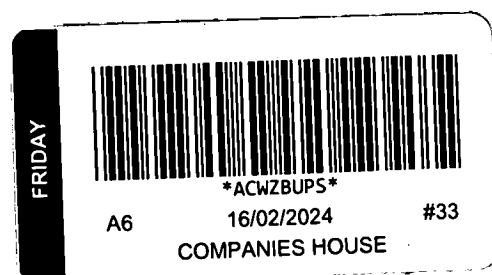


Company registration number 06429211 (England and Wales)

PE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023



PE LIMITED

COMPANY INFORMATION

Directors	Abdelhamid Guedroudj Matias Seijo James Woodrow Pieris Hadjipieris Lynn Marshall David Hopkinson Kenneth Hutcheson	(Appointed 27 January 2023) (Appointed 27 January 2023) (Appointed 27 January 2023) (Appointed 27 January 2023) (Appointed 27 January 2023) (Appointed 27 January 2023) (Appointed 27 January 2023)
Company number	06429211	
Registered office	2 New Bailey Square 6 Stanley Street Salford M3 5GS	
Independent Auditors	Ernst and Young LLP 144 Morrison Street Edinburgh EH3 8EX	
Business address	Petex House 10 Logie Mill Edinburgh EH7 4HG	
Bankers	HSBC UK Bank plc Retail Unit 8 38 Canada Place Canary Wharf London E14 5AH	
Solicitors	Eversheds Sutherland (International) LLP Ground Floor (West) Offices Capital Square 58 Morrison Street Edinburgh EH3 8BP	

PE LIMITED

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PE LIMITED

STRATEGIC REPORT

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

The directors present the Strategic report and audited financial statements of the group for the ten-month period ended 30 September 2023.

Fair review of the business

The ongoing long-term objectives for the management team in PE Limited (Petex or the group) are to deliver products and solutions of the highest possible quality to our clients. Most importantly, the ethos and culture of the group have to not only be preserved but enhanced.

Following the return to office working as the default operating model after the COVID-19 pandemic, our team has been able to resume our traditional way of working; sharing ideas and collaborative work, which in turn has led to increased efficiency of communication, delivery of projects, as well as speed and quality of product development. Having had a full year of ability to travel and visit clients, we have made great strides in re-establishing existing technical relationships and forging new ones. Our team reverted to delivering training and client workshops in-person, travelling worldwide for face-to-face meetings, and having our first post-COVID User Group Meeting, which was attended by clients from over 20 countries. The group was represented at many conferences around the world, and we have been able to have in-person strategic meetings with all major clients. A very pleasing aspect of the business in the past financial period relates to the high-quality technical interactions with clients and the positive spirit in which communications have taken place. We would like to put on record our appreciation to clients for the effort they made, collaborating closely with us, and for entrusting us to support them in achieving their field management objectives.

The group has a key focus on the multi-year business cycles of a Research & Development (R&D) company and the long-term investment required to bring self-funded product developments to market. We are pleased to report that the past financial period has seen the completion of several Digital Oilfield (DOF) projects and our pipeline of new projects extends well into 2025. This is testament to the value Petex's expertise bringing to the industry, which is focusing on more efficient ways of producing, digitalisation, and field optimisation. All our clients are striving for the lowest possible carbon footprint in producing oil and gas to facilitate the energy transition, which is precisely where our products and services fit.

Internally, the past year has seen several decisions taken to safeguard the long-term future of the group. This includes a change at the helm of the organisation, with Mr Matias Seijo being appointed CEO as of April of 2023. Mr Pieris Hadjipieris took on the role of COO at the same time, with responsibilities focused on client contact and business activities. This is in line with the decision to relocate the headquarters of the group to England. As part of this strategic decision, there has been a restructuring of the Petex group. PE Limited, an English registered company, became part of the Petex group on 27 January 2023. On 20 April 2023, PE Limited acquired the entire share capital of Petroleum Experts Limited, becoming the immediate holding company of Petroleum Experts Limited. Up to 30 September 2023, all trade remained in Petroleum Experts Limited. The acquisition of the entire share capital of Petroleum Experts Limited by PE Limited qualifies as a group reconstruction within the meaning of FRS102 Section 19 and has been accounted for using merger accounting. The insertion of PE Limited as a new holding company on top of the existing group has been a reconstruction under common control. As per FRS 102 Section 19.30, the financial information has therefore been presented for the current period and comparatives as if Petroleum Experts Limited had been owned by PE Limited throughout the entire financial period 30 September 2023. Prior to its acquisition PE Limited had a financial year end of 30 November. This was amended to align with the group financial year end of 30 September. As a result, the reporting period to 30 September is shortened to ten months covering the period 1 December 2022 to 30 September 2023. This had no impact on the business activities of the group which continued to trade as normal throughout the full twelve-month period to 30 September 2023. The table below shows the financial results if the reporting had been for a full twelve-month period and are compared with the shorter period of ten months:

PE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

Financial Comparison	Period 1 December	Period 1 October
	2022 to 30 September 2023 (10 months)	2022 to 30 September 2023 (12 months)
	£	£
Turnover	58,843,737	66,826,049
Operating profit	43,658,108	48,682,390
Profit before taxation	45,797,801	51,174,212
Profit after taxation	39,736,988	44,525,787

Effective from 1 October 2023, all trade, IP, assets, and personnel were transferred to PE Limited. Further, an extensive search for premises took place following the decision to relocate the headquarters to England, and a suitable location was identified in Guildford, Surrey. The intention is to commence the physical relocation of the team in 2024-2025.

For the past 33 years, the principles that our founder and current Chairman, Mr Abdelhamid Guedroudj, has set in place, revolve around organic growth and efficiency of operations. In line with this, the business activities in the past period aimed to solidify the value-added activities with existing clients, following a record year for income in the previous financial year. We aim for long term growth and to ensure this, steps must be taken to ensure our team stands on a solid platform that enables value to be delivered to clients as the primary driver for success. The results are in line with expectations and puts the group on a solid footing for the coming years.

On the product development front a major upgrade to all software products was released in April of 2022 and we expect a new release to be made in February 2024. This has incorporated a large number of enhancements that were promised as part of Petex's 2021 and 2022 development plans. In addition to the individual software products' development releases, major structural changes have been completed in the code, which further enable the product domain neutrality to be extended in line with the strategy set by Petex's chairman in 2015. This goes alongside our continued heavy investment in R&D to address the future technical challenges specific to the oil and gas industry. The structural changes incorporated in Integrated Production Modelling 13 (IPM 13) and continued in IPM 13.5 ease the journey towards supporting the growing technical needs of the global renewables sector, energy distribution and integrated energy storage systems.

To this end, in IPM 13.5 much research has taken place on the particular problems around CO₂ injection into reservoirs. This has involved research into new equations of state that can correctly model the phase behaviour of CO₂ mixtures at the conditions of the injection system, and a reformulation of our well modelling tool (PROSPER) against enthalpy rather than temperature. We are also able to model the interaction of CO₂ and CO₂ mixtures with reservoir structures, which is directly applicable to Carbon Capture and Storage (CCS) projects. A side product of this research is that we can also now model systems with other 'exotic' components (e.g., hydrogen, helium) which will also have direct benefit as we continue to support energy transition technologies.

IPM 13 saw the completion of the next stages of an initiative to be able to deploy our software in a more cloud-friendly manner. This has been extended in IPM 13.5 (DOF 7.5) and the stage has now been set for a full cloud migration over the next development cycle. The use of the cloud has been shown to be attractive to many users: it negates the need for these companies to maintain large on-premises hardware systems. A key step was our release of the PetexOnlineServer, in IPM 13 which allows all the Petex product engines to be accessed via a Webservice endpoint through a Web API. The service, along with the associated Petex and third-party engines, have also been packaged into a Docker container which can then be deployed readily to any public or private cloud. The Web API and its container have already been integrated with several of the IPM and DOF tools (notably the various ensemble modelling tools within the DOF ecosystem), and this API is also serving developments in other vendors technology.

PE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

With the containerisation of the software, other cloud technologies come into play. An instance of the PetexOnlineServer deployed on the cloud can host workflows from several different deployments of the DOF. When many users attempt to run workflows simultaneously, the extra demand can be handled elastically through a Kubernetes back-end. This approach will complement the existing method which uses PxCluster. To continue this, we plan for the next version releases of the Petex tools to also include an enhanced integration between the PetexOnlineServer and the DOF tools. The first stage of this will be an integration between the PetexOnlineServer and the recently re-architected (in DOF 7.0) ModelCatalogue. In addition, mobile apps are in development that have the ability to trigger workflows from a mobile that sit on a PetexOnlineServer cloud instance. These apps will allow mobile users (e.g., engineers in the field) to access online calculations relevant to their activities as well as have the IVM analytics engine available on a tablet.

It is important to note that, although the cloud migration is a key component of our strategy which is welcomed by many customers, we will continue to support on-premises deployments.

Regarding our short term goals, the integration with MOVE (structural geology software) has been progressing well and presentations at our user group meeting have shown the industry practical examples, building on work done in previous years, where the integration of production systems with structural geology facilitates efficient ways of working, minimises uncertainty and eliminates the need for vast computing power to achieve a better understanding of the uncertainties related to production and history matching. Research into Artificial Intelligence (AI) techniques and the hybrid approach we have been working on (coupling physics-based understanding and AI algorithms) has shown impressive results in cases and has now been incorporated in our Digital Oilfield system. GAP Transient is benefitting from a whole new solver and GAP is being parallelised. All these items and many more were well received by the industry.

Following from the successful integration of MOVE with our products in the oil and gas domain, we also see benefits to applying similar integration workflows in the mining sector. To this end we expect to enhance and extend our data object ecosystem into this area. As the set of data objects is extended, these new libraries automatically become available to DOF workflows, illustrating the positioning of DOF as a true vendor and industry neutral platform.

In summary, the financial period ended 30 September 2023 has shown revenue in line with expectations, solidification of adoption of our products, and value delivered to clients. We aim to continue the organic growth for the year ahead, with an ambitious plan of development, commercial activities and support to all clients around the world.

Principal risks and uncertainties

The group provides products and services to customers in many countries across the world and therefore is exposed to the risks of the global marketplace and to current global economic uncertainties. As a supplier to the petrochemical sector the group is exposed to the same risks as many of its customers in this sector, mainly the volatility of commodity prices and government policies. The group's turnover is spread throughout the world with no concentration in a specific geographical location, thus minimising any such risks.

There is also a risk from competitors operating in the same sector of the market as the group, should product innovation lag that of the competition. Continual high investment into research and development minimises such risks.

The group's activities expose it to the financial risk of changes in foreign currency exchange rates which include the effects of the currency market and credit risk. The group has established policies that require appropriate credit checks on potential customers before sales are made. The group manages its foreign currency exposure by retaining funds in various currencies, and selling currency when exchange rates move favourably.

These are considered to be the main risks that the business faces currently. The task of assessing risk factors is a continuing one and the group retains a strong focus on this.

Development and performance

The Board of directors considers the financial results as well as the prospects for the future satisfactory and encouraging. The group is continuing the track of growth that it aims to sustain organically.

PE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

Key performance indicators

The key performance indicators utilised by the group are the level of achieved sales, the volume of the order book, the operating margin and the advancements with pure research and development activities focused on ensuring that the group maintains its status as one of the sector market leaders. The achieved sales for the ten months ending 30 September 2023 were £58,843,737 (12 months ended 30 November 2022 - £79,542,685). The operating margin for the ten months ended 30 September 2023 was 74.19%, in comparison with 73.31% for the financial year ended 30 November 2022.

The group also monitors non-financial environmental and employee key performance indicators. The level of staff retention has been at 80% for the period ended 30 September 2023 (12 months ended 30 November 2022: 96%).

The directors are satisfied with the key performance indicators.

Statement in compliance with section 172 of the Companies Act 2006

The following disclosure describes how the Board of directors of PE Limited has had regard to the matters set out in section 172 (1a) to (f) and forms the Directors' statement required under section 414CA of the Companies Act 2006.

The Board is responsible for the overall strategy of the group ensuring it is acting in accordance with its legal and regulatory obligations. In doing so, the Board takes in to account the ethos and culture of the company and acts in good faith to promote the success of the company and to maintain high standards of ethical business conduct. It considers the key stakeholders which are impacted by the company's activities, including clients, employees, suppliers and partners, and the community and environment. The group is privately owned and operates with a flat structure which enables compliance with s172.

Clients

As the ultimate user of our products, our clients are the key to the success of our business. Engagement and investment in long term relationships is our focus. Prior to COVID-19 we made regular visits to our clients located in over ninety countries and held annual technical meetings for our users. During COVID-19, this was not possible, but travel has resumed with positive face-to-face client meetings and re-engagement.

Employees

We encourage involvement and transparency with all our employees to help us maintain strong employee engagement and retain our talented team. The flat structure and 'open door' policy of the directors aims to keep employees informed. There are opportunities for career and personal development. Engagement is done by having regular company meetings to keep employees informed. Employees are encouraged to study with the company providing financial support. Health and wellbeing are ensured through delivery of health insurance and medical reviews. A governance committee, which includes employees as members, meets annually to ensure the defined benefit scheme for employee pensions is managed and fit for purpose.

Suppliers and partners

We ensure our suppliers demonstrate respect for our values and comply with all relevant legislation by carrying out due diligence on new contracts. Key supplier contracts are approved by the Board. We form long-term relationships with our advisors. Globally, we have local partners working to promote our company. These partners must comply with stringent business ethics before being appointed and are subject to formal annual reviews. Investment in these relationships fosters the same ethos as our company, and in turn creates growth in our client base. Our payment practices reporting is shared with the Board. We pay 96% of suppliers within 30 days, with average payment days being 20.

PE LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

Community

The group culture is one of giving back, and this is done by supporting a number of charities. The key focus is on education and health. During the financial period, it continued to support education programmes in Lebanon and Jordan, through an international charity. Locally, we have supported health and children's charities. Our employees are actively involved in the charity activities of the group.

On behalf of the Board



Matias Seijo
Director

9 February 2024

PE LIMITED

DIRECTORS' REPORT

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

The directors present their annual report and audited financial statements for the 10 month period ended 30 September 2023.

Principal activities

The principal activity of the company and group continued to be that of research, development and sale of software programmes to the petroleum industry.

Results and dividends

The results for the period and future developments have been discussed in the Strategic report on page 1.

Ordinary dividends were paid amounting to £20,000,000 (2022: £44,000,000). On 7 November 2023 a dividend of £89.58333333 per £1.00 share totaling £10,750,000 was declared and paid.

Directors

The directors who held office during the 10 month period and up to the date of signature of the financial statements were as follows:

Abdelhamid Guedroudj	(Appointed 27 January 2023)
Matias Seijo	(Appointed 27 January 2023)
James Woodrow	(Appointed 27 January 2023)
Pieris Hadjipieris	(Appointed 27 January 2023)
Lynn Marshall	(Appointed 27 January 2023)
David Hopkinson	(Appointed 27 January 2023)
Kenneth Hutcheson	(Appointed 27 January 2023)
Sebastian Clark	(Resigned 27 January 2023)

Post reporting date events

Following an extensive search for premises, a suitable location was identified in Guildford, Surrey. The purchase of the office premises was completed on 28 December 2023 for the value of £22.29m and the intention is to commence the physical relocation of the team in 2024-2025.

There were no other events subsequent to 30 September 2023 which, in the opinion of the directors, require adjustment of, or disclosure in the financial statements.

Future developments

The results for the period to 30 September 2023 are set out in the profit and loss account on page 14. The results for the period and future developments have been discussed in the Strategic report on page 1.

Auditor

The auditor, Ernst and Young LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information. This information is given and should be interpreted in accordance with the provisions of section 418 of the companies act 2006.

PE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

Streamlined Energy and Carbon Reporting Disclosure

Streamlined Energy and Carbon Reporting ("SECR")

Energy and emissions report:

	Scope	Data for the UK & Offshore 10 month period to 30 September 2023 kWh	Unaudited 2022 kWh
SECR measurable			
Electricity consumption (kWh)	2	372,222	431,487
Gas consumption (kWh)	1	8,201	11,008
Total energy consumption (kWh)		380,423	442,495
Gross emissions from purchased electricity (tonnes of CO ₂ e emissions)	2	77.08	83.44
Gross Emissions from combustion of gas (tonnes of CO ₂ e emissions)	1	1.66	2.23
Gross GHG Emissions (tonnes of CO₂e emissions)		78.74	85.67
Gross Intensity ratio 1 (tonnes of CO₂e emissions / m² property owned by the Company)		0.038	0.041

Scope 1 emissions, include emissions from activities owned or controlled by the group that release emissions into the atmosphere. They are direct emissions. Natural Gas is consumed at three of the five group owned properties.

Scope 2 emissions, include emissions released into the atmosphere associated with the group's consumption of purchased electricity. These are indirect emissions that are a consequence of the group's activities, but which occur at sources that the group does not own or control.

In the year the group took the following energy efficiency actions:

- The group renewed a one-year electricity contract with EDF during February 2023 (7 Logie Mill) and March 2023 (10 Logie Mill). With this contract, the group is on a contract that its electricity source is standard.

The group is always actively seeking to implement more measures. The chosen intensity measurement ratio is total gross emissions in metric tonnes CO₂e per m² 0.038 (Unaudited 2022 - 0.041), the recommended ratio for the sector.

Going Concern

The results for the period show a profit before tax of £45.8m. With positive net current assets of £69.8m as at 30 September 2023, the group has adequate resources to continue in operational existence for the foreseeable future that is the period to 28 February 2025 (the going concern period). Profit and loss account and cash flow projections indicate the group will maintain current strong profits in the period to 28 February 2025 and the forecast cash flows project strong liquidity for the full going concern period. These projections were subjected to stress tests, but resulted in assurance that there are no concerns for the future of the group due to the strong balance sheet position at 30 September 2023 and availability of cash flows for the full going concern period to 28 February 2025.

The group therefore continues to adopt the going concern basis in preparing its financial statements.

PE LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

On behalf of the Board


Matias Seijo
Director

9 February 2024

PE LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

The directors are responsible for preparing the Strategic report, Directors' report and the group and parent 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 prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

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 of the group and company, and of the 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 judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" has been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping 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 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.

Under applicable law and regulations, the directors are also responsible for preparing a Strategic report, Directors' report that comply with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the group's website.

PE LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PE LIMITED

Opinion

We have audited the financial statements of PE Limited ('the company') and its subsidiaries (the 'group') for the 10 month period ended 30 September 2023 which comprise the Group profit and loss account, the Group statement of comprehensive income, the Group balance sheet, the Company balance sheet, the Group statement of changes in equity, the Company statement of changes in equity, the Group statement of cash flows and the related notes 1 to 29, 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 FRS 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 Group's and of the Company's affairs as at 30 September 2023 and of the Group's profit for the 10 month period 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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.

Other matter

In the previous accounting period, the directors of the Company took advantage of the audit exemption under section 476 of the Companies Act 2006. Therefore, the corresponding figures for the Group and Company for the year ended 30 November 2022 are unaudited.

Conclusions relating to going concern

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 and Company's ability to continue as a going concern for the period to 28 February 2025.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Group and Company's ability to continue as a going concern.

PE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF PE LIMITED

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' 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 this 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 course of 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 this gives rise to 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 the 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 Strategic report and the Directors' report for the financial 10 month period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 set out on page 9, 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 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 Company or to cease operations, or have no realistic alternative but to do so.

PE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF PE LIMITED

Auditors' 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 auditors' 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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and Company and determined that the most significant are those that relate to the reporting framework (FRS 102 and Companies Act 2006) and relevant tax compliance regulations in the UK.
- We understood how PE Limited is complying with those frameworks by making enquiries with management and those responsible for legal and compliance procedures. We confirmed our understanding through review of Board minutes and regulatory correspondence.
- We assessed the susceptibility of the Group and Company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We considered performance targets and their propensity to influence on efforts made by management to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those processes and controls. Where the risk was considered to be higher, we performed audit procedures to address the identified fraud risk, management override of controls, specifically around revenue recognition.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved: journal entry testing, with a focus on manual journals and journals indicating large or unusual transactions based on our understanding of the business and enquiries of management. In addition, we completed procedures to conclude on the compliance of disclosures in the financial statements and accounts with all applicable requirements.

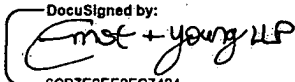
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditors' report.

PE LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED) TO THE MEMBERS OF PE LIMITED

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 auditors' 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.

DocuSigned by:
Ernst + Young LLP

PCPTF2EE2FC7401
Fabrizio Marchetti (Senior statutory auditor)
For and on behalf of Ernst and Young LLP, Statutory Auditor

Edinburgh
9 February 2024

PE LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

	Notes	10 Month Period to 30 September 2023 £	Unaudited Year to 30 November 2022 £
Turnover	3	58,843,737	79,542,685
Cost of sales		(2,542,612)	(3,182,639)
Gross profit		56,301,125	76,360,046
Research and development		(1,484,878)	(3,824,283)
Product support and development		(3,400,261)	(8,648,747)
Administrative expenses		(1,621,823)	(4,386,516)
Overhead expenses		(5,895,350)	(5,920,981)
Other operating (expenses)/income		(240,705)	4,736,637
Operating profit	4	43,658,108	58,316,156
Interest receivable and similar income	8	791,922	166,746
Revaluation deficit on investment properties		-	(24,611)
Gain/(Loss) on current asset investment		1,347,771	(3,177,795)
Profit before taxation		45,797,801	55,280,496
Taxation	9	(6,060,813)	(6,194,864)
Profit		39,736,988	49,085,632

The profit and loss account has been prepared on the basis that all operations are continuing operations.

PE LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

	10 Month Period to 30 September 2023 £	Unaudited Year to 30 November 2022 £
Profit	39,736,988	49,085,632
Other comprehensive income		
Revaluation of tangible fixed assets	-	251,351
Currency translation gain taken to retained earnings	397,111	1,431,062
Tax relating to other comprehensive income	-	(110,675)
Other comprehensive income	397,111	1,571,738
Total comprehensive income	40,134,099	50,657,370

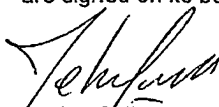
Total comprehensive income is all attributable to the owners of the parent company.

PE LIMITED

GROUP BALANCE SHEET AS AT 30 SEPTEMBER 2023

	Notes	30 September 2023		Unaudited 30 November 2022	
		£	£	£	£
Fixed assets					
Goodwill	10		5,283,383		6,797,535
Other intangible assets	10		2,520,000		3,045,000
Total intangible assets			7,803,383		9,842,535
Tangible assets	11		6,987,518		5,926,427
Investment property	12		995,000		995,000
			15,785,901		16,763,962
Current assets					
Debtors	16	10,016,222		9,676,439	
Investments	17	21,903,632		20,555,861	
Cash at bank and in hand		48,712,570		27,583,148	
			80,632,424		57,815,448
Creditors: amounts falling due within one year	18	(10,783,206)		(9,388,674)	
Net current assets			69,849,218		48,426,774
Total assets less current liabilities			85,635,119		65,190,736
Provisions for liabilities					
Deferred tax liability	19	1,190,549		880,265	
			(1,190,549)		(880,265)
Net assets			84,444,570		64,310,471
Capital and reserves					
Called up share capital	21		120,000		120,000
Revaluation reserve	22		636,987		636,987
Profit and loss reserves			83,687,583		63,553,484
Total equity			84,444,570		64,310,471

The financial statements were approved by the Board of directors and authorised for issue on 9 February 2024 and are signed on its behalf by:


Matias Seijo
Director

Company registration number 06429211 (England and Wales)

PE LIMITED

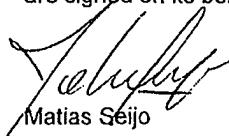
COMPANY BALANCE SHEET

AS AT 30 SEPTEMBER 2023

		30 September 2023		Unaudited 30 November 2022	
	Notes	£	£	£	£
Fixed assets					
Investments	13		120,000		-
Current assets					
Debtors	16	2,100,563		2	
Creditors: amounts falling due within one year	18	<u>(14,026)</u>		<u>-</u>	
Net current assets			<u>2,086,537</u>		<u>2</u>
Net assets			<u>2,206,537</u>		<u>2</u>
Capital and reserves					
Called up share capital	21		120,000		2
Profit and loss reserves			<u>2,086,537</u>		<u>-</u>
Total equity			<u>2,206,537</u>		<u>2</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £2,086,537 (2022 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 9 February 2024 and are signed on its behalf by:


Matias Seijo
Director

Company registration number 06429211 (England and Wales)

PE LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

	Share capital	Revaluation reserve	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 December 2021 (Unaudited):	120,000	496,311	57,036,790	57,653,101
Period ended 30 November 2022 (Unaudited):				
Profit for the period	-	-	49,085,632	49,085,632
Other comprehensive income:				
Revaluation of tangible fixed assets	-	251,351	-	251,351
Currency translation differences	-	-	1,431,062	1,431,062
Tax relating to other comprehensive income	-	(110,675)	-	(110,675)
Total comprehensive income	-	140,676	50,516,694	50,657,370
Dividends	-	-	(44,000,000)	(44,000,000)
Balance at 30 November 2022 (Unaudited):	120,000	636,987	63,553,484	64,310,471
Period ended 30 September 2023:				
Profit for the period	-	-	39,736,988	39,736,988
Other comprehensive income:				
Currency translation differences	-	-	397,111	397,111
Total comprehensive income	-	-	40,134,099	40,134,099
Dividends	-	-	(20,000,000)	(20,000,000)
Balance at 30 September 2023	120,000	636,987	83,687,583	84,444,570

PE LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

	Notes	Share capital £	Profit and loss reserves £	Total £
Balance at 1 December 2021 (Unaudited):		2	-	2
Period ended 30 November 2022 (Unaudited):				
Profit and total comprehensive income for the period		-	-	-
Balance at 30 November 2022 (Unaudited):		2	-	2
Period ended 30 September 2023:				
Profit and total comprehensive income		-	2,086,537	2,086,537
Issue of share capital	21	119,998	-	119,998
Balance at 30 September 2023		120,000	2,086,537	2,206,537

PE LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

	Notes	10 Month period to 30 September 2023		Unaudited Year to 30 November 2022	
		£	£	£	£
Cash flows from operating activities					
Cash generated from operations	27	48,986,550		61,652,461	
Income taxes paid		(7,516,509)		(5,887,205)	
Net cash inflow from operating activities		41,470,041		55,765,256	
Investing activities					
Purchase of tangible fixed assets		(1,675,484)		(2,111,290)	
Purchase of investment property		-		(106,753)	
Interest received		790,994		166,746	
Other income received from investments		928		-	
Net cash used in investing activities		(883,562)		(2,051,297)	
Financing activities					
Dividends paid to equity shareholders		(20,000,000)		(44,000,000)	
Net cash used in financing activities		(20,000,000)		(44,000,000)	
Net increase in cash and cash equivalents		20,586,479		9,713,959	
Cash and cash equivalents at beginning of period		27,583,148		17,179,106	
Effect of foreign exchange rates		542,943		690,083	
Cash and cash equivalents at end of period		48,712,570		27,583,148	

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

1 Accounting policies

Company information

PE Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is 2 New Bailey Square, 6 Stanley Street, Salford, M3 5GS.

The group consists of PE Limited and all of its subsidiaries. The group's principal activities continued to be that of research, development, and sale of software programmes to the petroleum industry.

1.1 Accounting convention

The group and company financial statements of PE Limited have been prepared in accordance with the United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The principal accounting policies applied in the preparation of the group consolidated and company financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group.

The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

1.2 Basis of consolidation

The group consolidated financial statements incorporate those of PE Limited and its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Petroleum Experts Inc, a foreign subsidiary of the company is translated into sterling by using the transactional rate for the income and expenses and the year end rate for the balance sheet assets and liabilities. The translation differences are recognised in other comprehensive income.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

1 Accounting policies (Continued)

1.3 Going concern

The results for the period show a profit before tax of £45.8m. With positive net current assets of £69.85m as at 30 September 2023, the group has adequate resources to continue in operational existence for the foreseeable future that is the period to 28 February 2025. Profit and loss account and cash flow projections indicate the group will maintain current strong profits in the period to 28 February 2025 and the forecast cash flows project strong liquidity for the full going concern period. These projections were subjected to stress tests, but resulted in assurance that there are no concerns for the future of the group due to the strong balance sheet position at 30 September 2023 and availability of cash flows for the full going concern period to 28 February 2025.

The group therefore continues to adopt the going concern basis in preparing its financial statements.

1.4 Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods supplied or services rendered by the group excluding value added taxes.

The group follows the principles of FRS 102, "Reporting the substance of the transaction", in determining appropriate turnover recognition policies. In principle turnover is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow into the group.

The group enters into different types of licence agreement, typically with major end user customers, which allow for the use of the group's products, usually restricted by the number of employees, the number of users, or the licence term. Licence fees are recognised as turnover upon product shipment, provided a signed agreement is in place, fees are fixed or determinable, no significant vendor obligations remain and collection of the resulting debt is deemed probable. Fees from licences are generally recognised upon shipment provided that the above criteria have been met.

Upgrade and maintenance agreements generally call for the group to provide once a year an upgrade to the existing software and technical support to customers. Turnover on technical support and software update rights is recognised upon the invoicing of the upgrade to customers where the contract is for a period of less than a year and can be terminated at any time. When the upgrades and maintenances contracts are for a period of more than twelve months, the turnover is spread evenly over the lifetime of the contract.

The group recognises turnover from software rental and leases over the period of the provision of the services.

The group recognises turnover from consulting and education as the services are performed.

1.5 Intangible fixed assets - goodwill

Goodwill arising on acquisition has been capitalised and is being amortised over a period of 10 and 15 years, being the period expected to benefit. The directors evaluate the carrying value of goodwill in each financial year to determine if there has been an impairment in value, which would result in the inability to recover the carrying amount. When it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the profit and loss account.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

1 Accounting policies (Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Intangible assets	10 years
-------------------	----------

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Freehold land and properties are measured at fair value less accumulated depreciation and impairment losses recognised after the date of revaluation. Valuations are performed with sufficient frequency to ensure that the carrying amount of a revalued asset does not differ materially from its fair value. The surplus or deficit on revaluation of freehold property and land is recognised in other comprehensive income. No depreciation is charged on freehold land.

Tangible fixed assets other than freehold land are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

Freehold property	2-3% straight line
Fixtures, fittings & equipment	10 - 20% straight line
Computer equipment	50% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

The company had no tangible fixed assets at 30 September 2023 or 30 November 2022.

1.8 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation, is measured using the fair value model and stated at its fair value at the reporting end date. The surplus or deficit on revaluation is recognised in the profit and loss account.

1.9 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1.10 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.11 Current asset investments

Current asset investments are recognised and subsequently measured at fair value through the profit and loss account. The basis for measuring fair value is the quoted price in an active market.

1.12 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

1.13 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

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. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, 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.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 profit or loss.

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 profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, loans from fellow group companies that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction. Financial liabilities classified as payable within one year are not amortised.

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. Amounts payable are classified as current liabilities if payment is due within one year or less. 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.14 Taxation

Taxation charge for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

1 Accounting policies

(Continued)

Deferred tax

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis. Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future periods has been entered into by the subsidiary.

1.15 Employee benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

1.16 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

1.18 Research and development

Research and development expenditure is written off to the profit and loss account in the year in which it is incurred.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements have had the most significant effect on amounts recognised in the financial statements.

Valuation of Goodwill

The directors apply judgement and estimation in the valuation of goodwill. The goodwill relates to the intellectual property purchased and a business combination during the year ended 30 September 2011 and the year ended 30 September 2018 respectively. The estimation requires the combination of assumptions relating to future revenue growth, sales mix and volumes derived from this underlying asset.

The cash flows are then discounted at a rate which also requires judgement.

This exercise would highlight any impairment to the goodwill value.

The carrying value of goodwill as at 30 September 2023 is £5,283,383 (Unaudited 2022: £6,797,536).

3 Turnover

	2023	Unaudited 2022
	£	£
Turnover		
Software sales	13,202,585	29,682,660
Software technical solutions	2,708,007	3,814,944
Software rental	1,116,050	1,290,306
Software maintenance, support and upgrade	25,932,524	26,238,403
Software training	1,100,728	1,347,924
Software leases	14,782,939	17,167,435
Sundry income	904	1,013
	<u>58,843,737</u>	<u>79,542,685</u>

The directors have decided not to disclose geographical turnover information as they consider it to be commercially sensitive information.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

4 Operating profit

	2023	Unaudited 2022
	£	£
Operating profit for the period is stated after charging/(crediting):		
Exchange losses/(gains)	231,499	(4,734,090)
Depreciation of owned tangible fixed assets	612,171	536,600
Amortisation of intangible assets	1,895,542	2,368,804
Operating lease charges	172,889	126,840
- Plant & Machinery	2,329	1,595
- Other Assets	170,560	125,245
Auditors' remuneration - audit services remuneration	81,700	54,000
Auditors' remuneration - non audit services	198,907	96,623
	<u> </u>	<u> </u>

5 Auditors' remuneration

	2023	Unaudited 2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	81,700	54,000
	<u> </u>	<u> </u>
For other services		
Other taxation services	81,097	50,123
All other non-audit services	117,000	46,500
	<u> </u>	<u> </u>
	<u>198,097</u>	<u>96,623</u>

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the 10 month period was:

	Group 2023 Number	Unaudited 2022 Number	Company 2023 Number	Unaudited 2022 Number
Research and Development	15	18	-	-
Product Development	9	9	-	-
Product Support	35	33	-	-
Administration	26	26	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	85	86	-	-

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2023 £	Unaudited 2022 £	Company 2023 £	Unaudited 2022 £
Wages and salaries	4,343,779	13,177,399	-	-
Social security costs	528,600	1,885,682	-	-
Pension costs	932,869	1,106,250	-	-
	<u>5,805,248</u>	<u>16,169,331</u>	<u>-</u>	<u>-</u>

7 Directors' remuneration

	2023 £	Unaudited 2022 £
Remuneration for qualifying services	697,671	2,252,291
Company pension contributions to defined contribution schemes	126,954	144,701
	<u>824,625</u>	<u>2,396,992</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2023 £	Unaudited 2022 £
Remuneration for qualifying services	125,684	524,016
Company pension contributions to defined contribution schemes	26,614	30,782
	<u>152,298</u>	<u>554,800</u>

The remuneration received by the directors' was all paid by the group subsidiary, Petroleum Experts Limited.

The only key management are the directors.

8 Interest receivable and similar income

	2023 £	Unaudited 2022 £
Interest income		
Interest on bank deposits	790,994	166,746
Other income from investments		
Interest on financial instruments measured at fair value through profit or loss	928	-
Total income	<u>791,922</u>	<u>166,746</u>

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

9 Taxation

	2023	Unaudited 2022
	£	£
Current tax		
UK corporation tax on profits for the current period	5,534,249	6,045,293
Adjustments in respect of prior periods	79,892	(5,214)
Total UK current tax	<u>5,614,141</u>	<u>6,040,079</u>
Foreign current tax on profits for the current period	133,738	162,591
Adjustments in foreign tax in respect of prior periods	2,650	43,662
Total current tax	<u>5,750,529</u>	<u>6,246,332</u>
Deferred tax		
Origination and reversal of timing differences	<u>310,284</u>	<u>(51,469)</u>
Total tax charge	<u>6,060,813</u>	<u>6,194,863</u>

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	2023	Unaudited 2022
	£	£
Profit before taxation	<u>45,797,801</u>	<u>55,280,496</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 22.61% (2022: 19.00%)	10,355,726	10,503,294
Tax effect of expenses that are not deductible in determining taxable profit	55,041	17,369
Adjustments in respect of prior years	79,892	(5,214)
Group relief	(4,725)	(4,445)
Permanent capital allowances in excess of depreciation	(331,356)	(334,113)
Depreciation on assets not qualifying for tax allowances	127,459	101,954
Amortisation on assets not qualifying for tax allowances	167,846	284,529
Adjustments in respect of financial assets	-	4,676
Research and development tax credit	(247,272)	(849,980)
Effect of revaluations of investments	(307,612)	603,781
Effect of overseas tax rates	19,579	272,793
Deferred tax adjustments in respect of prior years	310,284	(51,469)
Patent Box	<u>(4,164,049)</u>	<u>(4,348,312)</u>
Taxation charge	<u>6,060,813</u>	<u>6,194,863</u>

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

9 Taxation (Continued)

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2023 £	Unaudited 2022 £
Deferred tax arising on: Revaluation of property	-	110,675

Change to corporation tax rate

The Finance Act 2021 enacted on 10 June 2021 increased the main rate of UK corporation tax from 19% to 25%, effective from 1 April 2023. Deferred taxes on the balance sheet have been measured at 25% (2022: 25%), which represents the future corporation tax rate that was enacted at the balance sheet date.

10 Intangible fixed assets

Group	Goodwill £	Intangible assets £	Total £
Cost			
At 1 December 2022 (Unaudited)	21,012,399	6,300,000	27,312,399
Exchange adjustments	(680,261)	-	(680,261)
At 30 September 2023	20,332,138	6,300,000	26,632,138
Amortisation and impairment			
At 1 December 2022 (Unaudited)	14,214,864	3,255,000	17,469,864
Amortisation charged for the 10 month period	1,370,542	525,000	1,895,542
Exchange adjustments	(536,651)	-	(536,651)
At 30 September 2023	15,048,755	3,780,000	18,828,755
Carrying amount			
At 30 September 2023	5,283,383	2,520,000	7,803,383
At 30 November 2022 (Unaudited)	6,797,535	3,045,000	9,842,535

The company had no intangible fixed assets at 30 September 2023 or 30 November 2022.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

11 Tangible fixed assets

Group	Freehold property	Fixtures, fittings & equipment	Computer equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 December 2022 (Unaudited)	4,526,049	2,967,435	5,732,593	19,840	13,245,917
Additions	74,229	488,507	1,112,748	-	1,675,484
Exchange adjustments	-	(20,642)	(37,274)	(1,094)	(59,010)
At 30 September 2023	4,600,278	3,435,300	6,808,067	18,746	14,862,391
Depreciation and impairment					
At 1 December 2022 (Unaudited)	32,533	1,990,778	5,279,977	16,202	7,319,490
Depreciation charged in the 10 month period	88,837	170,120	350,090	3,124	612,171
Exchange adjustments	-	(19,220)	(36,675)	(893)	(56,788)
At 30 September 2023	121,370	2,141,678	5,593,392	18,433	7,874,873
Carrying amount					
At 30 September 2023	4,478,908	1,293,622	1,214,675	313	6,987,518
At 30 November 2022 (Unaudited)	4,493,516	976,657	452,616	3,638	5,926,427

The company had no tangible fixed assets at 30 September 2023 or 30 November 2022.

The historic cost of Land within Freehold Land and Buildings is £400,000 (2022: £400,000)

Land and buildings with a carrying amount of £3,500,000 were revalued at 30 September 2023 by Dixon Heaney Kean Kennedy, independent Chartered Surveyors.

Land and buildings are carried at valuation. If land and buildings were measured using the cost model, the carrying amounts for the company would have been approximately:

	(Unaudited)		(Unaudited)	
Group	Group	Company	Company	
2023	2022	2023	2022	
£	£	£	£	
Cost	4,906,728	4,832,499	-	-
Accumulated depreciation	(1,193,017)	(1,104,180)	-	-
Carrying value	3,713,711	3,728,319	-	-

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

12 Investment property

	Group 2023 £	Company 2023 £
Fair value		
At 1 December 2022 (Unaudited) and 30 September 2023	995,000	-

Investment property comprises three flats located near the office in Edinburgh. The fair value of the investment properties of £1,010,000 as valued by Dixon Heaney Kean Kennedy, Chartered Surveyors, on 29 September 2023. Due to the small increase in fair value, £15,000, of the investment properties, the directors have decided not to reflect this fair value.

The historical cost of the investment properties is £764,868 (Unaudited 2022: £764,868).

13 Fixed asset investments

	Notes	Group 2023 £	Unaudited 2022 £	Company 2023 £	Unaudited 2022 £
Investments in subsidiaries	14	-	-	120,000	-

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 December 2022 (Unaudited)	-
Additions	120,000
At 30 September 2023	120,000
Carrying amount	
At 30 September 2023	120,000
At 30 November 2022 (Unaudited)	-

14 Subsidiaries

Details of the company's subsidiaries at 30 September 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Petroleum Experts Inc	Registered Office: 757 N Eldridge Parkway, Suite 510, Houston, 77079-4526, TX, United States.	Marketing, sale of software and related services	Ordinary	100.00
Petroleum Experts Limited	Registered Office: Petex House, 10 Logie Mill, Edinburgh, Scotland, United Kingdom, EH7 4HG	Development, marketing, sale of software and related services	Ordinary	100.00

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

15 Financial instruments

Group

The group has the following financial instruments:

	Note	2023 £	Unaudited 2022 £
Financial assets measured at fair value through profit or loss			
Investment property	12	995,000	995,000
Current asset investments	17	21,903,632	20,555,861
		<u>22,898,632</u>	<u>21,550,861</u>
Financial assets that are debt instruments measured at amortised cost:			
Trade debtors	16	4,428,954	7,835,631
Other debtors	16	2,594,413	406,123
		<u>7,023,367</u>	<u>8,241,754</u>
Financial liabilities measured at amortised cost			
Trade creditors	18	1,152,366	876,837
Other creditors	18	520	2,935
Accruals	18	8,474,797	6,696,574
		<u>9,627,683</u>	<u>7,576,346</u>

Other financial liabilities measured at fair value

The company has bank guarantees in place at the year end. The value of which are £3,552,335 (Unaudited 2022: £1,095,295).

16 Debtors

	Group 2023 £	Unaudited 2022 £	Company 2023 £	Unaudited 2022 £
Amounts falling due within one year:				
Trade debtors	4,428,954	7,835,631	-	-
Corporation tax recoverable	2,053,526	287,546	-	-
Amounts owed by group undertakings	20,316	-	-	-
Other debtors	2,594,413	406,123	2,100,563	2
Prepayments	919,013	1,147,139	-	-
	<u>10,016,222</u>	<u>9,676,439</u>	<u>2,100,563</u>	<u>2</u>

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

16 Debtors (Continued)

Group undertakings refer to parent entities and ultimate parent entity, HGIF Limited, as mentioned in note 29.

There is no interest payable on the amounts owed by group undertakings and the balance is settled on a quarterly basis.

17 Current asset investments

	Group 2023 £	Unaudited 2022 £	Company 2023 £	Unaudited 2022 £
Listed investments	21,903,632	20,555,861	-	-

The investments can be realised and converted to cash at short notice. Current asset investments are recognised and subsequently measured at fair value through the profit and loss account. The basis for measuring fair value is the quoted price in an active market.

18 Creditors: amounts falling due within one year

	Group 2023 £	Unaudited 2022 £	Company 2023 £	Unaudited 2022 £
Trade creditors	1,152,366	876,837	-	-
Amounts owed to group undertakings	-	-	3,378	-
Other taxation and social security	1,155,523	1,812,328	-	-
Other creditors	520	2,935	-	-
Accruals and deferred income	8,474,797	6,696,574	10,648	-
	<u>10,783,206</u>	<u>9,388,674</u>	<u>14,026</u>	<u>-</u>

Group undertakings refer to subsidiary entities, Petroleum Experts Limited and Petroleum Experts Inc, as mentioned in note 14.

There is no interest payable on amounts owed to group undertakings balance and the balance is settled on a quarterly basis.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

19 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

Group	Liabilities	Unaudited
	2023	Liabilities
	£	2022
		£
Accelerated capital allowances	492,287	92,753
Investment property	269,862	269,862
Goodwill	428,400	517,650
	<u>1,190,549</u>	<u>880,265</u>

The company has no deferred tax assets or liabilities.

Movements in the period	Group	Company
	2023	2023
	£	£
Liability at 1 October 2022 (Unaudited)	880,265	-
Charge to profit or loss	310,284	-
	<u>1,190,549</u>	<u>-</u>

20 Retirement benefit schemes

Defined contribution schemes	2023	Unaudited
	£	2022
		£
Charge to profit or loss in respect of defined contribution schemes	932,869	1,106,250
	<u>932,869</u>	<u>1,106,250</u>

A money purchase pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Share capital

Group and company	2023	Unaudited	2023	Unaudited
	Number	2022	2023	2022
		Number	£	£
Ordinary share capital issued and fully paid				
Ordinary of £1 each	120,000	2	120,000	2
	<u>120,000</u>	<u>2</u>	<u>120,000</u>	<u>2</u>

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

21 Share capital (Continued)

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

22 Revaluation reserve

	Group 2023 £	Unaudited 2022 £	Company 2023 £	Unaudited 2022 £
At the beginning of the 10 month period	636,987	496,311	-	-
Revaluation surplus arising in the Period	-	251,351	-	-
Deferred tax on revaluation of tangible assets	-	(110,675)	-	-
	<u>636,987</u>	<u>636,987</u>	<u>-</u>	<u>-</u>
At the end of the 10 month period	<u>636,987</u>	<u>636,987</u>	<u>-</u>	<u>-</u>

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

Property Leases

	Group 2023 £	Unaudited 2022 £	Company 2023 £	Unaudited 2022 £
Within one year	189,890	496,401	-	-
Between two and five years	731,057	904,503	-	-
In over five years	292,550	-	-	-
	<u>1,213,497</u>	<u>1,400,904</u>	<u>-</u>	<u>-</u>
Other operating leases				
Within one year	380	-	-	-
	<u>380</u>	<u>-</u>	<u>-</u>	<u>-</u>

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	Group 2023 £	Unaudited 2022 £	Company 2023 £	Unaudited 2022 £
Acquisition of tangible fixed assets	20,490,709	-	20,490,709	-
	<u>20,490,709</u>	<u>-</u>	<u>20,490,709</u>	<u>-</u>

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

25 Events after the reporting period

On 7 November 2023 a dividend of £89,583,333.33 per £1.00 share totaling £10,750,000 was declared and paid.

Following an extensive search for premises, a suitable location was identified in Guildford, Surrey. The purchase of the office premises was completed on 28 December 2023 for the value of £22.29m and the intention is to commence the physical relocation of the team in 2024-2025.

There were no other events subsequent to 30 September 2023 which, in the opinion of the directors, require adjustment of, or disclosure in the financial statements.

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel, who are also directors, is as follows:

	2023	Unaudited 2022
	£	£
Aggregate compensation	<u>824,625</u>	<u>2,396,992</u>

The company has taken advantage of the exemptions available in FRS102 relating to disclosure of transactions entered into between members of a group, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

On 1 November 2021, a charity, The Petex Academy (charity number SC051372), was registered with the Office of the Scottish Charity Regulator. The purpose of the charity is to promote science, technology, engineering and mathematics in schools. The trustees include directors of PE Limited, Matias Seijo and Lynn Marshall. During the 10 month period ended 30 September 2023, no charitable donations were received. In the year ended 30 November 2022, the charitable donations were made entirely by Abdelhamid Guedroudj. Transactions during the period included the finance team of the group which undertook the bookkeeping and record keeping for The Petex Academy at a notional cost of £nil. Engineers and geologists employed by PE Limited also supported the teaching programme at a notional cost of £nil. A balance of £14,176 (2022: £nil) was due from The Petex Academy to the group.

PE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE 10 MONTH PERIOD ENDED 30 SEPTEMBER 2023

27 Cash generated from group operations

	2023	Unaudited 2022
	£	£
Profit for the period after tax	39,736,988	49,085,632
Adjustments for:		
Taxation charged	6,060,813	6,194,864
Investment income	(791,922)	(166,746)
Amortisation and impairment of intangible assets	1,895,542	2,368,805
Depreciation and impairment of tangible fixed assets	612,171	285,248
Depreciation eliminated on revaluation	-	251,352
Other gains and losses	(1,347,771)	3,202,406
Movements in working capital:		
Decrease/(increase) in debtors	1,426,197	(2,955,404)
Increase in creditors	1,394,532	3,386,304
Cash generated from operations	<u>48,986,550</u>	<u>61,652,461</u>

28 Analysis of changes in net funds - group

	1 December 2022 (Unaudited) £	Cash flows	30 September 2023 £
Cash at bank and in hand	<u>27,583,148</u>	<u>21,129,422</u>	<u>48,712,570</u>

29 Controlling party

The immediate parent undertaking is Petex Management Company Limited. The ultimate parent undertaking and controlling party is HGIF Ltd, a company incorporated in Jersey, Channel Islands. The financial statements of HGIF Ltd can be obtained from 2nd Floor, The Le Gallais Building, 54 Bath Street, St Helier, Jersey, JE1 1 FW. Abdelhamid Guedroudj, a director of the group, is the ultimate controlling party of HGIF Ltd.

These are the only consolidated financial statements that have been prepared within the group.