

All Active Asset Capital Limited
(‘AAA’ or ‘the Company’)

Company update

Further to AAA’s announcement on 22 December 2022, the directors are providing an update on the Company and giving an interim report on the results to date of the strategic review referred to in that announcement.

Aaqua

Shareholders will recall that the Company’s major investment is a 36% equity stake in Aaquaverse Pte Ltd (‘Aaquaverse’), the holding company of Aaqua BV. Aaquaverse is a Singapore company that, in October 2022, sought protection from its creditors by proposing a Scheme of Arrangement. In February 2023, the High Court of Singapore determined that there was not a reasonable prospect of the proposed Scheme working and that the moratoria on creditor actions should not be extended.

Although the worldwide freezing order over the assets of Aaquaverse and of its founder and principal shareholder, Robert Bonnier, obtained by Candy Ventures SARL (‘CVS’) in June 2022, was subsequently lifted, Mr Bonnier and Aaqua BV remain in litigation with CVS which alleges fraudulent misrepresentation by Mr Bonnier.

AAA understands that Aaquaverse is in the course of seeking additional funding with which to re-structure and re-launch its business. AAA has, however, little reliable information on how the fund-raising process is progressing, nor on the status of the legal proceedings. As a result, the directors are currently unable to put a value on AAA’s stake in Aaquaverse.

Sentiance

AAA’s other major investment is a 25% equity stake in the Belgian artificial intelligence software development business, Sentiance NV (‘Sentiance’).

AAA is in regular dialogue with Sentiance and AAA director Colin McQuade has recently been appointed to the Sentiance Board. Sentiance has shown strong month on month sales growth in the last 18 months and, in the opinion of the AAA Board, has considerable potential, as demonstrated by its high-quality client base comprising many of the world’s leading multinational companies in their respective sectors.

The collapse of one significant start-up client, however, has left Sentiance with an unpaid receivable of over €2 million, with a consequential negative effect on Sentiance’s working capital. The Board of AAA is working constructively with Sentiance to restore Sentiance’s financial strength.

Loan to Robert Bonnier

In March 2022 AAA made a short-term secured loan to Mr Bonnier. This loan was not repaid in full in accordance with its terms. In the absence of any repayments since May 2022, no response to requests for settlement and interference in the Company’s exercise of its security, the Company has now filed a claim at the High Court for repayment of the outstanding principal and accrued interest, amounting in aggregate to £1.3 million, and for release of the secured assets to AAA.

Investigation into the validity of past share issues

The Directors are in the course of reviewing the details of all the AAA shares issued in exchange for shares in Aaqua BV (which in turn were subsequently converted into shares in Aaquaverse). Nearly 700 million of AAA’s almost 2,100 million shares were issued in exchange for shares in Aaqua BV. The Board is making enquiries about the propriety of the issue of nearly 500 million of these. In particular, it is seeking to establish whether the Aaqua BV shareholders, to whom these AAA shares were issued, transferred their Aaqua BV shares free of encumbrances.

Financial statements

The Directors have decided not to publish financial statements until such time as there is much greater clarity about the value of AAA's investments and other assets (including the loan to Mr Bonnier).

Working capital

As a result, principally, of the failure of Mr Bonnier to repay his loan, AAA has very limited financial resources (to the extent that, for example, the new directors have not taken any remuneration from the Company since their appointment last December). It is therefore the Board's intention in the next few weeks to undertake an open offer to all shareholders. Details of pricing and terms are being determined and will be announced in due course.

For further information:

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