</u>
Taxation	7	-	-
Total comprehensive loss for the period attributable to the equity owners		<u><u>(638,557)</u></u>	<u><u>(112,437)</u></u>
 Loss per share			
Basic and diluted (pence per share)	8	<u>(0.37)</u>	<u>(0.25)</u>

The above results were derived from continuing operations.

The notes on pages 27 to 36 form part of these financial statements.

Statement of Financial Position
As at 31 January 2020

Company Number: 10973102		As at 31 January 2020 £	As at 31 January 2019 £
	Note		
ASSETS			
Current assets			
Trade and other receivables	9	15,503	1,337
Cash and cash equivalents	10	490,988	8,828
Total current assets		<u>506,491</u>	<u>10,165</u>
Total assets		<u>506,491</u>	<u>10,165</u>
LIABILITIES			
Current liabilities			
Trade and other payables	11	65,325	22,601
Taxation		-	-
Total current liabilities		<u>65,325</u>	<u>22,601</u>
Total liabilities		<u>65,325</u>	<u>12,436</u>
NET ASSETS		<u>441,166</u>	<u>(12,436)</u>
EQUITY			
Share capital	12	200,000	100,001
Share premium	12	900,000	-
Share Option Reserve	15	92,160	-
Accumulated Losses		(750,994)	(112,437)
Total equity		<u>441,166</u>	<u>(12,436)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 31 July 2020.



Topy Hayward,
Non-Executive Chairman

The notes on pages 27 to 36 form part of these financial statements.

Statement of Changes in Equity
For the Year Ended 31 January 2020

	Share Capital £	Share Premium £	Share Option Reserve £	Accumulated Losses £	Total Equity £
As at 31 January 2019	100,001	-	-	(112,437)	(12,436)
Comprehensive income					
Loss for the period	-	-	-	(638,557)	(638,557)
Transactions with owners					
Issue of ordinary shares	99,999	900,000		-	999,999
Share based payment expense	-	-	92,160		92,160
As at 31 January 2020	200,000	900,000	92,160	(750,994)	441,166

The notes on pages 27 to 36 form part of these financial statements.

Statement of Cash Flows
For the Year Ended 31 January 2020

	31 January 2020 £	31 January 2019 £
Cash flows from operating activities		
Operating loss	(638,557)	(112,437)
Adjustments to cash flows from non-cash items		
Share Based Payment	92,160	-
	<u>(528,397)</u>	<u>(112,437)</u>
Changes in working capital		
Decrease in trade and other receivables	24,723	22,601
Increase in trade and other payables	(14,166)	(1,337)
Net cash Flow from operating activities	<u>517,840</u>	<u>91,173</u>
Cash flows from investing activities		
Interest received	<u>-</u>	<u>-</u>
Net cash generated from investing activities	<u>-</u>	<u>-</u>
Cash flows from financing activities		
Proceeds from issue of shares, net of issue costs	<u>1,000,000</u>	<u>100,001</u>
Net cash generated from financing activities	<u>1,000,000</u>	<u>100,001</u>
Net increase in cash and cash equivalents	482,160	8,828
Cash and cash equivalents at the beginning of the period	8,828	-
Cash and cash equivalents at the end of the period	<u>490,988</u>	<u>8,828</u>

The notes on pages 27 to 36 form part of these financial statements.

Notes Forming Part of the Financial Statements (continued)

For the Year Ended 31 January 2020

1. Company information

Bermele plc is a public company listed on the London Stock Exchange in England and Wales.

The company is domiciled in England and its registered office is 6 Floor, 60 Gracechurch Street, London, EC3V 0HR.

The principal activity of the Company is that of identifying and acquiring investment projects.

2. Summary of significant accounting policies

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

2.1 Basis of preparation

These financial statements of the Company have been prepared on a going concern basis in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations issued by the International Accounting Standards Board (IASB) and adopted by the European Union, in accordance with the Companies Act 2006.

Measurement bases: The financial statements have been prepared under the historical cost convention. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The preparation of the financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates and management judgements in applying the accounting policies. The significant estimates and judgements that have been made and their effect is disclosed in note 3.

2.2 Going concern

The Company is an acquisition vehicle established to identify a reverse takeover target. Its initial funding is sufficient to finance its costs in identifying an appropriate target and negotiating terms of a possible acquisition.

The Company had £490,988 cash as at 31 January 2020 and ongoing operational costs of circa £200,000 per annum providing headroom to fund costs associated with evaluating acquisitions and investments, including due diligence. On this basis, the Board considers the company to have sufficient resources to remain in operational existence for the foreseeable future.

As set out in note 18, since the reporting date the Company has identified a possible acquisition target and committed to subscribing £250,000 to loan notes in the target. The Company's present financial resources are sufficient to fund that subscription.

Although the Company has signed a legally binding exclusivity agreement in relation to a possible acquisition, at the date of approval of these financial statements the possible acquisition is subject, inter alia, to the completion of due diligence, documentation and compliance with all regulatory requirements, including the Listing and Prospectus Rules and, as required, the Takeover Code. Should the possible acquisition proceed the acquisition will be entirely for shares with no cash consideration paid. The directors expect to fund professional and other fees and working capital funding for the of the Company as enlarged by the possible acquisition from existing resources and the proceeds of a further share placing at the time of the acquisition

Because the Company is not committed to the possible acquisition at the date of approval of these financial statements a detailed assessment of the funding requirement, should it proceed, has not been prepared.

The directors believe that such funds, should they be required, are likely to come from a further equity issue but at the date of the approval of these financial statements it is not certain that such funds will be available. This condition represents a material uncertainty which may cast doubt about the ability of the Company to continue as a going concern.

2.3 Functional and presentation currency

The financial information is presented in the functional currency, pounds sterling ("£") except where otherwise indicated.

2.4 New standards, amendments and interpretations

New standards, interpretations and amendments

There were no IFRSs or IFRICs interpretations relevant to the Company that were effective for the first time for the financial period that had a material impact on the Company.

Standards, interpretations and amendments in issue but not yet effective and not early adopted

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early. The most significant of these is as follows, which are all effective for the period beginning 1 January 2020:

Notes Forming Part of the Financial Statements (continued) For the Year Ended 31 January 2020

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Definition of Material)
- IFRS 3 Business Combinations (Amendment – Definition of Business)
- Revised Conceptual Framework for Financial Reporting

The Company is currently assessing the impact of these new accounting standards and amendments.

2.5 Segment reporting

Identifying and acquiring investment projects is the only activity the Company is involved in and is therefore considered as the only operating segment.

The financial information therefore of the single segment is the same as that set out in the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and the Statement of Cash Flows.

2.6 Net finance income

Finance income

Finance income comprises interest receivable on funds invested and other interest receivable. Interest income is recognised in profit or loss as it accrues using the effective interest method.

2.7 Financial assets

Classification The Company classifies all its financial assets at amortised cost. Financial assets do not comprise prepayments. Management determines the classification of its financial assets at initial recognition. Amortised cost The Company's financial assets held at amortised cost comprise solely of cash and cash equivalents in the statement of financial position.

The cash and cash equivalents in the statement of financial position is entirely made up of deposits held with Metro Bank Plc, a counterparty with independent credit ratings of a minimum of BB-.

2.8 Financial Liabilities

The Company classifies its financial liabilities in the category of financial liabilities at amortised cost. All financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provision of the instrument. Trade and other payables are included in this category.

Trade and other payables Trade and other payables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

2.9 Equity instruments

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

Ordinary shares are classified as equity.

- The share capital account represents the nominal value of the shares issued.
- The share premium account represents premiums received on the initial issuing of the share capital. Incremental costs directly attributable to the issue of new shares are shown in share premium as a deduction from the proceeds, net of tax.
- Accumulated losses include all current period results as disclosed in the Statement of Comprehensive Income.

2.10 Income tax

Income tax for the period presented comprises current and deferred tax. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity

Notes Forming Part of the Financial Statements (continued) For the Year Ended 31 January 2020

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts.

2.11 Share-based payments

Where share options are awarded to directors or employees, the fair value of the options at the date of grant is charged to the statement of comprehensive income over the vesting period. Non-market vesting conditions are considered by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition. No charge will be made for the Value Creation Plan until such time the Company completes an acquisition.

2.12 Non-recurring costs

Non-recurring costs are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. They are items that are material, either because of their size or their nature and are presented within the line items to which they best relate.

3. Significant judgments and estimates

The preparation of the Company's financial statements under IFRS as endorsed by the EU requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities at the statement of financial position date, amounts reported for revenues and expenses during the period, and the disclosure of contingent liabilities, at the reporting date.

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

The Directors consider that there are no critical accounting judgements or estimates relating to the financial information of the Company.

4. Directors and employees

Staff costs for the Company for the period:

	31 January 2020	31 January 2019
Staff costs (including directors):		
Wages and salaries	115,000	35,695
Social security costs	7,005	957
Other pension costs	3,244	120
	125,249	36,772

Average monthly number of people (including all directors) employed by activity:

	31 January 2020 No.	31 January 2019 No.
Directors	4	0
Management and administration	1	1
	5	1

Notes Forming Part of the Financial Statements (continued)
For the Year Ended 31 January 2020

Directors' emoluments:

	31 January 2020 £	31 January 2019 £
Directors' emoluments:		
Salaries and fees	64,000	-
	<u>64,000</u>	<u>-</u>

	31 January 2020 £	31 January 2019 £
Highest paid Director		
Salaries and Pension Costs	18,400	-
	<u>18,400</u>	<u>-</u>

5. Loss before income tax

The loss in the financial statements is stated after charging:

	31 January 2020 £	31 January 2019 £
Legal Fees & Regulatory fees	56,847	17,400
Listing Fees	176,135	-
Fees to the Company's auditors	18,000	15,000
	<u>250,982</u>	<u>32,400</u>

6. Listing & Fundraising Expenses

During the year, the Company incurred £176,135 in IPO costs and Fundraising fees.

7. Taxation

	31 January 2020 £	31 January 2019 £
Analysis of charge in period		
Loss before tax on continuing operations	(638,557)	(112,437)
Tax at the UK corporation tax rate of 19%	(121,322)	(21,406)
Tax losses carried forward	(142,728)	(21,406)
Tax charge for the period	<u>-</u>	<u>-</u>

The standard rate of corporation tax applicable for the period was 19 per cent.

The Company has tax losses carried forward of £142,728. The Directors believe that it would not be prudent to recognise any deferred tax assets before such time as the Company generates taxable income.

Notes Forming Part of the Financial Statements (continued)
For the Year Ended 31 January 2020

8. Loss per share

The loss per share has been calculated using the loss for the period after tax attribution to the equity holders of the company, by the weighted average number of ordinary shares entitled to dividend rights which were outstanding during the period, as follows:

	31 January 2020	31 January 2019
	£	£
Loss for period attributable to equity holders of the Company	(638,557)	(112,437)
Weighted average number of ordinary shares	173,424,658	44,448,898
Loss per share	<u>(0.37)</u>	<u>(0.25)</u>

9. Trade and other receivables

	31 January 2020	31 January 2019
	£	
Amounts falling due within one year:		
Prepayments	9,898	-
Other receivables	5,605	-
	<u>15,503</u>	<u>-</u>

It is the Company's policy to assess receivables for recoverability based on historical data available to management in addition to forward looking information utilising management's knowledge. The Directors consider that the carrying amount of trade and other receivables is approximately equal to their value.

Other receivables comprise VAT due on expenses incurred during the period and £2,973 was recovered by 7 March 2020.

10. Cash and cash equivalents

	31 January 2020	31 January 2019
	£	£
Cash at bank	490,888	8,828
	<u>490,888</u>	<u>8,828</u>

All bank balances are denominated in pounds sterling. The Directors consider that the carrying value of cash and cash equivalents represents their fair value.

11. Trade and other payables

	31 January 2020	31 January 2019
	£	£
Amounts falling due within one year:		
Trade Payables	42,192	10,000
Other Payables	5,133	12,601
Accruals	18,000	-
	<u>65,325</u>	<u>22,601</u>

Notes Forming Part of the Financial Statements (continued)
For the Year Ended 31 January 2020

The fair value of trade and other payables is considered by the Directors not to be materially different to the carrying amount

12. Share capital

	Number of Shares	Share Capital £	Share premium £
Issued and fully paid Ordinary shares of 0.001p each			
At 31 January 2020	200,000,000	200,000	900,000

The Company was incorporated on 20 September 2017. On incorporation, 10,000,000 Ordinary Shares were issued at the par value of £0.001 each.

On 25 July 2018, the Company issued a further 90,000,000 Ordinary Shares at a par value of £0.001 each.

A further 100,000,000 Ordinary Shares were issued on listing at 9 May 2019.

Voting rights

The holders of ordinary shares are entitled to one voting right per share.

Dividends

The holders of ordinary shares are entitled to dividends out of the profits of the Company available for distribution.

	31 January 2020	31 January 2019 £
Share Capital	1,101,000	100,001
	<hr/> 1,101,000	<hr/> 100,001

13. Reserves

Share premium

Includes all premiums in excess of the nominal value of shares received on issue of share capital.

Accumulated losses

Includes all losses incurred in the period.

Voting rights

The holders of ordinary shares are entitled to one voting right per share.

Dividends

The holders of ordinary shares are entitled to dividends out of the profits of the Company available for distribution.

Notes Forming Part of the Financial Statements (continued)
For the Year Ended 31 January 2020

14. Financial instruments

Financial assets

Financial assets measured at amortised cost comprise cash and cash equivalents, as follows:

	31 January 2020	31 January 2019
	£	£
Cash at bank	490,988	8,828
	<u>490,988</u>	<u>8,828</u>

Financial liabilities

Financial liabilities measured at amortised cost comprise trade and other payables, as follows:

	31 January 2020	31 January 2019
	£	£
Trade payables	42,192	10,000
Other payables	5,133	12,601
Accruals	18,000	
	<u>65,325</u>	<u>22,601</u>

The Company's major financial instruments include bank balances and amounts payables to suppliers. The risks associated with these financial instruments, and the policies on how to mitigate these risks are set out below. Risk management is carried out by the Board of Directors. The Company uses financial instruments to provide flexibility regarding its working capital requirements and to enable it to manage specific financial risks to which it is exposed.

Liquidity risk

Liquidity risk arises seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs.

The Company regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations. The Directors have considered the liquidity risk as part of their going concern assessment (note 2). Controls over expenditure are carefully managed in order to maintain its cash reserves whilst it targets a suitable transaction. Financial liabilities are all due within one year.

The COVID-19 pandemic resulted in a significant fall in the value of global stock markets during March 2020. The pandemic has created a unique environment, which adds additional challenges for any companies seeking future funding from the capital markets.

Credit risk

The Company's credit risk is wholly attributable to its cash balance. The credit risk from its cash and cash equivalents is limited because the counter parties are banks with high credit ratings and have not experienced any losses in such accounts.

Capital risk Management

The Company's objectives when managing capital are:

- To safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- To support the Group's growth; and
- To provide capital for the purpose of strengthening the Companies risk management capability

Bermele plc is in talks to acquire the entire issued share capital of East Imperial Pte. Ltd. The acquisition costs will be payable through the issuance of new ordinary shares. The Board continues to prudently manage its cash risks and has minimised ongoing operating costs in light of the Acquisition.

Notes Forming Part of the Financial Statements (continued) For the Year Ended 31 January 2020

Interest risk

The Company's exposure to interest rate risk is the interest received on the cash held, which is immaterial.
Capital risk management

The Company's objectives when managing capital is to safeguard the Company's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure. The Company has no borrowings. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Currency risk

The Company is not exposed to any currency risk at present.

15. Share Options and Warrants

The company's fair values equity settled share based payments transaction through the black Scholes model.

The company operates share-based payments arrangement to remunerate directors and key employees in the form of a share option scheme. Equity based share payments are measured at fair value (excluding the effect of non-market based vesting conditions) at the date of grant. The fair value is determined at the grant date of the equity-settled share based payments is expensed on a straight line basis over the vesting period, based on the companies estimates of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

The following hold unapproved options (being non-tax advantaged options) to subscribe for the following numbers of Ordinary Shares at not less than 0.1 pence per Share:

Director	Number of Unapproved Options held in relation to Ordinary Shares
Toby Hayward	3,000,000
Susan Thompson	5,000,000
Derek Ward	3,000,000
Total	11,000,000

11,000,000 unapproved share options were issued to the above directors on the 24 April 2019. The options have an exercise price of 0.1 p per share and a 3 year exercise period from the date of the reverse takeover. The fair value of the options was determined as 0.90p per share and a charge of £ 59,400 has to be recognized in the current year.

4,000,000 options under an EMI share options scheme were issued to an employee on the 24 April 2019. The options have an exercise price of 0.1 p per share and a 3 year exercise period from the date of the reverse takeover. The fair value of the options was determined as 0.90p per share and a charge of £ 21,600 has been recognized in the current year.

4,000,000 unapproved share options were issued to the Anthony Reeves in 2019. The options have an exercise price of 1.25 p per share and a 3 year exercise period from date of the reverse takeover. The fair value of the options was determined as 0.43p per share and a charge of £ 10,320 has been recognized in the current year.

500,000 Ordinary shares Shakespeare Martineau warrants were issued on the 24 April 2019. The warrants have an exercise price of 1 p per share and a 2 year exercise period from vesting at the date of the reverse Takeover. The fair value of the options was determined as 0.28p per share and a charge of £ 840 has been recognized in the current year.

Notes Forming Part of the Financial Statements (continued)
For the Year Ended 31 January 2020

	2020 Unapproved options	2020 EMI options	2020 Existing director Options	2020 Shakespeare Martineau warrants
Grant date share price	1p	1p	1.25p	1p
Exercise price	0.1p	0.1p	1.25p	1p
No. of share options	11,000,000	4,000,000	4,000,000	500,000
Risk free rate	0.1%	0.1%	0.1%	0.1%
Expected volatility	50%	50%	50%	50%
Expected option life	3 years	3 years	3 years	2 years

16. Related party transactions

The Company's related parties are the directors of the companies. The remuneration of directors are as follows:

	31 January 2020	31 January 2019
	£	£
Directors emoluments, including salary and fees:		
Toby Hayward	18,000	-
Derek Ward	18,000	-
Dr Susan Thomas	18,000	-
Anthony Reeves	10,000	-
	<u>64,000</u>	<u>-</u>

17. Ultimate controlling party

The Company has no ultimate controlling party.

18. Subsequent events

The economic environment has changed materially since the year end following the onset of the global COVID-19 pandemic. COVID-19 may impact the Company's ability to raise capital to fund acquisitions

However, The Directors are closely monitoring the commercial impact of the COVID-19 pandemic on the biotech & technology sector and will only propose compelling acquisitions after carrying out significant due diligence for securing capital. There are no operating issues prior to completing an acquisition as the Company maintains a significant cash balance. The Directors believe the company will maintain sufficient working capital to continue in operational existence and will have the ongoing support of its shareholders, if required, for the foreseeable future.

On 20 July 2020 the Company announced that it had signed Heads of Terms to acquire the entire issued share capital of East Imperial Pte. Ltd. ("East Imperial") for new shares in the Company. East Imperial is a Singapore incorporated company that designs, develops, formulates, manufactures, distributes and sells small batch blended premium mixers using all-natural ingredients and New Zealand artesian spring water.

Although the Company has signed a legally binding exclusivity agreement in relation to the proposed acquisition, at the date of approval of these financial statements the proposed acquisition is subject, inter alia, to the completion of due diligence, documentation and compliance with all regulatory requirements, including the Listing and Prospectus Rules and, as required, the Takeover Code.

The possible acquisition of East Imperial, if it proceeds, will constitute a Reverse Takeover under the Listing Rules since, inter alia, in substance it will result in a fundamental change in the business of the Company. As such, the Company's Listing and ordinary shares were suspended (pursuant to Listing Rule 5.3.1) with immediate effect pending the publication of a prospectus and the application for the enlarged Company to have its ordinary shares admitted to the Official List and to trading on the main market for listed securities of the London Stock Exchange.

Notes Forming Part of the Financial Statements (continued)
For the Year Ended 31 January 2020

Also on 20 July 2020 the Company announced that it has entered into an agreement to subscribe for 250,000 Secured Convertible Loan Notes 2020 of £1 each with East Imperial (the "Loan Notes"). Under the terms of the Loan Notes, Bermele has the right to convert the Loan Notes into shares in East Imperial at a 40% discount to the price of a change of control event, such as the proposed acquisition. The proceeds of the Loan Notes are to be used for general working capital purposes to support East Imperial's strategy in the short term. In the event that the Acquisition does not proceed, the Loan Notes are repayable at Bermele's election after 12 months, with an accrued interest rate of 5% per annum. The loan notes are secured against the assets of East Imperial.