
GREENGAGE GLOBAL HOLDING LTD

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2022

GREENGAGE GLOBAL HOLDING LTD
REGISTERED NUMBER:11904803

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	4	498,338	211,089
Tangible assets	5	24,744	11,440
Investments	6	537,220	5,500
		<u>1,060,302</u>	<u>228,029</u>
Current assets			
Debtors: amounts falling due within one year	7	146,381	349,940
Cash at bank and in hand		478,066	2,887,450
		<u>624,447</u>	<u>3,237,390</u>
Creditors: amounts falling due within one year	8	(4,393,081)	(4,085,394)
Net current liabilities		<u>(3,768,634)</u>	<u>(848,004)</u>
Net liabilities		<u>(2,708,332)</u>	<u>(619,975)</u>
Capital and reserves			
Called up share capital	9	1,126	1,127
Share premium account		2,127,472	2,133,484
Capital redemption reserve		1	-
Share based payment reserve	10	897,735	608,708
Profit and loss account		(5,734,666)	(3,363,294)
		<u>(2,708,332)</u>	<u>(619,975)</u>

GREENGAGE GLOBAL HOLDING LTD
REGISTERED NUMBER:11904803

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

S H Kiernan
Director

Date: 7 August 2023

The notes on pages 4 to 14 form part of these financial statements.

GREENGAGE GLOBAL HOLDING LTD

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

	Called up share capital	Share premium account	Capital redemption reserve	Share based payment reserve	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 January 2021	1,127	2,133,484	-	363,544	(1,359,548)	1,138,607
	-	-	-	-	(2,003,746)	(2,003,746)
Loss for the year						
	-	(360)	-	-	-	(360)
Shares redeemed during the year						
	-	360	-	-	-	360
Shares issued during the year						
	-	-	-	245,164	-	245,164
Share option charge						
At 1 January 2022	1,127	2,133,484	-	608,708	(3,363,294)	(619,975)
	-	-	-	-	(2,371,372)	(2,371,372)
Loss for the year						
	(1)	(6,012)	1	-	-	(6,012)
Shares re-purchased during the year						
	-	-	-	289,027	-	289,027
Share option charge						
At 31 December 2022	<u>1,126</u>	<u>2,127,472</u>	<u>1</u>	<u>897,735</u>	<u>(5,734,666)</u>	<u>(2,708,332)</u>

The notes on pages 4 to 14 form part of these financial statements.

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

1. General information

Greengage Global Holding Ltd is a private company, limited by shares, incorporated in England and Wales. The company number is 11904803 and the registered office is 9 Little Trinity Lane, London, EC4V 2AD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.3 Going concern

The directors consider the going concern basis to be appropriate because in their opinion, the company will continue to obtain sufficient funding to enable it to pay its debts as they fall due and also will receive continuing support from its creditors. If the company were unable to trade, adjustments would have to be made to reduce the value of the assets to their recoverable amounts and to provide for further liabilities that may arise.

2.4 Revenue

Commission and introduction fee income 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. Commission and introduction fee income is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Rendering of services

Commission and introduction fee income 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.

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

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

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

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

2.6 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.

2.7 Interest income

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

2.8 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.

2.9 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 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 Company in independently administered funds.

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

2. Accounting policies (continued)

2.10 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 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 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.

2.11 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 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.

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

2. Accounting policies (continued)

2.12 Intangible assets

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

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

The estimated useful lives range as follows:

Development costs	-	5	years
-------------------	---	---	-------

2.13 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:

Plant and machinery	-	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.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

2.15 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.

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

2. Accounting policies (continued)

2.16 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.

2.17 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.

2.18 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.

3. Employees

The average monthly number of employees, including directors, during the year was 28 (2021 -15).

GREENGAGE GLOBAL HOLDING LTD

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

4. Intangible assets

	Development costs £
Cost	
At 1 January 2022	231,315
Additions	333,512
At 31 December 2022	<u>564,827</u>
Amortisation	
At 1 January 2022	20,226
Charge for the year on owned assets	46,263
At 31 December 2022	<u>66,489</u>
Net book value	
At 31 December 2022	<u><u>498,338</u></u>
<i>At 31 December 2021</i>	<u><u>211,089</u></u>

GREENGAGE GLOBAL HOLDING LTD

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

5. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 January 2022	14,854
Additions	21,596
	<hr/>
At 31 December 2022	36,450
	<hr/>
Depreciation	
At 1 January 2022	3,414
Charge for the year on owned assets	8,292
	<hr/>
At 31 December 2022	11,706
	<hr/>
Net book value	
At 31 December 2022	<u>24,744</u>
<i>At 31 December 2021</i>	<u><u>11,440</u></u>

GREENGAGE GLOBAL HOLDING LTD

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

6. Fixed asset investments

	Investments in subsidiary companies	Other investments	Total
	£	£	£
Cost or valuation			
At 1 January 2022	2,100	5,400	7,500
Additions	537,220	-	537,220
Disposals	(2,000)	-	(2,000)
At 31 December 2022	537,320	5,400	542,720
Impairment			
At 1 January 2022	2,000	-	2,000
Charge for the period	100	5,400	5,500
Impairment on disposals	(2,000)	-	(2,000)
At 31 December 2022	100	5,400	5,500
Net book value			
At 31 December 2022	537,220	-	537,220
At 31 December 2021	100	5,400	5,500

7. Debtors

	2022 £	2021 £
Trade debtors	8,505	-
Amounts owed by group undertakings and undertakings in which the company has a participating interest	66,533	252,146
Other debtors	71,343	97,794
	146,381	349,940

GREENGAGE GLOBAL HOLDING LTD

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

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	71,792	77,526
Other taxation and social security	128,680	36,246
Other creditors	4,192,609	3,971,622
	<u>4,393,081</u>	<u>4,085,394</u>

Other creditors at 31 December 2022 include loan stock of £3,775,000 (2021 - £3,775,000). During the year loan stock of £Nil (2021 - £3,000,000) was issued. Also included is loan interest accrued at a rate of 8% per annum of £142,005 (2021 - £80,006) and 5% per annum of £215,123 (2021 - £65,123).

9. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
935,799 (2021 - 935,799) Ordinary shares of £0.001 each	935	936
190,572 (2021 - 191,073) Ordinary A shares of £0.001 each	191	191
	<u>1,126</u>	<u>1,127</u>

On 4 April 2022, the company re-purchased 501 Ordinary A shares of £0.001 each for proceeds of £6,012 paid via the company's share premium reserve. The 501 Ordinary A shares were subsequently cancelled on the same date.

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

10. Share based payments

Employee Share Option Plan (ESOP)

During the year, the company granted 19,125 share options (2021 - Nil), no share options were exercised (2021 - Nil) and 250 share options lapsed (2021 - Nil). At 31 December 2022 the total outstanding options was 94,664 (2021 - 75,789) of which 41,599 share options have vested (2021 - 24,504). Vested options are dependant on an exit event. The number of share options which were forfeited or expired during the year was 250 (2021 - 23,933).

Vesting will not cause an option to become exercisable but rather the exercise of any option will be dependant upon an exit event as determined by the Board and noted within the rules of the plan. Exit events can include such items as an IPO, a sale or any other event that the Board may, at its absolute discretion determine to be an exit.

Any shares not exercised 10 years from the date of grant will lapse.

Share options are valued at £20 (2021 - £12) each, which is based on the convertible loan valuation. The exercise price of share options granted during the year is £0.001 (2021 - £0.001).

Other share options

During the year, the company granted no share options (2021 - 5,328) and no share options were exercised (2021 - Nil). At 31 December 2022 the total outstanding options was 26,732 (2021 - 26,732) of which 26,357 have vested and are exercisable at any time (2021 - 26,232).

No options (2021 - 4,828) granted during the year can be exercised at any time. No options (2021 - 500) granted during the year will vest over a 4-year term unless an exit is declared.

17,307 (2021 - 17,307) shares not exercised 10 years from the date of grant will lapse. 9,425 (2021 - 9,425) shares not exercised 7 years from the date of grant will lapse.

25,017 share options are valued at £12 (2021 - £12) each, which is based on the company valuation of Seed funding round. 1,715 share options are valued at £20 each, which is based on the convertible loan note valuation. The exercise price of share options granted during the year is £0.001 (2021 - £0.001).

11. 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 £22,412 (2021 - £12,813). At 31 December 2022, £5,332 was outstanding in relation to the fund.

12. Related party transactions

The company has taken advantage of the exemption available under FRS102 and not disclosed transactions with any wholly owned group companies.

During the year, the company received services of £20,000 (2021: £132,456) from a connected company. There was £Nil balance outstanding as at the year end (2021 - £12,500).

GREENGAGE GLOBAL HOLDING LTD

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

13. Post balance sheet events

On 28th March 2023, a voluntary strike off of Greengage & Co. Ltd was completed. Greengage & Co. Ltd was a 100% subsidiary of Greengage Global Holding Ltd.

On 12 May 2023 £3,775,000 of loan stock and associated interest, shown within Other creditors of note 8, was converted into 214,273 Ordinary A shares of £0.001 each, also 145,810 warrants for A shares of £0.001 each being issued as part of the conversion.

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.