

Registered number: 09828160

**THRIVA LIMITED**

**ANNUAL REPORT**

**FOR THE PERIOD ENDED 31 DECEMBER 2022**

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**THRIVA LIMITED**

**COMPANY INFORMATION**

**Directors**

E A Brooks  
H Grierson  
C Hallahane  
T J Livesey  
C R Molloy  
R Schaefer  
A Virk

**Registered number**

09828160

**Registered office**

6th Floor, Classic House  
174-180 Old St,  
London  
United Kingdom  
EC1V 9BP

**Independent auditor**

Cooper Parry Group Limited  
Chartered Accountants & Statutory Auditor  
Mindspace  
9 Appold Street  
London  
EC2A 2AP

**THRIVA LIMITED**

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## **THRIVA LIMITED**

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

#### **Strategy, Objectives and Business model**

##### **Introduction.**

Thriva is fuelling a world where biodata is a useful part of everyday life. Using remote diagnostics and an ecosystem of clinically rigorous tools and insights, Thriva empowers users to proactively manage their health based on frequent, accurate and actionable biodata.

Thriva is well positioned to capture market share from structural market changes as the UK diagnostics and wellness sectors undergo rapid change. Remote diagnostics is a \$1.5bn pa market opportunity in the UK fuelled by the NHS, private health, insurance and pharmaceutical testing spend. Covid-19 has accelerated the shift to remote & de-centralised ways of delivering diagnostic services at home. In addition, wellness and disease prevention is experiencing massive growth with a large focus on personalisation for the end user of services. This market is worth an estimated £21bn pa in the UK.

##### **Vision, Mission, Purpose**

Vision: A world where we can understand our health and improve it

Mission: To build a global, modern healthcare service that's increasing our health confidence.

Purpose: Increase the time we all spend in good health

##### **Business Model**

Thriva makes bio-data accessible across two channels; direct to consumer and indirect to consumer. Our underlying tech platform serves both channels, providing a larger addressable market and greater growth opportunities for the business.

Direct to consumer (B2C) makes bio-marker data accessible, intuitive and linked to personalised, engaging and actionable health recommendations. At-home. Engaging. Actionable.

Indirect to consumer (B2B) is a flexible turn-key remote diagnostics solution for a range of healthcare providers such as hospitals, insurers, and telemed. Scalable. Flexible. Integrate easily.

##### **Security and Regulation**

Our platform is designed with privacy, security, and quality in mind to deliver a safe and secure experience to Thriva customers. Our robust platform provides credibility when engaging with partners,

Thriva's product is safe, personalised, data driven, and scalable.

##### **Board Governance**

Board governance and shareholder relationships are an important part of Thriva's company structure. The board is governed by the company's shareholder agreement with appropriate financial reviews and approvals in place for a company with venture capital investors.

Thriva's board met 5 times in the 2022 financial year. In addition to regular board meetings the company presents regular financial and KPI information to its investors in line with its shareholder agreement specifications.

The board and shareholders (including their representatives) are actively engaged in the short, medium and long term strategy relating to financial, employee, risk management and strategic matters.

In 2022 an independent Chairman was appointed to manage the board meetings and shareholder governance.

## THRIVA LIMITED

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

#### Business review

The directors consider that the key financial performance indicators are those that monitor the performance in respect of the business and are shown below.

Thrive had strong performance financially during 2022, despite some key Covid contracts ending as the UK emerged from the pandemic. This financial performance has been driven by a mix of growth from Covid-19 related at home testing and non-Covid-19 at home testing.

Revenues decreased by 102% from the previous year to £36.9m, and the EBITDA of the company has decreased from £26.6m profit to a loss £2.8m.

The net current assets balance sheet position at the end of 2022 is £27.7m, decreasing from £28.6m at the end of 2021.

Performance Metric	2022	2021
Revenue	£36.9m	£74.4m
Gross Profit	£13.6m	£38.8m
EBITDA	£(2.8)m	£26.2m
Net Assets	£27.7m	£28.6m
Operating Cash flow	£(6.1)m	£31.5m

Thrive's financial position in 2022 provides a very strong platform for future growth and the company intends to invest to scale its operations to capture the large market opportunity that exists in the rapidly changing environment it operates.

Thrive has a strong balance sheet which it intends to invest in future growth opportunities in 2023.

## THRIVA LIMITED

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

**Principal Risks and Uncertainties**

The company regularly reports to the board of directors on risks associated with the company.

In particular, this table sets out the key risks that have been identified, with the company's approach to mitigating those risks. All significant business risks are currently being managed with no actions recommended by the Board.

Risk	Impact on Company	Mitigation
Business relationships with Suppliers and Customers	The company relies on suppliers and customers to be able to trade effectively with its customers and commercial partners.	<p>Thriva operates under an integrated lab network model with multiple labs so doesn't have reliability on one lab or supplier within its value chain.</p> <p>Thriva has a dedicated team to manage its operations and plan for smooth delivery of all services.</p> <p>Thriva ensures payment of suppliers in line with its contractual terms and conditions which are in line with standard market practices.</p> <p>For consumers, Thriva has an active customer service team and Trustpilot ratings in excess of 4.5/5.0 which are regularly monitored.</p>
Data Security & Regulation	Breach of regulations or laws could result in legal issues and reputational damage.	<p>We have had substantial penetration testing performed by the National Cyber Security Centre providing assurance regarding the security of our systems</p> <p>Thriva is Cyber Essentials Plus Certified and ISO 27001 accredited. Our accreditations provide greater assurance to customers, and help to expedite engagement with new partners.</p> <p>Thriva holds two CE marks for IVD self testing kits, and one CE mark for a software medical device ("Doc-chain")</p> <p>Quality Management System in place to remain compliant with Medical Device and IVD Regulations.</p> <p>Thriva is also working towards ISO 13485 accreditation which will allow them to evolve the product in a safe, secure and compliant way in line with regulatory changes</p>
Commercial Risks	Key commercial partners disruption could change the company's forecasts and expected financial results.	<p>The company regularly monitors the status of its key contracts and conducts regular scenario analysis planning for different outcomes as those contracts contain variable performance elements.</p> <p>Commercial contracts are managed through a CRM system and regular reviews take place to ensure commercial risks are managed and mitigated financially.</p> <p>The company regularly communicates with shareholders and the board on the commercial risks and associated mitigation plans.</p>

## THRIVA LIMITED

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

Employee matters and Health and Safety	Breach of regulations or laws could result in legal issues and/or employee dissatisfaction.	<p>Thriva has systems and processes in place to ensure a safe, fair and diverse workplace.</p> <p>87% of Thriva employees would recommend it to a friend and Thriva was voted 34th Best startup to work in the UK in 2020 highlighting a positive culture within the business.</p> <p>Employees' matters are tracked at regular board meetings.</p> <p>Thriva has a diversity and disability policy which are regularly communicated and updated where required.</p>
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The company currently operates within the UK only so international risks are low.

### Future Developments

The directors anticipate the business environment will remain competitive. They believe that the company is in a very strong financial position and that the risks that have been identified are being well managed. With careful focus on appropriate diversification and development of new products, as well as continuing review of the state of the market and the activities of competitors, the directors are confident in the company's ability to maintain and build on this position, albeit with cautious growth expectations in the short term.

### Going Concern

The financial results and forecasts are communicated to the senior leadership team on a monthly basis. Results are discussed with all relevant teams and strong financial governance and planning processes are in place.

Management accounts are reviewed by the board of directors and investors in line with the shareholders agreement on a regular basis.

The directors believe the company is a going concern for the foreseeable future evidenced by its strong balance sheet and low overheads in relation to its net assets position.

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

DocuSigned by:  
  
 DE644519BC03428...  
**H Grierson**  
 Director

Date: 4 August 2023

## **THRIVA LIMITED**

### **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 principal activity of the company is that of providing health assessments based on blood samples.

#### **Directors' responsibilities statement**

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with 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 of the profit and loss of the Company for that period.

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

- select suitable accounting policies for the Company's financial statements 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.

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. 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.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £1,334,734 (2021: profit £23,460,554).

The directors do not recommend the payment of a dividend.

#### **Directors**

The directors who served during the year were:

E A Brooks  
H Grierson  
C Hallahane  
T J Livesey  
C R Molloy  
R Schaefer  
A Virk

#### **Disclosure of information to auditor**

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



**THRIVA LIMITED**

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

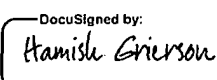
**Post balance sheet events**

There have been no significant events affecting the Company since the year end.

**Auditor**

The auditor, Cooper Parry Group Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:  
  
DE644519BC09428...  
H Grierson  
Director

Date: 4 August 2023

## **THRIVA LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVA LIMITED**

#### **Opinion**

We have audited the financial statements of Thriva Limited (the 'Company') for the year ended 31 December 2022, which comprise the statement of income and retained earnings, the balance sheet, the statement of cash flows, the 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 Company's affairs as at 31 December 2022 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

#### **Other information**

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

We have nothing to report in this regard.

## THRIVA LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVA LIMITED (CONTINUED)

#### 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

#### Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## THRIVA LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVA LIMITED (CONTINUED)

#### Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.
- reading the minutes of meetings of those charged with governance; enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

**THRIVA LIMITED**

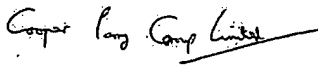
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THRIVA LIMITED (CONTINUED)**

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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



Steven Leith (senior statutory auditor)

for and on behalf of

**Cooper Parry Group Limited**

Chartered Accountants

Statutory Auditor

Mindspace

9 Appold Street

London

EC2A 2AP

4 August 2023

## THRIVA LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £	2021 £
Turnover	3	36,894,513	74,441,438
Cost of sales		(23,282,742)	(35,671,413)
<b>Gross profit</b>		<u>13,611,771</u>	<u>38,770,025</u>
Administrative expenses		(16,253,351)	(12,567,958)
Exceptional administrative expenses		(262,373)	-
<b>Operating (loss)/profit</b>	4	<u>(2,903,953)</u>	<u>26,202,067</u>
Interest receivable and similar income	8	-	2,973
<b>(Loss)/profit before tax</b>		<u>(2,903,953)</u>	<u>26,205,040</u>
Tax on (loss)/profit	9	1,569,219	(2,744,486)
<b>(Loss)/profit for the financial year</b>		<u><u>(1,334,734)</u></u>	<u><u>23,460,554</u></u>

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of income and retained earnings.


The notes on pages 16 to 28 form part of these financial statements.

**THRIVA LIMITED**  
**REGISTERED NUMBER: 09828160**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	199,374	173,218
		<u>199,374</u>	<u>173,218</u>
<b>Current assets</b>			
Stocks	12	218,372	1,057,048
Debtors: amounts falling due within one year	13	6,446,876	6,937,874
Cash at bank and in hand	14	25,203,729	31,505,136
		<u>31,868,977</u>	<u>39,500,058</u>
<b>Creditors: amounts falling due within one year</b>	15	<u>(4,285,269)</u>	<u>(11,054,591)</u>
<b>Net current assets</b>		<u>27,583,708</u>	<u>28,445,467</u>
<b>Total assets less current liabilities</b>		<u>27,783,082</u>	<u>28,618,685</u>
<b>Creditors: amounts falling due after more than one year</b>	16	(6,514)	-
<b>Provisions for liabilities</b>			
Deferred tax	17	<u>(43,908)</u>	<u>(38,861)</u>
		<u>(43,908)</u>	<u>(38,861)</u>
<b>Net assets</b>		<u><u>27,732,660</u></u>	<u><u>28,579,824</u></u>
<b>Capital and reserves</b>			
Called up share capital	18	359	359
Share premium account	19	12,729,929	12,729,929
Share option reserve	19	487,644	74
Profit and loss account	19	<u>14,514,728</u>	<u>15,849,462</u>
		<u><u>27,732,660</u></u>	<u><u>28,579,824</u></u>

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

DocuSigned by:  
  
 DE644510BC09428...  
**H Grierson**  
 Director

Date: 4 August 2023

The notes on pages 16 to 28 form part of these financial statements.

## THRIVA LIMITED

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

	Called up share capital	Share premium account	Share option reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2022	359	12,729,929	74	15,849,462	28,579,824
<b>Comprehensive income for the year</b>					
Loss for the year	-	-	-	(1,334,734)	(1,334,734)
Employee share options charge for the year	-	-	487,570	-	487,570
<b>Total comprehensive income for the year</b>	-	-	487,570	(1,334,734)	(847,164)
<b>At 31 December 2022</b>	<u>359</u>	<u>12,729,929</u>	<u>487,644</u>	<u>14,514,728</u>	<u>27,732,660</u>

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

	Called up share capital	Share premium account	Share option reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2021	338	10,730,154	74	(7,611,092)	3,119,474
<b>Comprehensive income for the year</b>					
Profit for the year	-	-	-	23,460,554	23,460,554
<b>Total comprehensive income for the year</b>	-	-	-	23,460,554	23,460,554
Shares issued during the year	21	1,999,775	-	-	1,999,796
<b>At 31 December 2021</b>	<u>359</u>	<u>12,729,929</u>	<u>74</u>	<u>15,849,462</u>	<u>28,579,824</u>

The notes on pages 16 to 28 form part of these .



## THRIVA LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
(Loss)/profit for the financial year	(1,334,734)	23,460,554
<b>Adjustments for:</b>		
Depreciation of tangible assets	97,711	48,079
Loss on disposal of tangible assets	-	20,373
Interest received	-	(2,973)
Taxation (credit)/charge	(1,569,219)	2,744,486
Decrease/(increase) in stocks	838,676	(859,267)
Decrease/(increase) in debtors	2,065,264	(71,416)
(Decrease)/increase in creditors	(6,194,683)	2,560,789
Net fair value losses recognised in P&L	488,430	-
Corporation tax (paid)	(568,125)	(2,137,500)
<b>Net cash generated from operating activities</b>	<b>(6,176,680)</b>	<b>25,763,125</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(125,332)	(189,277)
Sale of tangible fixed assets	605	-
Interest received	-	2,973
<b>Net cash from investing activities</b>	<b>(124,727)</b>	<b>(186,304)</b>
<b>Cash flows from financing activities</b>		
Issue of ordinary shares	-	1,999,796
<b>Net cash used in financing activities</b>	<b>-</b>	<b>1,999,796</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(6,301,407)</b>	<b>27,576,617</b>
Cash and cash equivalents at beginning of year	31,505,136	3,928,519
<b>Cash and cash equivalents at the end of year</b>	<b>25,203,729</b>	<b>31,505,136</b>
<b>Cash and cash equivalents at the end of year comprise:</b>		
Cash at bank and in hand	25,203,729	31,505,136
	<b>25,203,729</b>	<b>31,505,136</b>

The notes on pages 16 to 28 form part of these financial statements.

**THRIVA LIMITED**

**ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	<b>At 1 January 2022 £</b>	<b>Cash flows £</b>	<b>At 31 December 2022 £</b>
Cash at bank and in hand	31,505,136	(6,301,407)	25,203,729
	<u>31,505,136</u>	<u>(6,301,407)</u>	<u>25,203,729</u>

The notes on pages 16 to 28 form part of these financial statements.

## THRIVA LIMITED

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

#### 1. Accounting policies

##### 1.1 Basis of preparation of financial statements

The company is a private limited company incorporated and domiciled in the United Kingdom. The address of its registered office is 6th Floor, Classic House, 174-180 Old St, London, United Kingdom, EC1V 9BP. The financial statements are prepared in sterling (£), and are prepared for the year ended 31 December 2022 (2021: year ended 31 December 2021).

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 management to exercise judgment in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been applied:

##### 1.2 Going concern

The financial statements have been prepared on the going concern basis.

The directors have prepared projected cash flow information in excess of 12 months from the date of their approval of these financial statement. The detailed projections demonstrate the company is forecast to remain cash positive and accordingly the directors believe the company has adequate resources to continue in operational existence for the period of at least 12 months from the date of the approval of these financial statements.

##### 1.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. In Thriva's case, the completion status of a contract is typically attached to when a test is processed and results are provided to the customer. In some cases a test can be dispatched but not returned by the customer, or returned after a significant period of time - In such cases the company uses the terms and conditions of a sale to recognise an appropriate amount of revenue for contracts that will not be completed from orders placed in the current period.

The following criteria must also be met before revenue is recognised:

##### Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably;
- and
- the costs incurred and the costs to complete the contract can be measured reliably

## THRIVA LIMITED

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

#### 1. Accounting policies (continued)

##### 1.4 Operating leases

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

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

##### 1.5 Research and development

Expenditure on research and development is written off in the year in which it is incurred.

##### 1.6 Interest income

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

##### 1.7 Pensions

###### Defined contribution pension plan

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

The contributions are recognised as an expense in profit and 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 Company in independently administered funds.

##### 1.8 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit and 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 operates and generates 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.

**THRIVA LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****1. Accounting policies (continued)****1.9 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 and 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 company 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 and loss over the remaining vesting period.

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

**1.10 Exceptional items**

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

**1.11 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.

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:

Fixtures and fittings	- 3 years
Office equipment	- 3 years
Computer equipment	- 3 years

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.

**1.12 Stock**

Stocks are valued at the lower of cost and estimated selling price (less any associated costs to enable such sales to complete).

## THRIVA LIMITED

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

#### 1. Accounting policies (continued)

##### 1.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit and loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the balance sheet.

##### 1.14 Financial instruments

The Company 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 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.

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.

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

The preparation of the financial statements require management to make significant judgments, estimates and assumptions that effect the application of policies and reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities and are not readily apparent from other sources. Actual results may differ from these estimates. The judgments, estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are:

##### Impairment of fixed assets

The group assess the impairment of tangible fixed assets subject to depreciation whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

## THRIVA LIMITED

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

## 3. Turnover

The whole of the turnover is attributable to the companies principle business activity.

## 4. Operating (loss)/profit

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

	2022 £	2021 £
Research & development charged as an expense	-	62,519
Exchange differences	3,837	2,159
Other operating lease rentals	522,489	366,555
	<u>522,489</u>	<u>366,555</u>

## 5. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's financial statements	25,000	22,000

## Fees payable to the Company's auditor and its associates in respect of:

Taxation compliance services	5,750	3,500
All other services	-	23,400
	<u>5,750</u>	<u>26,900</u>

## THRIVA LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**6. Employees**

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

	2022 £	2021 £
Wages and salaries	8,760,725	6,231,130
Social security costs	1,222,861	656,032
Pension costs	302,315	171,695
	<u>10,285,901</u>	<u>7,058,857</u>

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

	2022 No.	2021 No.
Employees	<u>122</u>	<u>89</u>

**7. Director's remuneration**

	2022 £	2021 £
Director's emoluments	428,025	563,805
Company contributions to defined contribution pension schemes	22,619	19,459
	<u>450,644</u>	<u>583,264</u>

During the year retirement benefits were accruing to 3 director's (2021: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £154,638 (2021: £187,935).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,452 (2021: £6,954).

**8. Interest receivable**

	2022 £	2021 £
Other interest receivable	-	2,973
	<u>-</u>	<u>2,973</u>



## THRIVA LIMITED

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

## 9. Taxation

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	(1,574,266)	2,705,625
	<u>(1,574,266)</u>	<u>2,705,625</u>
<b>Total current tax</b>	<u>(1,574,266)</u>	<u>2,705,625</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	5,047	38,860
Effect of tax rate change on opening balance	-	1
<b>Total deferred tax</b>	<u>5,047</u>	<u>38,861</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(1,569,219)</u>	<u>2,744,486</u>

## THRIVA LIMITED

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

## 9. 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)/profit on ordinary activities before tax	(2,903,953)	26,205,040
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	(575,030)	4,978,958
<b>Effects of:</b>		
Fixed asset differences	(7,109)	(10,000)
Capital allowances for year in excess of depreciation	108,954	75,171
Additional- deduction for R&D expenditure	(1,081,893)	(611,726)
Remeasurement of deferred tax for changes in tax rates	1,210	9,327
Movement in deferred tax not recognised	-	(1,697,244)
Adjustments to tax charge in respect of prior periods	(1,574,266)	-
Other permanent differences	148	-
Losses carried back	1,558,767	-
<b>Total tax charge for the year</b>	<b>(1,569,219)</b>	<b>2,744,486</b>

## THRIVA LIMITED

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

## 9. Taxation (continued)

## Factors that may affect future tax charges

On 3 March 2021, the Chancellor of the Exchequer announced that the corporation tax rate would increase to a maximum of 25% from 1 April 2023. This was substantively enacted on 24 May 2021. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised, based on tax law and the corporation tax rates that have been enacted, or substantively enacted, at the balance sheet date. As such, the deferred tax rate applicable at 31 December 2021 is 25% and deferred tax has been re-measured at this date

## 10. Exceptional items

	2022 £	2021 £
Restructuring costs to profit and loss	262,373	-
	<u>262,373</u>	<u>-</u>

## 11. Tangible fixed assets

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
At 1 January 2022	4,676	28,131	243,893	276,700
Additions	21,770	4,557	99,005	125,332
Disposals	-	(907)	(509)	(1,416)
At 31 December 2022	<u>26,446</u>	<u>31,781</u>	<u>342,389</u>	<u>400,616</u>
<b>Depreciation</b>				
At 1 January 2022	521	7,380	95,581	103,482
Charge for the year on owned assets	4,152	7,864	86,555	98,571
Disposals	-	-	(811)	(811)
At 31 December 2022	<u>4,673</u>	<u>15,244</u>	<u>181,325</u>	<u>201,242</u>
<b>Net book value</b>				
At 31 December 2022	<u>21,773</u>	<u>16,537</u>	<u>161,064</u>	<u>199,374</u>
At 31 December 2021	<u>4,155</u>	<u>20,751</u>	<u>148,312</u>	<u>173,218</u>

## THRIVA LIMITED

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

## 12. Inventories

	2022 £	2021 £
Inventories	218,372	1,057,048
	<u>218,372</u>	<u>1,057,048</u>

## 13. Debtors

	2022 £	2021 £
Trade debtors	62,882	13,404
Other debtors	2,753,389	171,980
Prepayments and accrued income	3,630,605	6,752,490
	<u>6,446,876</u>	<u>6,937,874</u>

## 14. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	25,203,729	31,505,136
	<u>25,203,729</u>	<u>31,505,136</u>

## 15. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	1,743,093	4,059,318
Corporation tax	-	568,125
Other taxation and social security	585,325	3,198,468
Other creditors	178,455	1,462,739
Accruals and deferred income	1,778,396	1,765,941
	<u>4,285,269</u>	<u>11,054,591</u>

## THRIVA LIMITED

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

## 16. Creditors: Amounts falling due after more than one year

	2022 £	2021 £
Accruals and deferred income	6,514	-
	<u>6,514</u>	<u>-</u>

## 17. Deferred taxation

	2022 £
At beginning of year	(38,861)
Charged to profit or loss	(5,047)
<b>At end of year</b>	<b><u>(43,908)</u></b>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Provision at start of period	(38,861)	-
Deferred tax charged in the profit and loss for the period	(5,047)	(38,861)
	<u>(43,908)</u>	<u>(38,861)</u>

## 18. Share capital

	2022 £	2021 £
<b>Allotted, called up and fully paid</b>		
1,065,091 Ordinary A shares of £0.0001 each	107	107
2,114,470 Ordinary shares of £0.0001 each	211	211
407,463 Series A Extension shares of £0.0001 each	41	41
	<u>359</u>	<u>359</u>

## THRIVA LIMITED

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

## 19. Reserves

## Share premium account

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares is deducted from share premium.

## Profit and loss account

Includes all current and prior period retained profit and losses.

## 20. Share-based payments

Thriva Limited have had share options in issue since 2017. These are granted at the discretion of the director's. The number of equity-settled share based payment options have been disclosed in the table below. There has been a charge of £487k for the equity-settled share based payment options made during 2022 (2021: £nil).

	Weighted average exercise price (pence) 2022	Number 2022	Weighted average exercise price (pence) 2021	Number 2021
Outstanding at the beginning of the year	0.0001	277,884	0.0001	151,232
Granted during the year	0.0001	2,131	0.0001	146,730
Forfeited during the year	0.0001	(53,109)	0.0001	(20,078)
<b>Outstanding at the end of the year</b>		<b>226,906</b>		<b>277,884</b>

	2022	2021
Option pricing model used	Black Scholes Options Pricing Model	Black Scholes Options Pricing Model
Weighted average share price (pence)	4.81	4.81
Exercise price (pence)	0.0001	0.0001
Weighted average contractual life (days)	3650	3650
Expected volatility	50%	50%
Risk-free interest rate	3.5%	3.5%

**THRIVA LIMITED****NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022****21. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £302,315 (2021: £171,695). Contributions totaling £132,913 (2021: £52,527) were payable to the fund at the balance sheet date and are included in creditors.

**22. Commitments under operating leases**

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

	2022 £	2021 £
Not later than 1 year	640,490	332,353
Later than 1 year and not later than 5 years	406,000	-
	<u>1,046,490</u>	<u>332,353</u>

**23. Controlling party**

There is no ultimate controlling party in place during the year.