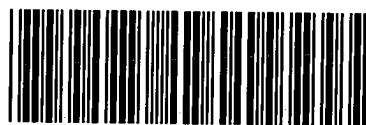


COMPANY REGISTRATION NUMBER: 07637003

**REGISTRAR OF  
COMPANIES**

**Black Swan Data Ltd  
Financial Statements  
31 December 2023**

MONDAY



\*ADCQK6A8\*

A12

30/09/2024

#427

COMPANIES HOUSE

**BURGESS HODGSON LLP**  
Chartered accountants & statutory auditor  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

**Black Swan Data Ltd**  
**Financial Statements**  
**Year ended 31 December 2023**

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# Black Swan Data Ltd

## Strategic Report

### Year ended 31 December 2023

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2023.

#### Principal activities

The group and company's principal activity is the development of software products and provision of consultancy services in the interactive and data analytics market. The company also acts as a holding entity for other group companies.

The company's proprietary software product Trendscope™ brings the earliest, most accurate trend predictions to large, multinational consumer brands across Europe, North America and the Asia Pacific region. By analysing millions of real-time online consumer conversations, Trendscope™ evaluates, ranks, and predicts every category trend by its future growth potential, helping customers determine which trends will matter most to consumers. Its output enables companies to make faster and smarter innovation decisions that ultimately help them get to market first.

#### Business review

Turnover of the group for the year ended 31 December 2023 was £7.421m compared to £6.538m for the previous period of 31 December 2022. The turnover increase is a result of increasing the customer base as we are able to deliver our product to new businesses. The Trendscope™ business continued to develop well, with recurring licence revenues growing over the year. Losses after tax for the current year were £7.373m which was a £4.327m improvement compared to prior year losses of £11.7m. The continuing loss is attributed to investment in building the sales and marketing team, developing the Trendscope™ platform and making further C-level strategic hires.

The US commercial hub has continued to grow with the addition of multiple new significant customer contracts providing a platform for continued expansion in North America alongside European and APAC markets.

Looking ahead, the company's management team is continuing their focus on growing the business in international markets, innovating its proprietary software product Trendscope™ and research and development of future data led offerings. The market for tech-enabled market research offerings is experiencing strong growth as consumer trends are changing faster than ever with companies losing market share to small, agile competitors.

A cost rationalisation exercise was performed during the year, with the aim of reducing ongoing operational expense. The group is also continuing with its strategy of making high quality new and replacement hires in our lower cost locations in Hungary and South Africa.

During the year the company issued additional share capital, raising £4.338m additional funds.

#### Principal risks and uncertainties

The process of risk management is addressed through a framework of policies, procedures, and internal controls. All policies are subject to board approval and ongoing review by management, risk management and internal audit.

##### *Liquidity risk*

The group uses a variety of financial instruments including cash and various items such as trade debtors and creditors that arise directly from its operations. The main purpose of these instruments is to provide working capital for the group's operations. The Directors believe that the group has sufficient working capital to meet its liabilities as they fall due and regularly review this situation.

##### *Foreign currency risk*

Principal foreign currency exposures arise from trading with overseas companies. Group policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling.

**Black Swan Data Ltd**  
**Strategic Report** *(continued)*  
**Year ended 31 December 2023**

*Credit risk*

All customers who wish to trade on credit terms are subject to credit verification processes. Trade debtors are monitored on an ongoing basis and provisions are made for doubtful debts where necessary. Credit risk also arises from bank and cash balances held with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted.

*Research and development risk*

The group invests significantly in the development of software platforms for future commercial exploitation. Due to the nature of research and development, particularly in the rapidly changing market in which the group operates, a return on this investment is not guaranteed however the group regularly assesses these investments with the goal of ensuring that it can adapt to market and competitive trends and can reasonably expect such a return.

*Cash flow interest rate risk*

The group is not exposed to cash flow interest rate risk from long-term borrowings. It is currently the group policy to borrow long term debts only at fixed interest rate.

*Financial key performance indicators*

The KPI's for the group can be found within the business review.

**Going concern**

The Directors have assessed the requirement for further funding in order to support the group's ongoing operations and continued revenue growth and have prepared cash flow forecasts to assess both the immediate and long-term capital requirements. The assumptions underlying the forecasts have been challenged, varied and tested to establish likelihood of a range of possible outcomes including reasonable sensitivities.

In January 2022, Black Swan Data entered into a loan agreement with Wuessen Lending S.à.r.l. for principal amount totalling £3m under a repayment term of 40 months at an interest rate of 11% per annum. This was restructured in July 2023, when the principal stood at £1.956m, to enable a repayment holiday from July 2023 to June 2024 in relation to the capital element of the loan. This eased the business' ongoing monthly outgoing cash requirements. Under the revised terms, principal repayments were due to recommence in July 2024, however in February 2024 the Wuessen loan was settled in full and replaced with alternative convertible debt financing from existing investors on more favourable terms. The new loans total £3m, with interest accruing from March 2025 and principal repayments starting in March 2026.

In July 2023, the company agreed terms for £4.25m equity financing from existing shareholders. In 2024, a further loan facility of £1.3m has been agreed with investors and it is forecast that this should be sufficient to take the business through to a stable cash flow break-even position. As of 24 September 2024, £0.9m of the agreed £1.3m has been drawn down.

The Directors have reviewed the sensitised forecasts and confirm there that there is sufficient cash headroom to operate on a going concern basis for a period of at least 12 months following approval of the financial statements. The financial statements do not include any adjustments that would result if the group were unable to continue as a going concern.

On the basis of the group's current business activity and proximity for achieving breakeven, the Directors have reasonable expectation that the group will be able to continue operations for the

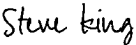
## Black Swan Data Ltd

### Strategic Report *(continued)*

#### Year ended 31 December 2023

foreseeable future. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

This report was approved by the board of directors on 25 September 2024 and signed on behalf of the board by:

DocuSigned by:  
  
EF7176CD8E80425...

S King  
Director

Registered office:  
Fora 1st Floor  
Blue Fin Building  
110 Southwark Street  
London  
England  
SE1 0SU

**Black Swan Data Ltd**  
**Directors' Report**  
**Year ended 31 December 2023**

The directors present their report and the financial statements of the group for the year ended 31 December 2023.

**Directors**

The directors who served the company during the year were as follows:

|                     |                         |
|---------------------|-------------------------|
| H Amos              |                         |
| M Dima              |                         |
| P J Edmondson-Jones |                         |
| S King              |                         |
| J P Williams        |                         |
| M Green             | (Resigned 18 July 2023) |
| E W A Lascelles     | (Resigned 10 July 2023) |
| K Yoshida           | (Resigned 1 April 2023) |

After the year end on 21st February 2024, Richard Mann was appointed as a director.

**Dividends**

The directors do not recommend the payment of a dividend.

**Events after the end of the reporting period**

Particulars of events after the reporting date are detailed in note 28 to the financial statements.

**Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, directors' 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 the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 the company and 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 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.

**Black Swan Data Ltd**  
**Directors' Report** *(continued)*  
**Year ended 31 December 2023**

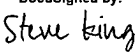
**Auditor**

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

- so far as they are aware, there is no relevant audit information of which the group and the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the group and the company's auditor is aware of that information.

25 September 2024

This report was approved by the board of directors on..... and signed on behalf of the board by:

DocuSigned by:  
  
EF7176CD6E80425...

S King  
Director

Registered office:  
Fora 1st Floor  
Blue Fin Building  
110 Southwark Street  
London  
England  
SE1 0SU

## **Black Swan Data Ltd**

### **Independent Auditor's Report to the Members of Black Swan Data Ltd**

**Year ended 31 December 2023**

#### **Opinion**

We have audited the financial statements of Black Swan Data Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2023 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, 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 state of the group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Black Swan Data Ltd**

### **Independent Auditor's Report to the Members of Black Swan Data Ltd *(continued)***

#### **Year ended 31 December 2023**

##### **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. 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.

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

We have nothing to report in this regard.

##### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **Black Swan Data Ltd**

### **Independent Auditor's Report to the Members of Black Swan Data Ltd *(continued)***

#### **Year ended 31 December 2023**

##### **Responsibilities of directors**

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

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

##### **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 identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment and business performance with particular reference to the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals and manipulating the Company's performance measures to meet remuneration targets and bank covenants. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

## **Black Swan Data Ltd**

### **Independent Auditor's Report to the Members of Black Swan Data Ltd *(continued)***

#### **Year ended 31 December 2023**

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

## Black Swan Data Ltd

### Independent Auditor's Report to the Members of Black Swan Data Ltd *(continued)*

#### Year ended 31 December 2023

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### 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.



Andrew Collyer (Senior Statutory Auditor)

For and on behalf of  
Burgess Hodgson LLP  
Chartered accountants & statutory auditor  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

25/09/2024

**Black Swan Data Ltd**  
**Consolidated Statement of Comprehensive Income**  
**Year ended 31 December 2023**

|  | Note      | 2023<br>£000 | 2022<br>£000 |
|--|-----------|--------------|--------------|
| <b>Turnover</b>                                | <b>4</b>  | 7,421        | 6,538        |
| Cost of sales                                  |           | 2,377        | 2,724        |
| <b>Gross profit</b>                            |           | 5,044        | 3,814        |
| Administrative expenses                        |           | 12,883       | 16,337       |
| Other operating income                         | <b>5</b>  | 328          | –            |
| <b>Operating loss</b>                          | <b>6</b>  | (7,511)      | (12,523)     |
| Amounts written back to investments            |           | –            | 9            |
| Interest payable and similar expenses          | <b>10</b> | 457          | 604          |
| <b>Loss before taxation</b>                    |           | (7,968)      | (13,136)     |
| Tax on loss                                    | <b>11</b> | (595)        | (1,436)      |
| <b>Loss for the financial year</b>             |           | (7,373)      | (11,700)     |
| Foreign currency retranslation                 |           | 548          | 179          |
| <b>Total comprehensive income for the year</b> |           | (6,825)      | (11,521)     |

All the activities of the group are from continuing operations.

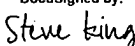
The notes on pages 17 to 36 form part of these financial statements.

**Black Swan Data Ltd**  
**Consolidated Statement of Financial Position**  
**31 December 2023**

|  | Note | 2023<br>£000   | 2022<br>£000 |
|--|------|----------------|--------------|
| <b>Fixed assets</b>  |      |                |              |
| Intangible assets  | 12   | 604            | –            |
| Tangible assets  | 13   | 111            | 181          |
|  |      | <u>715</u>     | <u>181</u>   |
| <b>Current assets</b>  |      |                |              |
| Debtors  | 15   | 3,527          | 5,854        |
| Cash at bank and in hand                                       |      | 199            | 1,246        |
|  |      | <u>3,726</u>   | <u>7,100</u> |
| <b>Creditors: amounts falling due within one year</b>          | 16   | 5,614          | 4,538        |
| <b>Net current (liabilities)/assets</b>                        |      | <u>(1,888)</u> | <u>2,562</u> |
| <b>Total assets less current liabilities</b>                   |      | <u>(1,173)</u> | <u>2,743</u> |
| <b>Creditors: amounts falling due after more than one year</b> | 17   | 1,358          | 2,845        |
| <b>Net liabilities</b>   |      | <u>(2,531)</u> | <u>(102)</u> |
| <b>Capital and reserves</b>                                    |      |                |              |
| Called up share capital  | 22   | 129            | 32           |
| Share premium account  | 23   | 42,212         | 37,974       |
| Foreign exchange reserve                                       | 23   | 518            | (30)         |
| Share option reserve   | 23   | 93             | 71           |
| Profit and loss account  | 23   | (45,483)       | (38,149)     |
| <b>Shareholders deficit</b>                                    |      | <u>(2,531)</u> | <u>(102)</u> |

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the medium companies regime.

These financial statements were approved by the board of directors and authorised for issue on 25 September, 2024 and are signed on behalf of the board by:

DocuSigned by:  
  
 EF7176CD6E80425...

S King  
 Director

Company registration number: 07637003

The notes on pages 17 to 36 form part of these financial statements.

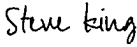
**Black Swan Data Ltd**  
**Company Statement of Financial Position**  
**31 December 2023**

|  | Note | 2023<br>£000   | 2022<br>£000   |
|--|------|----------------|----------------|
| <b>Fixed assets</b>  |      |                |                |
| Intangible assets  | 12   | 604            | -              |
| Tangible assets  | 13   | 27             | 40             |
| Investments  | 14   | 144            | 151            |
|  |      | <u>775</u>     | <u>191</u>     |
| <b>Current assets</b>  |      |                |                |
| Debtors  | 15   | 1,640          | 4,812          |
| Cash at bank and in hand                                       |      | 77             | 1,094          |
|  |      | <u>1,717</u>   | <u>5,906</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 16   | 7,264          | 6,214          |
| <b>Net current liabilities</b>                                 |      | <u>5,547</u>   | <u>308</u>     |
| <b>Total assets less current liabilities</b>                   |      | (4,772)        | (117)          |
| <b>Creditors: amounts falling due after more than one year</b> | 17   | 1,101          | 2,263          |
| <b>Net liabilities</b>   |      | <u>(5,873)</u> | <u>(2,380)</u> |
| <b>Capital and reserves</b>                                    |      |                |                |
| Called up share capital  | 22   | 129            | 32             |
| Share premium account  | 23   | 42,213         | 37,974         |
| Share option reserve   | 23   | 93             | 71             |
| Profit and loss account  | 23   | (48,308)       | (40,457)       |
| <b>Shareholders deficit</b>                                    |      | <u>(5,873)</u> | <u>(2,380)</u> |

The loss for the financial year of the parent company was £7,890,000 (2022: £11,769,000).

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the medium companies regime.

These financial statements were approved by the board of directors and authorised for issue on 25 September 2024, and are signed on behalf of the board by:

DocuSigned by:  
  
 EF7176CD6E80425...

S King  
 Director

Company registration number: 07637003

The notes on pages 17 to 36 form part of these financial statements.

## Black Swan Data Ltd

### Consolidated Statement of Changes in Equity

#### Year ended 31 December 2023

|   | Called up<br>share<br>capital<br>£000 | Share<br>premium<br>account<br>£000 | Foreign<br>exchange<br>reserve<br>£000 | Share<br>option<br>reserve<br>£000 | Profit and<br>loss<br>account<br>£000 | <b>Total<br/>£000</b> |
|---|---------------------------------------|-------------------------------------|--|------------------------------------|---------------------------------------|-----------------------|
| <b>At 1 January 2022</b>  | 15                                    | 24,335                              | (209)                                  | 49                                 | (26,449)                              | (2,259)               |
| Loss for the year   |                                       |                                     |  |                                    | (11,700)                              | (11,700)              |
| Other comprehensive<br>income for the year:                     |                                       |                                     |  |                                    |                                       |                       |
| Foreign currency<br>retranslation                               | —                                     | —                                   | 179                                    | —                                  | —                                     | 179                   |
| <b>Total comprehensive<br/>income for the year</b>              | —                                     | —                                   | 179                                    | —                                  | (11,700)                              | (11,521)              |
| Issue of shares   | 17                                    | 13,639                              | —                                      | —                                  | —                                     | 13,656                |
| Share option charge   | —                                     | —                                   | —                                      | 22                                 | —                                     | 22                    |
| <b>Total investments by<br/>and distributions to<br/>owners</b> | 17                                    | 13,639                              | —                                      | 22                                 | —                                     | 13,678                |
| <b>At 31 December 2022</b>                                      | 32                                    | 37,974                              | (30)                                   | 71                                 | (38,149)                              | (102)                 |
| Loss for the year   |                                       |                                     |  |                                    | (7,373)                               | (7,373)               |
| Other comprehensive<br>income for the year:                     |                                       |                                     |  |                                    |                                       |                       |
| Foreign currency<br>retranslation                               | —                                     | —                                   | 548                                    | —                                  | —                                     | 548                   |
| <b>Total comprehensive<br/>income for the year</b>              | —                                     | —                                   | 548                                    | —                                  | (7,373)                               | (6,825)               |
| Issue of shares   | 97                                    | 4,238                               | —                                      | —                                  | —                                     | 4,335                 |
| Transfer to P&L<br>reserve for lapsed /<br>exercised options    | —                                     | —                                   | —                                      | (39)                               | 39                                    | —                     |
| Share option charge   | —                                     | —                                   | —                                      | 61                                 | —                                     | 61                    |
| <b>Total investments by<br/>and distributions to<br/>owners</b> | 97                                    | 4,238                               | —                                      | 22                                 | 39                                    | 4,396                 |
| <b>At 31 December 2023</b>                                      | <u>129</u>                            | <u>42,212</u>                       | <u>518</u>                             | <u>93</u>                          | <u>(45,483)</u>                       | <u>(2,531)</u>        |

The notes on pages 17 to 36 form part of these financial statements.

**Black Swan Data Ltd**  
**Company Statement of Changes in Equity**  
**Year ended 31 December 2023**

|   | Called up<br>share<br>capital<br>£000 | Share<br>premium<br>account<br>£000 | Share<br>option<br>reserve<br>£000 | Profit and<br>loss<br>account<br>£000 | <b>Total<br/>£000</b> |
|---|---------------------------------------|-------------------------------------|------------------------------------|---------------------------------------|-----------------------|
| <b>At 1 January 2022</b>                                    | 15                                    | 24,335                              | 49                                 | (28,688)                              | (4,289)               |
| Loss for the year   | —                                     | —                                   | —                                  | (11,769)                              | (11,769)              |
| <b>Total comprehensive income for<br/>the year</b>          | —                                     | —                                   | —                                  | (11,769)                              | (11,769)              |
| Issue of shares   | 17                                    | 13,639                              | —                                  | —                                     | 13,656                |
| Share option charge   | —                                     | —                                   | 22                                 | —                                     | 22                    |
| <b>Total investments by and<br/>distributions to owners</b> | 17                                    | 13,639                              | 22                                 | —                                     | 13,678                |
| <b>At 31 December 2022</b>                                  | 32                                    | 37,974                              | 71                                 | (40,457)                              | (2,380)               |
| Loss for the year   | —                                     | —                                   | —                                  | (7,890)                               | (7,890)               |
| <b>Total comprehensive income for<br/>the year</b>          | —                                     | —                                   | —                                  | (7,890)                               | (7,890)               |
| Issue of shares   | 97                                    | 4,239                               | —                                  | —                                     | 4,336                 |
| Transfer to P&L reserve for lapsed /<br>exercised options   | —                                     | —                                   | (39)                               | 39                                    | —                     |
| Share option charge   | —                                     | —                                   | 61                                 | —                                     | 61                    |
| <b>Total investments by and<br/>distributions to owners</b> | 97                                    | 4,239                               | 22                                 | 39                                    | 4,397                 |
| <b>At 31 December 2023</b>                                  | <u>129</u>                            | <u>42,213</u>                       | <u>93</u>                          | <u>(48,308)</u>                       | <u>(5,873)</u>        |

The notes on pages 17 to 36 form part of these financial statements.

**Black Swan Data Ltd**  
**Consolidated Statement of Cash Flows**  
**Year ended 31 December 2023**

|   | <b>2023</b>       | 2022                |
|---|-------------------|---------------------|
|   | <b>£000</b>       | £000                |
| <b>Cash flows from operating activities</b>                 |                   |                     |
| Loss for the financial year                                 | (7,378)           | (11,700)            |
| <i>Adjustments for:</i>                                     |                   |                     |
| Depreciation of tangible assets                             | 89                | 64                  |
| Amounts written back to investments                         | –                 | 9                   |
| Government grant income                                     | (328)             | –                   |
| Interest payable and similar expenses                       | 457               | 604                 |
| Loss on disposal of tangible assets                         | –                 | 1                   |
| Tax on loss   | (595)             | (1,436)             |
| Accrued (income)/expenses                                   | (478)             | 188                 |
| Foreign exchange  | 553               | 179                 |
| Share-based payment charge                                  | 61                | 22                  |
| <i>Changes in:</i>  |                   |                     |
| Trade and other debtors                                     | 1,421             | (1,393)             |
| Trade and other creditors                                   | 573               | (1,068)             |
| Cash generated from operations                              | <u>(5,625)</u>    | <u>(14,530)</u>     |
| Interest paid   | (244)             | (604)               |
| Tax received  | 1,125             | 1,183               |
| Net cash used in operating activities                       | <u>(4,744)</u>    | <u>(13,951)</u>     |
| <b>Cash flows from investing activities</b>                 |                   |                     |
| Purchase of tangible assets                                 | (28)              | (77)                |
| Proceeds from sale of tangible assets                       | 9                 | (1)                 |
| Purchase of intangible assets                               | (604)             | –                   |
| Net cash used in investing activities                       | <u>(623)</u>      | <u>(78)</u>         |
| <b>Cash flows from financing activities</b>                 |                   |                     |
| Proceeds from issue of ordinary shares                      | 4,335             | 13,655              |
| Proceeds from borrowings                                    | (343)             | 1,307               |
| Government grant income                                     | 328               | –                   |
| Net cash from financing activities                          | <u>4,320</u>      | <u>14,962</u>       |
| <b>Net (decrease)/increase in cash and cash equivalents</b> | <b>(1,047)</b>    | <b>933</b>          |
| <b>Cash and cash equivalents at beginning of year</b>       | <b>1,246</b>      | <b>313</b>          |
| <b>Cash and cash equivalents at end of year</b>             | <b><u>199</u></b> | <b><u>1,246</u></b> |

The notes on pages 17 to 36 form part of these financial statements.

**Black Swan Data Ltd**  
**Notes to the Financial Statements**  
**Year ended 31 December 2023**

**1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Fora 1st Floor, Blue Fin Building, 110 Southwark Street, London, SE1 0SU, England.

**2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

**3. Accounting policies**

**Basis of preparation**

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

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

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

The presentational and functional currency of these financial statements is GBP, Values are rounded to the nearest thousand.

The following principal accounting policies have been applied:

**Going concern**

The directors have raised funds from existing shareholders and have assessed potential cost reduction possibilities in order to support the group's ongoing operations and continued revenue growth. Cash flow forecasts are underpinned by the current open sales pipeline. The assumptions underlying the forecasts have been challenged, verified and tested to establish likelihood of a range of possible outcomes including reasonable sensitivities.

Based on this, plus expected trade cash inflows, the Directors have reviewed the forecasts and confirm there that there is sufficient cash headroom to operate on a going concern for the next twelve months. The financial statements do not include any adjustments that would result if the group were unable to continue as a going concern.

On the basis of the group's current business activity, the directors have a reasonable expectation that the group will be able to continue operations for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**Disclosure exemptions**

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 3. Accounting policies *(continued)*

The parent company satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following reduced disclosures available under FRS 102:

- (a) Disclosures in respect of each class of share capital have not been presented.
- (b) No cash flow statement has been presented for the company.
- (c) Disclosures in respect of financial instruments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

#### Consolidation

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

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

In accordance with the transitional exemption available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102.

#### Judgements and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

#### Impairment of investments in subsidiaries

The directors have determined whether there are indicators of impairment of the Company's investments in subsidiaries. Factors taken into consideration in reaching such a decision include the economic viability and expected future performance of the investments.

Other key sources of estimation uncertainty include:

#### Revenue

Determining the amount of revenue to recognise in respect of project work ongoing at the period end. Factors considered in assessing the percentage of completion of a project include project phases and milestones.

#### Share based payments

The cost of equity-settled transactions with employees is measured with reference to their fair value at the date at which they are granted. Fair value is measured using the Black-Scholes option pricing model. Estimates are made in respect of volatility, time to expiry and numbers of options likely to vest.

#### Revenue recognition

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably.

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 3. Accounting policies *(continued)*

Turnover from contracts for the provision of software subscriptions and data access required to deliver professional services outputs are recognised monthly based on the number of months purchased and the amount per month.

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

#### **Income tax**

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

## **Black Swan Data Ltd**

### **Notes to the Financial Statements *(continued)***

#### **Year ended 31 December 2023**

#### **3. Accounting policies *(continued)***

##### **Foreign currencies**

##### **Functional and presentation currency**

The Company's functional and presentational currency is GBP.

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses are presented in the Consolidated Statement of Comprehensive Income within administrative expenses.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

##### **Operating leases**

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 3. Accounting policies *(continued)*

##### Intangible assets

##### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of 5 years.

##### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

##### Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

|                     |   |                       |
|---------------------|---|-----------------------|
| Goodwill            | - | 5 years straight line |
| Patents             | - | 5 years straight line |
| Product Development | - | 3 years straight line |

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

##### Research and development

Research and development costs are generally recognised as an expense when they are incurred. During the year, the company commenced work, alongside a major customer, on the joint development of a new product, due to be launched in Q4 2024. Costs relating to this are currently being capitalised and will be amortised over 3 years once the product has been launched. The Group qualifies for R&D tax relief and this has been recorded directly to the tax charge. Total qualifying R&D expenditure expensed for the period was £2.545m (2022: £3.544m).

##### Tangible assets

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

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 3. Accounting policies *(continued)*

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                       |   |                             |
|-----------------------|---|-----------------------------|
| Fixtures and fittings | - | 33% per annum straight line |
| Computer equipment    | - | 33% per annum straight line |

##### Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

##### Investments in associates

Investments in associates are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate.

##### Investments in joint ventures

Investments in joint ventures are accounted for using the equity method of accounting, whereby the investment is initially recognised at the transaction price and subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the joint venture.

##### Impairment of fixed assets

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

##### Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 3. Accounting policies *(continued)*

##### Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" 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, with 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 trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

##### Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

##### Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

##### 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 the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 3. Accounting policies *(continued)*

measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

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

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

#### **Derecognition of financial instruments**

##### **Derecognition of financial assets**

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Group transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Group will continue to recognise the value of the portion of the risks and rewards retained.

##### **Derecognition of financial liabilities**

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

##### **Defined contribution plans**

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

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

#### 4. Turnover

Turnover arises from:

|                       | <b>2023</b>  | <b>2022</b>  |
|-----------------------|--------------|--------------|
|                       | <b>£000</b>  | <b>£000</b>  |
| Rendering of services | <u>7,421</u> | <u>6,538</u> |

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

**4. Turnover *(continued)***

The turnover is attributable to the one principal activity of the group. An analysis of turnover by the geographical markets that substantially differ from each other is given below:

|                   | <b>2023</b>  | 2022         |
|-------------------|--------------|--------------|
|                   | <b>£000</b>  | £000         |
| United Kingdom    | 361          | 606          |
| USA               | 5,783        | 4,022        |
| Rest of the world | 1,459        | 1,910        |
|                   | <u>7,421</u> | <u>6,538</u> |

**5. Other operating income**

|                         | <b>2023</b> | 2022     |
|-------------------------|-------------|----------|
|                         | <b>£000</b> | £000     |
| Government grant income | 328         | –        |
|                         | <u>328</u>  | <u>–</u> |

**6. Operating loss**

Operating profit or loss is stated after charging:

|                                     | <b>2023</b> | 2022       |
|-------------------------------------|-------------|------------|
|                                     | <b>£000</b> | £000       |
| Depreciation of tangible assets     | 89          | 119        |
| Loss on disposal of tangible assets | –           | 1          |
| Impairment of trade debtors         | 120         | 50         |
| Foreign exchange differences        | 184         | 376        |
|                                     | <u>393</u>  | <u>546</u> |

**7. Auditor's remuneration**

|  | <b>2023</b> | 2022      |
|--|-------------|-----------|
|  | <b>£000</b> | £000      |
| Fees payable for the audit of the financial statements                       | 20          | 55        |
|  | <u>20</u>   | <u>55</u> |
| Fees payable to the company's auditor and its associates for other services: |             |           |
| Taxation advisory services   | 1           | 4         |
| Other non-audit services   | 4           | 10        |
|  | <u>5</u>    | <u>14</u> |

**8. Staff costs**

The average number of persons employed by the group during the year, including the directors, amounted to:

|                      | <b>2023</b> | 2022       |
|----------------------|-------------|------------|
|                      | <b>No.</b>  | No.        |
| Administrative staff | 126         | 165        |
| Management staff     | 2           | 2          |
|                      | <u>128</u>  | <u>167</u> |

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

**8. Staff costs *(continued)***

The aggregate payroll costs incurred during the year, relating to the above, were:

|                       | <b>2023</b>  | <b>2022</b>  |
|-----------------------|--------------|--------------|
|                       | <b>£000</b>  | <b>£000</b>  |
| Wages and salaries    | 8,203        | 8,516        |
| Social security costs | 663          | 779          |
| Other pension costs   | 306          | 344          |
|                       | <u>9,172</u> | <u>9,639</u> |

**9. Directors' remuneration**

The directors' aggregate remuneration in respect of qualifying services was:

|   | <b>2023</b> | <b>2022</b> |
|---|-------------|-------------|
|   | <b>£000</b> | <b>£000</b> |
| Remuneration  | 371         | 419         |
| Company contributions to defined contribution pension plans | 60          | 21          |
|   | <u>431</u>  | <u>440</u>  |

Remuneration of the highest paid director in respect of qualifying services:

|   | <b>2023</b> | <b>2022</b> |
|---|-------------|-------------|
|   | <b>£000</b> | <b>£000</b> |
| Aggregate remuneration                                      | 197         | 213         |
| Company contributions to defined contribution pension plans | 14          | 14          |
|   | <u>211</u>  | <u>227</u>  |

**10. Interest payable and similar expenses**

|  | <b>2023</b> | <b>2022</b> |
|--|-------------|-------------|
|  | <b>£000</b> | <b>£000</b> |
| Interest on banks loans and overdrafts | 457         | 604         |

**11. Tax on loss**

**Major components of tax income**

|   | <b>2023</b>  | <b>2022</b>    |
|---|--------------|----------------|
|   | <b>£000</b>  | <b>£000</b>    |
| <b>Current tax:</b>                     |              |                |
| UK current tax income                   | (691)        | (1,155)        |
| Foreign tax expense                     | 96           | -              |
| Adjustments in respect of prior periods | -            | (281)          |
| Total current tax                       | <u>(595)</u> | <u>(1,436)</u> |
| <b>Tax on loss</b>                      | <u>(595)</u> | <u>(1,436)</u> |

Black Swan Data Ltd has £27.915m (2022: £21.,370) available for carry forward against future trading profits. No deferred tax asset has been recognised on these losses due to uncertainty of future taxable profit.

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 11. Tax on loss *(continued)*

##### Reconciliation of tax income

The tax assessed on the loss on ordinary activities for the year is lower than (2022: higher than) the standard rate of corporation tax in the UK of 19% (2022: 19%).

|   | <b>2023</b>  | 2022           |
|---|--------------|----------------|
|   | <b>£000</b>  | £000           |
| Loss on ordinary activities before taxation                 | (7,973)      | (13,136)       |
| Loss on ordinary activities by rate of tax                  | (1,515)      | (2,496)        |
| Adjustment to tax charge in respect of prior periods        | –            | 190            |
| Effect of expenses not deductible for tax purposes          | 49           | 177            |
| Effect of capital allowances and depreciation               | 12           | 1              |
| Additional deduction for R&D expenditure                    | (567)        | (875)          |
| Surrender of tax losses for R&D tax credit refund           | 963          | 367            |
| Movement in deferred tax not recognised and other movements | 463          | 1,670          |
| Prior year tax provision                                    | –            | (470)          |
| Tax on loss   | <u>(595)</u> | <u>(1,436)</u> |

#### 12. Intangible assets

| Group                                  | Goodwill   | Development costs | Patents, trademarks and licences | Total        |
|--|------------|-------------------|----------------------------------|--------------|
|  |            |                   |                                  |              |
| <b>Cost</b>                            |            |                   |                                  |              |
| At 1 January 2023                      | 764        | –                 | 79                               | 843          |
| Additions from internal developments   | –          | 604               | –                                | 604          |
| <b>At 31 December 2023</b>             | <u>764</u> | <u>604</u>        | <u>79</u>                        | <u>1,447</u> |
| <b>Amortisation</b>                    |            |                   |                                  |              |
| At 1 January 2023 and 31 December 2023 | 764        | –                 | 79                               | 843          |
| <b>Carrying amount</b>                 |            |                   |                                  |              |
| At 31 December 2023                    | –          | 604               | –                                | 604          |
| At 31 December 2022                    | –          | –                 | –                                | –            |

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 12. Intangible assets *(continued)*

| Company                                | Development costs<br>£000 | Patents, trademarks<br>and licences<br>£000 | Total<br>£000 |
|--|---------------------------|---|---------------|
| <b>Cost</b>                            |                           |   |               |
| At 1 January 2023                      | –                         | 79  | 79            |
| Additions from internal developments   | 604                       | –   | 604           |
| <b>At 31 December 2023</b>             | <u>604</u>                | <u>79</u>                                   | <u>683</u>    |
| <b>Amortisation</b>                    |                           |   |               |
| At 1 January 2023 and 31 December 2023 | –                         | 79  | 79            |
| <b>Carrying amount</b>                 |                           |   |               |
| At 31 December 2023                    | <u>604</u>                | <u>–</u>                                    | <u>604</u>    |
| At 31 December 2022                    | <u>–</u>                  | <u>–</u>                                    | <u>–</u>      |

#### 13. Tangible assets

| Group                      | Fixtures and fittings<br>£000 | Equipment<br>£000 | Total<br>£000 |
|----------------------------|-------------------------------|-------------------|---------------|
| <b>Cost</b>                |                               |                   |               |
| At 1 January 2023          | 198                           | 848               | 1,046         |
| Additions                  | –                             | 28                | 28            |
| Disposals                  | (7)                           | (22)              | (29)          |
| Revaluations               | (5)                           | (18)              | (23)          |
| Transfers                  | –                             | 1                 | 1             |
| <b>At 31 December 2023</b> | <u>186</u>                    | <u>837</u>        | <u>1,023</u>  |
| <b>Depreciation</b>        |                               |                   |               |
| At 1 January 2023          | 151                           | 705               | 856           |
| Charge for the year        | 11                            | 78                | 89            |
| Disposals                  | (6)                           | (14)              | (20)          |
| Revaluations               | (3)                           | (10)              | (13)          |
| Transfers                  | 13                            | (13)              | –             |
| <b>At 31 December 2023</b> | <u>166</u>                    | <u>746</u>        | <u>912</u>    |
| <b>Carrying amount</b>     |                               |                   |               |
| At 31 December 2023        | <u>20</u>                     | <u>91</u>         | <u>111</u>    |
| At 31 December 2022        | <u>47</u>                     | <u>143</u>        | <u>190</u>    |

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 13. Tangible assets *(continued)*

| Company                    | Fixtures and fittings<br>£000 | Equipment<br>£000 | Total<br>£000 |
|----------------------------|-------------------------------|-------------------|---------------|
| <b>Cost</b>                |                               |                   |               |
| At 1 January 2023          | 114                           | 624               | 738           |
| Additions                  | –                             | 16                | 16            |
| Disposals                  | –                             | (4)               | (4)           |
| Transfers                  | (1)                           | 1                 | –             |
| <b>At 31 December 2023</b> | <u>113</u>                    | <u>637</u>        | <u>750</u>    |
| <b>Depreciation</b>        |                               |                   |               |
| At 1 January 2023          | 109                           | 589               | 698           |
| Charge for the year        | 3                             | 25                | 28            |
| Disposals                  | –                             | (3)               | (3)           |
| Transfers                  | 1                             | (1)               | –             |
| <b>At 31 December 2023</b> | <u>113</u>                    | <u>610</u>        | <u>723</u>    |
| <b>Carrying amount</b>     |                               |                   |               |
| <b>At 31 December 2023</b> | <u>–</u>                      | <u>27</u>         | <u>27</u>     |
| At 31 December 2022        | <u>5</u>                      | <u>35</u>         | <u>40</u>     |

#### 14. Investments

##### Group

The group has no investments.

##### Company

|  | Shares in group undertakings<br>£000 |
|--|--------------------------------------|
| <b>Cost</b>                            |                                      |
| At 1 January 2023 and 31 December 2023 | <u>151</u>                           |
| <b>Impairment</b>                      |                                      |
| At 1 January 2023                      | –                                    |
| Impairment losses                      | 7                                    |
| <b>At 31 December 2023</b>             | <u>7</u>                             |
| <b>Carrying amount</b>                 |                                      |
| <b>At 31 December 2023</b>             | <u>144</u>                           |
| At 31 December 2022                    | <u>151</u>                           |

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### Subsidiaries, associates and other investments

Details of the investments in which the parent company has an interest of 20% or more are as follows:

| Subsidiary undertakings           | Registered office  | Class of share | Percentage of shares held |
|-----------------------------------|--|----------------|---------------------------|
| Black Swan Trends Limited         | 15 <sup>th</sup> Floor, Wework 10 York Road, London, SE1 7ND               | Ordinary       | 100                       |
| Black Swan Data Inc.              | 850 New Burton Road, Suite 201, Dover, Kent, Delaware, 19904, USA          | Ordinary       | 100                       |
| Black Swan Hungary Kft            | 1065 Budapest, Nagymezo utca 44, Hungary                                   | Ordinary       | 100                       |
| Black Swan Technologies (PTY) Ltd | 77 Glen Anil Street, Glen Anil, Durban, KWA-ZULU NATAL, 4051, South Africa | Ordinary       | 100                       |

Black Swan Trends Ltd was dissolved on 28 May 2024.

#### Other investment

The company holds a 9% shareholding in Dragonfly Technology Solutions Ltd, representing 968,000 ordinary shares. No value is carried in the accounts for this investment.

#### 15. Debtors

|                                    | Group        |              | Company      |              |
|------------------------------------|--------------|--------------|--------------|--------------|
|                                    | 2023         | 2022         | 2023         | 2022         |
|                                    | £000         | £000         | £000         | £000         |
| Trade debtors                      | 1,546        | 1,293        | 420          | 854          |
| Amounts owed by group undertakings | —            | —            | —            | 98           |
| Prepayments and accrued income     | 866          | 1,051        | 259          | 498          |
| Corporation tax repayable          | 691          | 2,364        | 380          | 2,364        |
| Other debtors                      | 424          | 1,146        | 581          | 998          |
|                                    | <u>3,527</u> | <u>5,854</u> | <u>1,640</u> | <u>4,812</u> |

Included within other debtors is an R&D tax debtor of £0.691m (2022: £2.364m).

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

#### 16. Creditors: amounts falling due within one year

|                                    | 2023         | Group<br>2022 | 2023         | Company<br>2022 |
|------------------------------------|--------------|---------------|--------------|-----------------|
|                                    | £000         | £000          | £000         | £000            |
| Bank loans and overdrafts          | 1,744        | 387           | 1,528        | 41              |
| Trade creditors                    | 1,293        | 910           | 1,260        | 823             |
| Amounts owed to group undertakings | –            | –             | 2,249        | 2,427           |
| Accruals and deferred income       | 2,298        | 2,939         | 2,240        | 2,768           |
| Social security and other taxes    | 137          | 213           | –            | 155             |
| Other creditors                    | 142          | 89            | (13)         | –               |
|                                    | <u>5,614</u> | <u>4,538</u>  | <u>7,264</u> | <u>6,214</u>    |

#### 17. Creditors: amounts falling due after more than one year

|                           | 2023         | Group<br>2022 | 2023         | Company<br>2022 |
|---------------------------|--------------|---------------|--------------|-----------------|
|                           | £000         | £000          | £000         | £000            |
| Bank loans and overdrafts | <u>1,358</u> | <u>2,845</u>  | <u>1,101</u> | <u>2,263</u>    |

#### 18. Loans

|  | Group 2023   | Group 2022   | Company<br>2023 | Company<br>2022 |
|--|--------------|--------------|-----------------|-----------------|
|  | £000         | £000         | £000            | £000            |
| <b>Amounts falling due within one year</b> |              |              |                 |                 |
| Bank loans                                 | 928          | 41           | 928             | 41              |
| Other loans                                | 817          | 348          | 600             | –               |
| <b>Amounts falling due 1-2 years</b>       |              |              |                 |                 |
| Bank loans                                 | 1,089        | 2,263        | 1,089           | 2,263           |
| Other loans                                | 219          | –            | –               | –               |
| <b>Amounts falling due 2-5 years</b>       |              |              |                 |                 |
| Bank loans                                 | 11           | –            | 11              | –               |
| Other loans                                | 39           | 582          | –               | –               |
| <b>Total</b>                               | <u>3,103</u> | <u>3,234</u> | <u>2,628</u>    | <u>2,304</u>    |

In January 2021, the Company received a loan of £50,000 as part of the U.K. government's Bounce Back loan scheme. The loan has a maturity period of 5 years, with interest accruing at 2.5% per annum from the first year anniversary. The outstanding balance at year end was £30,833 (2022: £50,000), with £22,000 (2022: £41,000) being included in amounts falling due after 1 year.

In February 2021, Black Swan Data Inc, received a loan of \$1,119,000 as part of the U.S. federal government's Paycheck Protection Program (PPP). The loan has a maturity period of 5 years from the drawdown date, with interest accruing at 1% per annum. On 20 July, 2023 the SBA accepted a forgiveness application of \$417,210. The outstanding balance at the year end was \$610,948 (\$930,000), with \$328,000 (2022: \$611,000) being included in amounts falling due after 1 year.

## **Black Swan Data Ltd**

### **Notes to the Financial Statements *(continued)***

#### **Year ended 31 December 2023**

In January 2022, the company received a growth finance term loan from Wuessen Lending S.à.r.l for the value of £3m. The term of the loan was 36 months at a fixed interest rate of 11.00% per annum. In July 2023 a 12 month payment holiday was agreed with a cost of £6,000 per month for 12 months restructure fee, an additional 2% on the coupon rate thereafter and a maturity fee also applied at settlement of £195,000. The outstanding balance at the yearend was £1.998m (2022: £2.263m) with £1.079m (2022: £1.764m) being included in amounts falling due after 1 year.

This loan was settled in full on 21<sup>st</sup> February 2024

In December 2023, the Company received a loan of £600,000 from a shareholder as a bridging loan, in wait of a significant customer receipt. The loan is presented as less than one year and has no interest charged. This loan was settled in full on 26 February 2024.

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

Year ended 31 December 2023

#### 19. Employee benefits

##### Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £306,310 (2022: £344,494).

#### 20. Government grants

The amounts recognised in the financial statements for government grants are as follows:

|   | 2023<br>£000 | Group<br>2022<br>£000 | 2023<br>£000 | Company<br>2022<br>£000 |
|---|--------------|-----------------------|--------------|-------------------------|
| Recognised in other operating income:           |              |                       |              |                         |
| Government grants recognised directly in income | 328          | —                     | —            | —                       |

The grant income represents amounts forgiven during the year by the US government on a Paycheck Protection Programme loan granted in 2021.

#### 21. Financial instruments

The carrying amount for each category of financial instrument is as follows:

##### Financial assets that are debt instruments measured at amortised cost

|  | Group<br>2023<br>£000 | 2022<br>£000 |
|--|-----------------------|--------------|
|--|-----------------------|--------------|

##### Financial liabilities measured at amortised cost

|  | Group<br>2023<br>£000 | 2022<br>£000 |
|--|-----------------------|--------------|
|--|-----------------------|--------------|

#### 22. Called up share capital

##### Issued, called up and fully paid

|   | 2023               |                | 2022               |               |
|---|--------------------|----------------|--------------------|---------------|
|   | No.                | £              | No.                | £             |
| A Ordinary shares of £0.001 each        | 11,595,903         | 11,596         | 11,595,903         | 11,596        |
| B Ordinary shares of £0.001 each        | 2,119,713          | 2,120          | 2,119,037          | 2,119         |
| Deferred Series 1 shares of £0.001 each | 34,500             | 35             | 34,500             | 35            |
| B Preference shares of £0.0001 each     | 46,410,806         | 464            | 46,410,803         | 464           |
| C Preference shares of £0.001 each      | 31,956,887         | 31,957         | 31,956,887         | 31,957        |
| C1 Preference shares of £0.001 each     | 66,452,493         | 66,452         | 36,765,076         | 36,765        |
| C0 Preference shares of £0.001 each     | 16,242,375         | 16,242         | —                  | —             |
|   | <u>174,812,677</u> | <u>128,866</u> | <u>128,882,206</u> | <u>82,936</u> |

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 22. Called up share capital *(continued)*

'A' ordinary and 'B' ordinary classes of share capital rank pari passu in relation to voting rights, receipt of dividends and a prorata entitlement to capital upon winding up or other repayment.

'B' preference shares rank pari passu in relation to voting rights and receipt of dividends. In addition to a pro rata share of surplus assets upon winding up or other repayment, there is an entitlement to a further £1 per share in issue.

'C', 'C0' and 'C1' preference shares rank pari passu in relation to voting rights and receipt of dividends. In addition to a pro rata share of surplus assets upon winding up or other repayment, there is an entitlement to a further £1 per share in issue.

Deferred shares do not confer any voting rights and can be redeemed by the company at any time for £1 each. Furthermore, the receipt of dividends and entitlement to capital upon winding up or other repayment is limited to £1 per share in issue.

During 2023, the Company issued total of 56,865 'A' ordinary shares with an aggregate nominal value of £57 for a total consideration of £3,000.

During 2023, the Company issued a total of 16,242,375 'C' preference shares and 29,687,417 'C1' preference shares and with an aggregate nominal value of £82,695 for a total consideration of £4.335m.

#### 23. Reserves

The group and company's capital and reserves are as follows:

##### **Share premium account**

Comprises the premium on issue of equity shares, net of any issue costs.

##### **Share based payment reserve**

Comprises the cumulative share option charge of share options granted.

##### **Foreign exchange reserve**

Represents the translation of subsidiaries.

##### **Profit and loss account**

Represents accumulated profit/(loss) since the date of incorporation less distributions to shareholders and other adjustments.

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 24. Share-based payments

The company operates unapproved share option and EMI share option plans for its employees. The directors have an absolute discretion as to the selection of the persons to whom an option is granted by the company.

The options are granted with a fixed exercise price and are exercisable up to 10 years after the date of the grant, with a vesting period of up to 48 months. Attached to the options is a service condition.

|  | WAEP<br>(pence)<br>2023 | Number<br>2023 | WAEP<br>(pence)<br>2022 | Number<br>2022 |
|--|-------------------------|----------------|-------------------------|----------------|
| Outstanding at the beginning of the year | 16                      | 7,864,230      | 14                      | 5,971,321      |
| Cancelled during the year                |                         |                |                         |                |
| Granted during year                      | 5                       | 28,221,124     | 18                      | 2,956,564      |
| Forfeited during the year                |                         |                |                         |                |
| Exercised during the year                | 5                       | (58,119)       |                         |                |
| Lapsed during the year                   | 9                       | (2,831,159)    | 12                      | (1,063,655)    |
| Outstanding at the end of the year       | 7                       | 33,196,076     | 16                      | 7,864,230      |

The options outstanding at 31 December 2022 have an exercise price ranging from £0.01 to £0.18 (2022: £0.01 to £0.18), and a remaining contractual life of up to 36 months (2022 - 36 months).

The weighted average fair value of the options granted in the period was determined using the Black-Scholes option pricing model. The Black-Scholes model is considered to apply the most appropriate valuation method due to the relatively short contractual lives of the options and the requirement to exercise within a short period after the employee becomes entitled to the shares (the "vesting date").

The following information is relevant in the determination of the fair value of options granted under the equity-settled share-based remuneration schemes:

|  |      |
|--|------|
|  | 2023 |
| Weighted average share price at grant date (pence) | 2    |
| Weighted average exercise price (pence)            | 5    |
| Volatility (%)                                     | 29   |
| Weighted average vesting period (years)            | 35   |
| Risk free rate (%)                                 | 4    |

|  |      |      |
|--|------|------|
|  | 2023 | 2022 |
|  | £000 | £000 |
| Expenses arising from share option plans | 61   | 22   |

#### 25. Analysis of changes in net debt

|                          | At<br>1 Jan 2023 | Cash flows   | At<br>31 Dec 2023 |
|--------------------------|------------------|--------------|-------------------|
|                          | £000             | £000         | £000              |
| Cash at bank and in hand | 1,246            | (1,047)      | 199               |
| Debt due within one year | (387)            | (1,357)      | (1,744)           |
| Debt due after one year  | (2,845)          | 1,487        | (1,358)           |
|                          | <u>(1,986)</u>   | <u>(917)</u> | <u>(2,903)</u>    |

## Black Swan Data Ltd

### Notes to the Financial Statements *(continued)*

#### Year ended 31 December 2023

#### 26. Operating leases

The total future minimum lease payments under non-cancellable operating leases are as follows:

|  | 2023           | Group<br>2022  | 2023           | Company<br>2022 |
|--|----------------|----------------|----------------|-----------------|
|  | £000           | £000           | £000           | £000            |
| Not later than 1 year                        | 294,378        | 389,861        | 294,378        | 249,395         |
| Later than 1 year and not later than 5 years | 192,327        | 29,727         | 192,327        | –               |
|  | <u>486,705</u> | <u>419,588</u> | <u>486,705</u> | <u>249,395</u>  |

#### 27. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group amounted to £306,000 (2022 - £418,000). Contributions totalling £18,000 (2022 - £8,000) were payable at the balance sheet date and are included in other creditors.

#### 28. Events after the end of the reporting period

In February 2024, the loan with Wuessen Lending S.à.r.l was repaid in full. It was replaced with a convertible loan for £2.5m with repayments commencing in March 2025.

In February 2024, two short term loan agreements, totalling £500k were agreed with two Company Directors. On both loans the repayments commence in March, 2025.

An additional loan facility of £1.3m has been agreed by the board and as of 25 September 2024, £0.9m of this has been drawn down.

#### 29. Related party transactions

##### Company

The Company has taken advantage of the exemption under FRS 102 Section 33.1A from the requirement to disclose transactions with group companies.

#### 30. Controlling party

At the balance sheet date, there was no single controlling party of the reporting entity.