

**Interim Accounts
For the Six Months Ended**

31 December 2016

Eurovestech plc

EUROVESTECH PLC

INTERIM ACCOUNTS

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2016

Information

Company registration number

3913197

Registered office

17c Curzon Street

London

W1J 5HU

Executive Director

Richard Philip Bernstein (Chief Executive)

Non-Executive Directors

Richard Henry Grogan (Chairman)

Quentin-Colin Maxwell Solt

Secretary

EPS Secretaries Limited

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The period under review was one of continued progress. The objective remains: to add value at our portfolio companies and to position more investee companies for sale and the subsequent return of cash to shareholders.

Let me give you an update.

ITWP/Toluna (“Toluna”)

Toluna is a leading provider of real-time digital consumer insights and empowers companies to brainstorm ideas, uncover new business opportunities and answer their questions in real time. Toluna is transforming the way marketing decisions are made by bringing consumers and brands together via the world's largest social voting community of ten million members across 59 countries. The company has come a long way since 2000, when it came to us with a business plan and a talented Chief Executive.

The value of Eurovestech's total portfolio remains dominated by its holding in Toluna: comprising two thirds of net assets. It is set to be the principle driver of a return of capital to our shareholders.

Toluna's rejuvenation continued over the period under review with the business recording double digit sales growth in the 2016 calendar year. It is also pleasing to report strong revenue growth for its technology products with the associated gross profit margin effect.

During the period, Toluna acquired Crosssense, a provider of permission-based digital tracking solutions that delivers insight into cross-platform digital behaviour. Crosssense provides customers with an understanding of connected consumer behaviour from video and music consumption to ad exposure and e-commerce shopping across devices.

We continue to work with management and the company's other shareholders to progress the realisation of full value for this critical investment. Eurovestech owns 14.8 per cent of Toluna's issued share capital.

Kalibrate Technologies Plc (“Kalibrate”)

Kalibrate is the market leader in the design and supply of software and systems that help service station (petrol stations) and their related convenience stores establish prices for their products.

Kalibrate was the petrol pricing business within the KSS group. Investors may recall that Eurovestech acquired KSS -- a company with a quoted market capitalisation at one time of some £300 million, for £1 million in 2003. Half of the acquired assets were sold within several years for some £11 million. The petrol pricing business was kept and received our attention. Its management team was bolstered. Its development efforts were supported. The business was floated on the AIM market in the autumn of 2014 valuing the business at £28 million.

Since listing, Kalibrate had steadily grown revenues and profits. However, for the period under review, Kalibrate endured what it referred to as “challenging first half” experiencing a fall in its underlying profitability. Prior to this, we had made our views very clear to the Chairman of Kalibrate and highlighted the gulf between the operational value of the business and the strategic value. Indeed, when I wrote to you last, I stated that we regarded ‘Kalibrate's very lowly share price as making it highly vulnerable to a takeover.’

In April 2017, we were approached by a potential acquirer of Kalibrate and in June 2017, a recommended cash offer of 85.5p a share as announced. This represented a premium of 50 per cent to the share price immediately before the offer. Eurovestech accepted this offer, bringing to a conclusion its 14 year investment in the business. In 2003, we made a £1 million investment to acquire KSS. The

sale proceeds from the takeover brings total proceeds to £30 million: by any standards a tremendous outcome which far surpassed our hopes and expectations at the time of our investment.

VizEat

VizEat is best seen as 'airbnb for dining.' Eurovestech initially invested €0.5 million and invested a further €1.59 million prior to VizEat receiving substantial third party investment in August 2016. This independent financial endorsement was at more than twice our average cost of investment, valuing Eurovestech's 27.6 per cent of VizEat's share capital at a carrying value of £3.9 million.

Whilst VizEat remains a fledgling business, I'm delighted to report that VizEat now has more than 150,000 registered users and 25,000 registered hosts. Recently, Vizeat signed a global partnership with The Travel Corporation. The Travel Corporation serves more than two million customers.

As a measure of how far this business has come since our investment in 2014, in February 2017, VizEat hosted a lunch with Tim Cook, CEO of Apple, who praised the business and said that VizEat was his favourite French app.

Magenta

During the period under review, Magenta continued its development from a bespoke software developer to a product driven business selling Software as a Service (SAAS) based solutions. The business is continuing to invest in its cloud based route planning software solution, Maxoptra, which helps service providers and distribution companies improve the efficiency of their transport operations. Eurovestech's 49.6 per cent holding in Magenta's issued share capital is valued at £3.8 million.

Other portfolio companies

I have already described the weighting of ITWP/Toluna on our net asset value. Together with Kalibrate, VizEat and Magenta, the remainder of the portfolio comprises less than seven per cent of Eurovestech's net assets. These businesses include Lognet, Audionamix and Board Intelligence.

Summary

Our balance sheet has £41.6 million of net assets: a minor £0.14 million reduction over the period, principally reflecting our operating expenses. This equates to 12.3p a share.

The company continues to offer a facility to purchase shares from investors and acquired £33,000 of shares over the period.

In June 2017, the shares of Eurovestech Plc were admitted to trading on Asset Match. Asset Match provides an electronic share trading platform to allow shareholders to buy and sell shares in unquoted companies through auctions held on a periodic auction basis. Asset Match is Authorised and Regulated by the Financial Conduct Authority. Investors interested in trading Eurovestech shares can register at

EUROVESTECH PLC

CHAIRMAN'S STATEMENT

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2016

www.assetmatch.com where details of the service together with information on historical and current auctions can be found.

Eurovestech owns assets whose attractiveness to strategic buyers is clear and this is now enabling us to engage with potential purchasers.

Our focus remains on ensuring that our key portfolio companies continue to add value. This places us in the best possible position to realise these investments and return cash to our shareholders.

Richard Grogan

Chairman

19 July 2017

EUROVESTECH PLC

UNAUDITED INCOME STATEMENT

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2016

	Notes	6 month period to 31 Dec 2016 (unaudited) £'000	6 month period to 31 Dec 2015 (unaudited) £'000	Year ended 30 June 2016 (audited) £'000
Turnover		10	18	30
Administration expenses		(348)	(657)	(7,772)
		(338)	(639)	(7,742)
Other operating income		194	474	5,418
Operating loss		(144)	(165)	(2,324)
Net interest	3	4	(3)	(2)
Loss on ordinary activities before taxation		(140)	(168)	(2,326)
Tax on loss on ordinary activities		-	-	-
Loss for the year		(140)	(168)	(2,326)

EUROVESTECH PLC

UNAUDITED BALANCE SHEET

AS AT 31 December 2016

	Notes	At 31 Dec 2016 (unaudited) £'000	At 31 Dec 2015 (unaudited) £'000	At 30 June 2016 (audited) £'000
Fixed assets				
Tangible assets		22	19	22
Investments	2	39,902	35,578	39,902
		39,924	35,597	39,924
Current assets				
Debtors		1,335	6,148	486
Investments		933	1,937	1,352
Cash at cash equivalents		61	1,038	490
		2,329	9,123	2,328
Creditors: amounts falling due within one year		(641)	(755)	(466)
Net current assets		1,688	8,368	1,862
Net Assets		41,612	43,965	41,786
Capital and reserves				
Called up share capital		3,375	3,383	3,380
Share premium account		299	347	328
Revaluation reserve		4,466	4,458	4,461
Other reserves		100	100	100
Profit and loss account		33,372	35,677	33,517
Shareholders' funds		41,612	43,965	41,786

EUROVESTECH PLC

UNAUDITED CASH FLOW STATEMENT

FOR THE SIX MONTH PERIOD ENDED 31 DECEMBER 2016

	Note	6 month period to 31 Dec 2016 (unaudited) £'000	6 month period to 31 Dec 2015 (unaudited) £'000	Year ended 30 June 2016 (audited) £'000
Net cash (outflow) from operating activities	4	(608)	(967)	(2,456)
Returns on investments and servicing of finance				
Net interest (paid)/ received		4	(3)	(2)
Dividends received/(paid)		-	-	-
Net cash inflow from returns on investments and servicing of finance		(604)	(977)	(2,458)
Taxation paid		-	-	-
Capital expenditure and financial investment				
Purchase of tangible fixed assets		(6)	(20)	(26)
Purchase of fixed asset investments		-	(280)	(909)
Receipts from sale of fixed asset investments		-	1,078	3,170
Net cash inflow/(outflow) from capital expenditure and financial investment		(6)	778	2,235
Net cash inflow/(outflow) before financing		(610)	303	(223)
Financing				
Share buy back		(33)	(31)	(54)
Amounts introduced by directors		214	-	1
Net cash inflow/(outflow) from financing		181	(31)	(53)
Increase/(decrease) in cash		(429)	272	(276)

1 LEGAL STATUS, ACTIVITIES AND BASIS OF PREPARATION

Eurovestech Plc and its associate companies make investments in technology businesses.

Eurovestech Plc is a public limited company and is incorporated and domiciled in the UK. The address of the registered office is 17c Curzon Street, London, W1J 5HU.

This interim report for the six-month period ended 31 December 2016 has been prepared in compliance with UK accounting standards under FRS 102 for Interim financial reporting. It does not include all the information required for full annual financial statements and should be read in conjunction with the financial statements of the company for the year ended 30 June 2016, which were prepared under FRS 102.

Eurovestech Plc no longer has any subsidiaries. It only has associate companies that it has invested in and hence there is no obligation to produce consolidated financial statements. The interim financial statements only show information for Eurovestech Plc.

The interim financial statements have been prepared on a basis that is consistent with the accounting policies adopted by Eurovestech Plc for the last financial statements for the year ended 30 June 2016 and in compliance with FRS 102.

The financial information presented does not constitute statutory accounts as defined by section 434 of the Companies Act 2006. Statutory accounts for Eurovestech Plc in respect of the year ended 30 June 2016 have been filed with the Registrar of Companies. The auditors, PricewaterhouseCoopers LLP, reported on these accounts and their report was unqualified and did not contain a statement under section 498 of the Companies Act 2006.

Comparative figures for the company are given for the six months ended 31 December 2015 and the year ended 30 June 2016.

2 INVESTMENT IN ASSOCIATES

Eurovestech's investments in associated companies at 31 December 2016 were as follows:

Name of associate	Percentage holding of voting rights %	Fair value at 31 December 2016 £'000
Magenta Corporation Limited	49.60	3,759
Audionamix SA	45.50	875
VizEat Limited	27.60	3,911
Lognet Information Systems Limited	21.60	1,400
ITWP Limited (Formerly Toluna Plc)	14.82	27,676
PierianDx	2.00	51
Kalibrate Technologies Plc	8.08	1,828
Board Intelligence Limited	3.00	350
Ecodata Limited	0.20	-
Cxense	0.02	-
Supponor Limited	-	52
		39,902

All investments are held at market value in accordance with UK GAAP and in accordance with Eurovestech Plc's normal policy on valuation.

The movement on non-current investments is as follows:

	Equity investments £'000
At 1 July 2016	39,902
Additions	-
Disposals	-
Revaluations	-
At 31 December 2016	<u>39,902</u>

3 NET INTEREST

	6 month period to 31 Dec 2016 (unaudited) £'000	6 month period to 31 Dec 2015 (unaudited) £'000	Year ended 30 June 2016 (audited) £'000
Other interest receivable and similar income	4	1	5
Interest payable	-	(4)	(7)
	<u>4</u>	<u>(3)</u>	<u>(2)</u>

4 NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	6 month period to 31 Dec 2016 (unaudited) £'000	6 month period to 31 Dec 2015 (unaudited) £'000	Year ended 30 June 2016 (audited) £'000
Operating loss	(144)	(158)	(2,324)
Movement on Investee company balances	-	-	4,986
Movement on current asset investments	419	(435)	(299)
Revaluations and impairments	-	-	(5,643)
Depreciation of tangible assets	5	2	6
Decrease/(increase) in debtors	(849)	(462)	214
(Decrease)/increase in creditors	(39)	86	604
Net cash (outflow)/inflow from operating activities	<u>(608)</u>	<u>(967)</u>	<u>(2,456)</u>

5 CASH AND CASH EQUIVALENTS

	6 month period to 31 Dec 2016 (unaudited) £'000	6 month period to 31 Dec 2015 (unaudited) £'000	Year ended 30 June 2016 (audited) £'000
Cash and Cash Equivalents	61	1,038	490
	<u>61</u>	<u>1,038</u>	<u>490</u>

6 DIVIDENDS

No dividends are proposed for the six months ended 31 December 2016.

7 FORWARD LOOKING STATEMENTS

Certain statements in these interim results are forward-looking. Although Eurovestech Plc believes that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that these expectations will prove to have been correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by those forward-looking statements.

We undertake no obligation to update any forward-looking statements whether as a result of new information, future events or otherwise.

8 COPIES OF THE INTERIM FINANCIAL STATEMENTS

Copies of the interim financial statements are available on request from Eurovestech Plc's registered office at 17c Curzon Street, London W1J 5HU.

Visit our investor relations website www.eurovestech.com for full up-to-date investor relations information including recent annual and interim reports, results, presentations and financial news.