28 September, 2021

LIVERMORE INVESTMENTS GROUP LIMITED

UNAUDITED INTERIM RESULTS FOR SIX MONTHS ENDED 30 JUNE 2021

Livermore Investments Group Limited (the “Company” or “Livermore”) today announces its interim results for the six months ended 30 June 2021.

For further investor information please go to www.livermore-inv.com.

Enquiries:

Livermore Investments Group Limited Gaurav Suri	+41 43 344 3200
Arden Partners plc Richard Johnson / Antonio Bossi	+44 (0)20 7614 5900

Chairman's and Chief Executive's Review

Introduction

We are pleased to announce the interim financial results for Livermore Investments Group Limited (the "Company" or "Livermore") for the six months ended 30 June 2021. References to the Company hereinafter also include its consolidated subsidiaries (note 8).

The coronavirus and measures related to contain the spread of COVID-19 continue to shape the global economy. Although the virus continues to mutate and dangerous mutations spread rapidly, containment measures and effective vaccination programmes have generally eased the pandemic situation in recent months. Advanced economies have done better as they have been able to secure and administer vaccines at a much faster rate than poorer less-developed countries.

As countries "re-open" their local and regional economies, business activity is buzzing back to life. Massive and continuing monetary and fiscal stimuli have broadly been successful in containing the economic fall-out. Financial markets and most asset classes have been significant beneficiaries of the global stimuli and have become expensive by most historical measures of value. At the same time, the "stop-and-go" measures to contain the virus have caused severe strain on global supply chains resulting in shortages and higher prices. The cost of labour in advanced economies also seems to be on the rise. One of the key risks for investors, central bankers and businesses is whether this inflation is transient or can it sustain at higher levels, spurring a faster tightening of monetary policy and a potential for decline in asset prices.

With a positive macroeconomic backdrop, management has been proactive in deploying and rotating capital in new warehouses, new issue CLOs, and BB rated CLO tranches. The Company started the year with USD 50.4m cash on its balance sheet and received about USD 12.2m from its CLO and warehouse portfolio during the first half of the year. Management deployed about USD 32m in new investments and returned USD 15m to shareholders via dividends and buybacks during the period. As at 30 June 2021, the Company had USD 20m cash on its balance sheet.

At the same time, management aggressively took advantage of tighter debt spreads in the CLO market and refinanced or extended the liabilities of its existing CLO positions adding significant value to its existing portfolio. During the period, management successfully refinanced four CLO transactions and "reset" one CLO by extending its reinvestment period by 5 years. In addition, management converted its open warehouse into a new CLO in April 2021 at a very attractive all-in cost of funding. The new CLO is expected to pay over 15% cash-on-cash in October2021. Further, the Company negotiated two new warehouses with leading CLO managers and converted both these warehouses into CLOs in August 2021 as well as resetting one CLO and refinancing two additional existing CLO positions.

During the first half of 2021, the Company's CLO and warehouse portfolio generated gains of about 18.2% mainly through distributions and valuation increase. The Company recorded a net profit of USD 15.5m (30 June 2020: loss of USD21.8m), which represents a profit of USD 0.09 per share (30 June 2020: loss of USD 0.12 per share). The Company distributed an interim dividend of USD 8m and repurchased USD 7m of shares at market price during the period. The share repurchases are accretive to existing shareholders as the purchase prices were significantly below the Company's net asset value.

The NAV of the Company stood at USD 1.00 per share as of end of June 2021 after returning USD 15m to shareholders through dividend distributions and share repurchases (30 Jun 2020: NAV per share USD 0.83). The profits relate largely to distributions from and mark-to-market increases of its CLO portfolio, net carry from warehouses and gains from its public equity investments. During the first half of 2021, the CLO and warehousing portfolio generated USD 12.2m in cash and USD 3.6m in net valuation increase. As the recovery takes hold, we anticipate the distributions to remain consistent with expectation of a benign near-mid term default outlook. Management continues to actively manage the financial portfolio and remains in frequent contact with CLO managers with a view to optimizing exposure to US credit markets.

Financial Review

The NAV of the Company as at 30 June 2021 was USD 164.4m (30 June 2020: 144.8m). The profit after tax for the first half of 2021 was USD 15.5m, which represents profit per share of USD 0.09. The profit relate largely to the period end valuations of the CLO portfolio and exposure to leveraged loans.

	30 June 2021		**30 June 2020**		**31 December 2020**
	US $m		**US $m**		**US $m**

Shareholders' funds at beginning of period	163.9	173.1	173.1
Income from investments	12.2	12.3	22.0
Unrealised profits/ (losses) on investments	5.5	(33.4)	(22.6)
Operating expenses	(1.8)	(1.3)	(2.8)
Net finance (costs) / income	(0.3)	0.1	0.3
Tax charge	(0.1)	-	(0.1)
Increase / (decrease) in net assets from operations	15.5	(22.3)	(3.2)
Dividends paid	(8.0)	(6.0)	(6.0)
Purchase of own shares	(7.0)	-	-
Shareholders' funds at end of period	164.4	144.8	163.9
Net Asset Value per share	*US $1.00*	*US $0.83*	*US $0.94*

Livermore's Strategy

The Company's primary investment objective is to generate high current income and regular cash flows. The financial portfolio is constructed around fixed income instruments such as Collateralized Loan Obligations ("CLOs") and other securities or instruments with exposure primarily to senior secured and usually broadly syndicated US loans. The Company has a long-term oriented investment philosophy and invests primarily with a buy-and-hold mentality, though from time to time the Company will sell investments to realize gains or for risk management purposes.

Strong emphasis is given to maintaining sufficient liquidity and low leverage at the overall portfolio level and to re-invest in existing and new investments along the economic cycle.

Dividend & Buyback

On 08 March 2021, the Board announced an interim dividend of USD 8m (USD 0.0488 per share) to members on the register on 19 March 2021. The dividend was paid on 16 April 2021.

The Board of Directors will decide on the Company's dividend policy for 2021 based on profitability, liquidity requirements, portfolio performance, market conditions, and the share price of the Company relative to its NAV.

During 2021, the Company bought back 10,888,577 shares to be held in treasury for a total cost of USD 6.9m. The Company had 10,888,577 ordinary shares in treasury as at 30 June 2021.

Richard Rosenberg
Non-Executive Chairman

Noam Lanir
Chief Executive

28 September 2021

Review of Activities

Economic & Investment Environment

Coronavirus and the measures implemented to contain it continue to affect the global economy more than a year after the outbreak. Significant containment measures were still in force in numerous countries in the first half of the year. Additionally, most people avoided activities associated with a higher risk of infection. This took its toll on economic activity and GDP shrank again in several countries in the first quarter, and remained significantly below pre-crisis levels. The US, however, experienced an upswing in economic activity bolstered by falling infection rates and expansionary fiscal policies. Employment was also still lower in the first quarter than at the end of 2019. However, global trade showed a stronger recovery due in part to the shift in consumer demand from services to goods as containment measures stayed in place. The pandemic situation seems to have eased in many areas in recent months, and vaccination programmes are progressing.

In the US, GDP grew in the first quarter by 6.4%, and was just under 1% lower than before the pandemic. Supported by loose monetary policy and generous fiscal stimulus, the growth dynamic in the US stayed positive with expectations of a GDP increase of 6.6% in the second quarter. Unemployment declined substantially in recent months and stood at 5.9% in June 2021. Although employment figures increased, they were still below their pre-crisis level. Annual inflation as measured by the CPI increased considerably in the US and stood at 5.4% in June 2021. Apart from the lower base effect from the previous year, this reflected not only rising energy prices, but also markedly higher core inflation. The pandemic has disrupted global supply-chains across industries and shortages in components as well as labour in some areas have led to the surge in core inflation. While the expectation is that high inflation is likely to be temporary, there is a risk that the unique pandemic dynamic may lead to a vicious inflation cycle. The US Federal Reserve has kept its target range for the federal funds rate unchanged at 0.0–0.25% and has continued its bond-buying programme. However, with the continued pace of employment, economic and inflation growth, the US Federal Reserve has indicated reducing its bond-buying program before the end of 2021.

In the first quarter, euro area GDP contracted by 0.3%, remaining considerably below its pre-crisis level. The tightening and extension of containment measures in many member states weighed on the services sector in particular. Further, manufacturing was affected by global shortages of intermediate products. Significant declines in infection rates since April and a strong pace of vaccination in recent months has allowed containment measures to be eased in most member states. The "re-opening" of local and regional euro area economies helped achieve a second quarter growth of 2.2% after two quarters of negative growth. Employment in the euro area decreased marginally in the first quarter amid sluggish economic growth, and remained lower than before the pandemic. As the containment measures eased and economic activity recovered, unemployment eased back to stand at 7.8% in June 2021, having peaked at 8.7% in mid-2020. Driven by rising energy prices, consumer price inflation in the euro area picked up substantially in recent months and stood at 1.9% in June. The European Central Bank left its key interest rates unchanged and intends to maintain them at their present levels or lower until inflation dynamics are sufficiently robust. The ECB also plans to continue with its asset purchase programme (APP) until it starts raising the key interest rates. Furthermore, the pandemic emergency purchase programme (PEPP), introduced during the coronavirus crisis, is expected to run until at least the end of March 2022.

Financial markets sentiment remained positive as asset prices were supported in part by global monetary and fiscal largesse as well as expectations of strong earnings. The S&P 500, NASDAQ 100 and EuroStoxx 50 Indices each generated about 15% total return in the first half of the year. Global developed economy government bond yields have remained generally low on the back of central bank bond-buying programmes. Although the 10-year US bond yields spiked from 0.91% at the start of the year to 1.74% in the first quarter, they have since subsided and ended the first half at 1.47% as market participants debate sustainability of higher inflation rates. The US Dollar Index, DXY, was also higher by 1.5% reflecting a faster pace of growth in the largest economy.

Low bond yields and significant amount of liquidity have supported increased interest in yielding assets. Corporate bonds performed well, outpacing government bonds. US investment grade rebounded well following the decline in Q1 and was helped by falling yields. High yield bonds and senior secured loans benefited from the economic recovery and positive fundamentals, including low expected default rates. The Merrill Lynch High Yield Master II Index and the Credit Suisse Leverage Loan Index generated total returns of 3.7% and 3.48% respectively in the first half of the year.

Loan market technicals remained favourable as strong demand for CLO debt and equity tranches drove unprecedented levels of new issue CLO creation. The loan market size grew by about 10% with over USD 100 billion of net new loan issuance. Default rates and distressed exchanges dropped to decade low levels with the par-weighted default rate at 1.25% as of June 2021 compared to 3.23% a year ago. Major banks have also lowered near-mid term default expectations to below 1% due to strong economic growth and deep liquidity in capital markets. Several borrowers have used this opportunity to extend their loan maturities and few loans mature before 2024.

The strong performance of the CLO market over several credit cycles including the Global Financial Crisis, the oil and gas price crash in 2014-2015, and now through the pandemic has cemented its position as a mainstream asset class. This along with a general lack of yield in comparable risk assets has generated strong demand in 2021. The CLO market welcomed over USD 80 billion in new issue CLOs as well as refinancing and reset volumes of USD 67 billion and USD 70 billion respectively in the first half of 2021, the highest on record.

Sources: Swiss National Bank (SNB), European Central Bank (ECB), US Federal Reserve, Bloomberg, JP Morgan, S&P Capital IQ

Financial Portfolio and trading activity

The Company manages a financial portfolio valued at USD 151.5m as at 30 June 2021, which is invested mainly in fixed income and credit related securities.

The following is a table summarizing the financial portfolio as at 30 June 2021

Name	**30 June 2021 Book Value US $m**	**30 June 2020 Book Value US $m**	**31 December 2020 Book Value US $m**
Investment in the loan market through CLOs	95.2	66.4	77.0
Open Warehouse facilities	25.5	-	10.1
Perpetual Bonds	-	1.1	-
Other Public Equities	11.2	1.2	12.5
Invested Total	131.9	68.7	**99.6**
Cash	**19.6**	**60.8**	**50.4**
Total	**151.5**	**129.5**	**150.0**

Senior Secured Loans and CLOs:

In the first half of 2021, the US senior secured loan market (leveraged loan market) continued its strong recovery that started in the middle of 2020. Existing borrowers accessed the market to extend their maturities or refinance the cost of margin and new borrowers came to market on the back of strong merger and acquisitions and buyout activity. On the whole, the loan market grew by about 10% during this period.

Given the strong economic background and declining default expectations, the loan market as measured by the Credit Suisse Leveraged Loan Index returned 3.48% during the first half of 2021. The par-weighted default rate declined to a multi-year low of 1.25% as of June 2021 compared to 3.23% a year ago. The expectations for defaults in the near term are even lower due to few near term maturities, low interest costs, better earnings and an open access to debt markets.

Strong demand for loans was supported by new issue CLO creation as well as retail fund inflows. The resilient performance of CLO's during the pandemic as well as previous credit cycles such as the global financial crisis has cemented its position as a mainstream asset class drawing in new capital seeking higher yields than comparable risk assets and CLO debt spreads tightened across all rated tranches. The CLO market had an unprecedented year with over USD 80 billion of new issue transactions in addition to USD 67 billion of refinancing and USD 70 billion of reset activity (extension of reinvestment period and maturity of existing CLOs).

Tighter debt spreads in the CLO debt market allowed management to aggressively refinance several of its existing CLOs and lower their cost of funding thereby increasing future cash-flows and valuations. During the first half of the year, management successfully refinanced four of its existing CLO positions and "reset" one CLO position extending its reinvestment period by five years. Post the reporting period, management has reset another of its

CLO positions extending the reinvestment period by five years, and refinanced two additional CLOs reducing their cost of funding by 0.4% each and increasing their quarterly payments by 1% per quarter.

In addition to the abovementioned liability management and value enhancement of its existing portfolio, management converted its open warehouse into a new issue CLO in April 2021. The CLO was priced with one of the lowest cost of debt and is expected to pay over 15% cash-on-cash in October 2021. In addition, the warehouse generated USD 1.5m of net carry. In May 2021, management opened two new warehouses with leading US CLO managers and as of August 2021 have converted both of them to new issue CLOs. These warehouses are expected to generate a net carry of over USD 1.0m in September 2021. All the while, the Company was active in trading CLO BB tranches and took profits on some of its positions.

During the first half of 2021, the CLO and warehouse portfolio generated a return of USD 15.8m or 18.2% on its starting valuation. The CLO positions generated USD 12.2m in cash distributions after accounting for costs related to refinancing and reset actions and USD 3.6m in valuation uplift.

Given the positive macroeconomic backdrop, the Company was aggressive in deploying significant capital mostly in CLO new issues and warehouse opportunities. As of end of June 2021, the Company had USD 16m in cash compared to USD 50.4m at the start of the year. Management expects to rotate capital and conduct relative value transaction while maintaining sufficient liquidity and a no-debt position.

The Company's CLO portfolio is divided into the following geographical areas:

	30 June 2021 Amount **US $000**	Percentage	30 June 2020 Amount **US $000**	Percentage
US CLOs	95,2	100.0%	66,4	100.0%

Private Equity & Hedge Funds

The other private equity investments held by the Company are incorporated in the form of Managed Funds (mostly closed end funds) mainly in emerging economies. The investments of these funds into their portfolio companies were mostly done in 2008 and 2009. Overall, the Company expects that exits of portfolio companies should materialize by 2021.

The following summarizes the book value of the private equity funds as at 30 June 2021:

Name	**Book Value US $m**
Cole capital	4.1
Phytech (Israel)	1.9
Other investments	2.7
Total	**8.7**

Cole Capital:

Cole Capital is a fund that trades in digital assets such as Bitcoin and it is advised by Frequant. The advisor has developed automated trading algorithms that have outperformed the underlying digital assets performance by consistently avoiding large drawdowns. The Company invested USD 4m in Cole Capital in March 10, 2021 and as of end of June, the fund had generated 2.3% return and is up 19.3% as of end of August.

Phytech:

Phytech is an agriculture-technology company in Israel providing end-to-end solutions for achieving higher yields on crops and trees. In September 2020, Phytech raised USD 25m at a pre-money valuation of USD 105m. As part of the capital raise, the manager of the investment reduced its holding in Phytech and distributed USD 471k (versus our investment of USD 394k) in cash. Following these transactions, Livermore continues to hold 12.2% in Phytech Global Advisors Ltd, which in turns now holds 11.95% on a fully diluted basis in Phytech Ltd.

The following table reconciles the review of activities to the Group's financial assets as at 30 June 2021.

Name	**30 June 2021 Book Value US $m**
Financial portfolio	131.9
Private Equity Funds	8.7
Total	**140.6**
Financial assets at fair value through profit or loss (note 4)	131.9
Financial assets at fair value through other comprehensive income (note 5)	8.7
Total	**140.6**

Events after the reporting date

Details of material events after the reporting date are disclosed in note 25 of these interim condensed consolidated financial statements.

Litigation

Information is provided in note 22 to the interim condensed consolidated financial statements.

Livermore Investments Group Limited
Condensed Consolidated Statement of Financial Position
as at 30 June 2021

Assets	Note	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2020 Audited US $000
Non-current assets				
Property, plant and equipment		34	36	32
Right-of-use asset		275	295	272
Financial assets at fair value through profit or loss	4	95,151	66,381	77,006
Financial assets at fair value through other comprehensive income	5	8,721	6,135	3,729
Investments in subsidiaries	8	7,000	5,917	6,813
		111,181	78,764	87,852
Current assets				
Trade and other receivables	9	1,325	8,186	8,238
Financial assets at fair value through profit or loss	4	36,784	2,302	22,577
Cash at bank	10	19,655	60,757	50,407
		57,764	71,245	81,222
Total assets		168,945	150,009	169,074
Equity				
Share capital	11	-	-	-
Share premium and treasury shares	11	162,214	169,187	169,187
Other reserves		(21,251)	(21,089)	(21,285)
Retained earnings		23,455	(3,274)	16,005
Total equity		164,418	144,824	163,907
Liabilities				
Non-current liabilities				
Lease liability		148	211	181
		148	211	181
Current liabilities				
Trade and other payables	12	4,162	4,804	4,868
Lease liability – current portion		127	84	91
Current tax liability		90	86	27
		4,379	4,974	4,986
Total liabilities		4,527	5,185	5,167
Total equity and liabilities		168,945	150,009	169,074
Net asset valuation per share				
Basic and diluted net asset valuation per share (US $)	14	1.00	0.83	0.94

Livermore Investments Group Limited
Condensed Consolidated Statement of Profit or Loss
for the six months ended 30 June 2021

	Note	Six months ended 30 June 2021 Unaudited US $000	Six months ended 30 June 2020 Unaudited US $000	Year ended 31 December 2020 Audited US $000
Investment income				
Interest and distribution income	16	12,232	12,321	22,010
Fair value changes of investments	17	5,378	(32,881)	(18,483)
		17,610	(20,560)	3,527
Operating expenses	18	(1,784)	(1,289)	(2,808)
Operating profit / (loss)		15,826	(21,849)	719
Finance costs	19	(329)	(25)	(40)
Finance income	19	18	157	293
Profit / (loss) before taxation		15,515	(21,717)	972
Taxation charge		(65)	(48)	(127)
Profit / (loss) for period / year		15,450	(21,765)	845
Earnings / (Loss) per share				
Basic and diluted earnings / (loss) per share (US $)	20	0.09	(0.12)	0.005

Livermore Investments Group Limited
Condensed Consolidated Statement of Comprehensive Income
for the six months ended 30 June 2021

	Six months ended 30 June 2021 Unaudited US $000	Six months ended 30 June 2020 Unaudited US $000	Year ended 31 December 2020 Audited US $000
Profit / (loss) for the period / year	15,450	(21,765)	845
Other comprehensive income:			
Items that will be reclassified subsequently to profit or loss			
Foreign exchange gains / (losses) on the translation of subsidiaries	49	(22)	4
Items that are not reclassified subsequently to profit or loss			
Financial assets designated at fair value through other comprehensive income – fair value losses	(15)	(469)	(4,022)
Total comprehensive income / (loss) for the period / year	15,484	(22,256)	(3,173)

The total comprehensive income / loss for the period / year is wholly attributable to the owners of the Company.

Livermore Investments Group Limited
Condensed Consolidated Statement of Changes in Equity
for the period ended 30 June 2021

	Share premium	Treasury shares	Translation reserve	Investment revaluation reserve	Retained earnings	Total
	US $000	US $000	US $000	US $000	US $000	US $000
Balance at 1 January 2020	169,187	-	21	(20,619)	24,491	173,080
Dividends	-	-	-	-	(6,000)	(6,000)
Transactions with owners	-	-	-	-	(6,000)	(6,000)
Profit for the year	-	-	-	-	845	845
Other comprehensive income:						
Financial assets at fair value through OCI - fair value losses	-	-	-	(4,022)	-	(4,022)
Foreign exchange gains on the translation of subsidiaries	-	-	4	-	-	4
Transfer of realised gains	-	-	-	3,331	(3,331)	-
Total comprehensive loss for the year	-	-	4	(691)	(2,486)	(3,173)
Balance at 31 December 2020	169,187	-	25	(21,310)	16,005	163,907
Dividends	-	-	-	-	(8,000)	(8,000)
Purchase of own shares	-	(6,973)	-	-	-	(6,973)
Transactions with owners	-	(6,973)	-	-	(8,000)	(14,973)
Profit for the period	-	-	-	-	15,450	15,450
Other comprehensive income:						
Financial assets at fair value through OCI - fair value losses	-	-	-	(15)	-	(15)
Foreign exchange gains on the translation of subsidiaries	-	-	49	-	-	49
Total comprehensive loss for the period	-	-	49	(15)	15,450	15,484
Balance at 30 June 2021	169,187	(6,973)	74	(21,325)	23,455	164,418

	Share premium	Treasury shares	Translation reserve	Investment revaluation reserve	Retained earnings	Total
	US $000	US $000	US $000	US $000	US $000	US $000
Balance at 1 January 2020	169,187	-	21	(20,619)	24,491	173,080
Dividends	-	-	-	-	(6,000)	(6,000)
Transactions with owners	-	-	-	-	(6,000)	(6,000)
Loss for the period	-	-	-	-	(21,765)	(21,765)
Other comprehensive income:						
Financial assets at fair value through OCI - fair value losses	-	-	-	(469)	-	(469)
Foreign exchange losses on the translation of subsidiaries	-	-	(22)	-	-	(22)
Total comprehensive income for the period	-		-	(469)	(21,765)	(22,256)
Balance at 30 June 2020	169,187	-	(1)	(21,088)	(3,274)	144,824

Livermore Investments Group Limited
Condensed Consolidated Statement of Cash Flows
for the period ended 30 June 2021

	Note	Six months ended 30 June 2021 Unaudited US $000	Six months ended 30 June 2020 Unaudited US $000	Year ended 31 December 2020 Audited US $000
Cash flows from operating activities				
Profit / (loss) before taxation		15,515	(21,717)	972
Adjustments for:				
Depreciation expense		66	46	102
Interest expense	19	75	25	40
Interest and distribution income	16	(12,232)	(12,321)	(22,010)
Bank interest income	19	(18)	(119)	(119)
Fair value changes of investments	17	(5.378)	32,881	18,483
Exchange differences	19	254	(38)	(174)
		(1,718)	(1,243)	(2,706)
Changes in working capital				
Decrease / (increase) in trade and other receivables		6,965	(13)	(60)
Decrease in trade and other payables		(706)	(104)	(78)
Cash flows from operations		4,541	(1,360)	(2,844)
Interest and distribution received		12,250	12,471	22,204
Tax paid		(13)	(14)	(133)
Net cash from operating activities		16,778	11,097	19,227
Cash flows from investing activities				
Acquisition of investments		(66,333)	(21,058)	(49,552)
Proceeds from sale of investments		34,171	20,254	30,201
Net cash from investing activities		(32,162)	(804)	(19,351)
Cash flows from financing activities				
Purchase of own shares		(6,973)	-	-
Lease liability payments		(66)	(48)	(102)
Interest paid		(75)	(25)	(40)
Dividends paid		(8,000)	(6,000)	(6,000)
Net cash from financing activities		(15,114)	(6,073)	(6,142)
Net (decrease) / increase in cash and cash equivalents		(30,498)	4,220	(6,266)
Cash and cash equivalents at beginning of the period / year		50,407	56,499	56,499
Exchange differences on cash and cash equivalents		(254)	38	174
Cash and cash equivalents at the end of the period / year	10	19,655	60,757	50,407

Notes to the Interim Condensed Consolidated Financial Statements

1. Accounting policies

The interim condensed consolidated financial statements of Livermore have been prepared on the basis of the accounting policies stated in the 2020 Annual Report, available on *www.livermore-inv.com*.

The application of the IFRS pronouncements that became effective as of 1 January 2021 has no significant impact on the Company's consolidated financial statements.

2. Critical accounting judgements and estimation uncertainty

When preparing the interim condensed consolidated financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results. The judgements, estimates and assumptions applied in the interim condensed consolidated financial statements, including the key sources of estimation uncertainty were the same as those applied in the Company's last annual consolidated financial statements for the year ended 31 December 2020.

3. Basis of preparation

These unaudited interim condensed consolidated financial statements are for the six months ended 30 June 2021. They have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union. They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Company for the year ended 31 December 2020.

The financial information for the year ended 31 December 2020 is extracted from the Company's consolidated financial statements for the year ended 31 December 2020 which contained an unqualified audit report.

Investment entity status

Livermore meets the definition of an investment entity, as this is defined in IFRS 10 "Consolidated Financial Statements".

In accordance with IFRS 10, an investment entity is exempted from consolidating its subsidiaries, unless any subsidiary which is not itself an investment entity mainly provides services that relate to the investment entity's investment activities. In Livermore's situation and as at the reporting date, one of its subsidiaries provide such services. Note 8 shows further details of the consolidated and unconsolidated subsidiaries.

References to the Company hereinafter also includes its consolidated subsidiary (note 8).

4. Financial assets at fair value through profit or loss

	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2020 Audited US $000
Non-current assets			
Fixed income investments (CLOs)	95,151	66,381	77,006
	95,151	66,381	77,006
Current assets			
Fixed income investments	25,500	1,115	10,036
Public equity investments	11,284	1,187	12,541
	36,784	2,302	22,577

For description of each of the above categories, refer to note 7.

The above investments represent financial assets that are mandatorily measured at fair value through profit or loss.

The Company treats its investments in the loan market through CLOs as non-current investments as the Company generally intends to hold such investments over a period longer than twelve months.

5. Financial assets at fair value through other comprehensive income

	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2020 Audited US $000
Non-current assets			
Private equities	8,721	6,135	3,729

For description of each of the above categories, refer to note 7.

The above investments are non-trading equity investments that have been designated at fair value through other comprehensive income.

6. Financial assets at fair value

The Company allocates its non-derivative financial assets at fair value (notes 4 and 5) as follows:

- Fixed income investments relate to investments in the loan market through CLOs and open warehouse facilities, as well as investments in fixed and floating rate bonds and perpetual bank debt.
- Public equity investments relate to investments in shares of companies listed on public stock exchange.
- Private equities relate to investments in the form of equity purchases in both high growth opportunities in emerging markets and deep value opportunities in mature markets. The Company generally invests directly in prospects where it can exert influence. Main investments under this category are in the fields of real estate.

7. Fair value measurements of financial assets and liabilities

The table in note 7.2 below presents financial assets measured at fair value in the consolidated statement of financial position in accordance with the fair value hierarchy. This hierarchy groups financial assets and liabilities into three levels based on the significance of inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability.

The level within which the financial asset is classified is determined based on the lowest level of significant input to the fair value measurement.

7.1 Valuation of financial assets and liabilities

- Fixed Income Investments and Public Equity Investments are valued per their closing market prices on quoted exchanges, or as quoted by market makers. Investments in open warehouse facilities that have not yet been converted to CLOs, are valued based on an adjusted net asset valuation.

  The Company values the CLOs based on the valuation reports provided by market makers. CLOs are typically valued by market makers using discounted cash flow models. The key assumptions for cash flow projections include default and recovery rates, prepayment rates and reinvestment assumptions on the underlying portfolios (typically senior secured loans) of the CLOs.

  Default and recovery rates: The amount and timing of defaults in the underlying collateral and the amount and timing of recovery upon a default affect are key to the future cash flows a CLO will distribute to the CLO equity tranche. All else equal, higher default rates and lower recovery rates typically lead to lower cash flows. Conversely, lower default rates and higher recoveries lead to higher cash flows.

  Prepayment rates: Senior loans can be pre-paid by borrowers. CLOs that are within their reinvestment period may, subject to certain conditions, reinvest such prepayments into other loans which may have different spreads and maturities. CLOs that are beyond their reinvestment period typically pay down their senior liabilities from proceeds of such pre-payments. Therefore the rate at which the underlying collateral prepays impacts the future cash flows that the CLO may generate.

  Reinvestment assumptions: A CLO within its reinvestment period may reinvest proceeds from loan maturities, prepayments, and recoveries into purchasing additional loans. The reinvestment assumptions define the characteristics of the loans that a CLO may reinvest in. These assumptions include the spreads, maturities, and prices of such loans. Reinvestment into loans with higher spreads and lower prices will lead to higher cash flows. Reinvestment into loans with lower spreads will typically lead to lower cash flows.

  Discount rate: The discount rate indicates the yield that market participants expect to receive and is used to discount the projected future cash flows. Higher yield expectations or discount rates lead to lower prices and lower discount rates lead to higher prices for CLOs.

- Private Equities are valued using market valuation techniques as determined by the Directors, mainly based on valuations reported by third-party managers of such investments. Real Estate entities are valued by independent qualified property valuers with substantial relevant experience on such investments. Underlying property values are determined based on their estimated market values.

- Investments in subsidiaries are valued at fair value as determined on an adjusted net asset valuation basis. The Company has determined that the reported net asset value of each subsidiary represents its fair value at the end of the reporting period

7.2 Fair Value Hierarchy

Financial assets measured at fair value are grouped into the fair value hierarchy as follows:

30 June 2021	**Unaudited US $000** Level 1	**Unaudited US $000** Level 2	**Unaudited US $000** Level 3	**Unaudited US $000** Total
Assets				
Fixed income investments	-	95,151	25,500	120,651
Private equities	-	-	8,721	8,721
Public equity investments	11,284	-	-	11,284
Investments in subsidiaries	-	-	7,000	7,000
	11,284	95,151	41,221	147,656

30 June 2020	**Unaudited US $000** Level 1	**Unaudited US $000** Level 2	**Unaudited US $000** Level 3	**Unaudited US $000** Total
Assets				
Fixed income investments	1,115	66,381	-	67,496
Private equities	-	-	6,135	6,135
Public equity investments	1,187	-	-	1,187
Investments in subsidiaries	-	-	5,917	5,917
	2,302	66,381	12,052	80,735

31 December 2020	**Audited US $000** Level 1	**Audited US $000** Level 2	**Audited US $000** Level 3	**Audited US $000** Total
Assets				
Fixed income investments	-	77,006	10,036	87,042
Private equities	-	-	3,729	3,729
Public equity investments	12,541	-	-	12,541
Investments in subsidiaries	-	-	6,813	6,813
	12,541	77,006	20,578	110,125

The Company has no financial liabilities measured at fair value.

The methods and valuation techniques used for the purpose of measuring fair value are unchanged compared to the previous reporting period.

No financial assets or liabilities have been transferred between different levels.

Financial assets within level 3 can be reconciled from beginning to ending balances as follows:

Six months ended 30 June 2021	**At fair value through OCI Private equities US $000**	**At fair value through profit or loss Fixed Income investments US $000**	**Investments in subsidiaries US $000**	**Total US $000**
As at 1 January 2021	3,729	10,036	6,813	20,578
Purchases	5,000	40,500	-	45,500
Settlement		(25,000)		(25,000)
Gains /(losses) recognised in:				
-Profit or loss	-	(36)	187	151
-Other comprehensive income	(8)	-	-	(8)
As at 30 June 2021	8,721	25,500	7,000	41,221

Six months ended 30 June 2020	**At fair value through OCI Private equities US $000**	**At fair value through profit or loss Fixed Income investments US $000**	**Investments in subsidiaries US $000**	**Total US $000**
As at 1 January 2020	6,204	-	5,787	11,991
Purchases	400	15,000	-	15,400
Settlement		(15,000)		(15,000)
Gains /(losses) recognised in:				
-Profit or loss	-	-	130	130
-Other comprehensive income	(469)	-	-	(469)
As at 30 June 2020	6,135	-	5,917	12,052

Year ended 31 December 2020	**At fair value through OCI Private equities US $000**	**At fair value through profit or loss Fixed Income investments US $000**	**Investments in subsidiaries US $000**	**Total US $000**
As at 1 January 2020	6,204	-	5,787	11,991
Purchases	1,650	25,000	-	26,650
Settlement	(103)	(15,000)	-	(15,103)
Gains / (losses) recognised in:				
-Profit or loss	-	36	1,026	1,062
-Other comprehensive income	(4,022)	-	-	(4,022)
As at 31 December 2020	3,729	10,036	6,813	20,578

The above recognised gains / (losses) are allocated as follows:

Six months ended 30 June 2021	**At fair value through OCI Private equities US $000**	**At fair value through profit or loss Fixed Income investments US $000**	**Investments in subsidiaries US $000**	**Total US $000**
Profit or loss				
- Financial assets held at period-end	-	(36)	187	151
Other comprehensive income				
- Financial assets held at period-end	(8)	-	-	(8)
Total gains / (losses) for period	(8)	(36)	187	143

Six months ended 30 June 2020	**At fair value through OCI Private equities US $000**	**At fair value through profit or loss Fixed Income investments US $000**	**Investments in subsidiaries US $000**	**Total US $000**
Profit or loss				
- Financial assets held at period-end	-	-	130	130
Other comprehensive income				
- Financial assets held at period-end	(469)	-	-	(469)
Total gains / (losses) for period	(469)	-	130	(339)

Year ended 31 December 2020	**At fair value through OCI Private equities US $000**	**At fair value through profit or loss Fixed Income investments US $000**	**Investments in subsidiaries US $000**	**Total US $000**
Profit or loss				
- Financial assets held at period-end	-	36	1,026	1,062
Other comprehensive income				
- Financial assets held at period-end	(4,022)	-	-	(4,022)
Total gains / (losses) for period	(4,022)	36	1,026	(2,960)

The Company has not developed itself any quantitative unobservable inputs for measuring the fair value of its level 3 financial assets at the reporting date. Instead the Group used prices from third – party pricing information without adjustment.

Fixed income investments within level 3 represent open warehouses that have been valued based on their net asset value. Their net asset value is primarily driven by the fair value of their underlying loan asset portfolio plus received and accrued interest less the nominal value of the financing and accrued interest on the financing. In all cases, due to the nature and the short life of a warehouse, the carrying amounts of the warehouses' underlying assets and liabilities are considered as representative of their fair values.

Private equities within level 3 represent investments in private equity funds. Their value has been determined by each fund manager based on the funds' net asset value. Each fund's net asset value is primarily driven by the fair value of its underlying investments. In all cases, considering that such investments are measured at fair value, the carrying amounts of the funds' underlying assets and liabilities are considered as representative of their fair values.

Investments in subsidiaries have been valued based on their net asset position. The main assets of the subsidiaries represent investments measured at fair value and receivables from the Company itself. Their net asset value is considered as a fair approximation of their fair value.

A reasonable change in any individual significant input used in the level 3 valuations is not anticipated to have a significant change in fair values as above.

8. Investment in subsidiaries

	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2020 Audited US $000
Unconsolidated subsidiaries			
As at 1 January	6,813	5,787	5,787
Fair value gains	187	130	1,026
As at 30 June / 31 December	7,000	5,917	6,813

The investments in which the Company has a controlling interest as at the reporting date are as follows:

Name of Subsidiary	Place of incorporation	Holding	Voting rights and shares held	Principal activity
Consolidated subsidiary				
Livermore Capital AG	Switzerland	Ordinary shares	100%	Administration services
Unconsolidated subsidiaries				
Livermore Properties Limited	British Virgin Islands	Ordinary shares	100%	Holding of investments
Mountview Holdings Limited	British Virgin Islands	Ordinary shares	100%	Investment vehicle
Sycamore Loan Strategies Ltd	Cayman Islands	Ordinary shares	100%	Investment vehicle
Livermore Israel Investments Ltd	Israel	Ordinary shares	100%	Holding of investments
Sandhirst Ltd	Cyprus	Ordinary shares	100%	Holding of investments

9. Trade and other receivables

	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2020 Audited US $000
Financial items			
Accrued interest and distribution income	1	1	-
Amounts due by related parties (note 21)	256	8,118	8,151
	257	8,119	8,151
Non-financial items			
Advance to related party (note 21)	1,000	-	-
Prepayments	61	60	67
VAT receivable	7	7	20
	1,325	8,186	8,238

For the Company's receivables of a financial nature, no lifetime expected credit losses and no corresponding allowance for impairment have been recognised, as their default rates have been determined to be close to 0%.

No receivable amounts have been written-off during either 2021 or 2020.

10. Cash and cash equivalents

Cash and cash equivalents included in the consolidated cash flow statement comprise the following:

	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2019 Audited US $000
Demand deposits	19,655	60,757	50,407
Cash and cash equivalents	19,655	60,757	50,407

11. Share capital, share premium and treasury shares

Livermore Investments Group Limited (the "Company") is an investment company incorporated under the laws of the British Virgin Islands. The Company has an issued share capital of 174,813,998 ordinary shares with no par value.

During the period the Company purchased 10,888,577 ordinary shares at an average price of US$0.64 (£0.46) per share to be held in treasury. As at 30 June 2021 the Company had 10,888,577 ordinary shares held in treasury.

In the statement of financial position the amount included as 'share premium and treasury shares' comprises of:

	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2020 Audited US $000
Share premium	169,187	169,187	169,187
Treasury shares	(6,973)	-	-
	162,214	169,187	169,187

12. Trade and other payables

	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2020 Audited US $000
Financial items			
Trade payables	15	50	34
Amounts due to related parties (note 21)	3,745	4,454	4,464
Accrued expenses	402	300	370
	4,162	4,804	4,868

13. Dividend

On 08 March 2021, the Board announced an interim dividend of USD 8m (USD 0.0488 per share) to members on the register on 19 March 2021. The dividend was paid on 16 April 2021.

The Board of Directors will decide on the Company's dividend policy for 2021 based on profitability, liquidity requirements, portfolio performance, market conditions, and the share price of the Company relative to its net asset value.

14. Net asset value per share

	30 June 2021 Unaudited	30 June 2020 Unaudited	31 December 2020 Audited
Net assets attributable to ordinary shareholders (USD 000)	164,418	144,824	163,907
Closing number of ordinary shares in issue	163,925,421	174,813,998	174,813,998
Basic net asset value per share (USD)	1.00	0.83	0.94
<u>Number of Shares</u>			
Ordinary shares	174,813,998	174,813,998	174,813,998
Treasury shares	(10,888,577)	-	-
Closing number of ordinary shares in issue	163,925,421	174,813,998	174,813,998

The diluted net asset value per share equals the basic net asset value per share since no potentially dilutive shares exist at any of the reporting dates presented.

15. Segment reporting

The Company's activities fall under a single operating segment.

The Company's investment income and its investments are divided into the following geographical areas:

	Six months ended 30 June 2021 Unaudited US $000	Six months ended 30 June 2020 Unaudited US $000	Year ended 31 December 2020 Audited US $000
Investment Income			
Other European countries	115	(991)	(486)
United States	17,225	(17,062)	3,384
India	-	(96)	-
Asia	270	(2,411)	629
	17,610	(20,560)	3,527
Investments			
Other European countries	3,118	2,367	3,102
United States	136,448	67,535	98,985
India	-	221	-
Asia	8,090	10,612	8,038
	147,656	80,735	110,125

Investment income, comprising interest and distribution income as well as fair value gains or losses on investments, is allocated based on the issuer's location. Investments are also allocated based on the issuer's location.

The Company has no significant dependencies, in respect of its investment income, on any single issuer.

16. Interest and distribution income

	Six months ended 30 June 2021 Unaudited US $000	Six months ended 30 June 2020 Unaudited US $000	Year ended 31 December 2020 Audited US $000
Interest from investments	430	239	782
Distribution income	11,802	12,082	21,228
	12,232	12,321	22,010

Interest and distribution income is analysed between the Company's different categories of financial assets, as follows:

	Six months ended 30 June 2021 Unaudited		
	Interest from investments	Distribution income	Total
Financial assets at fair value through profit or loss	**US $000**	**US $000**	**US $000**
Fixed income investments	430	11,766	12,196
Public equity investments	-	36	36
	430	11,802	12,232

	Six months ended 30 June 2020 Unaudited		
	Interest from investments	**Distribution income**	**Total**
Financial assets at fair value through profit or loss	**US $000**	**US $000**	**US $000**
Fixed income investments	239	12,076	12,315
Public equity investments	-	6	6
	239	12,082	12,321

	Year ended 31 December 2020 Audited		
	Interest from investments	**Distribution income**	**Total**
Financial assets at fair value through profit or loss	**US $000**	**US $000**	**US $000**
Fixed income investments	782	21,195	21,977
Public equity investments	-	33	33
	782	21,228	22,010

The Company's distribution income derives from multiple issuers. The Company does not have concentration to any single issuer.

17. Fair value changes of investments

	Six months ended 30 June 2021 Unaudited US $000	**Six months ended 30 June 2020 Unaudited US $000**	**Year ended 31 December 2020 Audited US $000**
Fair value gains / (losses) on financial assets through profit or loss	5,191	(32,492)	(18,990)
Fair value gains on investment in subsidiaries	187	130	1,026
Fair value losses on derivatives	-	(519)	(519)
	5,378	(32,881)	(18,483)

The investments disposed of had the following cumulative (i.e. from the date of acquisition up to the date of disposal) financial impact in the Company's net asset position:

	Disposed in 2021		
	Realised gains* Unaudited	**Cumulative distribution or interest Unaudited**	**Total financial impact Unaudited**
	US $000	**US $000**	**US $000**
Financial assets at fair value through profit or loss			
Fixed income investments	402	205	607
Public equity investments	828	54	882
	1,230	259	1,489

** difference between disposal proceeds and original acquisition cost*

18. Operating expenses

	Six months ended 30 June 2021 Unaudited US $000	Six months ended 30 June 2020 Unaudited US $000	Year ended 31 December 2020 Audited US $000
Directors' fees and expenses	442	440	900
Other salaries and expenses	99	87	177
Professional and consulting fees	905	331	851
Legal expenses	1	3	9
Bank custody fees	-	56	99
Office cost	96	116	240
Depreciation	66	48	102
Other operating expenses	161	195	352
Audit fees	14	13	78
	1,784	1,289	2,808

19. Finance costs and income

	Six months ended 30 June 2021 Unaudited US $000	Six months ended 30 June 2020 Unaudited US $000	Year ended 31 December 2020 Audited US $000
Finance costs			
Bank interest	75	25	40
Foreign exchange loss	254	-	-
	329	25	40
Finance income			
Bank interest income	18	119	119
Foreign exchange gain	-	38	174
	18	157	293

20. Earnings / (loss) per share

Basic earnings / (loss) per share has been calculated by dividing the profit / (loss) for the period / year attributable to ordinary shareholders of the Company by the weighted average number of shares in issue of the Company during the relevant financial periods.

	Six months ended 30 June 2021 Unaudited	Six months ended 30 June 2020 Unaudited	Year ended 31 December 2020 Audited
Profit / (loss) for the period / year attributable to ordinary shareholders of the parent (USD 000)	15,450	(21,765)	845
Weighted average number of ordinary shares outstanding	170,816,548	174,813,998	174,813,998
Basic earnings / (loss) per share (USD)	0.09	(0.12)	0.005

The diluted earnings / (loss) per share equals the basic earnings / (loss) per share since no potentially dilutive shares were in existence during 2021 and 2020.

21. Related party transactions

The Company is controlled by Groverton Management Ltd, an entity owned by Noam Lanir, which at 30 June 2021 held 75.06% of the Company's voting rights.

	30 June 2021 Unaudited US $000	30 June 2020 Unaudited US $000	31 December 2019 Audited US $000	
Amounts receivable from unconsolidated subsidiaries				
Sandhirst Limited	256	188	221	(1)
Amounts receivable from key management				
Advance	1,000	-	-	(2)
Loan receivable	-	1,000	1,000	(2)
	1,000	1,000	1,000	
Amounts receivable from parent company				
Loan receivable	-	6,930	6,930	(3)
Amounts payable to unconsolidated subsidiaries				
Livermore Israel Investments Ltd	(3,046)	(3,522)	(3,522)	(4)
Amounts payable to other related party				
Loan payable	(149)	(149)	(149)	(5)
Amounts payable to key management				
Directors' current accounts	(63)	(52)	(93)	(4)
Other key management personnel	(487)	(731)	(700)	(6)
	(550)	(783)	(793)	

Key management compensation

Short term benefits				
Executive Directors' fees	398	398	795	(7)
Non-executive Directors' fees	44	42	105	
Other key management fees	500	170	408	(8)
	942	610	1,308	

(1) The amounts receivable from unconsolidated subsidiaries and the Directors' current accounts with debit balances are interest free, unsecured, and have no stated repayment date.

(2) A loan of USD 1m was made to a key management employee and a Company's Director. The loan was free of interest, is unsecured and was repayable on demand. This loan was included within trade and other receivables (note 9). During 2021, the Directors agreed to reclassify the loan with a balance of USD 1m as an advance against future remuneration of the specific Director. The advance is included within trade and other receivables (note 9).

(3) A loan with a balance at 30 June 2021 of USD 3.7m was made to the Company's parent, Groverton Management Ltd. The loan was free of interest, unsecured and repayable on demand. This loan was included within trade and other receivables (note 9). The loan was fully settled in the first half of 2021.

(4) The amounts payable to unconsolidated subsidiaries and Directors' current accounts with credit balances are interest free, unsecured, and have no stated repayment date.

(5) A loan with a balance at 30 June 2020 of USD 0.149m has been received from a related company (under common control) Chanpak Ltd. The loan is free of interest, unsecured and repayable on demand. This loan is included within trade and other payables (note 12).

(6) The amount payable to other key management personnel relates to a payment made on behalf of the Company for investment purposes and accrued consultancy fees.

(7) These payments were made directly to companies which are related to the Directors.

(8) Other key management fees are included within professional fees (note 18).

No social insurance and similar contributions nor any other defined benefit contributions plan costs incurred for the Group in relation to its key management personnel in either 2021 or 2020.

22. Litigation

Fairfield Sentry Ltd vs custodian bank and beneficial owners

One of the custodian banks that the Company uses faces a contingent claim up to USD 2.1m, and any interest as will be decided by a US court and related legal fees, with regard to the redemption of shares in Fairfield Sentry Ltd, which were bought in 2008 at the request of Livermore and on its behalf. If the claim proves to be successful Livermore will have to compensate the custodian bank since the transaction was carried on Livermore's behalf. The same case was also filed in BVI where the Privy Council ruled against the plaintiffs.

As a result of the surrounding uncertainties over the existence of any obligation for Livermore, as well as for the potential amount of exposure, no provision has been made.

No further information is provided on the above case as the Directors consider it could prejudice its outcome.

23. Commitments

The Company has expressed its intention to provide financial support to its subsidiaries, where necessary to enable them to meet their obligations as they fall due.

Other than the above, the Company has no capital or other commitments as at 30 June 2021.

24. Impact of COVID-19

As of the date of this report, large-scale vaccination programs and huge fiscal and monetary stimulus seem to have been successful in reducing the spread and health impact of the virus, as well as put most developed countries on a strong recovery course. Unfortunately, the virus continues to spread in less developed regions such as India and the risk of a vaccine-resistant mutated virus remains. The Company is primarily exposed to the US economy and is benefiting from the economic recovery as tighter credit spreads and reduced distressed credits increase the value of the Company's CLO portfolio. The Company invested aggressively in the first half of the year but retains cash in excess of USD 16m as of 31 August 2021. The Company plans to maintain its investments in the CLO market in the near-mid term and to maintain strong liquidity and no debt.

25. Events after the reporting date

The Company invested an additional amount of USD 8.7m in July and August 2021 to the open warehouse facility as at 30 June 2021, increasing its total investment to USD 34.2m. Livermore's investment amount plus net carry amounting over a total of USD 1.0m is expected to become receivable in September 2021. The Company also invested the amount of 1.7m for a new warehouse in September 2021.

The Company granted an additional amount to Company's parent of 6.5m in July 2021, 5.5m of the amount was settled in September 2021.

There were no other material events after the reporting date, which have a bearing on the understanding of these interim condensed consolidated financial statements.

26. Preparation of interim financial statements

Interim condensed consolidated financial statements are unaudited. Consolidated financial statements for Livermore Investments Group Limited for the year ended 31 December 2020, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, on which the auditors gave an unqualified audit report are available on the Company's website www.livermore-inv.com.

Review Report to the Members of Livermore Investments Group Limited

Review Report on the interim Condensed Consolidated Financial Statements

Introduction

We have reviewed the interim condensed consolidated financial statements of Livermore Investments Group Limited (the "Company") and its subsidiary (together with the Company "the Group"), which are presented in pages 8 to 27 and comprise the condensed consolidated statement of financial position as at 30 June 2021 and the consolidated statements of comprehensive income, changes in equity and for the period from 1 January 2021 to 30 June 2021, and notes to the interim condensed consolidated financial statements, including a summary of significant accounting policies.

The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standards applicable to interim financial reporting as adopted by the European Union ('IAS34 Interim Financial Reporting'). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information does not present fairly, in all material respects, the financial position of the entity as at June 30, 2021, and of its financial performance and its cash flows for the six month period then ended in accordance with IAS 34 'Interim Financial Reporting' as adopted by the European Union.

Emphasis of Matter

We draw attention to the note 22 of the interim condensed consolidated financial statements which describes the uncertainty related to the outcome of a legal claim against one of the custodian banks that the Group and the Company uses on its behalf. Our conclusion is not modified in respect of this matter.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Chairman's and Chief Executive's Review and Review of Activities, but does not include the condensed consolidated financial statements and our review report thereon.

Our conclusion on the condensed consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the condensed consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the review 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.

Other Matter

This report, including the conclusion, has been prepared for and only for the Group's members as a body and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

Froso Yiangoulli
Certified Public Accountant and Registered Auditor
for and on behalf of
Grant Thornton (Cyprus) Ltd
Certified Public Accountants and Registered Auditors

Nicosia, 29 September 2021