

PLU&M LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

PLU&M LIMITED

COMPANY INFORMATION

Directors

Mark Elborn (appointed 9 September 2022)
Megumi Ikeda (appointed 9 September 2022)
Matus Maar
Doron Meyassed
Christopher Julian Spray
Zihao Xu (resigned 9 September 2022)

Registered number

09811319

Registered office

The Old Sorting Office
46 Essex Road
London
N1 8LN

Independent auditors

Xeinadin Audit Limited
Accountants & Statutory Auditors
8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

Accountants

Elman Wall Limited
8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

Bankers

Silicon Valley Bank
Alphabeta
14-18 Finsbury Square
London
EC2A 1BR

PLU&M LIMITED

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**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

Introduction

The directors present their strategic report for the year ended 31 December 2022.

Business review

In FY2022, Plum Guide achieved record sales and the highest number of bookings in the brand's history. Turnover grew 2.3x. Plum Guide's position as the go-to booking platform for the discerning traveller was strengthened as we grew supply of the best short term rentals by over 75%.

With the launch of the brand's 'No Time For Average Stays' campaign, we established a platform to distinguish Plum Guide within the market and fuel word of mouth growth which was a key part of new guest acquisition throughout 2022.

The foundations for a record 2023 were established, with all indicators pointing towards profitability within 1H 2024.

Principal risks and uncertainties

The Company faces operational and financial risks in the normal course of business, with the key risks, and the Company's approach to mitigating those risks, outlined below.

Regulation

The Company faces risk from Government regulation in relation to Local and International travel restrictions which would have an impact on the ability for guests to travel and for hosts to accommodate those guests. We mitigate this risk through constant communication with guests and hosts as well as diversifying the location and types of accommodation we have on our Plum Guide platform.

In addition, Government regulations in local short-term rental markets can impact the business. We mitigate this by offering a variety of international city and holiday destinations.

GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Price risk

The travel industry is highly competitive and comprises a number of companies providing short-term rentals. Competition may reduce fee structures which would put pressure on our profit margins. The highly variable nature of marketing spend enables the Company to react to fee changes.

Credit risk

The company has a large number of small customers who pay for holidays creating a risk of customers having insufficient credit, but this risk is mitigated through the fact that customers are in the large majority required to pay upfront before the booking is confirmed.

Liquidity risk

As the Company is loss making, it faces the risk of having insufficient cash to meet its obligations as they fall due. The Company addresses this risk through active cash management strategies, including raising additional shareholder funds and use of third-party debt facilities.

Fraud risk

The Company faces the risk of fraudulent bookings and chargebacks due to fraud. To mitigate this risk we have proprietary fraud prevention software to prevent fraudulent bookings being accepted and to verify customers.

Post balance sheet events

The directors confirm there have been no significant events affecting the Group since the year end.

This report was approved by the board on 25 September 2023 and signed on its behalf.

Doron Meyassed

Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The Company's principal activity during the year continued to be the development of an online marketplace for luxury home rentals.

Directors' responsibilities statement

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

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

In preparing these financial statements, the directors are required to:

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

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

Results and dividends

The loss for the year, after taxation, amounted to £9,973,320 (2021 - loss £13,845,047).

Directors

The directors who served during the year were:

Mark Elborn (appointed 9 September 2022)
Megumi Ikeda (appointed 9 September 2022)
Matus Maar
Doron Meyassed
Christopher Julian Spray
Zihao Xu (resigned 9 September 2022)

Political contributions

There were no political donations in the period.

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

Qualifying third party indemnity provisions

Directors' and officers' insurance cover has been established for all directors to provide appropriate cover for their reasonable actions on behalf of the Company. A deed was executed in 2019 indemnifying each of the directors of the Company and/or its subsidiaries as a supplement to the directors' and officers' insurance cover. The indemnities, which constitute a qualifying third-party indemnity provision as defined by section 234 of the Companies Act 2006, were in force during the 2022 financial year.

Going concern

After reviewing the Group's forecasts and considering its position at year end, and cash reserves, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities and obligations for a period of not less than 12 months from the date of approval of these financial statements. The business is well capitalised following external investments in September 2022.

The directors also reviewed the potential impact of a recession as well as any impact from a slowdown in travel in considering these forecasts. This involved reviews of significant downsides scenario analysis which, while considered highly unlikely, demonstrates that the Group will have sufficient cash resources. This will be the case even in the event of extreme reductions in revenue. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

The auditors, Xeinadin Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 25 September 2023 and signed on its behalf.

Doron Meyassed
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLU&M LIMITED

Opinion

We have audited the financial statements of Plu&m Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLU&M LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

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 Group 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLU&M LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group 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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims to identify any instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.
- 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Other matters

The financial statements of Plu&m Limited for the year ended 31 December 2021, were audited by another auditor who expressed an unmodified audit opinion on those statements on 20 January 2023 .

Use of our report

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

PLU&M LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PLU&M LIMITED (CONTINUED)

Ian Palmer (Senior Statutory Auditor)

for and on behalf of
Xeinadin Audit Limited

Accountants
Statutory Auditors

8th Floor
Becket House
36 Old Jewry
London
EC2R 8DD

25 September 2023

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	4	6,769,665	2,920,763
Cost of sales		(6,910,070)	(4,041,591)
Gross loss		(140,405)	(1,120,828)
Administrative expenses		(9,873,786)	(8,530,406)
Other operating income		156,332	246,422
Operating loss	6	(9,857,859)	(9,404,812)
Interest receivable and similar income	10	32,447	4,513
Interest payable and similar expenses	11	(147,908)	(4,437,158)
Loss before taxation		(9,973,320)	(13,837,457)
Tax on loss		-	(7,590)
Loss for the financial year		(9,973,320)	(13,845,047)
Other comprehensive income		(11,880)	24,372
Other comprehensive income for the year		(11,880)	24,372
Total comprehensive income for the year		(11,880)	24,372
(Loss) for the year attributable to:			
Owners of the parent Company		(9,973,320)	(13,845,047)
		(9,973,320)	(13,845,047)

The notes on pages 18 to 38 form part of these financial statements.

PLU&M LIMITED
REGISTERED NUMBER: 09811319

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	77,682	86,778
		<u>77,682</u>	<u>86,778</u>
Current assets			
Debtors	15	3,099,731	1,173,372
Cash at bank and in hand	16	12,688,005	8,578,197
		<u>15,787,736</u>	<u>9,751,569</u>
Creditors: amounts falling due within one year	17	(9,566,265)	(6,140,144)
Net current assets		<u>6,221,471</u>	<u>3,611,425</u>
Total assets less current liabilities		<u>6,299,153</u>	<u>3,698,203</u>
Creditors: amounts falling due after more than one year	18	(191,667)	(700,000)
Provisions for liabilities			
Net assets		<u><u>6,107,486</u></u>	<u><u>2,998,203</u></u>
Capital and reserves			
Called up share capital	20	2,254	522
Share premium account	21	55,594,409	42,733,095
Foreign exchange reserve	21	8,954	1,283
Other reserves	21	6,699,720	6,487,834
Profit and loss account	21	(56,197,851)	(46,224,531)
Equity attributable to owners of the parent Company		<u><u>6,107,486</u></u>	<u><u>2,998,203</u></u>
		<u><u>6,107,486</u></u>	<u><u>2,998,203</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 September 2023.

Doron Meyassed
Director

The notes on pages 18 to 38 form part of these financial statements.

PLU&M LIMITED
REGISTERED NUMBER: 09811319

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	13	75,835	77,346
Investments	14	7,607	7,607
		<u>83,442</u>	<u>84,953</u>
Current assets			
Debtors	15	3,554,126	1,405,093
Cash at bank and in hand	16	12,126,707	8,248,373
		<u>15,680,833</u>	<u>9,653,466</u>
Creditors: amounts falling due within one year	17	(9,542,320)	(6,089,607)
Net current assets		<u>6,138,513</u>	<u>3,563,859</u>
Total assets less current liabilities		<u>6,221,955</u>	<u>3,648,812</u>
Creditors: amounts falling due after more than one year	18	(191,667)	(700,000)
Net assets		<u><u>6,030,288</u></u>	<u><u>2,948,812</u></u>
Capital and reserves			
Called up share capital	20	2,254	522
Share premium account	21	55,594,409	42,733,095
Other reserves	21	6,699,720	6,487,834
Profit and loss account	21	(56,266,095)	(46,272,639)
		<u><u>6,030,288</u></u>	<u><u>2,948,812</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 25 September 2023.

Doron Meyassed
Director

The notes on pages 18 to 38 form part of these financial statements.

PLU&M LIMITED

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

	Called up share capital	Share premium account	Foreign exchange reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 January 2022	522	42,733,095	1,283	6,487,834	46,224,531	2,998,203
)	
Comprehensive income for the year	-	-	-	-	(9,973,320	(9,973,320
))
Loss for the year						
	-	-	7,671	-	-	7,671
Foreign exchange movement						
	-	-	7,671	-	-	7,671
Other comprehensive income for the year						
	-	-	7,671	-	-	7,671
Total comprehensive income for the year	-	-	7,671	-	(9,973,320	(9,965,649
))
Contributions by and distributions to owners						
Shares issued during the year	1,732	12,861,314	-	-	-	12,863,046
Share based compensation	-	-	-	211,886	-	211,886
Total transactions with owners	1,732	12,861,314	-	211,886	-	13,074,932
At 31 December 2022	<u>2,254</u>	<u>55,594,409</u>	<u>8,954</u>	<u>6,699,720</u>	<u>56,197,851</u>	<u>6,107,486</u>
)	

The notes on pages 18 to 38 form part of these financial statements.

PLU&M LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Foreign exchange reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 January 2021	371	21,808,344	(23,089)	553,065	32,383,703	10,045,012
	-	-	-	-	13,845,047	13,845,047
Loss for the year						
Foreign exchange movement	-	-	24,372	-	-	24,372
Shares issued during the year	151	20,924,751	-	-	-	20,924,902
Employees share options exercised	-	-	-	-	4,219	4,219
Share based compensation	-	-	-	339,203	-	339,203
Employees share options exercised	-	-	-	(4,219)	-	(4,219)
Shares issued during the year	-	-	-	5,599,785	-	5,599,785
At 31 December 2021	522	42,733,095	1,283	6,487,834	46,224,531	2,998,203

The notes on pages 18 to 38 form part of these financial statements.

PLU&M LIMITED

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

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2022	522	42,733,095	6,487,834	(46,272,639)	2,948,812
Loss for the year	-	-	-	(9,993,456)	(9,993,456)
Shares issued during the year	1,732	12,861,314	-	-	12,863,046
Share based compensation	-	-	211,886	-	211,886
At 31 December 2022	2,254	55,594,409	6,699,720	(56,266,095)	6,030,288

The notes on pages 18 to 38 form part of these financial statements.

PLU&M LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	371	21,808,344	553,065	(32,453,430)	(10,091,650)
Comprehensive income for the year					
Loss for the year	-	-	-	(13,823,428)	(13,823,428)
Shares issued during the year	151	20,924,751	-	-	20,924,902
Employee share options exercised	-	-	-	4,219	4,219
Share based compensation	-	-	339,203	-	339,203
Employee share options exercised	-	-	(4,219)	-	(4,219)
Shares issued during the year	-	-	5,599,785	-	5,599,785
At 31 December 2021	522	42,733,095	6,487,834	(46,272,639)	2,948,812

The notes on pages 18 to 38 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from operating activities		
Loss for the financial year	(9,973,320)	(13,845,047)
Adjustments for:		
Depreciation of tangible assets	67,787	247,051
Loss on disposal of tangible assets	18,921	(81)
Interest paid	147,908	4,485,064
Interest received	(32,447)	(4,513)
Taxation charge	-	7,590
(Increase) in debtors	(1,926,359)	(87,939)
Increase in creditors	4,190,407	2,553,503
Share based payments	211,886	334,984
(Profit)/loss on disposal of shares	-	(39,611)
Foreign Exchange	41,850	39,896
Net cash generated from operating activities	(7,253,367)	(6,309,103)
Cash flows from investing activities		
Purchase of tangible fixed assets	(77,612)	(65,170)
Sale of tangible fixed assets	-	450
Net cash from investing activities	(77,612)	(64,720)

PLU&M LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Cash flows from financing activities		
Issue of ordinary shares	12,861,314	6,686,057
New secured loans	-	750,000
Repayment of loans	(1,272,619)	(1,685,714)
Interest paid	(147,908)	(226,695)
Net cash used in financing activities	11,440,787	5,523,648
Net increase/(decrease) in cash and cash equivalents	4,109,808	(850,175)
Cash and cash equivalents at beginning of year	8,578,197	9,428,372
Cash and cash equivalents at the end of year	12,688,005	8,578,197
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	12,688,005	8,578,197
	12,688,005	8,578,197

The notes on pages 18 to 38 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

1. General information

Plu&m Limited Limited is a private company limited by shares incorporated in England and Wales. The address of the registered office is given in the company information page of these financial statements.

The nature of the company's operations and principal activities recorded in the Strategic Report and the Directors Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

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

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the 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.

2.3 Going concern

After reviewing the Group's forecasts and considering its position at year end, and cash reserves, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities and obligations for a period of not less than 12 months from the date of approval of these financial statements. The business is well capitalised following external investment in September 2022.

The directors also reviewed the potential impact of a recession as well as any impact from a slowdown in travel in considering these forecasts. This involved reviews of significant downside scenario analysis which, while considered highly unlikely, demonstrates that the Group will have sufficient cash resources. This will be the case even in the event of extreme reductions in revenues. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

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

2. Accounting policies (continued)

2.4 Foreign currency translation

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 that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

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.

2.5 Revenue

Group turnover comprises of onboarding fees and commissions earned from customer bookings made through the Plum guide platform and made directly with the Matchmaker team. The turnover is recognised at the time the booking is confirmed.

Turnover is recognised at the fair value of the consideration receivable for services provided. Turnover is shown net of Valued Added Tax and other sales related taxes. The fair value of the consideration takes into account discounts.

2.6 Leased assets: the Group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.7 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.8 Other operating income

Grants of a revenue nature are recognised in "other income" within the statement of comprehensive income, in the same period as the related expenditure. In the previous year, this includes Government Coronavirus Job Retention Scheme and the Government Kickstart Scheme "Kickstarter". No government grants were received in the year. Other income also includes rental sub lease income.

2.9 Interest income

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

2.10 Finance costs

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

2.11 Borrowing costs

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

2.12 Pensions

Defined contribution pension plan

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.13 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Group keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.14 Taxation

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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

2.15 Tangible fixed assets

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

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

2. Accounting policies (continued)

2.15 Tangible fixed assets (continued)

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

Depreciation is provided on the following basis:

Plant and machinery	-	33%	straight line
Fixtures and fittings	-	25%	straight line

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

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

2.16 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.17 Debtors

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

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.19 Creditors

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

2.20 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially

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

2. Accounting policies (continued)

2.20 Financial instruments (continued)

and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

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

Critical judgements

Fair value of loan

The Company has entered into a loan agreement with Silicon Valley Bank ("SVB") which required the Company to also enter into an agreement to issue warrant options to SVB as a part of the arrangement. Management has recognised the loan as a financial liability using the amortised cost method. On initial recognition, the loan is measured at transaction price net of any transaction costs (including the cost of the warrants issued).

Convertible loans

The proceeds received from the issue of convertible debt instruments are measured at fair value as a liability element at the date of issue and remeasured at the statement of financial position date. The fair value movement is taken to the profit and loss.

Deferred income tax assets

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Management have determined that it is not appropriate to recognise a deferred tax asset at the Statement of Financial Position date.

Share based payments

The Company has used the Black Scholes valuation model to determine the fair value of share based payments. Any changes to the assumptions used (including share price, volatility, risk free rate & dividends) by management will impact the valuation. Due to the lack of available data relating to the value of ordinary shares, there is judgement involved in determining the share price of the ordinary shares for the purposes of calculating the share based payment charge. A discounted price, based on the price of relevant funding round share issues, has been used to determine the share price of ordinary shares for changes to the share based payment charges as calculated.

Management have determined that there are no key sources of estimation uncertainty.

4. Turnover

	2022 £	2021 £
Turnover	6,769,665	2,920,763
	<u>6,769,665</u>	<u>2,920,763</u>

All turnover arose within the United Kingdom.

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

5. Other operating income

	2022 £	2021 £
Furlough income	-	15,176
Rent income	156,332	168,000
Kickstarter	-	63,246
	<u>156,332</u>	<u>246,422</u>

6. Operating loss

The operating loss is stated after charging:

	2022 £	2021 £
Exchange differences	<u>(232,914)</u>	<u>(81,339)</u>

7. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2022 £	2021 £
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	27,375	48,295
Fees payable to the Company's auditors for non audit services	<u>9,125</u>	<u>51,949</u>

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

8. Employees

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

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Wages and salaries	6,028,758	5,037,114	5,677,762	4,560,102
Social security costs	734,129	547,095	700,319	507,612
Cost of defined contribution scheme	124,373	120,447	124,373	120,447
	<u>6,887,260</u>	<u>5,704,656</u>	<u>6,502,454</u>	<u>5,188,161</u>

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

	Group 2022 No.	<i>Group 2021 No.</i>	Company 2022 No.	<i>Company 2021 No.</i>
	<u>84</u>	<u>68</u>	<u>82</u>	<u>68</u>
Average number of persons employed by the Company				

9. Directors' remuneration

	2022 £	<i>2021 £</i>
Directors' emoluments	140,000	135,917
Group contributions to defined contribution pension schemes	12,600	4,078
	<u>152,600</u>	<u>139,995</u>

During the year retirement benefits were accruing to 1 directors (2021 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £140,000(2021 - £135,917).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £12,600 (2021 - £4,078).

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

10. Interest receivable

	2022 £	2021 £
Other interest receivable	32,447	4,513
	<u>32,447</u>	<u>4,513</u>

11. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	147,908	4,437,158
	<u>147,908</u>	<u>4,437,158</u>

12. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	-	7,590
	<u>-</u>	<u>7,590</u>
Total current tax	<u>-</u>	<u>7,590</u>
Deferred tax		
Total deferred tax	<u>-</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>-</u>	<u>7,590</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is the same as (2021 - *the same as*) the standard rate of corporation tax in the UK of 19% (2021 - 19%) as set out below:

	2022 £	2021 £
Loss on ordinary activities before tax	<u>(9,973,320)</u>	<u>(13,837,457)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(1,894,931)	(2,629,117)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	127,906	120,195
Fixed asset differences	(4,886)	-
Deferred tax not recognised	-	2,508,922
Effects of overseas tax rates	-	7,590
Other permanent differences	(5,005)	-
Remeasurement of deferred tax for changes in tax rates	(561,132)	-
Movement in deferred tax not recognised	2,338,048	-
Total tax charge for the year	<u>-</u>	<u>7,590</u>

Factors that may affect future tax charges

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

13. Tangible fixed assets

Group

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2022	342,384	356,694	699,078
Additions	77,612	-	77,612
Disposals	(198,360)	(356,694)	(555,054)
At 31 December 2022	221,636	-	221,636
Depreciation			
At 1 January 2022	231,019	381,281	612,300
Charge for the year on owned assets	67,787	-	67,787
Disposals	(154,852)	(381,281)	(536,133)
At 31 December 2022	143,954	-	143,954
Net book value			
At 31 December 2022	77,682	-	77,682
At 31 December 2021	111,365	(24,587)	86,778

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

13. Tangible fixed assets (continued)**Company**

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2022	330,304	356,694	686,998
Additions	76,754	-	76,754
Disposals	(188,836)	(356,694)	(545,530)
	<u>218,222</u>	<u>-</u>	<u>218,222</u>
At 31 December 2022			
Depreciation			
At 1 January 2022	228,371	381,281	609,652
Charge for the year on owned assets	63,769	-	63,769
Disposals	(149,753)	(381,281)	(531,034)
	<u>142,387</u>	<u>-</u>	<u>142,387</u>
At 31 December 2022			
Net book value			
At 31 December 2022	<u>75,835</u>	<u>-</u>	<u>75,835</u>
At 31 December 2021	<u>101,933</u>	<u>(24,587)</u>	<u>77,346</u>

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

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2022	7,607
At 31 December 2022	7,607
Net book value	
At 31 December 2022	7,607
At 31 December 2021	7,607

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
The Plum Guide Limited	2nd Floor, 69-77 Paul Street, London, EC2A 4NW	Ordinary	100 %
Plu&m USA Inc.	1209 Orange Street, Wilmington, New Castle County, Delaware 19801 USA	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 December 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
The Plum Guide Limited	-	-
Plu&m USA Inc.	64,669	20,136

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

15. Debtors

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Trade debtors	2,562,021	695,555	2,562,021	640,926
Amounts owed by group undertakings	-	-	483,277	290,113
Other debtors	272,279	217,438	243,520	217,438
Prepayments and accrued income	265,431	260,379	265,308	256,616
	<u>3,099,731</u>	<u>1,173,372</u>	<u>3,554,126</u>	<u>1,405,093</u>

All intercompany loans balances are repayable on demand and are non-interest bearing.

16. Cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Cash at bank and in hand	12,688,005	8,578,197	12,126,707	8,248,373
	<u>12,688,005</u>	<u>8,578,197</u>	<u>12,126,707</u>	<u>8,248,373</u>

17. Creditors: Amounts falling due within one year

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Bank loans	650,000	1,414,286	650,000	1,414,286
Trade creditors	7,761,212	3,716,606	7,760,655	3,710,786
Other taxation and social security	131,566	148,204	123,566	147,366
Other creditors	388,066	275,685	387,589	266,003
Accruals and deferred income	635,421	585,363	620,510	551,166
	<u>9,566,265</u>	<u>6,140,144</u>	<u>9,542,320</u>	<u>6,089,607</u>

All intercompany loans balances are repayable on demand and are non-interest bearing.

Silicon Valley Bank holds charges over the Company. These include fixed & floating charges, this covers all the property, undertakings and intellectual property (including trademarks and serial numbers) of the Company. The charges also includes a negative pledge.

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

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

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Bank loans	191,667	<i>700,000</i>	191,667	<i>700,000</i>
	191,667	<i>700,000</i>	191,667	<i>700,000</i>

19. Loans

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Amounts falling due within one year				
Bank loans	650,000	<i>1,414,286</i>	650,000	<i>1,414,286</i>
	650,000	<i>1,414,286</i>	650,000	<i>1,414,286</i>
Amounts falling due 1-2 years				
Bank loans	191,667	<i>700,000</i>	191,667	<i>700,000</i>
	191,667	<i>700,000</i>	191,667	<i>700,000</i>
	841,667	<i>2,114,286</i>	841,667	<i>2,114,286</i>

The Company has 3 debt agreements in place with Silicon Valley Bank, these comprise:

	Principal facility	Interest rate	Term
Term loan 1	£2,000,000	9.25%+Bank rate	36 months
Term loan 2	£3,000,000	9.25%+Bank rate	36 months
Term loan 3	£1,000,000	9.25%+Bank rate	36 months

Contained within bank loan agreements are warrant options entered into between the Company and Silicon Valley Bank. The warrants give the holder, the right and not the obligation to acquire a fixed number of shares at fixed price, and thus management have made the judgement to classify these as equity and not as a liability. However, management have calculated the fair value and considered the warrants to be immaterial. As such no amount has been recognised.

As of date of signing, term 1 has been fully repaid and the full £1m of term loan 3 has been drawn down.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

20. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
2,880,000 (2021 -) Ordinary shares shares of £0.0001 each	288.00	-
5,390,000 (2021 -) A Ordinary shares shares of £0.0001 each	539.00	-
14,270,000 (2021 -) B+ Ordinary share shares of £0.0001 each	1,427.00	-
1098,667 (2021 - 1,098,700) Ordinary shares shares of £0.0001 each	-	109.87
281,226 (2021 - 281,200) Ordinary A1 shares shares of £0.0001 each	-	28.12
682,465 (2021 - 682,500) Ordinary A2 shares shares of £0.0001 each	-	68.25
720,467 (2021 - 720,500) Ordinary A3 shares shares of £0.0001 each	-	72.05
901,525 (2021 - 901,500) B1 Ordinary shares shares of £0.0001 each	-	90.15
62,588 (2021 - 62,600) B2 Ordinary shares shares of £0.0001 each	-	6.26
411,141 (2021 - 411,100) B3 Ordinary shares shares of £0.0001 each	-	41.11
1,034,505 (2021 - 1,034,500) B4 Ordinary shares shares of £0.0001 each	-	103.45
24,165 (2021 - 24,200) B5 Ordinary shares shares of £0.0001 each	-	2.42
	<u>2,254.00</u>	<u>521.68</u>

The equity shares shall confer on each holder of equity shares the right to receive notice of and to attend and speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

Except as otherwise provided in the articles, the Equity shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.

On 28 January 2022, 119,309 B+ Ordinary shares were issued at £0.0001 each.

On 28 November 2022, 22,190 Ordinary shares were issued at £0.0001 each.

On 28 November 2022, 5,390,523 A Ordinary shares were issued at £0.0001 each.

On 28 November 2022, 14,274,012 B+ Ordinary shares were issued at £0.0001 each.

During the year, A1, A2 and A3 shares were combined into A type shares and B1, B2, B3, B4 and B5 shares were combined into B+ type shares.

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

21. Reserves

Share premium account

Includes only premiums received on issue of share capital. Any transaction costs associated with issuing of shares are deducted from share premium.

Foreign exchange reserve

Includes the unrealised gains and losses from the translation of overseas subsidiaries at the balance sheet date.

Other reserves

Includes the non-distributable reserve arising from the issue of share options as well as the difference between the fair value and liquidated sum arising from the convertible loan.

Profit and loss account

Includes all current and prior period retained profit and losses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

22. Share-based payments

The Company operates an equity-settled share-based compensation plan established under the Enterprise Management Initiative ("EMI") scheme granting shares options to employees in the Company. The fair value of the employee services received in exchange for the options granted is expensed. This has been based on management's estimate of the number of shares that will eventually vest and the fair value of the share options as at the date of granting.

	Weighted average exercise price (pence) 2022	Number 2022	<i>Weighted average exercise price (pence) 2021</i>	<i>Number 2021</i>
Outstanding at the beginning of the year	270	521,413	359	526,149
Granted during the year	83	290,734	163	150,643
Forfeited during the year	567	(153,249)	432	(122,242)
Exercised during the year	133	(6,063)	13	(33,137)
Outstanding at the end of the year	118	652,835	270	521,413

	2022	<i>2021</i>
Option pricing model used	Black Scholes	<i>Black Scholes</i>
Weighted average share price (pence)	£0.02	£3.30
Exercise price (pence)	£0.02	£3.83
Weighted average contractual life (days)	3459	3459
Expected volatility	80%	83%
Expected dividend growth rate	0%	0%
Risk-free interest rate	4.51%	2.5%

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. The fair value of awards granted is measured using a Black Scholes model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options that are expected to vest, with any changes in estimate recognised in the profit and loss account, with a corresponding adjustment in equity as per FRS 102, and is as follows:

	2022 £	<i>2021 £</i>
Share option expense	211,886	334,984
	211,886	<i>334,984</i>

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

22. Share-based payments (continued)

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

23. Pension commitments

The Group operates a defined contributions 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 to the fund and amounted to £124,373 (2021: £120,447). Contributions totalling £19,107 (2021: £24,584) were payable to the fund at the reporting date and are included in creditors.

24. Commitments under operating leases

At 31 December 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	<i>Group 2021 £</i>
Not later than 1 year	60,000	<i>312,000</i>
	<u>60,000</u>	<u><i>312,000</i></u>

25. Related party transactions

Under the provision of Section 33 of Financial Reporting Standard 102 "Related party transactions", the Company has taken advantage of the exemption from disclosing transactions with other wholly owned members of the group headed by Plu&m Limited.

Key management are considered to be the statutory directors whose remuneration has been disclosed within note 9.

26. Post balance sheet events

The directors confirm there have been no significant events affecting the Group since the year end.

27. Controlling party

There is no ultimate controlling party.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.