

KIN AND CARTA GROUP LIMITED
UNAUDITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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KIN AND CARTA GROUP LIMITED

COMPANY INFORMATION

Directors	G C Kutsor D Fattal M F Gallagher K Manthey (appointed 17 August 2022)
Company secretary	D Fattal
Registered number	08417677
Registered office	The Spitfire Building 71 Collier Street London N1 9BE

KIN AND CARTA GROUP LIMITED

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KIN AND CARTA GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 JULY 2022

Strategic Report

The Directors present the Strategic Report, their Directors' Report and the unaudited financial statements for the year ended 31 July 2022 ("the financial year" or "year"). Comparative figures are for the year ended 31 July 2021 ("2021"). The Directors, in preparing this Strategic Report, have complied with s414C of the Companies Act 2006.

Principal Activities

Kin and Carta Group Limited ("the Company") is a wholly-owned subsidiary of Kin and Carta plc (together, Kin and Carta plc and its subsidiaries are "the Group") and operates as an intermediate holding company within the Group. There have not been any significant changes in the Company's principal activities in the period under review.

The Directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next financial year.

KIN AND CARTA GROUP LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Business review and key performance indicators

The Company's loss for the year after tax, as shown in the Statement of Comprehensive Income on page 8 of the financial statements, amounted to £32,512,577 (2021: loss of £9,437,930). The Company's total comprehensive expense, which includes the dividends received, amounted to £9,106,774 (2021: £1,617,418).

The loss for the year mainly consists of the profit on disposal of subsidiaries of £5,796,605 (2021: *£nil*), the impairment of investments of £45,813,603 (2021: £8,132,502), the impairment of amounts owed from Group undertakings of £175,909 (2021: *£nil*), and forgiveness of amounts owed to Group undertakings of £7,901,931 (2021: *£nil*) (which are detailed below):

- £5,796,605 profit on disposal of subsidiaries relating to Incite Marketing Planning Limited and Incite New York LLC (together, "Incite") (disposed on 28 September 2021), Edit Agency Limited ("Edit") (disposed on 12 November 2021) and Relish Agency Limited ("Relish") (disposed on 4 November 2021).
- £29,894,420 impairment of the investment in Realise Holdings Limited, following the transfer of trade and net liabilities from its subsidiary, Kin and Carta Scotland Limited (formerly Kin and Carta Connect Europe Limited), to Kin and Carta UK Limited (formerly Kin and Carta Create Europe Limited) during the year.
- £7,725,251 impairment of the investment in Amaze Limited following the transfer of trade and assets to Kin and Carta Scotland Limited (formerly Kin and Carta Connect Europe Limited) during the year.
- £5,891,000 impairment of the investment in Response One Holdings Limited following the sale of its subsidiary, Edit during the year.
- £1,613,049 impairment of the investment in Occam DM Limited following the transfer of its trade and assets to Edit during a prior year and the subsequent sale of Edit during the current year.
- £460,000 impairment of the investment in Kin and Carta Services UK Limited (formerly Kin and Carta Advise Europe Limited) after the investment was deemed irrecoverable following Group restructuring.
- £173,232 impairment of the investment in Branded3 Search Limited following the cessation of trade in the company.
- £56,651 impairment of the investment in Kin and Carta Greece Μοτοπορωπη Ι.Κ.Ε. after the investment was deemed irrecoverable following Group restructuring.
- £5,144,479 forgiveness of an intercompany loan payable balance with Amaze Limited through the cancellation of a promissory note on 29 July 2022, which forms part of the plan to liquidate the entity within the next financial year.
- £2,757,452 impairment of an forgiveness loan payable balance with Response One Holdings through the cancellation of a promissory note on 29 July 2022, which forms part of the plan to liquidate the entity within the next financial year.
- £175,909 impairment of a loan receivable balance with Kin and Carta Marketing Services (Singapore) Pte. Limited due to the entity being liquidated.

The balance sheet on page 9 of the financial statements shows that the Company's net assets are £26,612,260 (2021: £504,780).

Trading in the non-dormant subsidiaries of the Company remains robust and the value in use, measured as the discounted value of future cash flows, of those subsidiaries is significantly in excess of their carrying values in the Company's balance sheet. The values in use of several of the Company's direct or indirect subsidiaries are set out in the 2022 Annual Report and Accounts of Kin and Carta plc, note 37.

The following significant transactions were completed during the year:

- On 19 August 2021, the Company reduced its share capital from £5,000,005 to £5.00 by cancelling and extinguishing 5,000,000 of the issued ordinary shares of £1.00 each, each of which were fully paid up. This share capital reduction increased the Company's distributable reserves by £5,000,000.
- On 26 August 2021, the Company allotted 460,000 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.
- On 26 August 2021, the Company contributed £460,000 in cash to its 100% direct subsidiary Kin and Carta Services UK Limited (formerly Kin and Carta Advise Europe Limited), in return the Company received 460,000 ordinary shares of £1.00 each from Kin and Carta Services UK Limited (formerly Kin and Carta Advise Europe Limited) as consideration.

KIN AND CARTA GROUP LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

- On 2 September 2021, the Company reduced its share capital from £460,005 to £5.00 by cancelling and extinguishing 460,000 of the issued ordinary shares of £1.00 each, each of which were fully paid up. This share capital reduction increased the Company's distributable reserves by £460,000.
- On 15 September 2021, the Company acquired the minority partnership interest of 23.92% in Big Screen Productions 11 LLP from Edit Agency Limited for consideration of £1.00.
- On 20 September 2021, the Company allotted 200,000 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.
- On 28 September 2021, the Company sold 100% of the issued shares of Incite Marketing Planning Limited to a third party with a carrying value of £11,409,885 for a consideration of £13,487,820, which generated a profit of £2,077,935. The £2,077,935 increased the Company's available distributable reserves.
- On 25 October 2021, the Company allotted 42,556,757 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc, for non-cash consideration of the release of the Company's debt to Kin and Carta plc in the amount of £42,556,757.
- On 25 October 2021, the Company subscribed for 1 ordinary share of £1.00 in the capital of Relish Agency Limited for total consideration of £660,000 in cash.
- On 25 October 2021 the Company received a cash dividend of £2,200,000 from its 100% direct subsidiary Realise Holdings Limited. The £2,200,000 increased the Company's distributable reserves.
- On 25 October 2021, the Company received a cash dividend of USD 5,000,000 equivalent to £3,641,338 from Kin and Carta Services LLC (formerly, Kin and Carta Marketing Services (Delaware) LLC). The £3,662,735 received increased the Company's available distributable reserves.
- On 25 October 2021, the Company paid a dividend of £3,300,000 to its sole shareholder, Kin and Carta plc.
- On 4 November 2021, the Company sold 100% of the issued shares of Relish Agency Limited to a third party with a carrying value of £660,000 for a consideration of £5,813,919, which generated a profit of £5,153,919. The £5,153,919 profit increased the Company's available distributable reserves.
- On 16 November 2021, the Company received a cash dividend of £10,300,000 from Response One Holdings Limited, following Response One Holdings Limited disposing of its full investment in Edit Agency Limited. The £10,300,000 received increased the Company's available distributable reserves.
- On the same day, following the distribution received above, the Company impaired its investment in Response One Holdings Limited by £3,133,548.
- On 16 November 2021, the Company paid dividends totaling £17,717,472 to its sole shareholder, Kin and Carta plc.
- On 16 November, the Company received a cash dividend of USD 5,000,000 equivalent to £3,717,472 from its 100% direct subsidiary Kin and Carta Americas Holdings LLC (formerly, Kin and Carta Illinois LLC). The £3,717,472 increased the Company's available distributable reserves.
- On 19 January 2022, the Company acquired 100% of the issued shares of Kin and Carta Marketing Planning Singapore Pte. Ltd. from Kin and Carta Marketing Services (Singapore) Pte. Ltd. for total consideration of SGD 1.00. Kin and Carta Marketing Planning Singapore Pte. Ltd. subsequently entered into voluntary liquidation on 27 January 2022, along with fellow Singapore subsidiary, Kin and Carta Marketing Services (Singapore) Pte. Ltd.
- On 9 May 2022 the Company completed the acquisition of Melon AD and its subsidiaries ("Melon Group"), a privately held digital transformation consulting firm with a presence in Bulgaria, North Macedonia and Kosovo.
- On 12 May 2022, the Company allotted 5,500,000 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.
- On 17 May 2022, the Company reduced its share capital from £48,256,762 to £100 by cancelling and extinguishing 48,256,662 of the issued ordinary shares of £1.00, each of which were fully paid up. This share capital reduction increased the Company's distributable reserves by £48,256,762.
- On 4 July 2022, the Company paid a dividend of £4,000,000 to its sole shareholder, Kin and Carta plc.
- On 5 July 2022, the Company paid a dividend of £112,289 to its sole shareholder, Kin and Carta plc.
- On 7 July 2022, the Company allotted 18,977,374 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.
- On 14 July 2022, the Company paid a dividend of £1,155,143 to its sole shareholder, Kin and Carta plc.

KIN AND CARTA GROUP LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

- On 28 July 2022, the Company contributed the membership interests it held in Kin and Carta Services LLC to Kin and Carta Americas Holdings LLC. In exchange, Kin and Carta Americas Holdings LLC issued the Company an additional 10,000 units of membership interest.
- On 29 July 2022, the Company received a dividend of £402,818 from its subsidiary, Kin and Carta Services UK Limited (formerly Kin and Carta Advise Europe Limited). This dividend was received as part of a step process plan to liquidate Kin and Carta Services UK Limited (formerly Kin and Carta Advise Europe Limited) within the next financial year.
- On 29 July 2022, the Company received a dividend of £3,122,778 from its subsidiary, Realise Holdings Limited. This dividend was received as part of a step process plan to liquidate Realise Holdings Limited within the next financial year.
- On 29 July 2022, the Company paid a dividend of £6,194,974 to its sole shareholder, Kin and Carta plc.

The following transactions were completed after the Company's balance sheet date:

- On 19 August 2022, the Company received a cash dividend of USD 265,347 equivalent to £228,040 from its 100% direct subsidiary Kin and Carta Americas Holdings LLC (formerly, Kin and Carta Illinois LLC). The £228,040 increased the Company's available distributable reserves.
- On 23 August 2022, the Company received a dividend of £1,499,950 from its subsidiary, Realise Holdings Limited. This dividend was received from Realise Holdings Limited as part of the winding down of the operations of its subsidiary, Kin and Carta Scotland Limited as its trade and net liabilities were sold to Kin and Carta UK Limited on 30 June 2022. Kin and Carta Scotland Limited no longer trades and only holds leases.
- On 24 October 2022, the Company incorporated a wholly owned subsidiary in Bulgaria: Kin and Carta Services Bulgaria EOOD.
- On 27 October 2022, the Company received a dividend of £38,661 from its subsidiary, Realise Holdings Limited. The nature of this dividend was the same as detailed above.
- On 28 October 2022, the Company purchased the entire issued share capital (represented by 1 ordinary share of £0.01) of Kin and Carta Scotland Limited from Realise Holdings Limited for total consideration of £0.01.
- On 23 February 2023, the Company purchased the entire share capital (represented by 1 ordinary share of £1.00) of Amaze (Europe) Limited for total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 1 ordinary share of £1.00) of Amaze (Holdings) Limited for total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 556,200 ordinary shares of £0.10) of Amaze Communication Services (Holdings) Limited for total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 100 ordinary shares of £1.00) of Amaze Communication Services Limited for a total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 1,931 ordinary shares of £1.00) of Amaze Technology Limited for a total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 10,124,000 ordinary shares of £0.001 and 1,786,000 A ordinary shares of £0.001) of Okana Systems Limited for a total consideration of £2.00.
- On 24 February 2023, the investment in Amaze (Europe) Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Amaze (Holdings) Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Amaze Communication Services (Holdings) Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Amaze Communication Services Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Amaze Technology Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Okana Systems Limited of £2.00 was impaired due to an intention to liquidate the entity.

KIN AND CARTA GROUP LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022


The Group's results are reviewed in greater detail in the 2022 Kin and Carta plc Annual Report and Accounts. The Company has elected to take the exemption relating to disclosure of Key Performance Indicators, detailed within Companies Act 2006 section 414, since these relate to non-financial information.

Principal risks and uncertainties

As an intermediate holding company operating principally within the UK, the principal risks and uncertainties facing the Company are limited to investment risk in its subsidiaries, which is managed by the Directors of the Company and the ultimate parent company, Kin and Carta plc.

Further risks that affect the Company and the Group as a whole are discussed in the 2022 Kin and Carta plc Annual Report and Accounts.

This report was approved by the Board and signed by its order by:

DocuSigned by:

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M F Gallagher
Director
Date: 20 April 2023

KIN AND CARTA GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 JULY 2022

The Directors present their report and the financial statements for the year ended 31 July 2022.

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 Company and of the Statement of Comprehensive Income of the Company 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;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for 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 to enable them to ensure that the financial statements comply with the Companies Act 2006.

Results and dividends

The loss for the year, after taxation, amounted to £32,512,577 (2021: £9,437,930).

During the year the Company received cash dividends of £23,405,803 (2021: £7,280,512). Refer to note 8 for details.

During the year the Company paid cash dividends of £32,479,878 (2021: £nil). Refer to note 9 for details.

Total comprehensive expense for the year after dividend received was £9,106,774 (2021: £1,617,418).

Directors

The Directors of the Company who were in office during the year and up to the date of signing the financial statements were:

G C Kutsor
D Fattal
J Schwan (resigned 31 July 2022)
K Manthey (appointed 17 August 2022)
M F Gallagher

KIN AND CARTA GROUP LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

Directors' indemnities

The ultimate parent company has made qualifying third party indemnity provisions for the benefit of certain Directors, which remained in force in the period and at the date of this report.

Going concern

The Company participates in the Group's centralised treasury arrangements and shares banking arrangements with its parent and fellow Group companies.

On the basis of their assessment of the Company's financial position and the enquiries made of the Directors of Kin and Carta plc, the Company's Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Kin and Carta plc and or its relevant subsidiaries will be able and are committed to financially support the Company if there is need. Therefore, the Directors of the Company continue to adopt the going concern basis of accounting in preparing these financial statements.

This report was approved by the Board and signed by its order by:

DocuSigned by:

C67AEB2F1809456

M F Gallagher

Director

Date: 20 April 2023

KIN AND CARTA GROUP LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 JULY 2022

		2022	2021
	Note	£	£
Administrative expenses		(6,874)	(15,021)
Impairment of investments	4	(45,813,603)	(8,132,502)
Impairment of amounts owed from Group undertakings	4	(175,909)	-
Profit on disposal of subsidiaries	4	5,796,605	-
Forgiveness received on amounts owed to Group undertakings	4	7,901,931	-
Operating loss		(32,297,850)	(8,147,523)
Interest payable	6	(293,990)	(1,395,676)
Foreign exchange gain/(loss)		74,050	(258,219)
Loss before tax		(32,517,790)	(9,801,418)
Tax credit on loss	7	5,213	363,488
Loss for the financial year		(32,512,577)	(9,437,930)
Other comprehensive income for the year			
Dividends received	8	23,405,803	7,820,512
		23,405,803	7,820,512
Total comprehensive expense for the financial year		(9,106,774)	(1,617,418)

All transactions in the current year and prior period are derived from continuing operations.

The notes on pages 11 to 25 form part of these financial statements.

KIN AND CARTA GROUP LIMITED

BALANCE SHEET AS AT 31 JULY 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	10	<u>29,465,013</u>	<u>66,513,009</u>
		29,465,013	66,513,009
Current assets			
Debtors: amounts falling due within one year	11	876,826	1,808,315
Cash at bank and in hand		<u>145,667</u>	<u>5,419,287</u>
		1,022,493	7,227,602
Creditors: amounts falling due within one year	12	<u>(3,875,247)</u>	<u>(73,235,831)</u>
Total assets less current liabilities		(2,852,754)	(66,008,229)
Net assets		<u>26,612,259</u>	<u>504,780</u>
Capital and reserves			
Called up share capital	13	18,977,474	5,000,005
Retained earnings/(accumulated loss)	14	<u>7,634,785</u>	<u>(4,495,225)</u>
		26,612,259	504,780

The Directors:

- a) Confirm that the Company was entitled to exemption under section 479A of the Companies Act 2006 relating to subsidiary companies from the requirement to have its financial statements for the financial year ended 31 July 2022 audited;
- b) Confirm that members have not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476 of the Companies Act 2006; and
- c) Acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

DocuSigned by:

Michael Gallagher

C67AEB2F1809468

M F Gallagher

Director

Date: 20 April 2023

The notes on pages 11 to 25 form part of these financial statements.

KIN AND CARTA GROUP LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2022

	Called up share capital £	Share premium account £	Other reserves £	(Accumulated deficit)/ Retained earnings £	Total equity £
At 1 August 2021	5,000,005	-	-	(4,495,225)	504,780
Comprehensive expense for the year					
Loss for the year	-	-	-	(32,512,577)	(32,512,577)
Other comprehensive income for the year	-	-	-	23,405,803	23,405,803
Total comprehensive expense for the year	-	-	-	(9,106,774)	(9,106,774)
Dividends paid (note 9)	-	-	-	(32,479,878)	(32,479,878)
Shares issued (note 13)	67,694,131	-	-	-	67,694,131
Reduction of share capital (note 13)	(53,716,662)	-	-	53,716,662	-
At 31 July 2022	18,977,474	-	-	7,634,785	26,612,259

The notes on pages 11 to 25 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 JULY 2021

	Called up share capital £	Share premium account £	Other reserves £	Accumulated deficit £	Total equity £
At 1 August 2020	4	40,000,000	1,039,611	(43,917,417)	(2,877,802)
Comprehensive expense for the year					
Loss for the year	-	-	-	(9,437,930)	(9,437,930)
Other comprehensive income for the year	-	-	-	7,820,512	7,820,512
Total comprehensive expense for the year	-	-	-	(1,617,418)	(1,617,418)
Shares issued	5,000,000	-	-	-	5,000,000
Share capital increase from bonus issue	1,039,611	-	(1,039,611)	-	-
Reduction of share capital	(1,039,610)	-	-	1,039,610	-
Reduction in share premium	-	(40,000,000)	-	40,000,000	-
At 31 July 2021	5,000,005	-	-	(4,495,225)	504,780

The notes on pages 11 to 25 form part of these financial statements.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

1. General information

Kin and Carta Group Limited is a private company limited by shares, incorporated and domiciled in the United Kingdom. The address of the registered office is The Spitfire Building, 71 Collier Street, London, England, N1 9BE. The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

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

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using FRS 101 and that the accounting policies have been consistently applied.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

2.3 Going concern

The Group's treasury function is responsible for managing the liquidity of the Group and Company. The ultimate parent company, Kin and Carta plc, funds the operations of the Company and other subsidiaries through a combination of equity, inter-company loans and bank overdrafts which it guarantees jointly with certain subsidiaries. The Group has sufficient funding facilities to fund the Company's operations, if needed, for at least twelve months following the date of approval of the financial statements and is committed to make this funding available.

The Company is exposed to certain risks and uncertainties. Details of how risks are managed are in the Strategic Report.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.4 Foreign currency translation

The transactions of the Company denominated in foreign currencies are translated into Sterling at the rate ruling at the date of the transaction. Amounts receivable and payable denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Exchange differences are included in the profit on ordinary activities before tax.

The Company's functional currency is Pounds Sterling.

2.5 Interest expense

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

2.6 Taxation

Current tax, including UK corporation tax, is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Where the Company surrenders tax losses for the purposes of Group Relief, the Group's policy is to make a payment to the Company for the full amount of tax saved. This amount is recognised in the Statement of Comprehensive Income account as a credit to tax on ordinary activities.

Deferred tax is provided in full on temporary differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Temporary differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

2.7 Impairment of fixed assets and goodwill

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, 'CGU') 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 high 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.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2.8 Valuation of investments

Investments in subsidiaries held as fixed assets are stated at cost less provision for impairment in value.

The Financial Statements contain information about Kin and Carta Group Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company has taken advantage of the exemption from preparing and delivering consolidated financial statements under Section 400 of the Companies Act 2006 because it is itself a wholly owned subsidiary undertaking of Kin and Carta plc, a company also incorporated and registered in England and Wales, which has prepared consolidated financial statements.

2.9 Cash and cash equivalents

Cash at bank and in hand comprise cash in hand and demand deposits.

2.10 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments are explained below.

(a) Financial assets

The Company recognised amounts owed by Group undertakings at amortised cost. Amounts owed by Group undertakings are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of intra-group funding and services. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

The Company recognises a loss allowance for expected credit losses ('ECL') on trade receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company recognises expected credit losses for trade receivables and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors.

(b) Financial liabilities

The Company classifies its financial liabilities as financial liabilities at amortised cost. Financial liabilities at amortised cost include intercompany loans which are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method.

Trade creditors are not interest bearing and are stated at their nominal value.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

2. Accounting policies (continued)

2.11 Dividends paid

Dividend distributions to equity shareholders are recognised as a liability in the period in which the dividends are approved by the Company's Directors. These amounts are recognised in the Statement of Changes in Equity. Dividends declared after the Balance Sheet date are not recognised as there is no present obligation at the Balance Sheet date.

The Company paid dividends of £32,479,878 in the year (2021: £nil) to Kin and Carta plc. The dividends paid have been recognised in the Statement of Other Comprehensive Income.

2.12 Dividend income

Income from shares in Group undertakings represents dividends in the form of cash, intercompany receivables or shares in other Group undertakings, received from subsidiaries. These dividends are either recorded in the Statement of Comprehensive Income or Other Comprehensive Income.

In determining where to record the dividend received, the Company applies the guidance under FRS 101 and the Companies Act. This guidance considers whether the consideration received meets the definition of qualifying consideration, which takes into account the commercial effect of the transaction, to be able to recognise the consideration in the Statement of Comprehensive Income.

Dividend income received from subsidiaries through transactions which had been established for the purpose of reorganising the Group and in the normal course of business have been recognised directly in the Statement of Other Comprehensive Income. The impairment charge, if applicable, relating to investments in these subsidiaries is also recorded directly into the Statement of Comprehensive Income and disclosed separately from the income.

The consideration disclosed in the Statement of Comprehensive Income is net of the impairment charge relating to the subsidiary from which the dividend was received, if applicable.

The Company received dividends of £23,405,803 in the year (2021: £7,820,512) from its subsidiaries. The dividends received in the year have been recognised in the Statement of Other Comprehensive Income.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Key sources of estimation uncertainty:

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

Investments are reviewed for impairment on an annual basis, unless there are any indicators of impairment. The key areas of judgement when assessing the recoverability of investments are in relation to the discount rates, terminal growth rates and future cash flows.

The Company's Directors are of the opinion that there are no further judgements and no key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying value of assets and liabilities for the Company within the next financial year.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

4. Operating loss

The operating loss is stated after charging/(crediting):

	2022	2021
	£	£
Impairment of investments	45,813,603	8,132,502
Impairment of amounts owed from Group undertakings	175,909	-
Profit on disposal of subsidiaries	(5,796,605)	-
Forgiveness received on amounts owed to Group undertakings	(7,901,931)	-

Impairment of investments relates to the following subsidiaries:

	2022	2021
	£	£
Amaze Limited*	7,725,251	2,525,000
Branded3 Search Limited*	173,232	1,500,000
Kin and Carta Former Holdco Limited (formerly, Pragma Holdings Limited)	-	3,173,735
Kin and Carta Greece Μονοπρόσωπη Ι.Κ.Ε. **	56,651	-
Kin and Carta Marketing Services (Singapore) Pte. Limited	-	933,767
Kin and Carta Services UK Limited (formerly, Kin and Carta Advise Europe Limited)***	460,000	-
Occam DM Limited*	1,613,049	-
Realise Holdings Limited****	29,894,420	-
Response One Holdings Limited*****	5,891,000	-
	<u>45,813,603</u>	<u>8,132,502</u>

*These investments were impaired following forgiveness of loan amounts receivable from other Group companies in the individual entities, meaning that there were insufficient net assets to justify the carrying value.

**The investment in Kin and Carta Greece was impaired following a review of recoverability. The entity is in a net liability position with insufficient cash flows to support the investment valuation.

***The investment in Kin and Carta Services was impaired as, following the cessation of trade in that entity, there were insufficient net assets in the company to support the carrying value.

****The investment in Realise Holdings was impaired following the transfer in the year of trade and net liabilities from its sole asset and subsidiary, Kin and Carta Scotland Limited to Kin and Carta UK Limited at net book value. Following this transfer, there were insufficient future cash flows to support the investment value.

*****The investment in Response One Holdings was impaired following the decision to liquidate the entity which no longer traded following the disposal of its subsidiary, Edit Agency Limited. The company was placed into liquidation post year end.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

4. Operating loss (Continued)

Impairment of amounts owed from Group undertakings relates to the following subsidiaries:

	2022	2021
	£	£
Kin and Carta Marketing Services (Singapore) Pte. Limited	175,909	-

The amount receivable was impaired following the liquidation of Kin and Carta Marketing Services (Singapore) Pte. Limited

Forgiveness received in respect of loans payable to Group undertakings relates to the following subsidiaries:

	2022	2021
Amaze Limited	(5,144,479)	-
Response One Holdings Limited	(2,757,452)	-
	<u>(7,901,931)</u>	<u>-</u>

The £5,796,605 profit on disposal of subsidiaries relates to the following three disposals:

- Incite Marketing Planning Limited and Incite New York LLC (together, "Incite") (disposed on 28 September 2021);
- Edit Agency Limited ("Edit") (disposed on 12 November 2021); and
- Relish Agency Limited ("Relish") (disposed on 4 November 2021).

5. Information regarding Directors and employees

During the year, all Directors were remunerated by other Group companies for their services to the Group as a whole and it is not practicable to apportion their remuneration between the companies of which they are a Director. Consequently no Directors' remuneration is shown. The Company had no employees in either period, as the business is managed by employees of Kin and Carta plc.

6. Interest payable

	2022	2021
	£	£
Interest payable to Group undertakings	293,990	1,395,676
	<u>293,990</u>	<u>1,395,676</u>

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

7. Tax

	2022 £	2021 £
Corporation tax		
Current tax credit on loss for the year	(39,445)	(314,218)
Adjustments in respect of prior years	<u>34,232</u>	<u>(49,270)</u>
	<u>(5,213)</u>	<u>(363,488)</u>
Tax credit on loss	<u>(5,213)</u>	<u>(363,488)</u>

Factors affecting the tax credit for the year

The tax assessed for the year is higher than (2021: *lower than*) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022 £	2021 £
Loss on ordinary activities before tax	<u>(32,517,790)</u>	<u>(9,801,418)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	<u>(6,178,380)</u>	<u>(1,862,269)</u>
Effects of:		
Expenses not deductible for tax purposes	6,138,935	1,548,051
Adjustments in respect of prior years	<u>34,232</u>	<u>(49,270)</u>
Total tax credit for the year	<u>(5,213)</u>	<u>(363,488)</u>

8. Dividends received

	2022 £	2021 £
Dividends received	<u>23,405,803</u>	<u>7,820,512</u>
	<u>23,405,803</u>	<u>7,820,512</u>

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

8. Dividends received (Continued)

On 25 October 2021, the Company received a dividend of £2,200,000 from its subsidiary, Realise Holdings Limited.

On 25 October 2021, the Company received a dividend of £3,662,735 from its subsidiary, Kin and Carta Services LLC (formerly, Kin and Carta Marketing Services (Delaware) LLC).

On 16 November 2021, the Company received a dividend of £10,300,000 from its subsidiary, Response One Holdings Limited.

On 30 November 2021, the Company received a dividend of £3,717,472 from its subsidiary, Kin and Carta Americas Holdings LLC (formerly, Kin and Carta Illinois LLC).

On 29 July 2022, the Company received a dividend of £402,818 from its subsidiary, Kin and Carta Services UK Limited (formerly Kin and Carta Advise Europe Limited).

On 29 July 2022, the Company received a dividend of £3,122,778 from its subsidiary, Realise Holdings Limited.

During the prior year, dividends were received from Amaze Limited of £2,525,000, Branded3 Search Limited of £1,500,000, Relish Agency Limited of £1,000,000, Incite Marketing Planning Limited of £1,800,000 and Kin and Carta Marketing Services (Delaware) LLC of £995,512.

9. Dividends paid

	2022	2021
	£	£
Dividend paid £1.71 per share (2021: <i>Nil</i>)	32,479,878	-
	32,479,878	-

The dividends were paid by the Company to its parent, Kin and Carta plc, on the following dates:

25 October 2021: £3,300,000
 16 November 2021: £3,717,472
 16 November 2021: £14,000,000
 4 July 2022: £4,000,000
 5 July 2022: £112,289
 14 July 2022: £1,155,143
 29 July 2022: £6,194,974

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

10. Investments

	Investment in subsidiary companies £
Cost	
At 1 August 2021	116,568,717
Additions	21,575,071
Disposals	(12,809,464)
At 31 July 2022	125,334,324
Accumulated impairment	
At 1 August 2021	(50,055,708)
Impairment charge (refer to note 4)	(45,813,603)
At 31 July 2022	(95,869,311)
Net book value	
At 31 July 2022	29,465,013
At 31 July 2021	66,513,009

Additions during the year include the acquisition of Melon EAD, a Bulgarian software engineering business and the incorporation of Kin and Carta Colombia Holdings S.A.S and Kin and Carta Greece Μονοπρόσωπη Ι.Κ.Ε.

Kin and Carta Services LLC (formerly, Kin and Carta Marketing Services (Delaware) LLC) was transferred from the Company to Kin and Carta Americas Holdings LLC (formerly, Kin and Carta Illinois LLC) at its book value, which resulted in an increase in the investment in Kin and Carta Americas Holdings LLC (formerly, Kin and Carta Illinois LLC) and a decrease in the investment in Kin and Carta Services LLC (formerly, Kin and Carta Marketing Services (Delaware) LLC).

Disposals during the year include:

- Incite Marketing Planning Limited and Incite New York LLC (together, "Incite") (disposed on 28 September 2021);
- Edit Agency Limited ("Edit") (disposed on 12 November 2021); and
- Relish Agency Limited ("Relish") (disposed on 4 November 2021).

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

10. Investments (Continued)

The impairment charge is detailed on page 2 of the Strategic Report.

Subsidiary undertakings

Investments represent a 100% holding in all share classes of the subsidiary undertakings listed below, with the exception of Big Screen Productions 11 LLP. All subsidiaries are directly owned with the exception of those marked (t).

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Holding
Amaze (Europe) Limited (t)	England & Wales	Dormant	100%
Amaze (Holdings) Limited (t)****	England & Wales	Dormant	100%
Amaze Communication Services (Holdings) Limited (t)****	England & Wales	Dormant	100%
Amaze Communication Services Limited (t)	England & Wales	Dormant	100%
Amaze Limited	England & Wales	Dormant	100%
Amaze Technology Limited (t)	England & Wales	Dormant	100%
Big Screen Productions 11 LLP	England & Wales	Film production	23.92%
Branded3 Search Limited	England & Wales	Dormant	100%
Cascade Data Labs LLC (t)	USA	Digital Transformation	100%
Datorium LLC (t)	USA	Digital Transformation	100%
Frakton Sh.p.k (t)	Kosovo	Digital Transformation	100%
Kin and Carta Advisory LLC (t)	USA	Dormant	100%
Kin and Carta Americas Holdings LLC (formerly, Kin and Carta Illinois LLC)	USA	Holding Company	100%
Kin and Carta Colombia Holdings S.A.S	Colombia	Holding Company	100%
Kin and Carta Colombia S.A.S (t)	Colombia	Digital Transformation	100%
Kin and Carta Former HoldCo Limited****	England & Wales	Holding Company	100%
Kin and Carta Greece Movotnpōōwrrn I.K.E.	Greece	Digital Transformation	100%
Kin and Carta Limited	England & Wales	Dormant	100%
Kin and Carta Manager (Holding Companies) LLC (t)	USA	Holding Company	100%
Kin and Carta Manager (Operations) LLC (t)	USA	Holding Company	100%
Kin and Carta Manager Holdings LLC	USA	Holding Company	100%
Kin and Carta Marketing Planning Singapore Pte. Ltd*	Singapore	Dissolved	100%
Kin and Carta Marketing Services (Singapore) Pte. Ltd*	Singapore	Dissolved	100%
Kin and Carta Partnerships Limited	England & Wales	Digital Transformation	100%
Kin and Carta Partnerships LLC (t)	USA	Digital Transformation	100%
Kin and Carta Scotland Limited (t)**	Scotland	Digital Transformation	100%
Kin and Carta Services LLC (formerly, Kin and Carta Marketing Services (Delaware) LLC) (t)	USA	Holding Company	100%
Kin and Carta Services UK Limited (formerly, Kin and Carta Advise Europe Limited)	England & Wales	Dormant	100%
Loop Integration LLC (t)	USA	Digital Transformation	100%
Melon EAD	Bulgaria	Digital Transformation	100%
Melon Tehnologii DOOEL (t)	Northern Macedonia	Digital Transformation	100%
Occam DM Limited	England & Wales	Dormant	100%
Okana Systems Limited (t)	England & Wales	Dormant	100%
Pollen Health (US) LLC (t)	USA	Dormant	100%
Realise Holdings Limited	England & Wales	Holding Company	100%

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

Response One Holdings Limited****	Scotland	Holding Company	100%
Solstice Consulting Argentina LLC (t)	USA	Digital Transformation	100%
Solstice Consulting Latin America LLC (t)	USA	Holding Company	100%
Solstice Consulting LLC (t)	USA	Digital Transformation	100%
Solstice Mobile Argentina Srl	Argentina	Digital Transformation	100%
Spiremedia Inc (d.b.a Kin and Carta Denver) (t)	USA	Digital Transformation	100%
Kin and Carta Services Bulgaria EOOD***	Bulgaria	Holding Company	-%

*On 29 October 2022, both Kin and Carta Marketing Planning Singapore Pte. Ltd and Kin and Carta Marketing (Services) Singapore Pte. Ltd were dissolved.

**On 28 October, 100% of the Kin and Carta Scotland Limited's issued share capital was transferred from Realise Holdings Limited to Kin and Carta Group Limited

***On 24 October 2022, Kin and Carta Services Bulgaria EOOD was incorporated, with Kin and Carta Group Limited holding 100% of the issued share capital.

****At the date of signing all companies are in liquidation.

11. Debtors

	2022	2021
	£	£
Amounts owed by group undertakings	512,277	293,836
Corporation tax receivable	364,549	1,514,479
	<u>876,826</u>	<u>1,808,315</u>

Amounts owed by Group undertakings include intercompany trade debtors. These amounts are unsecured and are repayable on demand.

12. Creditors: Amounts falling due within one year

	2022	2021
	£	£
Amounts owed to group undertakings	2,415,715	73,235,831
Deferred consideration payable	459,532	-
Other current liabilities	1,000,000	-
	<u>3,875,247</u>	<u>73,235,831</u>

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

12. Creditors: Amounts falling due within one year (Continued)

Amounts owed to Group undertakings include intercompany trade creditors and loans. These amounts are unsecured, interest bearing and are repayable on demand.

The deferred consideration payable relates to the acquisition of the Melon EAD group, a provider of software engineering services operating in South Eastern Europe, on 9 May 2022. This amount was non-contingent and was paid during November 2022.

Other current liabilities of £1,000,000 relates to seller warranties given in respect of the entities which were disposed of in the current period. No payments have been made in respect of these warranty amounts. The related charge has been considered as part of the profit of disposal of subsidiaries in note 4.

13. Called up share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
18,977,474 (2021: 5,000,005) Ordinary shares of £1.00 each	<u>18,977,474</u>	<u>5,000,005</u>

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

On 19 August 2021, the Company reduced its share capital from £5,000,005 to £5.00 by cancelling and extinguishing 5,000,000 of the issued ordinary shares of £1.00, each of which were fully paid up.

On 26 August 2021, the Company allotted 460,000 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.

On 2 September 2021, the Company reduced its share capital from £460,005 to £5.00 by cancelling and extinguishing 460,000 of the issued ordinary shares of £1.00, each of which were fully paid up.

On 20 September 2021, the Company allotted 200,000 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.

On 25 October 2021, the Company allotted 42,556,757 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.

On 12 May 2022, the Company allotted 5,500,000 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.

On 13 May 2022, the Company reduced its share capital from £48,256,762 to £100 by cancelling and extinguishing 48,256,662 of the issued ordinary shares of £1.00, each of which were fully paid up.

On 7 July 2022, the Company allotted 18,977,374 ordinary shares of £1.00 each at par value to its sole shareholder, Kin and Carta plc.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

14. Reserves

	2022	2021
	£	£
Retained earnings/(accumulated deficit)	<u>7,634,785</u>	<u>(4,495,225)</u>

Retained earnings/(accumulated deficit) represents cumulative profit and losses.

15. Events after Balance Sheet Date

Subsequent to year-end there were a number of transactions that included dividends paid. The details are:

- On 19 August 2022, the Company received a cash dividend of USD 265,347 equivalent to £228,040 from its 100% direct subsidiary Kin and Carta Americas Holdings LLC (formerly, Kin and Carta Illinois LLC). The £228,040 increased the Company's available distributable reserves.
- On 23 August 2022, the Company received a dividend of £1,499,950 from its subsidiary, Realise Holdings Limited. This dividend was received from Realise Holdings Limited as part of the winding down of the operations of its subsidiary, Kin and Carta Scotland Limited as its trade and net liabilities were sold to Kin and Carta UK Limited on 30 June 2022. Kin and Carta Scotland Limited no longer trades and only holds leases.
- On 24 October 2022, the Company incorporated a wholly owned subsidiary in Bulgaria: Kin and Carta Services Bulgaria EOOD.
- On 27 October 2022, the Company received a dividend of £38,661 from its subsidiary, Realise Holdings Limited. The nature of this dividend was the same as detailed above.
- On 28 October 2022, the Company purchased the entire issued share capital (represented by 1 ordinary share of £0.01) of Kin and Carta Scotland Limited from Realise Holdings Limited for total consideration of £0.01.
- On 23 February 2023, the Company purchased the entire share capital (represented by 1 ordinary share of £1.00) of Amaze (Europe) Limited for total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 1 ordinary share of £1.00) of Amaze (Holdings) Limited for total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 556,200 ordinary shares of £0.10) of Amaze Communication Services (Holdings) Limited for total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 100 ordinary shares of £1.00) of Amaze Communication Services Limited for a total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 1,931 ordinary shares of £1.00) of Amaze Technology Limited for a total consideration of £1.00.
- On 23 February 2023, the Company purchased the entire share capital (represented by 10,124,000 ordinary shares of £0.001 and 1,786,000 A ordinary shares of £0.001) of Okana Systems Limited for a total consideration of £2.00.
- On 24 February 2023, the investment in Amaze (Europe) Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Amaze (Holdings) Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Amaze Communication Services (Holdings) Limited of £1.00 was impaired due to an intention to liquidate the entity.

KIN AND CARTA GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2022

15. Events after Balance Sheet Date (Continued)

- On 24 February 2023, the investment in Amaze Communication Services Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Amaze Technology Limited of £1.00 was impaired due to an intention to liquidate the entity.
- On 24 February 2023, the investment in Okana Systems Limited of £2.00 was impaired due to an intention to liquidate the entity.

16. Ultimate parent company and controlling party

The Company's immediate parent company and controlling party is Kin and Carta plc, a company incorporated and registered in the United Kingdom. Copies of the financial statements of Kin and Carta plc can be obtained from the Company Secretary at the registered office at The Spitfire Building, 71 Collier Street, London, England, N1 9BE.

The smallest and largest group in which the results of the Company are consolidated is that headed by Kin and Carta plc.