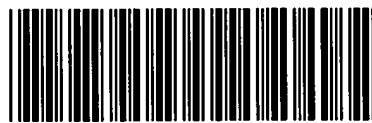


BEAMERY LIMITED

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

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BEAMERY LIMITED

COMPANY INFORMATION

Directors	Abakar Saidov Murad Saidov
Registered number	08342136
Registered office	20th-21st Floors Hylø 105 Bunhill Row London EC1Y 8LZ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square London EC2A 1AG

BEAMERY LIMITED

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BEAMERY LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 JANUARY 2023

The directors present their strategic report for Beamery Ltd Group for the year ended 31 January 2023.

Fair review of the business

The primary activity of Beamery Ltd Group is the development of proprietary software which is then licensed to its parent Beamery Inc and the sale of the software to customers within the EMEA and APAC region.

Financial review

The year to 31 January 2023 marked a period of significant growth and continued investment into building out the leading talent operating system. Beamery Inc closed its Series D funding round and a refinancing of the existing Term Loan facility during the financial year.

Principal risks & uncertainties

The principal risks and uncertainties currently facing the business include the threat of competition, the risk of changing demand patterns and budget availability of customers and the failure to recruit and retain properly skilled employees.

Credit Risk

The Group's principal financial risks include cash, other debtors and amounts due from group undertakings. The credit risk associated with cash is limited as customers usually pay annually upfront. There is also limited risk with amounts from group undertakings.

Currency Risk

The Group is exposed to translational and transaction foreign exchange risk.

Economic Risk

The directors have considered the changing macroeconomic environment, including rising interest rates and inflation, in the United Kingdom and globally. While there are great levels of uncertainty it is not considered to have any significant impact on the Group's economic risk.

Key performance indicators

We constantly review the development of the key KPIs for our business in order to steer priorities and also investment decision to achieve the highest long-term return. The key KPIs to measure our business benchmark our business are:

- Revenue £32,605,282 (2022: £22,504,913)
- EBITDA £(16,955,030) (2022: £(6,090,530))
- Cash £5,467,149 (2022: £1,080,607)

Companies Act 2006 - Section 172

The Board considers its duties towards a wide range of stakeholders and acts in such way as to promote the success of the Group for the benefit of these stakeholders, in accordance with the Companies Act 2006, Section 172. This statement of compliance should be read alongside the rest of the Strategic Report, which provides further detail of the Group's regard to and engagement with such stakeholders.

BEAMERY LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

Approval

This report was approved by the board and signed on its behalf by



Abakar Saidov
Director

Date:

01 / 08 / 2023

BEAMERY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JANUARY 2023

The directors present their report and the financial statements for the year ended 31 January 2023.

Principal activity

The principal activity of the Group in the year under review was that of the development of a software platform that enables companies to better identify, engage with and recruit talent and the sale of the software platform to customers within the EMEA region and to provide services to the wider Beamery Inc Group.

Results and dividends

The loss for the year, after taxation, amounted to £14,639,510 (2022: loss £4,276,464).

Directors

The directors who served during the year were:

Abakar Saidov
Murad Saidov

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BEAMERY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

Going concern

Notwithstanding the loss for the year and the net liabilities at the year end, the financial statements have been prepared on a going concern basis.

The directors of Beamery Limited Group have received confirmation that Beamery Inc. intends to support the Group for at least 12 months from the date of the approval of these financial statements.

The directors of Beamery Inc. have modelled downside scenarios and remain confident that even in a downside scenario Beamery Inc. has sufficient cash resources for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the directors have concluded that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

Qualifying third party indemnity provisions

No third party indemnity provision have been provided to the directors.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



Abakar Saidov

Director

Date:

01 / 08 / 2023



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED

Opinion

We have audited the financial statements of Beamery Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 January 2023, which comprise the consolidated statement of comprehensive income, consolidated and company statements of financial position, the consolidated and company statement of changes in equity, consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 January 2023 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding 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 Group's and of the parent 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 report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the parent Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the parent Company's business model including effects arising from macro-economic uncertainties such as the cost of living crisis, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the parent Company's financial resources or ability to continue operations over the going concern period.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED (CONTINUED)

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED (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 (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company, and industry in which they operate through our general, commercial and sector experience, discussions with management and inspection of board minutes.
- We determined that the following laws and regulations were most significant: Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice) and Companies Act 2006.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:
 - identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - identifying and testing journal entries, in particular, relating to management estimates and entries determined to be large or relating to unusual transactions; and
 - assessing the extent of compliance with the relevant laws and regulations that are of significance as part of our audit procedures.
- We assessed the appropriateness of the collective competence and capabilities of the engagement team including consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation;
 - knowledge of the industry in which the client operates;
 - understanding of the legal and regulatory requirements specific to the entity/regulated entity including; the provisions of the applicable legislation; the regulators rules and related guidance, including guidance issued by relevant authorities that interprets those rules the applicable statutory provisions.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEAMERY LIMITED (CONTINUED)

- We did not identify any matters relating to non-compliance with laws and regulation or relating to fraud.

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

Use of our report

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

Grant Thornton UK LLP

Anthony Thomas FCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 1/8/2023

BEAMERY LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2023**

	Note	2023 £	2022 £
Turnover	4	32,605,282	22,504,913
Cost of sales		(2,846,254)	(3,189,083)
Gross profit		29,759,028	19,315,830
Administrative expenses		(47,133,940)	(25,512,080)
Operating loss	5	(17,374,912)	(6,196,250)
Interest receivable and similar income	9	7,011	-
Interest payable and expenses	10	(1,423,147)	(735,493)
Loss before tax		(18,791,048)	(6,931,743)
Tax on loss	11	4,151,538	2,655,279
Loss for the financial year		(14,639,510)	(4,276,464)
Loss for the year attributable to:			
Owners of the parent company		(14,639,510)	(4,276,464)
		(14,639,510)	(4,276,464)

There were no recognised gains and losses for 2023 or 2022 other than those included in the Statement of comprehensive income.

The notes on pages 17 to 33 form part of these financial statements.

BEAMERY LIMITED
REGISTERED NUMBER:08342136

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	12	27,880	28,473
Tangible assets	13	2,050,827	238,519
		<u>2,078,707</u>	<u>266,992</u>
Current assets			
Debtors: amounts falling due within one year	15	12,154,827	6,107,208
Cash at bank and in hand	16	5,467,149	1,080,607
		<u>17,621,976</u>	<u>7,187,815</u>
Creditors: amounts falling due within one year	17	(32,874,364)	(6,765,853)
Net current (liabilities)/assets		<u>(15,252,388)</u>	421,962
Total assets less current liabilities		<u>(13,173,681)</u>	688,954
Creditors: amounts falling due after more than one year	18	(20,286,559)	(22,241,324)
Net liabilities		<u><u>(33,460,240)</u></u>	<u><u>(21,552,370)</u></u>
Capital and reserves			
Called up share capital	21	223,533	223,533
Cumulative translation reserve	22	(39,290)	(1,274)
Share option reserve	22	3,421,342	651,686
Profit and loss account	22	(37,065,825)	(22,426,315)
		<u><u>(33,460,240)</u></u>	<u><u>(21,552,370)</u></u>

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



Abakar Saidov

Director

1/8/2023

The notes on pages 17 to 33 form part of these financial statements.

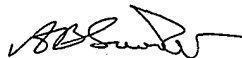
BEAMERY LIMITED
REGISTERED NUMBER:08342136

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 JANUARY 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	12	27,880	28,473
Tangible assets	13	2,050,827	238,519
Investments	14	21,739	21,739
		<u>2,100,446</u>	<u>288,731</u>
Current assets			
Debtors: amounts falling due within one year	15	12,080,502	6,084,398
Cash at bank and in hand	16	5,354,598	1,080,607
		<u>17,435,100</u>	<u>7,165,005</u>
Creditors: amounts falling due within one year	17	(32,899,385)	(6,763,799)
Net current (liabilities)/assets		<u>(15,464,285)</u>	- 401,206
Total assets less current liabilities		<u>(13,363,839)</u>	689,937
Creditors: amounts falling due after more than one year	18	(20,286,559)	(22,241,324)
Net liabilities		<u>(33,650,398)</u>	<u>(21,551,387)</u>
Capital and reserves			
Called up share capital	21	223,533	223,533
Share option reserve	22	3,331,350	651,686
Profit and loss account brought forward		(22,426,606)	(18,149,851)
Loss for the year		(14,778,675)	(4,276,755)
Profit and loss account carried forward		(37,205,281)	(22,426,606)
		<u>(33,650,398)</u>	<u>(21,551,387)</u>

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

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



Abakar Saidov
 Director
 1/8/2023

The notes on pages 17 to 33 form part of these financial statements.

BEAMERY LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2023**

	Called up share capital	Currency translation reserve	Share option reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 February 2022	223,533	(1,274)	651,686	(22,426,315)	(21,552,370)
Comprehensive income for the year					
Loss for the year	-	-	-	(14,639,510)	(14,639,510)
Translation difference for foreign operations	-	(38,016)	-	-	(38,016)
Total comprehensive income for the year	-	(38,016)	-	(14,639,510)	(14,677,526)
Share option charge	-	-	2,769,656	-	2,769,656
Total transactions with owners	-	-	2,769,656	-	2,769,656
At 31 January 2023	223,533	(39,290)	3,421,342	(37,065,825)	(33,460,240)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2022**

	Called up share capital	Currency translation reserve	Share option reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 February 2021	223,533	-	336,871	(18,149,851)	(17,589,447)
Comprehensive income for the year					
Loss for the year	-	-	-	(4,276,464)	(4,276,464)
Translation difference for foreign operations	-	(1,274)	-	-	(1,274)
Total comprehensive income for the year	-	(1,274)	-	(4,276,464)	(4,277,738)
Share option charge	-	-	314,815	-	314,815
Total transactions with owners	-	-	314,815	-	314,815
At 31 January 2022	223,533	(1,274)	651,686	(22,426,315)	(21,552,370)

The notes on pages 17 to 33 form part of these financial statements.

BEAMERY LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2023**

	Called up share capital	Share option reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2022	223,533	651,686	(22,426,606)	(21,551,387)
Comprehensive income for the year				
Loss for the year	-	-	(14,778,675)	(14,778,675)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(14,778,675)	(14,778,675)
Contributions by and distributions to owners				
Share option charge	-	2,679,664	-	2,679,664
Total transactions with owners	-	2,679,664	-	2,679,664
At 31 January 2023	223,533	3,331,350	(37,205,281)	(33,650,398)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2022**

	Called up share capital	Share option reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 February 2021	223,533	336,871	(18,149,851)	(17,589,447)
Comprehensive income for the year				
Loss for the year	-	-	(4,276,755)	(4,276,755)
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	-	(4,276,755)	(4,276,755)
Contributions by and distributions to owners				
Share option charge	-	314,815	-	314,815
Total transactions with owners	-	314,815	-	314,815
At 31 January 2022	223,533	651,686	(22,426,606)	(21,551,387)

The notes on pages 17 to 33 form part of these financial statements.

BEAMERY LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2023**

	2023 £	2022 £
Cash flows from operating activities		
Loss for the financial year	(14,639,510)	(4,276,464)
Adjustments for:		
Tax	(4,151,538)	(2,655,279)
Depreciation of tangible assets	416,550	103,659
Amortisation of intangible assets	3,332	2,061
Share based payment charge	2,769,656	314,815
Foreign exchange	2,140,760	(42,337)
Interest paid	937,214	-
Interest received	(7,011)	-
(Increase) in debtors	(1,936,905)	(2,208,050)
Decrease/(increase) in amounts owed by groups	3,066,031	(1,385,239)
Increase in creditors	761,639	3,222,386
Tax received	1,308	2,443,440
Interest paid	(937,214)	-
Interest received	7,011	-
Net cash generated from operating activities	(11,568,677)	(4,481,008)
Cash flows from investing activities		
Purchase of intangible assets	(2,739)	(18,830)
Purchase of tangible assets	(2,228,427)	(216,270)
Proceeds from long term debt	20,286,559	-
Net cash from investing activities	18,055,393	(235,100)

BEAMERY LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 JANUARY 2023**

	2023 £	2022 £
Net increase/(decrease) in cash and cash equivalents	<u>6,486,716</u>	<u>(4,716,108)</u>
Cash and cash equivalents at beginning of year	1,080,607	5,755,650
Foreign exchange gains and losses	(2,100,174)	41,065
Cash and cash equivalents at the end of year	<u><u>5,467,149</u></u>	<u><u>1,080,607</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,467,149	1,080,607
	<u><u>5,467,149</u></u>	<u><u>1,080,607</u></u>

The notes on pages 17 to 33 form part of these financial statements.

BEAMERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

1. General information

Beamery Ltd is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest pound (£) except when otherwise stated.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

Notwithstanding the loss for the year and the net liabilities at the year end, the financial statements have been prepared on a going concern basis.

The directors of Beamery Limited Group have received confirmation that Beamery Inc. intends to support the Group for at least 12 months from the date of the approval of these financial statements.

The directors of Beamery Inc. have modelled downside scenarios and remain confident that even in a downside scenario Beamery Inc. has sufficient cash resources for a period of at least 12 months from the date of approval of the financial statements. Accordingly, the directors have concluded that it is appropriate to continue to adopt the going concern basis in preparing these financial statements.

BEAMERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.4 Turnover

Turnover is measured at the fair value of the consideration received or receivable excluding discounts, rebates, value added tax and other sales taxes.

The Company derives its revenue from two major sources: Core platform cloud subscriptions and Professional Services. The latter includes Implementation Services, Professional Services and Training.

Revenues from subscription are recognised when control of the promised services are transferred to a customer in an amount that reflects the consideration that the Company expects to receive in exchange for those services.

Implementation services and professional services are considered distinct services that are recognised over time based on input measures, such as labour hours or time and materials costs.

Revenues from management income includes Routine and Strategic management services. These are recognised at an applied mark-up. In addition, this stream includes revenue from software license which is recognised as a licensing fee charged as a percentage of third party revenue.

2.5 Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost, less any accumulated amortisation and any accumulated impairment losses.

Patents and licenses, and trademarks are being amortised evenly over their estimated useful life of 5-10 years.

BEAMERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	33% on straight line
Fixtures and fittings	-	25% on straight line
Leasehold improvements	-	10% on straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.7 Financial instruments

The Company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Income Statement.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Income Statement.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

BEAMERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.7 Financial instruments (continued)

Such assets are subsequently carried at fair value and the changes in fair value are recognised in, the Income Statement, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or settled, or (b) substantially all the risks and rewards of the ownership or the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors, loans from fellow group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are classified as current liabilities if payment is due within one year. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk to changes in value.

2.9 Taxation

Taxation for the year comprises current tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

The tax credit disclosed in the income statement represents the surrender of corporation tax losses for research and development tax credits.

2.10 Research and development

Revenue expenditure on research and development is written off in the year in which it is incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.11 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2.12 Operating lease commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

2.13 Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the Company's pension scheme are charged to profit or loss in the period to which they relate.

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.14 Share-based payments

The parent company operates an equity-settled compensation plan. The fair value of the services received in exchange for the grant of the options is recognised as an expense in the subsidiary. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest at each statement of position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement. The credit entry is taken to reserves because the share options are equity-settled.

2.15 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.16 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

BEAMERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

2. Accounting policies (continued)

2.17 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.18 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.19 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.20 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgments and estimates. The items in the financial statements where judgments have been made include:

(a) Useful economic lives of tangible and intangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 2.5 and 2.6 for the useful economic lives for each class of asset, and notes 12 and 13 for the carrying amount for intangible assets and property, plant and equipment.

(b) Provision of doubtful accounts

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the ageing profile of debtors and historical experience. See note 15 for the net carrying amount of the debtors and associated impairment provision.

(c) Share based payments

The Company measures and records the expense related to stock-based payment awards based on the fair value of those awards as determined on the date of grant. The total amount expensed is determined by reference to the fair value of the options granted including market performance conditions, excluding the impact of any service and non-market performance vesting conditions and including the impact of any non-vesting conditions.

The Company uses the Black-Scholes-Merton ("Black-Scholes") option-pricing model to determine the fair value of stock awards. The Black-Scholes model uses assumptions such as expected term, price volatility to determine the fair value.

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

3. Judgments in applying accounting policies (continued)

The total expense is recognised over the vesting period and uses the straight-line method to recognise the stock-based compensation. At each reporting date, the Company revises the fair value and expense related to the non-market vesting and service conditions. The Company recognises any impact of the revision to original estimated in the income statement.

4. Turnover

An analysis of turnover by class of business is as follows:

	2023 £	2022 £
Subscription revenue	5,042,317	2,983,629
Professional services	930,017	272,082
Management income	26,632,948	19,249,202
	<u>32,605,282</u>	<u>22,504,913</u>

Analysis of turnover by country of destination:

	2023 £	2022 £
UK	1,927,598	1,559,391
United States	26,565,412	19,248,863
Singapore	734,581	-
Ireland	658,504	-
Switzerland	-	335,726
Australia	573,405	-
Rest of world	2,145,782	1,360,933
	<u>32,605,282</u>	<u>22,504,913</u>

5. Operating loss

The operating loss is stated after charging:

	2023 £	2022 £
Depreciation of tangible assets	416,550	103,659
Foreign exchange differences	2,140,760	1,182,155
Other operating lease rentals	1,547,439	1,254,475
Amortisation of intangible assets	3,332	2,061
	<u>3,332</u>	<u>2,061</u>

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

6. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>71,150</u>	<u>57,500</u>
Fees payable to the Company's auditor and its associates in respect of:		
Accounts preparation	3,850	2,700
Taxation compliance services	8,700	7,250
R&D tax advisory	40,000	30,000
Tax advisory on share options	-	3,750
Transfer pricing policy design	-	21,000
Intercompany loan advice	20,000	-
	<u>72,550</u>	<u>64,700</u>

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2023 £	2022 £
Wages and salaries	24,414,076	13,842,147
National insurance	3,144,983	1,786,313
Pension costs	375,117	163,696
	<u>27,934,176</u>	<u>15,792,156</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2023 No.	2022 No.
	<u>236</u>	<u>165</u>

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

8. Directors' remuneration

	2023 £	2022 £
Directors' emoluments	<u>2,671,168</u>	<u>584,045</u>

The highest paid director received remuneration of £1,335,646 (2022: £232,187).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,979 (2022: £1,321).

9. Interest receivable

	2023 £	2022 £
Interest from group undertakings	<u>7,011</u>	<u>-</u>

10. Interest payable and similar expenses

	2023 £	2022 £
Other loan interest payable	937,214	-
Interest to group undertakings	485,933	735,493
	<u>1,423,147</u>	<u>735,493</u>

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

11. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on losses for the year	(4,151,538)	(2,655,610)
Adjustments in respect of previous periods	-	331
Total current tax	<u>(4,151,538)</u>	<u>(2,655,279)</u>
Taxation on loss on ordinary activities	<u>(4,151,538)</u>	<u>(2,655,279)</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK of 19% (2022: 19%). The differences are explained below:

	2023 £	2022 £
Loss on ordinary activities before tax	<u>(18,791,048)</u>	<u>(6,931,743)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	(3,570,299)	(1,317,086)
Effects of:		
Expenses not deductible for tax purposes	1,220,138	435,446
Other permanent differences	(125,211)	(238,740)
Additional deduction for R&D expenditure	(3,074,752)	(2,322,951)
Surrender of tax losses for R&D tax credit refund	1,288,408	824,155
Income not taxable for tax purposes	(34,717)	-
Remeasurement of deferred tax for changes in tax rates	(49,916)	(319,283)
Deferred tax not recognised	207,984	293,013
Fixed asset differences	(13,173)	(10,164)
Adjustments to tax charge in respect of previous periods	-	331
Total tax charge for the year	<u>(4,151,538)</u>	<u>(2,655,279)</u>

A deferred tax asset of £1,538,437 (2022: £1,330,346) has not been recognised during the year. The deferred tax asset in respect of losses has not been recognised due to uncertainty over when these losses can be utilised.

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

12. Intangible assets**Group and Company**

	Patents and licenses £	Trademarks £	Total £
Cost			
At 1 February 2022	440	30,450	30,890
Additions	-	2,739	2,739
At 31 January 2023	<u>440</u>	<u>33,189</u>	<u>33,629</u>
Amortisation			
At 1 February 2022	440	1,977	2,417
Charge for the year on owned assets	-	3,332	3,332
At 31 January 2023	<u>440</u>	<u>5,309</u>	<u>5,749</u>
Net book value			
At 31 January 2023	<u>-</u>	<u>27,880</u>	<u>27,880</u>
At 31 January 2022	<u>-</u>	<u>28,473</u>	<u>28,473</u>

Amortisation on intangible assets is charged to administrative expenses.

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

13. Tangible fixed assets

Group and Company

	Plant and machinery £	Fixtures and fittings £	Leasehold improvements £	Total £
Cost or valuation				
At 1 February 2022	454,829	19,306	-	474,135
Additions	471,925	478,534	1,278,399	2,228,858
At 31 January 2023	<u>926,754</u>	<u>497,840</u>	<u>1,278,399</u>	<u>2,702,993</u>
Depreciation				
At 1 February 2022	225,318	10,298	-	235,616
Charge for the year on owned assets	194,269	81,091	141,190	416,550
At 31 January 2023	<u>419,587</u>	<u>91,389</u>	<u>141,190</u>	<u>652,166</u>
Net book value				
At 31 January 2023	<u><u>507,167</u></u>	<u><u>406,451</u></u>	<u><u>1,137,209</u></u>	<u><u>2,050,827</u></u>
At 31 January 2022	<u><u>229,511</u></u>	<u><u>9,008</u></u>	<u><u>-</u></u>	<u><u>238,519</u></u>

BEAMERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 February 2022	21,739
At 31 January 2023	<u>21,739</u>
Net book value	
At 31 January 2023	<u>21,739</u>
At 31 January 2022	<u>21,739</u>

Subsidiary undertaking

The following was a subsidiary undertaking of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Beamery GmbH	11-13 Warschauer Platz, 10245, Berlin	Development and provision and operation of web-based talent operating systems that enable companies to attract, engage and retain talent on a global scale	Ordinary	100%

On September 27, 2021 the Company acquired 100% of the issued ordinary share capital of Beamery GmbH for £21,739.

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

15. Debtors

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Trade debtors	1,353,281	1,745,345	1,353,281	1,745,345
Amounts owed by group undertakings	-	39,516	2,366	39,082
Other debtors	1,427,846	545,692	1,366,005	524,892
Prepayments and accrued income	1,439,337	1,119,800	1,437,808	1,119,800
Tax recoverable	7,934,363	2,656,855	7,921,042	2,655,279
	12,154,827	<i>6,107,208</i>	12,080,502	<i>6,084,398</i>

An impairment loss of £Nil (2022: £Nil) was recognised against trade debtors.

16. Cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Cash at bank and in hand	5,467,149	1,080,607	5,354,598	1,080,607

17. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Trade creditors	880,300	968,731	878,196	966,677
Amounts owed to group undertakings	25,346,871	-	25,456,631	-
Other taxation and social security	982,723	563,389	986,836	563,389
Other creditors	92,170	53,030	97,774	53,030
Accruals and deferred income	5,572,300	5,180,703	5,479,948	5,180,703
	32,874,364	<i>6,765,853</i>	32,899,385	<i>6,763,799</i>

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

18. Creditors: Amounts falling due after more than one year

	Group 2023 £	<i>Group 2022 £</i>	Company 2023 £	<i>Company 2022 £</i>
Other loans	20,286,559	-	20,286,559	-
Amounts owed to group undertakings	-	22,241,324	-	22,241,324
	<u>20,286,559</u>	<u>22,241,324</u>	<u>20,286,559</u>	<u>22,241,324</u>

Borrowings relate to a Company revolving line of credit and a term loan both repayable in 2025. The revolving line of credit has an annual interest rate of 5.8%. The term loan has an annual interest rate of 6.3%. As at 31 January 2023, total value of the facility was \$25.1m which consisted of \$5.1m (£4,141,746) available on the term loan and the \$20m (£16,242,140) revolving line of credit. The total amount is net of Capitalised Loan Costs of £97,327.

19. Pension commitments

The Company operates a defined contributions pension scheme. The pension cost charge represents contributions payable by the Company into the fund and amounted to £375,117 (2022: £163,696). Contributions totaling £74,093 (2022: £53,029) were payable to the fund at the balance sheet date and are included in creditors.

20. Commitments under operating leases

At 31 January 2023 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

Group	2023 £	<i>2022 £</i>
Within one year	1,031,625	295,989
Later than 1 year and not later than 5 years	<u>3,831,750</u>	<u>-</u>

21. Share capital

	2023 £	<i>2022 £</i>
Allotted, called up and fully paid		
22,353,300 (2022: 22,353,300) ordinary shares of £0.01 each	<u>223,533</u>	<u>223,533</u>

There is a single class of ordinary shares. There are no restrictions on dividends and the repayment of capital.

BEAMERY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JANUARY 2023**

22. Reserves**Share option reserve**

This is the account where share based payment expenses are recorded.

Currency translation reserve

Comprises translation differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

Profit and loss account

Includes all current and prior retained profits and losses.

23. Analysis of net debt

	At 1 February 2022 £	Cash flows £	At 31 January 2023 £
Cash at bank and in hand	1,080,607	4,386,542	5,467,149
Other loans	-	(20,286,559)	(20,286,559)
	<u>1,080,607</u>	<u>(15,900,017)</u>	<u>(14,819,410)</u>

24. Related party transactions

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned entities within the group.

Directors

During the year, the directors settled expenses totalling £41,527 (2022: £6,803) on behalf of the Company.

At the date of the financial statements, the directors owed the Company £12,156 (2022: £3,810). The loans are interest free and repayable on demand.

BEAMERY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JANUARY 2023

25. Share-based payment transactions

The parent company operates EMI and CSOP qualifying share option schemes and an unapproved plan for its Beamery GmbH employees. As at the date of the Statement of financial position, the parent company had granted 2,778,379 (2022: 532,569) CSOP qualifying share options. 1,987,283 of the CSOP qualifying share options were granted at an exercise price of \$0.2 (2022: \$0.00077) per share, and 791,096 were granted at an exercise price of \$0.42726 per share. In addition, the parent company had granted 1,541,909 (2022: 3,236,498) unapproved plan options. 1,516,402 of the unapproved plan options were granted at an exercise of per \$0.00077 per share, and 25,507 of the unapproved plan options were granted at an exercise of \$0.42726 per share.

During the year, the parent company issued 19,241,788 Growth shares to employees of the Company.

As at the end of the year, 1,915,828 (2022: 7,071,524) share options were exercised; 4,473,848 (2022: 6,576,414) shares vested and 2,963,528 (2022: 2,166,013) share options lapsed, cancelled or forfeited. Share options vest over a 4 year period from the date of grant with a 12 month cliff.

The share options are granted to employees in the Company but vest and are exercisable on the share capital of the parent company.

The Company uses the Black-Scholes-Merton ("Black-Scholes") option-pricing model to determine the fair value of stock awards. The Black-Scholes model uses assumptions such as expected term, price volatility to determine the fair value.

The total expense is recognised over the vesting period and uses the straight-line method to recognise the stock-based compensation. At each reporting date, the Company revises the fair value and expense related to the non-market vesting and service conditions. The Company recognises any impact of the revision to original estimated in the income statement.

The stock-based compensation expense was £2,769,656 for the year to 31 January 2023 and the total cumulative expense recognised since inception was £3,421,342.