

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021
FOR
FIGMA UK LTD.

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FOR THE YEAR ENDED 31 DECEMBER 2021**

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FIGMA UK LTD.

**COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021**

Directors:	P K Melwani M N Corcoran
Registered office:	Suite 2 First Floor 10 Temple Back Bristol United Kingdom BS1 6FL
Registered number:	12523488 (England and Wales)
Auditors:	Mark Arber Limited Statutory Auditors 71-75 Shelton Street Covent Garden London WC2H 9JQ

BALANCE SHEET
31 DECEMBER 2021

	Notes	31.12.21 £	31.12.20 as restated £
FIXED ASSETS			
Tangible assets	4	30,392	-
CURRENT ASSETS			
Debtors	5	1,893,123	625,032
Cash at bank		<u>280,804</u>	<u>126,061</u>
		2,173,927	751,093
CREDITORS			
Amounts falling due within one year	6	<u>(922,808)</u>	<u>(485,853)</u>
NET CURRENT ASSETS		<u>1,251,119</u>	<u>265,240</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,281,511</u>	<u>265,240</u>
CAPITAL AND RESERVES			
Called up share capital	9	100	100
Other reserves	10	2,230,105	215,400
Retained earnings	10	<u>(948,694)</u>	<u>49,740</u>
SHAREHOLDERS' FUNDS		<u>1,281,511</u>	<u>265,240</u>

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 November 2022 and were signed on its behalf by:

M N Corcoran - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. STATUTORY INFORMATION

Figma UK Ltd. is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least twelve months from the date of signing this report.

The company relies on the continued support from its ultimate parent company Figma Inc., which has confirmed that it will continue to provide this for the foreseeable future. On that basis, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Figma Inc. as at 31/12/2021 and these financial statements may be obtained from 760 Market St, Floor 10 San Francisco, CA 94102, United States.

Turnover

Turnover represents income earned from the parent, Figma Inc., based on a cost plus intercompany services agreement, excluding Value Added Tax.

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:

- Computer equipment - 3 years
- Leasehold improvement - over the life of the lease

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 the Income Statement.

Financial instruments

The Company only enters into basic financial instruments 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 non-puttable ordinary shares.

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 recognized amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

2. ACCOUNTING POLICIES - continued

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

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 the income Statement.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term deposits.

Share based payments

The company participates in an equity settled, share based compensation plan operated by its parent company, Figma Inc. The fair value of the employee services received in exchange for the grant of the options or shares is recognised as an expense over the vesting term, with a corresponding credit to other reserve.

Share options

The total amount to be expensed over the vesting period is determined by reference only to the fair value of options, excluding the impact of any non market vesting conditions (for example, profitability and sales growth targets). Non market vesting conditions are included in assumptions about the number of options or shares that are expected to vest. At each balance sheet date, the entity revises its estimates of the number of options or shares that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the profit and loss account. For share option awards, the fair value is determined by using the Black Scholes Merton (BSM) option pricing model on the date of grant.

Restricted Stock Units (RSUs)

RSUs have been granted to the company's employees under Figma Inc. 2012 Equity Incentive plan. RSUs outstanding at the year-end have service-based based vesting conditions and performance based non vesting conditions. The service-based vesting period for these awards is typically four years with a cliff vesting period of one year and continued vesting monthly thereafter. The total amount to be expensed is based on the fair value of the shares at the grant date and is spread out over the vesting period of each tranche.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 36 (2020 - 11) .

4. TANGIBLE FIXED ASSETS

	Short leasehold £	Computer equipment £	Totals £
Cost			
Additions	33,215	2,333	35,548
At 31 December 2021	<u>33,215</u>	<u>2,333</u>	<u>35,548</u>
Depreciation			
Charge for year	5,092	64	5,156
At 31 December 2021	<u>5,092</u>	<u>64</u>	<u>5,156</u>
Net book value			
At 31 December 2021	<u>28,123</u>	<u>2,269</u>	<u>30,392</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 as restated £
Amounts owed by group undertakings	826,229	529,057
Other debtors	318,018	13,311
VAT	172,544	4,600
Deferred tax asset	443,595	72,534
Prepayments	<u>132,737</u>	<u>5,530</u>
	<u>1,893,123</u>	<u>625,032</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.21 £	31.12.20 as restated £
Trade creditors	32,035	-
Tax	11,675	44,744
Social security and other taxes	119,732	82,703
Other creditors	107,489	-
Accrued expenses	<u>651,877</u>	<u>358,406</u>
	<u>922,808</u>	<u>485,853</u>

7. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.12.21 £	31.12.20 as restated £
Within one year	<u>1,418,186</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

8. DEFERRED TAX

	2021	2020
	£	as restated £
Recognised deferred tax		
At beginning of the year	72,534	-
Charged to the profit and loss account	<u>371,061</u>	<u>72,534</u>
At end of year	<u>443,595</u>	<u>72,534</u>

9. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	31.12.21	31.12.20
			£	as restated £
1	Ordinary	£100	<u>100</u>	<u>100</u>

10. RESERVES

	Retained earnings £	Other reserves £	Totals £
At 1 January 2021	49,740	215,400	265,140
Deficit for the year	(998,434)		(998,434)
Share based payment reserves	-	2,014,705	2,014,705
At 31 December 2021	<u>(948,694)</u>	<u>2,230,105</u>	<u>1,281,411</u>

11. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Mark Arber (Senior Statutory Auditor)
for and on behalf of Mark Arber Limited

12. SHARE BASED PAYMENTS

Restricted Stock Units (RSUs)

RSUs have been granted to the company's employees under Figma Inc 2012 plan. RSUs outstanding as of December 31, 2021 have service-based vesting conditions. The service-based vesting period for these awards is typically four years with a cliff vesting period of one year and continued vesting monthly thereafter. The total amount to be expensed is based on the fair value of the shares at the grant date, and is spread out over the vesting period of each tranche.

Total expense recorded for RSUs for the year ended 31 December 2021 was £1,934,580 (2020 restated : £148,835).

Share options

The ultimate parent company, Figma Inc. provides employees with share options (the "Awards").

Certain awards are conditional on the employee completing a specified period of service (the vesting period). The ultimate Parent has no legal or constructive obligation to repurchase or settle the Awards in cash. The exercise price for stock options may not be less than the fair market value of the underlying stock at the date of grant and options generally will expire no later than 10 years after the date on which they are granted.

Total expense recorded for share options for the year ended 31 December 2021 was £80,125 (2020 restated:£66,565)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021**

13. ULTIMATE PARENT COMPANY

Figma UK Ltd. is a wholly owned subsidiary of Figma Inc., incorporated in USA with its principal place of business at 760 Market St, Floor 10 San Francisco, CA 94102, United States.

14. PENSION COMMITMENT

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from these of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £119,853 (2020: £27,775). Contributions totaling £33,727 (2020: £12,066) were payable to the fund at the reporting date.

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.