



Upper Thames Holdings Plc

FINANCIAL STATEMENTS

for the period 1 April 2020 to 31 December 2020

Upper Thames Holdings Plc

Financial Statements

Contents

	Page
Company Information	1
Chairman's Statement	3
Directors' Report	4
Statement of Directors' Responsibilities	7
Independent Auditor's Report	8
Statement of Total Comprehensive Income	13
Statement of Financial Position	14
Statement of Changes in Equity	15
Statement of Cash Flows	16
Notes to the Financial Statements	17

Upper Thames Holdings Plc
Company Information

DIRECTORS

Richard O'Dell Poulden, Chairman
Alan David Gravett, Non-Executive

SECRETARY

AMS Secretaries Limited
Suite 16, Watergardens 5
Waterport Wharf
GX11 1AA
Gibraltar

REGISTERED OFFICE

Suite 16, Watergardens 5
Waterport Wharf
GX11 1AA
Gibraltar

INDEPENDENT AUDITORS

RSM Audit (Gibraltar) Limited
21 Engineer Lane
GX11 1AA
Gibraltar

REGISTRARS

Computershare Investor Services (Jersey) Limited
Queensway House
Hillgrove Street
St Helier
Jersey JE1 1ES
Channel Islands

DEPOSITARY

Computershare Investor Services Plc
The Pavilions
Bridgwater Road
Bristol BS13 8AE
United Kingdom

BANKERS

Bank of China
1 Lothbury
London
EC2R 7DB
United Kingdom
(account closed November 2020)

Privat 3 Money Ltd
6 Princes Street
W1B 2LG
London
United Kingdom
(account opened 9 February 2021)

Upper Thames Holdings Plc

Company Information (continued)

AQSE CORPORATE ADVISOR

First Sentinel Corporate Finance Limited
55 Park Lane, Mayfair
London, W1K 1NA
United Kingdom (up to 16 February 2021)

Peterhouse Capital Limited
3rd Floor, 80 Cheapside
London, EC2V 6EE
United Kingdom (from 16 February 2021)

REGISTERED NUMBER

107915

Upper Thames Holdings Plc

Chairman's Statement

Dear Shareholders,

I expect most of you will have already seen the announcement of the change of direction of the Company in the last couple of weeks and the announcement of the recapitalization. I am pleased to say that the fundraising includes institutional shareholders together with some of the existing holders who chose to support the change.

In summary we have raised new capital of £516,000 gross and announced a new strategy working in the blockchain and crypto markets. Subsequently we have announced that the core focus of the Company's strategy will be to provide a blockchain bridge between the conventional debt and equity markets and the multiple billions of crypto assets across the world. We have also announced the appointment of Vinay Gupta, CEO of Mattereum, as Chairman of our Advisory Board.

Full details of the changes are on our website and there will be further announcements in due course.

The restructuring of the Company without a reverse merger means that existing shareholders retain, without any new participation, more than double the holding they would have had under the aborted VOX/Align merger proposed in 2019.

Financial structure and Advisor changes

In the general meeting held on 2nd April 2020 the Company consolidated the shares in issue to reduce the number of shares outstanding from 1,244,488,200 to 12,444,882. This restructuring did not alter the percentage held by any shareholders.

On 16 February 2021 we appointed Peterhouse Capital Limited as AQSE Corporate Advisors. Peterhouse were substantial contributors to the fund raising on 16 February 2021. Our plan as part of the revised strategy is to extend the Company's share listing to other markets to improve liquidity and Peterhouse will play a major role in this change.

I am most grateful to First Sentinel for their support over the last couple of years.

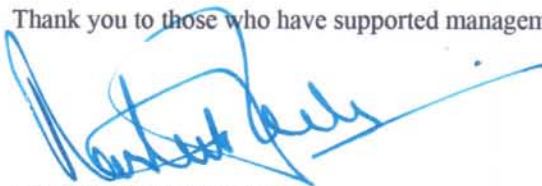
Financial report

The accounts, as reported, have been prepared in two sets. Firstly, for the period from 1 April 2019 to 31 March 2020 which matches the previous year. Secondly, on 19 January 2021 we changed the Company's year end to 31st December and thus in addition we have also prepared a second set of accounts from 1st April 2020 to 31 December 2020. All of this information is now included in this one set of accounts. These accounts are shown in US\$ but in the future the Company's functional and presentational currency will be GBP from 1st January 2021. We have made these changes because these more closely reflect the Company's current business and the return to a calendar year accounting period brings us into line with the conventions of the London markets.

There is a substantial reduction in operating costs across the years under review as there were no payments made to directors or for office and operating costs during either period. The costs incurred in 2019 relate almost exclusively to the Vox/Align transaction.

Conclusion

Thank you to those who have supported management and the Company.



Richard O'Dell Poulden

Chairman

11 March 2021

Upper Thames Holdings Plc

Directors' Report

The Directors present their report together with audited financial statements of Upper Thames Holdings Plc ("UPPT" or "the Company") for the 9 months ended 31 December 2020 and the 12 months ended 31 March 2020.

Principal activities

Following the year end, on 16 February 2021, the Company issued an RNS announcing that it had raised £516,000 of new funding and in future would be developing a strategy in blockchain related activities.

Results

The Company's results for the year are shown in the Statement of Total Comprehensive Income on page 13.

The Directors do not recommend the payment of a dividend for the period ended 31 December 2020 nor the year ended 31 March 2020.

Business review

Please refer to the Chairman's Statement on page 3.

Principal risks and uncertainties

The principal risks and uncertainties facing the Company are those of starting a new business strategy. The Company has examined blockchain related businesses in the past, most recently in early 2019. We thus have some knowledge of the sector and also have retained advisers who are well versed in all aspects of this market (see Chairman's Statement).

Financial risk management policies

Note 12 set out the Company's financial risk management policies for its exposure to various risks.

Directors

The Directors who served during the period and remuneration during the period were as follows:

	Salaries, allowances and benefits in kind US\$
Richard O'Dell Poulden	-
Alan David Gravett	-
	<hr/>
	<hr/>

None of the directors received any remuneration for the entire financial period and the directors continue to receive no remuneration for their services to date. The directors claimed expenses they had incurred on behalf of the Company of US\$ Nil (31 March 2020: US\$ Nil).

Upper Thames Holdings Plc
Directors' Report (continued)

As at 31 December 2020, the Directors have the following interests in the issued share capital of the Company:

	Number of ordinary shares
Richard O'Dell Poulden (a)	899,564
Alan David Gravett (b)	200

(a) Richard Poulden's interest in the Ordinary Shares (or depositary interests in respect thereof) referred to above (a) belong to Black Swan Group of which Richard Poulden is Chairman.

(b) Alan Gravett and his wife, Kim Gravett, jointly legally and beneficially own 200 ordinary shares.

Payments to creditors

The Company's policy on payment practice is to settle the payment with creditors in accordance with the agreed terms of business transactions.

Corporate governance

The Directors have, so far as is practicable given the Company's size and the constitution of the board, complied with all corporate governance provisions. On 28 September 2018, the Company adopted a new Code of Governance based on the QCA Corporate Governance Code (2018) on a comply or explain basis, with the appropriate disclosures as required by AQSE Rules for Issuers. This code is available in the Company's website and is updated from time to time.

The Directors have adopted terms of reference for an audit committee and remuneration committee. The Directors do not fully comply with the Corporate Governance Code to the extent that there is no nomination committee as the Board does not consider it appropriate to establish it at this stage of the Company's development.

Going Concern

Your attention is drawn to notes under Going Concern in note 1 to the financial statements.

Events after the reporting year

On 16 February 2021, the Company announced that the main focus for the Company moving forward is the linking of conventional, mainstream currency products denominated into the world of crypto currencies. Products will thus cover concepts such as the trading of USD or GBP securities on crypto exchanges and the trading of physical property on blockchain structures. To this extent, the Company has terminated its non-binding heads of terms with Ridercam AB, as announced on 22 December 2020.

The Company received firm placing commitments for a total of £516,000 (before expenses) through a private placement to a series of investors (the "Placing"). Following the Placing, the Company issued 51,600,000 new ordinary shares of 0.1 pence each at a price of 1.0 pence per share. The proceeds of the Placing will be used for general working capital and to fund and accelerate its new business strategy. Effective 16 February 2021, Peterhouse Capital Limited was appointed as the Company's AQSE Growth Market Corporate Adviser with immediate effect.

On 22 February 2021, the Company appointed Vinay Gupta as Chairman of the Advisory Committee.

Upper Thames Holdings Plc

Directors' Report (continued)

Events after the reporting year (continued)

On 1 March 2021, the Company announced that it will be changing its name to Valereum Blockchain Plc, conditional upon the passing of a shareholders' resolution in an EGM on 26 March 2021 in order to accurately reflect the future business of the Company as it moves towards having a presence in the global Blockchain sector.

On 5 March 2021, the Company announced that it has initiated the launch of its first series of securitised derivative tokens (digital assets) on a fully regulated cryptocurrency exchange. It is anticipated that the first tokens will be launched within two months from the date of issuance of these financial statements.

Statement regarding disclosure of information to the Auditors

Each Director of the Company has confirmed that, in fulfilling their duties as a director, they are aware of no relevant audit information of which the Auditors are not aware of and that they have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of Gibraltar Companies Act 2014.

Auditors

The Statutory auditors are RSM Audit (Gibraltar) Limited.

A resolution for the reappointment of RSM Audit (Gibraltar) Limited will be put to the members at the annual general meeting.

By order of the board



Richard O'Dell Poulden

Director

11 March 2021

Upper Thames Holdings Plc

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs and of the profit or loss of the Company for that year. In preparing those financial statements, the Directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and estimates that are reasonable and prudent;
- c. state whether applicable accounting standards have been followed, subject to any material departures; and
- d. 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 proper accounting records, which disclose, with reasonable accuracy at any time, the financial position of the Company and to enable them to ensure that the financial statements comply with the requirements of the Gibraltar Companies Act 2014. Specifically, pursuant to section 248 of the Companies Act, the Directors have elected to follow International Financial Reporting Standards. The Directors 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.

The Directors are responsible for the maintenance and integrity of the corporate financial statements included on the Company's website. Legislation in Gibraltar governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.



Richard O'Dell Poulden
Director

11 March 2021

RSM Audit (Gibraltar) Limited21 Engineer Lane
Gibraltar
GX111AAT +350 200 74854
F +350 200 51477www.rsm.gi**Independent auditor's report
To the shareholders of Upper Thames Holdings Plc****Report on the audit of the financial statements****Opinion**

We have audited the financial statements of Upper Thames Holdings Plc (the "Company"), which comprise the statement of financial position as at 31 December 2020, and the statement of total comprehensive income, statement of changes in equity and statement of cash flows for the period from 1 April 2020 to 31 December 2020, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its loss and cash flows for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards as adopted for use in the European Union; and
- have been prepared in accordance with the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), 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.

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.

**Independent auditor's report
To the shareholders of Upper Thames Holdings Plc**

Report on the audit of the financial statements (continued)

Risk	Our response to the risk	Key observations communicated to the audit committee
<p>Going concern assessment</p> <ul style="list-style-type: none"> As disclosed in Note 2, the financial statements have been prepared on a going concern basis. As at 31 December 2020, the Company has net current liabilities of US\$82,589 which have significantly decreased from previous year. This would normally indicate that Company may not be able to cover the Company's expenses for the next twelve months from the date of the approval of the financial statements. The Company relies on the fact that it is developing its new strategy in blockchain related assets, and was able to raise funding which occurred subsequent to year-end. There is a risk that a material uncertainty could exist related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern. The Company closely monitors and manages its capital position and liquidity risk regularly throughout the year to ensure that it has sufficient funds to meet forecast cash requirements and satisfy the working capital requirements and planned blockchain activity. Taking into account the ability of the Company to raise adequate funding to support its blockchain project, the Board of Directors is confident that the Company has access to sufficient funds to enable the Company to meet its liabilities as and when they fall due for at least the next twelve months. 	<p>Our procedures in relation to management's going concern assessment included:</p> <ul style="list-style-type: none"> We identified that the most significant assumption in assessing the Company's ability to continue as a going concern was the expected future profitability from its blockchain related program, as the key determinant of the forecasted capital position. Subsequent to year-end, the Company has raised £516,000 to develop its new strategy in blockchain related assets. This is more than sufficient to cover the Company's costs in the 12 months from the date of signing the accounts, in the unlikely event that the Company has no revenue. The calculations supporting the assessment require management to make highly subjective judgements. The calculations are based on estimates of future performance, and are fundamental to assessing the suitability of the basis adopted for the preparation of the financial statements; and We assessed all the relevant going concern matters, including the impact of COVID-19 in the future operations of the Company. 	<p>We concluded that the use of going concern basis of accounting is appropriate, and that no further disclosures relating to the Company's ability to continue as a going concern need to be made in the financial statements.</p>

**Independent auditor's report
To the shareholders of Upper Thames Holdings Plc**

Report on the audit of the financial statements (*continued*)

Materiality

The concept of materiality is fundamental to the preparation of the Company's financial statements and the audit process. Materiality is an expression of the relative significance or importance of a particular matter in the context of the financial statements as a whole.

For the purposes of an audit, misstatements, including omissions, are considered to be material if they, individually or in the aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. Materiality is considered at both the overall financial statement level ("financial statement materiality") and, if applicable, in relation to individual account balances, classes of transactions and disclosures ("element materiality") and is used as a threshold or benchmark against which errors or differences of opinion between management and ourselves can be evaluated.

The financial statement materiality calculated for the Company is US\$ 4,580 which was determined on the basis of 7% of the Company's net liabilities as of 31 December 2020.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and 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, 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.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with applicable law in Gibraltar and International Financial Reporting Standards, as adopted for use in the European Union, and for such internal control as the directors determine is necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company, or to cease operations, or have no realistic alternative but to do so.

**Independent auditor's report
To the shareholders of Upper Thames Holdings Plc**

Report on the audit of the financial statements (*continued*)

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 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Independent auditor's report
To the shareholders of Upper Thames Holdings Plc**

Report on other legal and regulatory requirements

Opinion on other matter prescribed by the Companies Act 2014

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

In the light of the knowledge and understanding of the Company, and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the matter where the Companies Act 2014 requires us to report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

Use of our report

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 257 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke at the end.

**SVM Cohen
Statutory auditor**

**For and on behalf of
RSM Audit (Gibraltar) Limited**

21 Engineer Lane
Gibraltar

11 March 2021

Upper Thames Holdings Plc

Statement of Total Comprehensive Income
for the 9 months ended 31 December 2020

	Notes	9 months ended 31 December 2020 US\$	Year ended 31 March 2020 US\$	Year ended 31 March 2019 US\$
Revenue		-	-	-
Cost of Sales		-	-	-
Gross Profit			-	-
Administrative expenses		(77,094)	(200,907)	(1,065,396)
Other operating income				-
Operating loss	4	(77,094)	(200,907)	(1,065,396)
Loss on equity sharing agreement		-	-	(542,159)
Loss on disposal of subsidiary - net		-	-	(25,000)
Loss on write-off of prepayments	8	-	(32,200)	-
Foreign exchange loss		(3,295)	(9,376)	(82,966)
Interest payable		-	(167)	(15,512)
Loss before taxation		(80,389)	(242,650)	(1,731,033)
Tax on loss	6	-	-	-
Loss for the financial year from continuing activities		(80,389)	(242,650)	(1,731,033)
Loss for the year from discontinued operations		-	-	(166,478)
Total comprehensive loss for the financial year		(80,389)	(242,650)	(1,897,511)
Basic and diluted loss per share:				
		US cents	US cents	US cents
For continuing activities		(0.65)	(0.02)	(0.14)
For discontinued activities		-	-	(0.02)
Total basic and diluted	7	(0.65)	(0.02)	(0.16)
Basic and diluted loss per share, <i>after share consolidation:</i>				
		US cents	US cents	US cents
For continuing activities		(0.65)	(2.0)	(14.0)
For discontinued activities		-	-	(2.0)
Total basic and diluted	7	(0.65)	(2.0)	(16.0)

There are no recognised gains or losses other than those disclosed above.

The notes on pages 17 to 25 form part of these financial statements.

Upper Thames Holdings Plc
Statement of Financial Position
as at 31 December 2020

	Notes	31 December 2020 US\$	31 March 2020 US\$	31 March 2019 US\$
Current assets				
Trade and other receivables	8	22,812	46,185	370,477
Cash and cash equivalents		-	4,509	14,390
		<u>22,812</u>	<u>50,694</u>	<u>384,867</u>
Total assets		<u>22,812</u>	<u>50,694</u>	<u>384,867</u>
Current liabilities				
	9	<u>105,401</u>	<u>52,894</u>	<u>144,417</u>
Equity				
Share capital	10	5,642,408	5,642,408	5,642,408
Share premium	10	25,088,705	25,088,705	25,088,705
Share based payment reserve	11	-	-	309,408
Accumulated losses		<u>(30,813,702)</u>	<u>(30,733,313)</u>	<u>(30,800,071)</u>
		<u>(82,589)</u>	<u>(2,200)</u>	<u>240,450</u>
Total equity and liabilities		<u>22,812</u>	<u>50,694</u>	<u>384,867</u>

The financial statements were approved by the board and authorised for issue on 11 March 2021 and signed on its behalf by:

Richard O'Dell Poulden
Director

Alan David Gravett
Director

The notes on pages 17 to 25 form part of these financial statements.

Upper Thames Holdings Plc
Statement of Changes in Equity
for the 9 months ended 31 December 2020

	Notes	Share Capital US\$	Share Premium US\$	Share Based Payment Reserve US\$	Accumulated Losses US\$	Total Equity US\$
Balance at 31 March 2018		5,376,934	24,955,968	309,408	(28,902,560)	1,739,750
Comprehensive loss for the year		-	-	-	(1,897,511)	(1,897,511)
Shares issued during the year	10	<u>265,474</u>	<u>132,737</u>	-	-	<u>398,211</u>
Balance at 31 March 2019		5,642,408	25,088,705	309,408	(30,800,071)	240,450
Comprehensive loss for the year		-	-	-	(242,650)	(242,650)
Transfer of share-based payment reserve	11	<u> </u>	<u> </u>	<u>(309,408)</u>	<u>309,408</u>	<u> </u>
Balance at 31 March 2020		5,642,408	25,088,705	-	(30,733,313)	(2,200)
Comprehensive loss for the period		-	-	-	(80,389)	(80,389)
Balance at 31 December 2020		<u>5,642,408</u>	<u>25,088,705</u>	<u> </u>	<u>(30,813,702)</u>	<u>(82,589)</u>

The notes on pages 17 to 25 form part of these financial statements.

Upper Thames Holdings Plc

Statement of Cash Flows
for the 9 months ended 31 December 2020

	Note	9 Months ended 31 December 2020 US\$	Year ended 31 March 2020 US\$	Year ended 31 March 2019 US\$
Cash flows from operating activities				
Loss for the period		(80,389)	(242,650)	(1,897,511)
Reconciliation to cash generated from operations:				
Exchange rates differences		3,295	9,376	101,970
Loss on equity sharing agreement		-	-	542,159
Loss on disposal of subsidiary - net		-	-	25,000
Loss on write-off of prepayments	8	-	32,200	-
Decrease/(increase) in receivables		25,125	283,898	(177,472)
Increase/(decrease) in payables		47,460	(89,526)	(120,214)
<i>Net cash flow from operating activities</i>		<u>(4,509)</u>	<u>(6,702)</u>	<u>(1,526,068)</u>
Cash flows from financing activities				
Issue of shares for cash		-	-	398,211
Settlement of equity sharing agreement		-	-	(155,928)
<i>Net cash flow from financing activities</i>		<u>-</u>	<u>-</u>	<u>242,283</u>
Net decrease in cash		(4,509)	(6,702)	(1,283,785)
<i>Effects of exchange rates on cash and cash equivalents</i>		-	(3,179)	(89,858)
		<u>(4,509)</u>	<u>(9,881)</u>	<u>(1,373,643)</u>
Cash at bank and in hand at the start of the period		<u>4,509</u>	<u>14,390</u>	<u>1,388,033</u>
Cash at bank and in hand at the end of the period		<u>-</u>	<u>4,509</u>	<u>14,390</u>

The notes on pages 17 to 25 form part of these financial statements.

Upper Thames Holdings Plc

Notes to the Financial Statements for the 9 months ended 31 December 2020

1 General Information

Upper Thames Holdings Plc (“UPPT”) is incorporated in Gibraltar. The registered office is Suite 16, Watergardens 5, Waterport Wharf GX11 1AA, Gibraltar. UPPT had direct subsidiaries and affiliated companies in China, where its holding was held through the requisite Chinese structure for foreign investors.

On 19 January 2021, the Board of Directors approved the change in the Company’s accounting period from a fiscal year beginning on 1 April and ending on 31 March, to a calendar year beginning on 1 January and ending on 31 December, to coincide with the calendar year, effective 31 December 2020.

All of the subsidiary companies were disposed of in 2019 to minimize liabilities to the Company.

2 Accounting Policies

The principal accounting policies adopted by the Company in the preparation of its financial statements for the nine months ended 31 December 2020 with comparatives for years ended 31 March 2020 and 31 March 2019 are set out below. The accounting policies have been consistently applied, unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) and Interpretations issued by the IFRS Interpretations Committee (“IFRIC”) as adopted by the European Union and with those parts of the Gibraltar Companies Act applicable to companies reporting under IFRS. These are the standards, subsequent amendments and related interpretations issued and adopted by the International Accounting Standards Board (“IASB”) that have been endorsed by the European Union at the year-end. The financial statements have been prepared under the historical cost convention.

Going concern

The Company continues to incur losses. As at 31 December 2020, the Company has net current liabilities of US\$82,589 which have significantly decreased from previous year. This would normally indicate that Company may not be able to cover the Company’s expenses for the next twelve months from the date of the approval of the financial statements. The Company closely monitors and manages its capital position and liquidity risk regularly throughout the year to ensure that it has sufficient funds to meet forecast cash requirements and satisfy the working capital requirements and proposed business activity.

Subsequent to the 31 December 2020, the Company has raised £516,000 to develop its new strategy in blockchain related assets. This is more than sufficient to cover the Company’s costs in the coming year even in the unlikely event that the Company has no revenue.

Foreign currencies

The presentational currency for the Company’s financial statements is United States Dollars (“US\$”) and it is this currency in which the Company reports. Monetary assets and liabilities have been translated at the rates in effect at the statement of financial position date, with any exchange adjustments being charged or credited to profit or loss.

In the cash flow statement, cash flows denominated in foreign currencies are translated into the presentational currency of the Company at the average exchange rate for the period or at the prevailing rate at the time of the transaction where this is more appropriate.

Functional and presentational currencies

The individual financial information of the entity is measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency).

As at 31 December 2020, the functional currency of the Company is the US Dollar (“US\$”).

Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when UPPT becomes a party to the contractual provisions of the instrument.

2 Accounting policies (continued)

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment.

Impairment of financial assets

The Company has adopted the expected credit loss model ("ECL") in IFRS 9. The ECL is to be measured through a loss allowance at an amount equal to:

- the 12-month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company only holds trade and other receivables with no financing component and therefore has adopted an approach similar to the simplified approach to ECLs.

Provision for impairment (or the ECL) is established based on full lifetime ECL and when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivable. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. 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.

Equity comprises the following:

- *"Share capital" represents amounts subscribed for shares at nominal value.*
- *"Share premium" represents amounts subscribed for share capital in excess of nominal value.*
- *"Share based payment reserve" represents the equity element of payments to be settled in equity instruments.*
- *"Accumulated losses" represents the accumulated profits and losses attributable to equity shareholders.*

Share based payments

The Company has historically issued warrants and share options in consideration for services. The fair value of the warrants has been treated as part of the cost of the service received and is charged to share premium with a corresponding increase in the share based payment reserve. During the year ended 31 March 2020, the subscriber warrants already lapsed, thus, the share based payment reserve was transferred to retained earnings.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the year end date.

Deferred taxation is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates and laws that have been enacted (or substantively enacted) by the year end date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

2 Accounting policies (continued)

Taxation (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. The Company did not recognize any deferred tax asset during the period.

New and amended Accounting Standards and Interpretations adopted

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the IASB that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Company for the reporting period ended 31 December 2020. The Company assessed that there is no significant impact of the adoption of the new or amended Accounting Standards and Interpretations on the Company's financial statements.

3 Critical accounting estimates and judgements

Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations uncertainty (see below) that management has made in the process of applying the Company's accounting policies and which have a significant effect on the amounts recognised in the financial statements.

Going concern

The preparation of the financial statements is based on the going concern assumption as disclosed in note 1. The Board of Directors, after taking into consideration the planned business activity and forecasts, believes that the going concern assumption is appropriate.

Determination of functional currency

As at 31 December 2020, the Directors considers the US\$ to be the currency that most faithfully represents the economic effect of the underlying transactions, cash flows, events and conditions of the Company. The US\$ is the currency in which the Company measures its performance and reports its results, as well as the currency in which it assesses the viability of projects.

Provision or expected credit losses of trade receivables

Under IFRS 9, a provision should be made for expected credit losses that result from default events on the financial instruments. Default events are events that trigger impairment such as:

- *non-payment of loans over one year*
- *financial covenant breach*
- *insolvency of the counterparty*
- *counterparty credit rating downgrade to the lowest rating given by a credit rating agency (e.g. Moody's, S&P, Fitch).*

Given the limited exposure of the Company to credit risk, this did not have a material impact on the financial statements. The Company only holds trade and other receivables, and which have maturities of less than 12 months at amortised cost. The Company has therefore adopted an approach similar to the simplified approach to ECLs. Given the nature of these financial assets no allowance for expected credit losses have been booked in these financial statements.

Upper Thames Holdings Plc

Notes to the Financial Statements for the 9 months ended 31 December 2020

3 Critical accounting estimates and judgements (continued)

Key sources of estimation uncertainty

As for any key assumptions concerning the future and other key sources of estimation uncertainty at the end of the financial period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period, the Directors believe that there were no significant accounting estimates that have been applied to the Company during the reporting year.

4 Operating loss

Operating loss is stated after charging the following:

	31 December 2020	31 March 2020	31 March 2019
	US\$	US\$	US\$
Fees payable to the Company's auditor for the Audit of the financial statements	17,037	19,277	22,671
Remuneration of directors of the Company	-	-	177,605

5 Staff costs

During the 9 months ended 31 December 2020, excluding Directors, the average number of people employed by the Company was nil (31 March 2020: nil). During the years ended 31 March 2020 and 31 March 2019, the Company paid wages and salaries of US\$ nil (31 March 2020: US\$ nil; 31 March 2019: US\$ nil).

No staff other than the directors are considered key management personnel.

6 Taxation

The Company is subject to corporation tax in Gibraltar on any profits, which are accrued in or derived from Gibraltar or any passive income which is taxable. The corporation tax rate in Gibraltar for the year ended 31 March 2020 and 9 months ended 31 December 2020 are 10% (March 2019: 10%). The Company has no operations in Gibraltar which are taxable.

The Company has taxable losses to carry forward, consequently no provision for corporate tax has been made in these financial statements.

No deferred tax assets have been recognised owing to uncertainty around future profits.

Upper Thames Holdings Plc

**Notes to the Financial Statements
for 9 months ended 31 December 2020**

7 Basic and diluted loss per share

	31 December 2020 US\$	31 March 2020 US\$	31 March 2019 US\$
Loss attributable to ordinary shareholders	<u>(80,389)</u>	<u>(242,650)</u>	<u>(1,897,511)</u>
Weighted average number of common shares in issue during the period:			
Issued ordinary shares at the beginning of the period	1,244,488,103	1,244,488,103	1,042,488,102
Effect of share issues before reorganisation	<u>97</u>	<u>-</u>	<u>160,493,151</u>
Weighted average number of new ordinary shares at end of the period	<u>1,244,488,200</u>	<u>1,244,488,103</u>	<u>1,202,981,253</u>
Weighted average number of common shares after reorganisation			
Issued ordinary shares at the beginning of the period	12,444,882	-	-
Effect of share issues after reorganisation	<u>-</u>	<u>-</u>	<u>-</u>
Weighted average number of new ordinary shares at 31 December/ 31 March	<u>12,444,882</u>	<u>1,244,488,103</u>	<u>1,202,981,253</u>
Weighted average number of new ordinary shares at 31 December/ 31 March (after retrospective adjustment)	<u>12,444,882</u>	<u>12,444,882</u>	<u>12,029,813</u>
Basic loss per share (US cents) before capital reorganization		(0.02)	(0.16)
Basic loss per share (US cents) after capital reorganization (retrospectively presented)	<u>(0.65)</u>	<u>(2.0)</u>	<u>(16.0)</u>

Basic loss per share has been calculated by dividing the net results attributable to ordinary shareholders by the weighted average number of shares in issue during the period. Due to the Company being loss making, any warrants are anti-dilutive. As a result of the capital reorganisation (note 10) that had an effect on the number of shares outstanding without a corresponding change in resources, the weighted-average number of shares outstanding for the entire period is retrospectively adjusted as if the change had occurred at the beginning of the first period of EPS information presented.

8 Trade and other receivables

	31 December 2020 US\$	31 March 2020 US\$	31 March 2019 US\$
Other receivables	22,812	46,185	326,043
Prepayments and accrued income	<u>-</u>	<u>-</u>	<u>44,434</u>
	<u>22,812</u>	<u>46,185</u>	<u>370,477</u>

Included in other receivables are funds held by a third party on behalf of the Company. The funds may only be disbursed pursuant to the Company's instructions and the third party is not entitled to any interest income. During the year ended 31 March 2020, the Company wrote-off prepayments amounting to US\$ 32,200 which represent prepaid research expenses as they were deemed to be irrecoverable.

Upper Thames Holdings Plc

Notes to the Financial Statements

for the 9 months ended 31 December 2020

9 Current liabilities

	31 December 2020 US\$	31 March 2020 US\$	31 March 2019 US\$
Other payables including taxation and social security	72,900	37,430	124,202
Accruals and deferred income	<u>32,501</u>	<u>15,464</u>	<u>20,215</u>
	<u>105,401</u>	<u>52,894</u>	<u>144,417</u>

10 Share capital

	31 December 2020 GBP	31 March 2020 GBP	31 March 2019 GBP
Authorised:			
Ordinary shares of GBP 0.001 each	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>

Allotted and called up:

	31 December 2020 Number of shares	31 December 2020 Share capital US\$	31 December 2020 Share premium US\$	31 March 2020 Number of shares	31 March 2020 Share capital US\$	31 March 2020 Share premium US\$
As at 1 April	1,244,488,103	5,642,408	25,088,705	1,244,488,103	5,642,408	25,088,705
Issued during the year before reorganisation	<u>97</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Shares before reorganisation	<u>1,244,488,200</u>	<u>5,642,408</u>	<u>25,088,705</u>	<u>1,244,488,103</u>	<u>5,642,408</u>	<u>25,088,705</u>
Shares after reorganisation	12,444,882	5,642,408	25,088,705	-	-	-
Issued during the year after reorganisation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 31 December/ 31 March	<u>12,444,882</u>	<u>5,642,408</u>	<u>25,088,705</u>	<u>1,244,488,103</u>	<u>5,642,408</u>	<u>25,088,705</u>

The Company issued 97 shares at a price of 0.1 pence per share so that the number of shares issued be divisible by 100 before the Capital Reorganisation.

On 2 April 2020, the Company held an Extraordinary General Meeting (“EGM”) in which shareholders approved a resolution for the capital reorganisation. The Company's issued share capital of 1,244,488,200 has been consolidated on the basis of 100 Existing Ordinary Shares into one Consolidated Share, and in turn, each Consolidated Share has been sub-divided into one New Ordinary Share of 0.1 pence and one Deferred Share of 9.9 pence. As a result of the Capital Reorganisation, the Company's issued voting share capital now comprises 12,444,882 New Ordinary Shares.

The New Ordinary Shares have the same rights as the existing Ordinary Shares including voting, dividend, return of capital and other rights.

The Deferred Shares do not entitle the holder thereof to receive notice of or attend and vote at any general meeting of the Company or to receive a dividend or other distribution. On a return of capital on a winding up or dissolution of the Company, the holders of the Deferred Shares are entitled to participate in the distribution of the assets of the Company pari passu with the holders of the New Ordinary Shares, but only in respect of any excess of those assets above £1 trillion. Effectively, the Deferred Shares have no material value.

Upper Thames Holdings Plc

Notes to the Financial Statements

for the 9 months ended 31 December 2020

10 Share capital (continued)

These New Ordinary Shares were admitted to trading on AQSE Growth Market on 17 July 2020 and the Deferred shares have been acquired back by the Company for nil consideration.

The amounts of share capital and share premium were translated in US\$ using the historical rates at the time of share issuance.

11 Share based payments

The Company issued warrants to service providers on 28 November 2014 in connection with its admission to AIM ("Service Provider Warrants"). Each warrant is convertible into one new ordinary share at an exercise price of 6p per share and may be exercised between 4 December 2014, being the date of admission to AIM, and 4 December 2019.

Following the capital organisation during the 2018 financial year, the share warrants have been amended to reflect the revised number of warrants which would be issued under the new share structure. As at 31 December 2020 and 31 March 2020, the warrants already lapsed. Movements of the warrants are as follows:

	2020		2019	
	Number of Warrants	Exercise Price (£)	Number of Warrants	Exercise Price (£)
Outstanding, as at 1 April	2,532,050	0.30	2,532,050	0.30
Lapsed during the year	<u>(2,532,050)</u>	0.30	<u>-</u>	0.30
Outstanding, as at 31 Mar	<u>-</u>		<u>2,532,050</u>	

The share based payments charge of US\$ 309,408 for the Service Provider Warrants was fully recognised in the year ended 31 December 2014. During the year ended 31 March 2020, there has been a reclassification of the share based payment reserve to retained earnings due to the lapsing of the validity of the warrants issued in 2014. Thus, it has nil balance as at 31 December 2020.

12 Financial instruments and financial risk management

UPPT's principal financial instruments comprise cash and cash equivalents, other receivables, and trade and other payables. UPPT's accounting policies and the methods adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are set out in note 1. UPPT does not use financial instruments for speculative purposes.

The principal financial instruments used by UPPT, from which financial instrument risk arises, are as follows:

	31 December 2020	31 March 2020	31 March 2019
	US\$	US\$	US\$
Loans and receivables:			
Trade and other receivables	22,812	46,185	370,477
Cash and cash equivalents	<u>-</u>	<u>4,509</u>	<u>14,390</u>
	<u>22,812</u>	<u>50,694</u>	<u>384,867</u>
Trade and other payables:			
Other creditors	(72,900)	(37,430)	(124,202)
Accruals and deferred income	<u>(32,501)</u>	<u>(15,464)</u>	<u>(20,215)</u>
	<u>(105,401)</u>	<u>(52,894)</u>	<u>(144,417)</u>

12 Financial instruments and financial risk management (continued)

Capital risk management

The Company's objective when managing capital is to ensure that adequate funding and resources are obtained to enable it to develop its projects through to profitability, while in the meantime safeguarding the Company's ability to continue as a going concern. This is aimed at enabling it, once the projects come to fruition, to provide appropriate returns for shareholders and benefits for other stakeholders. Capital is sourced from equity and from borrowings, as appropriate.

No changes were made in the objectives, policies or processes during the 9 months ended 31 December 2020, nor the year ended 31 March 2020.

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow risk), credit risk and liquidity risk. The Company's overall risk management programme seeks to minimise potential adverse effects on the Company's financial performance.

Financial risk management

(a) Market risk

Foreign exchange risk – The Company undertakes certain transactions in foreign currencies. Hence, exposure to exchange rate fluctuations arises.

The Company incurs foreign currency risk on transactions denominated in currencies other than its functional currency. The currency other than the functional currency that gives rise to this risk at Company level is the GBP. At the year end, the Company's exposure to the currency is minimal; accordingly any increase or decrease in the exchange rates relative to the functional currency would not have a significant effect on the financial statements.

Fair value interest rate risk and cash flow risk – The fair values of financial assets and financial liabilities approximate the carrying amounts of those assets and liabilities reported in the statement of financial position. The Company has interest rate risk with the banks for banking facilities. These fair value risks are insignificant to the Company.

(b) Credit risk

Credit risk arises from other receivables, as well as committed transactions. Individual risk limits are set based on limits set by the board. Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties. The Company's exposure and the credit ratings of its trading counterparties are monitored by the board of Directors to ensure that the aggregate value of transactions is spread amongst approved counterparties.

The Company's sole financial asset is other receivables.

The Company has no significant concentrations of credit risk. Other receivables represent cash held by third parties on behalf of the Company. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

(c) Liquidity risk

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The principal liabilities of the Company arise in respect of the ongoing development programs, trade and other payables. Trade and other payables are all payable within 12 months.

The board receives cash flow projections on a regular basis as well as information on cash balances.

The overriding financial risk to the Company during the year was that of liquidity. At the current stage of the Company's development, major source of funds is likely to be through the injection of new equity capital or a debt facility, or a combination of such sources.

Upper Thames Holdings Plc

Notes to the Financial Statements for the 9 months ended 31 December 2020

13 Commitments

The Company had no capital commitments as at 31 December 2020.

14 Contingencies

As at 31 December 2020, the Company had a claim which the Directors aggressively disagree, as they believe that the validity of the claim against the Company is weak. Any liabilities, whether actual or probable, have been reflected in the financial statements.

15 Controlling party

At 31 December 2020, the Directors do not believe there to be any single controlling party.

16 Subsequent events

On 16 February 2021, the Company announced that the main focus for the Company moving forward is the linking of conventional, mainstream currency products denominated into the world of crypto currencies. Products will thus cover concepts such as the trading of USD or GBP securities on crypto exchanges and the trading of physical property on blockchain structures. To this extent, the Company has terminated its non-binding heads of terms with Ridercam AB, as announced on 22 December 2020.

The Company received firm placing commitments for a total of £516,000 (before expenses) through a private placement to a series of investors (the "Placing"). Following the Placing, the Company issued 51,600,000 new ordinary shares of 0.1 pence each at a price of 1.0 pence per share. The proceeds of the Placing will be used for general working capital and to fund and accelerate its new business strategy. On 16 February 2021, Peterhouse Capital Limited was appointed as the Company's AQSE Growth Market Corporate Adviser with immediate effect.

On 22 February 2021, the Company appointed Vinay Gupta as Chairman of the Advisory Committee.

On 1 March 2021, the Company announced that it will be changing its name to Valereum Blockchain Plc, conditional upon the passing of a shareholders' resolution in order to accurately reflect the future business of the Company as it moves towards having a presence in the global Blockchain sector.

On 5 March 2021, the Company announced that it has initiated the launch of its first series of securitised derivative tokens (digital assets) on a fully regulated cryptocurrency exchange. It is anticipated that the first tokens will be launched within two months from the date of issuance of these financial statements.

17 Related party transactions

During the 9 months ended 31 December 2020, no expenses were incurred by Black Swan Plc on behalf of the Company. As at 31 December 2020, the balance due to Black Swan Plc was US\$ Nil (31 March 2020: US\$ Nil).

Transactions with related parties in respect to directors' fees have been disclosed in the Directors' Report.

18 Availability of accounts

The full report and accounts are being posted on the Company's website, www.upperthames.co.uk.