

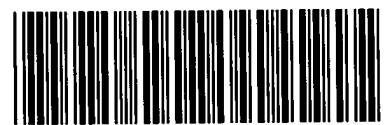
Company Number 10423075

Five AI Limited

**Annual report and financial statements
for the year ended 31 December 2024**

1

WEDNESDAY



AEG4RINL

A6

26/11/2025

#91

COMPANIES HOUSE

Five AI Limited Officers and Professional Advisors

Directors: D Hoetzer (appointed 30 July 2024)
M Schmitz (appointed 23 November 2023, resigned 30 June 2024)
J Andrew (appointed 23 November 2023)
J Redford (resigned 31 August 2024)
L Brown (resigned 22 July 2024)
S Boland (resigned 31 August 2023)
B Peters (resigned 17 April 2023)

Company Secretary: J Burton (appointed 29 July 2025)

Registered office: Fora
20 Station Road
Cambridge
CB1 2JD

**Registered office until 01
September 2024:** Kett House
Station Road
Cambridge
CB1 2JH

**Registered office until 24 April
2023:** Suite G4
Bristol and Exeter House
Lower Approach Road
Bristol
BS1 6QS
United Kingdom

Auditor: Frost Wiltshire LLP
Statutory Auditor
Bristol, United Kingdom

Five AI Limited

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2024, with comparatives for the year ended 31 December 2023.

PRINCIPAL ACTIVITY

The principal activity of Five AI Limited ("the Company") during the year was the design and development of software and systems for autonomous vehicles.

RESULTS AND DIVIDENDS

On 27 June 2022, 100% of the share capital of Five AI Ltd's parent company at the time, Five AI Inc. was acquired by Robert Bosch LLC, a wholly owned subsidiary of Robert Bosch GmbH. As part of a restructuring exercise, Five AI Inc. was dissolved on 31 December 2023, resulting in the Five AI Ltd becoming a 100% subsidiary of Robert Bosch LLC. Since the acquisition in June 2022, the Company has been providing internal R&D services to Robert Bosch GmbH under intragroup agreements, generating revenue during the year of £23,681,971 (2023: £28,827,704).

During 2024, the Company continued the development of the Company's core product, a development and assurance platform for autonomous vehicle developers. Since the acquisition of the Company in June 2022, all direct personnel and engineering costs associated with the delivery of services have been allocated to cost of sales (2024: £19,732,726, 2023: £23,668,413). The decrease in spend was due to the reduced headcount in 2024. Administrative expenses remained similar to the prior year (2024: £1,109,114, 2023: £1,137,002) as the Company continued to invest in protecting its intellectual property. During the period the company recognized research and development tax credits in relation to the 2024 under the RDEC scheme as other operating income (2024: £3,246,643, 2023: £5,210,976).

The Company made a profit for the year of £3,249,113 (2023: £4,948,976) and had net assets at 31 December 2024 of £12,165,429 (2023: £8,916,316). The Company did not issue new shares in 2024.

No dividends have been paid or declared in the current or prior year.

GOING CONCERN

After Five AI Inc. was acquired by Robert Bosch LLC both entities in the Five AI Group became part of the Robert Bosch Group. Following completion of the deal, the Company has been invoicing and receiving payment for internal R&D services to Robert Bosch GmbH under intragroup agreements.

The Company is therefore reliant upon the support of its ultimate parent company, Robert Bosch GmbH and has received a letter from Robert Bosch GmbH confirming it will provide the financial support necessary for the Company to meet its financial obligations as they fall due for a period of no less than 12 months from the date of approval of these financial statements up to an amount of £13 million. The directors have assessed the ability of Robert Bosch GmbH to provide such support based on its latest available financial position and financial performance and no concerns were identified.

Detailed business and cash flow forecasts have been prepared for the Company which include assumptions on invoicing and payment under the intragroup agreements, the rate of headcount growth and the level of third-party expenditure required. These forecasts show that the company will be able to settle its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. Thus, the Directors have considered it appropriate to adopt the going concern basis of preparation in these financial statements.

Five AI Limited Directors' Report (continued)

DIRECTORS

The directors who served during the year and subsequently, unless otherwise stated, were as follows:

D Hoetzer (appointed 30 July 2024)
M Schmitz (appointed 23 November 2023, resigned 30 June 2024)
J Andrew (appointed 23 November 2023)
J Redford (resigned 31 August 2024)
L Brown (resigned 22 July 2024)
S Boland (resigned 31 August 2023)
B Peters (resigned 17 April 2023)

INDICATION OF FUTURE EVENTS

Since the balance sheet date, the Company has continued to generate revenues from providing R&D services to Robert Bosch GmbH under the intragroup arrangements and is expected to do so for the foreseeable future.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies are given in note 20 of these financial statements.

DIRECTORS' INDEMNITIES

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

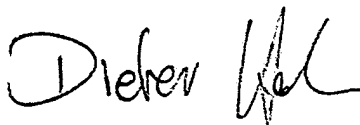
AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board of Directors and signed on behalf of the Board.



Dieter Hoetzer

Director, 29 October 2025

Five AI Limited

Directors' Responsibilities Statement

The directors are responsible for preparing the annual report and the 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 financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

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 Company and of the profit or loss of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Five AI Limited

Independent Auditor's Report to the Members of Five AI Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Five AI Limited (the 'company') for the year ended 31 December 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement; and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards.

In our opinion the financial statements:

- Give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom adopted international accounting standards and International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom adopted international accounting standards and IFRSs as issued by the IASB.

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 responsibilities for the audit of the financial statements section of our report.

We are independent of the 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

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 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 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Five AI Limited

Independent Auditor's Report to the Members of Five AI Limited

Report on other legal and regulatory requirements

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has 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 company and its environment obtained in the course of the audit, we have not identified any material misstatements in 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 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.
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

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 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 company or to cease operations, or have no realistic alternative but to do so.

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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of its policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

Five AI Limited

Independent Auditor's Report to the Members of Five AI Limited

Auditor's responsibilities for the audit of the financial statements (continued)

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. This included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

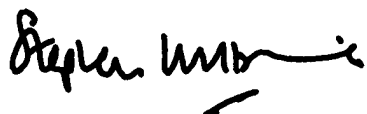
In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

A further description of our responsibilities for the audit of the financial statements is located on the FRC'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.



Stephen Wiltshire BSc FCA (Senior Statutory Auditor)
For and on behalf of Frost Wiltshire LLP
Chartered Accountants and Statutory Auditor

Unit 2 Green Farm Business Park
Folly Road
Latteridge
Bristol
BS37 9TZ

Five AI Limited
Statement of Comprehensive Income
For the year ended 31 December 2024

	Note	Year ended 2024 £	Year ended 2023 £
Revenue	2	23,681,971	28,827,704
Cost of Sales		(19,732,726)	(23,668,413)
Gross profit		<u>3,949,245</u>	<u>5,129,291</u>
Administrative expenses		(1,109,114)	(1,137,002)
Other operating expenses		(1,902,623)	(2,369,289)
Other operating income		3,246,643	5,210,976
Operating profit		<u>4,184,151</u>	<u>6,863,976</u>
Finance income	5	209,954	103,759
Finance costs	6	(42,447)	(697,745)
Profit before tax		<u>4,351,658</u>	<u>6,269,990</u>
Income tax	7	(1,102,545)	(1,321,014)
Profit for the financial year attributable to the owners of the Company		<u><u>3,249,113</u></u>	<u><u>4,948,976</u></u>

All results relate to continuing operations.

There were no other items of comprehensive income or expense for the current or prior year other than the loss for the year.

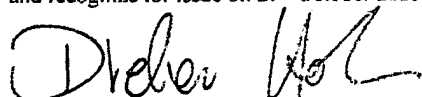
The accompanying notes on pages 13 to 30 are an integral part of these financial statements.

Five AI Limited
Balance Sheet
As at 31 December 2024

	Note	2024 £	2023 £
Non-current assets			
Property, plant and equipment	8	357,574	515,546
Investments	9	-	30,000
Deferred tax asset	10	45,465	227,537
		<u>403,039</u>	<u>773,083</u>
Current assets			
Trade and other receivables	11	8,599,293	16,513,437
Cash and cash equivalents	12	5,242,622	1,886,516
		<u>13,841,915</u>	<u>18,399,953</u>
Total assets		<u>14,244,954</u>	<u>19,173,036</u>
Current liabilities			
Trade and other payables	13	(1,745,084)	(9,852,724)
Lease liabilities	14	(77,897)	(69,551)
		<u>(1,822,981)</u>	<u>(9,922,275)</u>
Net current assets / (liabilities)		<u>12,018,934</u>	<u>8,477,678</u>
Non-current liabilities			
Lease liabilities	14	(256,544)	(334,445)
Total liabilities		<u>(2,079,525)</u>	<u>(10,256,720)</u>
Net assets / (liabilities)		<u>12,165,429</u>	<u>8,916,316</u>
Equity			
Share capital	15	3	3
Share premium	16	31,499,998	31,499,998
Capital contribution	17	24,088,230	24,088,230
Retained earnings	18	(43,422,802)	(46,671,915)
Surplus/(Deficit) attributable to owners of the Company		<u>12,165,429</u>	<u>8,916,316</u>

The accompanying notes on pages 13 to 30 are an integral part of these financial statements.

The financial statements of Five AI Limited (registered number 10423075) were approved by the board of directors and recognize for issue on 29th October 2025. They were signed on its behalf by:



Dieter Hoetzer

Director

Five AI Limited
Statement of Changes in Equity
For the year ended 31 December 2024

	Note	Share capital £	Share premium £	Capital contribution £	Retained earnings £	Total £
Balance at 1 January 2023		3	31,499,998	24,088,230	(51,620,891)	3,967,340
Profit for the year, being total comprehensive expense		-	-	-	4,948,976	4,948,976
Balance at 1 January 2024		3	31,499,998	24,088,230	(46,671,915)	8,916,316
Profit for the year, being total comprehensive income		-	-	-	3,249,113	3,249,113
Balance at 31 December 2024		3	31,499,998	24,088,230	(43,422,802)	12,165,429

The accompanying notes on pages 13 to 30 are an integral part of these financial statements.

Five AI Limited
Cash Flow Statement
For the year ended 31 December 2024

	Note	Year ended 2024 £	Year ended 2023 £
Net cash used in operating activities	19	3,275,576	5,192,437
Investing activities			
Interest received	5	209,954	103,760
Purchases of property, plant and equipment	8	(26,612)	(132,655)
Proceeds on disposal of property, plant and equipment		9,191	7,545
Net cash used in investing activities		(192,533)	(21,350)
Financing activities			
Intercompany loan (repayment) / financing	13	-	(14,469,439)
Repayments of obligations under leases		(112,003)	(158,036)
Net cash from financing activities		(112,003)	(14,627,475)
Net increase/(decrease) in cash and cash equivalents		3,356,106	(9,456,388)
Cash and cash equivalents at beginning of year		1,886,516	11,342,904
Cash and cash equivalents at end of year	12	5,242,622	1,886,516

The accompanying notes on pages 13 to 30 are an integral part of these financial statements.

Five AI Limited

Note to the Financial Statements

For the year ended 31 December 2024

1. Significant accounting policies

Basis of accounting

Five AI Limited (“the Company”) is incorporated in the United Kingdom and is a private company limited by shares under the Companies Act 2006 and registered in England and Wales. The address of the registered office and principal place of business is given on page 2. The nature of the Company’s operations and its principal activities are set out in the Directors’ report on page 3.

The financial statements have been prepared and approved by the directors in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies adopted are set out below.

The financial statements are presented in pounds sterling as that is the currency of the primary economic environment in which the Company operates.

Going concern

After Five AI Inc. was acquired by Robert Bosch LLC both entities in the Five AI Group became part of the Robert Bosch Group. Following completion of the deal, the Company has been invoicing and receiving payment for internal R&D services to Robert Bosch GmbH under intragroup agreements.

The Company is therefore reliant upon the support of its ultimate parent company, Robert Bosch GmbH and has received a letter from Robert Bosch GmbH confirming it will provide the financial support necessary for the Company to meet its financial obligations as they fall due for a period of no less than 12 months from the date of approval of these financial statements up to an amount of £13 million. The directors have assessed the ability of Robert Bosch GmbH to provide such support based on its latest available financial position and financial performance and no concerns were identified.

Detailed business and cash flow forecasts have been prepared for the Company which include assumptions on invoicing and payment under the intragroup agreements, the rate of headcount growth and the level of third-party expenditure required. These forecasts show that the company will be able to settle its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. Thus, the Directors have considered it appropriate to adopt the going concern basis of preparation in these financial statements.

Revenue recognition

The company recognises revenue from research and development services, but also from consultancy services in the comparative period.

The company provided consultancy services for customers prior to the acquisition. The transaction price is derived from fixed prices and was measured based on the consideration to which the Company expects to be entitled and is stated net of discounts and value added tax. The Company assesses whether services transfer to the customer at a point in time or over time to determine when satisfaction of performance obligations occurs. Revenue is recognised when the relevant performance obligations have been met.

When the transaction price is received in advance of the performance obligation being completed, the amount is recognised as a contract liability. When performance obligations are completed in advance of an invoice being raised, the amount is recognised as a contract asset.

Following its acquisition, the Company provides research and development services to its ultimate parent company, Robert Bosch GmbH. Revenue is recognised for these services in line with the intragroup agreements. The directors have assessed that the performance obligations are met on a monthly basis, and payment is not due from the customer until the monthly services are complete, therefore a contract asset is recognised over the period in which the research and development services are performed representing the company’s right to consideration for services performed to date.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

1. Significant accounting policies (continued)

Foreign currencies

Transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Cost of Sales

Cost of sales represents the personnel and travel costs of engineers involved in the supply of internal R&D services in the post-acquisition period plus associated third-party engineering costs.

Classification of operating expenses

Administrative expenses represent underlying business overheads such as legal and professional fees, whereas other operating expenses predominantly relate to research and development costs.

Research and development

Research expenditure is written off as incurred. Development expenditure is also written off, except where the directors are satisfied as to the technical, commercial and financial viability of individual projects.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income 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 Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

R&D tax credits are recognised in the year to which they relate where there is sufficient certainty, based on payment history, that the claim will be settled in full.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

1. Significant accounting policies (continued)

Taxation (continued)

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be recognised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is recognised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is charged or credited in the statement of comprehensive income, except when it relates to items charged or credited in other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered service entitling them to the contributions..

Leases

The Company as lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognised a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For these leases, the Company recognised the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

1. Significant accounting policies (continued)

Leases (continued)

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Company incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of the lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented within the Property, plant and equipment line in the balance sheet.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the other operating expenses line item.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

1. Significant accounting policies (continued)

Share-based payments

The Company issued equity-settled share-based payments to certain employees and advisors in the prior period. Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non market-based vesting conditions. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 20.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At each balance sheet date, the Company revises its estimate of the number of equity instruments expected to vest as a result of the effect of non market-based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The underlying shares are issued in the parent company, Five AI Inc, therefore, the share-based payment expense for Five AI Limited is taken to the statement of comprehensive income with a corresponding capital contribution in equity.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any provision for impairment.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives, using the straight-line method, on the following bases:

Computer equipment	2 years
Motor vehicles	2 years
Fixtures and fittings	2-5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or scrapping of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Investments

Investments are stated at costs less provisions for impairment.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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 Company after deducting all of its liabilities.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

1. Significant accounting policies (continued)

Financial instruments (continued)

(i) Financial assets and liabilities

Financial assets and financial liabilities are measured initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions of being held to collect contractual cash flows on specified dates of payments of principal and interest are subsequently measured at amortised cost using the effective interest method.

Other debt instruments not meeting the conditions set out above are measured at fair value through profit or loss 'FVTPL'.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are recognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL. The Company does not hold any financial liabilities at FVTPL.

The effective interest method is a method of calculating the amortised cost of a debt instrument or financial liability and of allocating interest income or interest expense, respectively, over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument or financial liability, or (where appropriate) a shorter period, to the gross carrying amount of the debt instrument on initial recognition or the amortised cost of a financial liability.

Financial liabilities are recognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

Impairment of financial assets

The Company recognised a loss allowance for expected credit losses (ECL) on debtors measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime ECL for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the receivables, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

1. Significant accounting policies (continued)

Impairment of financial assets (continued)

For all other financial instruments, the Company recognised lifetime ECL when there has been a significant increase in credit risk since initial recognition.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities which 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 if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimates that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

Critical accounting judgements

Management has judged it appropriate not to capitalise internally generated research and development due to uncertainty over whether it will generate future economic benefits, given the significant amounts still to be invested in the target application i.e. the development of autonomous vehicle technology, before that technology can be commercially exploited.

Management has also judged it appropriate not to recognise a deferred tax asset in relation to carried forward losses, due to uncertainty surrounding their availability for offset. See note 7 for further details.

Management has recognised an estimate of the research and development tax credit claims that will be made for both the periods ended 31 December 2022 and 31 December 2023, totaling £5,210,976 under the RDEC scheme in the current year accounts.

Key sources of estimation uncertainty

In determining the fair value of share-based payments in the prior period, using the Black-Scholes model, management made a critical estimate in determining the weighted average share price at grant for common shares in light of there being no observable market inputs in the period. The estimate was based on the market transaction of the issue of preferred shares in the most recent funding round of the parent company, Five AI Inc., discounting for the rights attached to preference shares over and above the rights attached to common shares, and the eventual price paid per common share following the acquisition of the parent company by Robert Bosch LLC. This resulted in a share price at grant of \$3.01 (2021: \$2.69).

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

1. Significant accounting policies (continued)

International financial reporting standards in issue but not yet effective

At the date of authorisation of these financial statements, the IASB has issued standards, interpretations and amendments which are applicable to the Company. Whilst these standards and interpretations are not effective for, and have not been applied in the preparation of these financial statements, the following may have an impact going forward:

Amendment to IAS 7 and IFRS 7	Supplier Finance Arrangements
Amendment to IFRS16	Lease liability in a Sale and Leaseback
Amendment to IAS 21	Lack of Exchangeability
Amendments to IAS 1	Classification of liabilities as current or non-current

The directors anticipate that the adoption of these standards and interpretations in future periods will not have a material impact on the financial statements of the Company.

International financial reporting standards mandatorily effective in the current period

During the year the following become mandatorily effective but had no impact on the Company:

IFRS 17	Insurance contracts
Amendments to IAS 12	Deferred tax related to Assets and Liabilities arising from a single transaction
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendment to IAS8	Definition of Accounting estimates

2. Revenue

	Year ended 2024 £	Year ended 2023 £
Revenue from intragroup agreements	23,681,971	28,827,704

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

3. Operating loss

Operating loss has been arrived at after charging/(crediting):

	Year ended 2024 £	Year ended 2023 £
Net foreign exchange losses	29,118	29,102
Research and development costs	1,461,967	3,196,234
Depreciation of property, plant and equipment	94,514	133,219
Depreciation of right-of-use assets	85,092	144,275
Loss / (Gain) on disposal	(4,214)	6,773
Staff costs (see note 4)	18,038,224	20,472,180
Operating lease rentals		
Property	312,920	208,148
Auditor's remuneration		
For the audit of the financial statements	15,750	15,000
For tax compliance services	4,900	2,750

4. Staff costs

The average monthly number of employees (including executive directors) was:

	2024 Number	2023 Number
Management and marketing	10	16
Research and development	96	115
Total	106	131

Their aggregate remuneration comprised:

	Year ended 2024 £	Year ended 2023 £
Wages and salaries	14,284,072	16,570,081
Social security costs	1,804,363	1,836,093
Pension costs	1,949,789	2,066,006
	18,038,224	20,472,180

The Company operates a defined benefit contribution pension scheme. The pension cost charged by the Company for the year represents contributions payable by the Company to the scheme and amounted to £1,949,789 (2023: £2,066,006). At the year end, contributions amounting to £113,811 (2022: £490,887) were payable to the scheme and are included in the taxes and social security creditor in the financial statements.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024
5. Finance income

	Year ended 2024 £	Year ended 2023 £
Interest income on bank deposits	209,954	103,760

6. Finance costs

	Year ended 2024 £	Year ended 2023 £
Interest on lease liabilities	42,447	20,378
Interest on inter-company loan	-	677,367
	<u>42,447</u>	<u>697,745</u>

7. Income tax

	Year ended 2024 £	Year ended 2023 £
Corporation tax:		
Current year	922,189	1,031,711
Adjustment in respect of prior years	(1,716)	400,546
Total current tax	<u>920,473</u>	<u>1,432,257</u>
Deferred tax:		
Current year	180,248	457,530
Effect of changes in tax rates	-	28,779
Adjustment in respect of prior years	1,824	(597,552)
Total deferred tax	<u>182,072</u>	<u>(111,243)</u>
Total tax expense / (credit) for the year	<u>1,102,545</u>	<u>1,321,014</u>

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

7. Income tax (continued)

Corporation tax is calculated at 25% (2023: 23.52%) of the estimated taxable profit for the year.

The credit for the year can be reconciled to the loss in the statement of comprehensive income as follows:

	Year ended 2024	Year ended 2023
	£	£
Profit / (Loss) before tax	4,351,658	6,269,990
Tax at the UK corporation tax rate of 25% (2023: 23.52%)	1,087,915	1,474,736
Effects of:		
Adjustments in respect of prior years	108	(197,006)
Expenses not deductible in determining taxable profit	14,522	15,227
Super-deduction	-	(722)
Tax rate changes	-	28,779
Tax charge for the year	1,102,545	1,321,014

Under Finance (No. 2) Act 2023, substantively enacted on 24 May 2021 and fully enacted on 10 June 2021, the main rate of Corporation Tax increased from 19% to 25% from 1 April 2023 for profits over £250,000 and remained at 19% for profits below £50,000. Marginal relief provisions were also introduced so that, where a company's profits fall between £50,000 and £250,000, the company will be able to claim an amount of marginal relief that bridges the gap between the lower and upper limits. The group is subject to a corporation tax rate of 25% for the period. The closing deferred tax assets and liabilities have been calculated at 25%. At the balance sheet date, the Company had a recognised deferred tax asset of £45,466 (2023: £227,537).

The group is within the scope of Pillar Two legislation and the group's current tax expense related to Pillar Two income taxes is £nil. The group has applied the temporary exception by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

At the balance sheet date the company had no unrecognised deferred tax balances.'

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

8. Property, plant and equipment

	Motor vehicles £	Computer equipment £	Fixtures and fittings £	Right-of-use assets £	Total £
Cost					
At 1 January 2023	215,603	862,147	270,553	997,605	2,345,908
Additions	-	129,194	3,461	425,486	558,141
Disposals	(215,603)	(37,587)	(66,716)	(700,338)	(1,020,244)
Transfers	-	44,554	90,238	-	134,792
At 31 December 2023	-	998,308	297,536	722,753	2,018,597
Additions	-	2,297	24,314	-	26,611
Disposals	-	(617,061)	(237,587)	-	(854,648)
At 31 December 2024	-	383,544	84,263	722,753	1,190,560
Accumulated depreciation					
At 1 January 2023	(215,603)	(775,268)	(224,123)	(881,696)	(2,096,690)
Charge for the year	-	(101,182)	(32,037)	(144,275)	(277,494)
Disposals	215,603	37,587	52,397	700,338	1,005,925
Transfers	-	(44,554)	(90,238)	-	(134,792)
At 31 December 2023	-	(883,417)	(294,001)	(325,633)	(1,503,051)
Charge for the year	-	(92,665)	(1,849)	(85,092)	(179,606)
Disposals	-	614,363	235,308	-	849,671
At 31 December 2024	-	(361,719)	(60,542)	(410,725)	(832,986)
Carrying amount					
At 31 December 2024	-	21,825	23,721	312,028	357,574
At 31 December 2023	-	114,891	3,535	397,120	515,546

Right-of-use assets

The Company has one property lease with term of 10 years (2023: the company had one property lease with term of 10 years).

	2024 £	2023 £
Amounts recognised in profit and loss		
Depreciation expense on right-of-use assets	85,092	144,275
Interest expense on lease liabilities	42,447	20,378
Expense relating to short-term leases	312,920	208,148

At 31 December 2024, the Company is committed to £1,058,000 for short-term leases (2023: £47,975) all due within two years, representing certain office premises.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

9. Investments

	2024 £	2023 £
Shares in unlisted investments	-	30,000

During the year ended 31 December 2021 an investment was made in Megasets Limited at a cost of £30,000 in return for a 25.1% ownership interest and equivalent voting rights. Accordingly, Megasets Limited is not under the control, or significant influence of Five AI Limited and is not treated as a subsidiary or associate. The registered office of Megasets Limited is 71-75 Shelton Street, Covent Garden, London, WC2H 9JQ. Its place of incorporation and principal place of business is the United Kingdom. Its principal activity is the development of synthetic datasets.

The investment was initially stated at cost. However, during the year ended 31 December 2024, the investment was written off in full as it was determined to be no longer recoverable.

10. Deferred tax asset

	2024 £	2023 £
Deferred tax asset	45,465	227,537

11. Trade and other receivables

	2024 £	2023 £
VAT receivable	441,778	79,897
Prepayments	120,724	236,399
Other debtors	212,478	71,165
Amounts owed from parent undertakings	2,535,910	6,292,739
Retention bonus	-	5,525,049
Tax receivable	5,288,403	4,308,188
	<u>8,599,293</u>	<u>16,513,437</u>

The directors consider that the carrying values of trade and other receivables are approximate to their fair value. Amounts owed from parent undertakings are not financing and are repayable in line with standard credit terms.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

12. Cash and cash equivalents

	2024 £	2023 £
Cash and bank balances	5,242,622	1,886,516

Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet position as shown. There were no cash equivalents at 31 December 2024 (2023: £0).

13. Trade and other payables

	2024 £	2023 £
Amounts falling due within one year		
Trade payables	989,623	128,396
Accruals	330,854	509,188
Employee retention provision	-	7,729,583
Taxes and social security	360,139	1,452,122
Amounts due to parent undertakings	64,468	33,435
	1,745,084	9,852,724

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 18 days (2023: 21 days). The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The directors consider that the carrying amount of trade and other payables approximates to their fair value.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

14. Lease liabilities

	2024 £	2023 £
Maturity analysis:		
Year 1	112,000	112,000
Year 2	112,000	112,000
Year 3	112,000	112,000
Year 4	74,667	112,000
Year 5	-	74,667
Less: unearned interest	(76,222)	(118,671)
	<u>334,441</u>	<u>403,996</u>
Analysed as:		
Non-current	256,544	334,445
Current	77,897	69,551
	<u>334,441</u>	<u>403,996</u>

The directors consider that the carrying amount of lease liabilities approximates to their fair value.

15. Share capital

	2024 £	2023 £
Allotted, called-up and fully paid: 3 (2023: 3) ordinary shares of £1 each	<u>3</u>	<u>3</u>

The Company has one class of ordinary shares which carries no right to fixed income.

16. Share premium

	£
Balance at 1 January 2023	31,499,998
Premium arising on issue of ordinary share	<u>-</u>
Balance at 31 December 2023	31,499,998
Premium arising on issue of ordinary share	<u>-</u>
Balance at 31 December 2024	<u>31,499,998</u>

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

17. Capital contribution

	£
Balance at 1 January 2023	24,088,230
Share based payment charge	-
Balance at 31 December 2023	<u>24,088,230</u>
Share based payment charge	-
Balance at 31 December 2024	<u>24,088,230</u>

18. Retained earnings

	£
Balance at 1 January 2023	(51,620,891)
Loss for the year	<u>4,948,976</u>
Balance at 31 December 2023	(46,671,915)
Profit for the year	<u>3,249,113</u>
Balance at 31 December 2024	<u>(43,422,802)</u>

19. Notes to the cash flow statement

	2024 £	2023 £
Profit for the year	3,249,113	4,948,976
Adjustments for:		
Depreciation of property, plant and equipment	179,606	277,494
Loss / (Gain) on disposal	(4,213)	6,773
Loss on investment	30,000	-
Finance income	(209,954)	(103,760)
Finance cost	-	677,367
Interest on leases	42,447	20,378
Operating cash flows before movements in working capital	<u>3,286,999</u>	<u>5,827,228</u>
Decrease / (Increase) in trade and other receivables	8,127,250	3,934,103
Increase / (Decrease) in trade and other payables	<u>(8,138,673)</u>	<u>(4,568,894)</u>
Net cash used in operating activities	<u>3,275,576</u>	<u>5,192,437</u>

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

20. Financial instruments

Capital risk management

Five AI Limited's ultimate parent company, Robert Bosch GmbH, manages the capital within the group to ensure that all group entities will be able to continue as going concerns. The capital structure of the group consists of equity and debt financing.

Categories of financial instruments

	2024	2023
	£	£
Financial assets		
<i>Measured at amortised cost</i>		
Cash and bank balances (see note 12)	5,242,622	1,886,516
Loans and receivables (see note 11)	8,478,569	16,277,038
	<u>13,721,191</u>	<u>18,163,554</u>
Financial liabilities		
<i>Measured at amortised cost</i>		
Trade and other payables (see note 13)	1,680,616	2,089,706
Amounts owed to parent undertakings (see note 13)	64,468	33,435
Lease liabilities (see note 14)	334,441	403,996
	<u>2,079,525</u>	<u>2,527,137</u>

All financial liabilities have contractual maturities within less than three months of the balance sheet date in both years, with the exception of lease liabilities. The maturity of lease liabilities is presented in note 14.

Financial risk management objectives

The principal financial risks to which the Company is exposed are credit and liquidity risk.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Since 27 June 2022 the Company only makes internal sales and therefore is not exposed to credit risk from third parties. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Liquidity risk management

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows, comparing these to reserves and undertaking fund raising activities as required, including support from the Company's parent.

Five AI Limited
Note to the Financial Statements (continued)
For the year ended 31 December 2024

21. Related party transactions

Directors' remuneration

The remuneration of the directors is set out below in aggregate for each of the categories specified in IAS 24 *Related Party Disclosures*.

	2024 £	2023 £
Short term employee benefits	1,681,402	1,114,996
Post-employment benefit - Company contributions to money purchase pension schemes	95,214	64,392
	<u>1,776,616</u>	<u>1,179,388</u>

The number of directors who:

Are members of a money purchase pension scheme	<u>3</u>	<u>3</u>
--	----------	----------

Remuneration of the highest paid director:

	2024 £	2023 £
Short term employee benefits	764,160	332,467
	<u>764,160</u>	<u>332,467</u>

22. Immediate and ultimate controlling party

The immediate and ultimate holding company and controlling party until 27 June 2022 was Five AI Inc., a company registered in the United States of America. Its registered address was 251 Little Falls Drive, Wilmington, Delaware, 19808. From 28 June 2022, the ultimate holding company and controlling party became Robert Bosch GmbH, a company registered in Germany. Its registered address is Stuttgart, Registration Court: Amtsgericht Stuttgart, HRB 14000. Five AI Inc. was dissolved on December 31, 2023, and the new immediate holding company became Robert Bosch LLC, a company registered in the United States of America. Its registered address is 251 Little Falls Drive, 19808 Wilmington DE, USA.

For the period ended 31 December 2022, Five AI Inc. was the smallest group for which consolidated financial statements were prepared. Copies of its group financial statements are available from Fora, 20 Station Road, Cambridge, CB1 2JD, United Kingdom. For the periods ended 31 December 2023 and 31 December 2024, following dissolution of Five AI Inc., no consolidated financial statements were prepared. The largest group for which consolidated financial statements were prepared for these periods, incorporating Five AI Ltd's post-acquisition results, was Robert Bosch GmbH. Copies of its group financial statements are available from Robert-Bosch-Platz 1, 70839, Gerlingen-Schillerhöhe, Germany.