Company Registration No. 13078596 (England and Wales)

MEDCAW INVESTMENTS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2021

MEDCAW INVESTMENTS PLC – COMPANY NUMBER 13078596
COMPANY INFORMATION

Directors	Mr Sarah Cope – Executive Chairman Mr Daniel Maling – Non-Executive Director
Company Secretary	Orana Corporate LLP
Company number	13078596
Registered office	Central Working Victoria Eccleston Yards 25 Eccleston Place London SW1W 9NF
Principal place of business / operations	Central Working Victoria Eccleston Yards 25 Eccleston Place London SW1W 9NF
Independent Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	Alpha FX 2 Eastbourne Terrace London WC 6LG

CONTENTS

The Directors present their strategic report for the period 11 December 2020 to 31 December 2021.

REVIEW OF BUSINESS STRATEGY AND BUSINESS MODEL

The Company was incorporated on 11 December 2020 to undertake one or more acquisitions (which may be in the form of a merger, capital stock exchange, asset acquisition, share purchase, scheme of arrangement, reorganisation or similar business combination) of a minority or majority interest in a company, business or asset in the life sciences sector. The Company will target the acquisition of a company, business or asset operating in the life sciences sector, particularly those that are focused on developing medical and/or wellness technologies and/or therapies. The directors are particularly seeking opportunities in relation to a target focused on enabling and delivering better health and longevity.

The Board has yet to identify an acquisition opportunity and, currently, there are no plans, arrangements or understandings with any prospective target company or business regarding an acquisition. The Board, through its extensive network of contacts, expects to be able to identify a number of potentially interesting Acquisition opportunities within the life sciences sector.

To date, the Company's efforts have been limited to organisational activities as well as activities related to the proposed admission to the London Stock Exchange which at the time of this report is gathering significant momentum. The Company does not have a specific acquisition under consideration and does not expect to engage in substantive negotiations with any target company or business until after admission.

Principal risks and uncertainties

The Company's business activities expose it to a variety of risks, being foreign investment & exchange risks, finance risks and strategic risks.

Foreign investment and exchange risks

The Company's functional and presentational currency is pounds sterling. As a result, the Company's consolidated financial statements will carry the Company's assets in pounds sterling. Any business the Company acquires may denominate its financial information, conduct its operations or make sales in currencies other than pounds sterling. When consolidating a business that has functional currencies other than pounds sterling, the Company will be required to translate, inter alia, the balance sheet and operational results of such business into pounds sterling. Due to the foregoing, changes in exchange rates between pounds sterling and other currencies could lead to significant changes in the Company's reported financial results from period to period.

Financing risks

Although the Company intends to finance any acquisition through the issue of Ordinary Shares where possible, it may be the case that any such acquisition may be partially funded by ordinary shares or ordinary shares may not be an acceptable proposal to the selling party, and the Company may need to raise substantial additional capital in the future subsequent to the fundraise to fund any acquisition, and capital expenditure and operating expenses will all be factors which will have an impact on the amount of additional capital required.

Financing alternatives may include debt and additional equity financing, such as the issue of Ordinary Shares, which may be dilutive to shareholders and in the event that the Company considered obtaining debt financing while widely available, this may involve restrictions on operating activities, future financing, acquisitions and disposals. If the Company is unable to obtain potential additional financing as and when needed, it could result in the Company requiring additional capital from Shareholders.

Strategic risks

The London Stock Exchange recently varied its listing rules and therefore the Company will not comply with the minimum market capitalisation ("MMC") requirements of £30m under Listing Rule 2.2.7R(1) on a potential admission, but it is permitted to proceed with its application for admission based on transitional arrangements established for applications for listing made prior to 4.00 p.m. on 2 December 2021

With effect from 3 December 2021, the Listing Rules were amended to increase the MMC threshold requirement for premium and standard listing segments for shares in companies (other than funds) from £700,000 to £30m.

The Company made an application for admission to listing and for an eligibility review prior to 4.00 p.m. on 2 December 2021 and such application has not been withdrawn or materially amended. On that basis, the Company is able to proceed with its application for admission based upon transitional arrangements established for applications for admission to listing. On admission, the aggregate value of the shares of the Company to be listed must be at least £700,000.

The Company will not be able to rely upon the transitional arrangements applicable to shell companies under the Listing Rules on the basis that the Company did not conclude a listing of its shares before 3 December 2021.

An acquisition by the Company would constitute a reverse takeover and any subsequent acquisition or investments undertaken by the Company could also constitute a reverse takeover. In connection with any Reverse Takeover (or analogous transaction), the eligibility of the enlarged business for listing will need to be reassessed and the expected aggregate market value of all securities re-admitted to trading must be at least £30,000,000 in accordance with the Listing Rule 2.2.7R(1)(a). The Company is not currently able to provide an exact indication of the size of the acquisition target, as the Company's primary focus will be on opportunities that meet the acquisition criteria and which are likely to generate value for shareholders. The directors will, nevertheless, target acquisition opportunities of an appropriate valuation to ensure that it is able to satisfy the MMC requirement of £30m. In circumstances where the Company is unable to meet the MMC requirement, the Company would be required to cancel its listing and its securities will not be re-admitted to trading.

As a result, Investors will hold shares in an untraded public company, in which trading in its shares is likely to be more illiquid. The Directors cannot guarantee that an application would be made to admit the shares of the Company to another stock exchange. The directors will consider a range of prospective opportunities and the Company will primarily focus on opportunities that meet the acquisition criteria and which are likely to generate value for shareholders.

Identifying and acquiring suitable acquisition targets

Suitable Acquisition targets may not always be readily available.

The Company's initial and future Acquisition targets may be delayed or made at a relatively slow rate because, inter alia the Company intends to conduct detailed due diligence prior to approving Acquisition targets and it is not possible to predict the potential results of due diligence. If due diligence identifies issues that are complex and require in-depth analysis, this could require time to accomplish and furthermore, due diligence may result in discoveries which make a potential Acquisition target unviable and may therefore result in an aborted acquisition.

Section 172 Statement

Section 172 of the Companies Act 2006 requires directors to take into consideration the interests of stakeholders and other matters in their decision making. The directors continue to have regard to the interests of the Company's employees and other stakeholders, the impact of its activities on the community, the environment and the Company's reputation for good business conduct, when making decisions. In this context, acting in good faith and fairly, the directors consider what is most likely to promote the success of the Company for its members in the long term.

We aim to work responsibly with our stakeholders, including suppliers. The Board wishes to confirm that there are no significant decisions made in the period or subsequent to year end that need to be disclosed.

The Company intends to put in place systems to ensure that it develops, maintains and constantly improves policies, which will enable it to:

- consider the interests and wellbeing of its employees
- ensure compliance with environmental laws wherever its future activities take place
- take into account the long-term impact of its decisions
- be mindful of its responsibilities towards local communities
- maintain the highest standards of probity and integrity in its business dealings
- concentrate on establishing enduring relationships with those with whom it carries on business

Sarah Cope

Executive Chairman

12 October 2022

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The directors present their report and financial statements for the period ended 31 December 2021.

Principal activities

Medcaw Investments Plc ("the Company" or "Medcaw"), a public limited company was incorporated on 20 December 2020 in England and Wales with Registered Number 13158079 under the Companies Act 2006. The address of its registered office is Eccleston Yards, 25 Eccleston Place, London SW1W 9NF, United Kingdom.

The principal activity of the Company is to seek suitable investment opportunities primarily in the life sciences sector.

Results and Dividends

The Company recorded a loss for the year before taxation of £66,101 solely relating to administrative costs of the Company.

The Directors do not recommend the payment of a dividend. The nature of the Company's business means that it is unlikely that the directors will recommend a dividend in the next few years. The Company directors believe the Company should seek to generate capital growth for its shareholders. The Company may recommend distributions at some future date which it becomes commercially prudent to do so, having regard to the availability of the Company's distributable profits and the retention of funds required to finance future growth.

Directors

The following directors have held office during the period and to the date of these financial statements:

Daniel Maling	(appointed 11 December 2020)
Sarah Cope	(appointed 11 December 2020)

**The directors have not received any directors fees in the period from incorporation to 31 December 2021.*

Share Capital

Details of the Company's issued share capital, together with details of the movements during the year, are shown in Note 5. The Company has one class of ordinary share and all shares have equal voting rights and rank pari passu for the distribution of dividends and repayment of capital.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the company financial statements in accordance with International Accounting Standards in conformity with the requirements of Companies Act 2006. 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 profit and loss of the company for that period.

In preparing the financial statements the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- state whether International Accounting Standards in conformity with the requirements of Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 enable them to ensure that the Company financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The financial statements are published on the Company's website medcaw-invest.com. The work carried out by the auditor does not involve consideration of the maintenance and integrity of this website and accordingly, the Auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

The Directors confirm that to the best of their knowledge:

- the financial statements, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the Company;
- this financial statements include the fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces; and
- the financial statements, taken as a whole, are fair, balanced and understandable and provide information necessary for shareholders to assess the Company's performance, business and strategy.

Statement as to disclosure of information to auditors

The directors who held office at the date of approval of the Directors' Report confirm that, so far as they are each aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware; and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information

Events after the reporting period

On 16 May 2022 the Company issued an additional 500,000 shares to raise a total of £20,000. The funds were not raised for any specific purpose other than to strengthen the cash position of the Company.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Further details are given in Note 2.3 to the financial statements. For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements.

On behalf of the board

Sarah Cope - Executive Chairman

12 October 2022

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Independent Auditor's Report to the Members of Medcaw Investments Plc

Opinion

We have audited the financial statements of Medcaw Investments Plc for the period ended 31 December 2021 which comprise the Statement of comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its loss for the period then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- 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 UK, including the FRC'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 directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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 matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our 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 by the company, 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 7, 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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection
, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: 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.

Leo Malkin

Leo Malkin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date 12 October 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD FROM INCORPORATION TO 31 DECEMBER 2021

	Note	Audited 13 month period ended 31 December 2021 £
Revenue		-
Administrative expenses		(66,101)
Operating result		**(66,101)**
Finance income/(expense)		-
Loss before taxation		**(66,101)**
Income tax		-
Loss for the period and total comprehensive loss for the period		**(66,101)**
Basic and diluted loss per Ordinary Share (pence)	3	(0.69)

The notes on page 14 to 19 form an integral part of the Audited Financial Statements

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2021

	Note	Audited As at 31 December 2021 £
ASSETS		
Current assets		
Cash and cash equivalents		200,499
Total assets		**200,499**
Liabilities		
Current Liabilities		
Other current liabilities	4	32,000
Total Liabilities		**32,000**
Net assets		**168,499**
EQUITY		
Equity attributable to owners		
Ordinary Share capital	5	97,500
Share Premium	5	137,100
Accumulated losses		(66,101)
Total equity		**168,499**

The notes on page 14 to 19 form an integral part of the Audited Financial Statements

The financial statements were approved by the board on 12 October 2022 by:

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Sarah Cope – Executive Director

STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2021

	Ordinary share capital	Share premium	Retained earnings	Total equity
	£	£	£	£
Comprehensive loss for the period				
Loss for the period	-	-	(66,101)	**(66,101)**
Total comprehensive loss for the period	-	-	**(66,101)**	**(66,101)**
Transactions with owners				
Ordinary shares issued on incorporation	50,000	-	-	50,000
Ordinary shares issued during period	47,500	142,500	-	190,000
Share issue costs		(5,400)	-	(5,400)
Total transactions with owners	97,500	137,100	-	234,600
As at 31 December 2021	**97,500**	**137,100**	**(66,101)**	**166,499**

STATEMENT OF CASH FLOWS
FOR THE PERIOD FROM INCORPORATION TO 31 DECEMBER 2021

	Audited 13 month period ended 31 December 2021 £
Cash flows from operating activities	
Loss before income tax	(66,101)
Adjustments for changes in working capital:	
Increase in other payables	32,000
Net cash used in operating activities	**(34,101)**
Cash flows from financing activities	
Cash received from issue of Ordinary Shares	240,000
Share Issue Expenses	(5,400)
Net cash inflow from financing activities	**234,600**
Net increase in cash and cash equivalents	200,499
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at end of period	**200,499**

1 General information

The Company was incorporated on 11 December 2020 as a public company in England and Wales with company number 13078596 under the Companies Act, 2006.

The address of its registered office is Central Working Victoria Eccleston Yards, 25 Eccleston Place London SW1W 9NF United Kingdom.

The principal activity of the Company is to pursue one or more acquisitions in the life sciences sector to include companies that are focused on developing medical and/or wellness technologies and/or therapies with the aim of enabling and delivering better health and longevity.

2 Accounting policies

IAS 8 requires that management shall use its judgement in developing and applying accounting policies that result in information which is relevant to the economic decision-making needs of users, that are reliable, free from bias, prudent, complete and represent faithfully the financial position, financial performance and cash flows of the entity.

2.1 Basis of preparation

The principal accounting policies applied in the preparation of the Financial Statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

The Company Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards ('IFRS').

The Company Financial Statements are presented in £ unless otherwise stated.

No comparative figures have been presented as the Company Financial Statements covers the period from incorporation on 11 December 2020.

2.2 New standards, amendments and interpretations adopted

The Company has adopted all of the new and amended standards and interpretations issued by the International Accounting Standards Board that are relevant to its operations and effective for accounting periods commencing on or after its incorporation on 11 December 2020.

The Company adopted IFRS in full on the date of its incorporation. The Company's accounting policies do not differ from the policies used in the preparation of these financial statements and there have been no adjustments as a result of the preparation of the financial statements.

The following new standards and amendments to standards and interpretations are effective for annual periods beginning after 11 December 2020 and have been applied in preparing these financial statements. None have had a significant effect on the financial statements of the Company.

- Amendments to IFRS 9, IAS 39 & IFRS 17, IFRS 4 and IFRS 16: Interest rate benchmark reform – Phase 1 & 2

b) New standards, interpretations, and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the period beginning 1 January 2022:

- Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant & Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual Improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and

- Reference to Conceptual Framework (Amendments to IFRS 3).

The following amendments are effective for the period beginning 1 January 2023:

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

2.3 Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Company has based the going concern assumption on a base case, where any proposed transaction does not take place meaning the entity has the ability to meet its working capital requirements from existing cash . The existing cash, including the amounts raised post year end, are sufficient to meet the working capital requirements of the Company going forward when outgoings are reduced to only committed costs. This includes applying mitigation measures to reduce the cost base of the Company. As a result of this the directors believe that the going concern assumption is appropriate.

Under the scenario that any proposed acquisition does take place the Company would secure additional funding at IPO to ensure that all future capital commitments would be able to be satisfied.

Taking these matters into consideration, the Directors consider that the continued adoption of the going concern basis is appropriate having reviewed the forecasts for the coming 12 months from the date of signing and the financial statements do not reflect any adjustments that would be required if they were to be prepared other than on a going concern basis.

2.4 Cash and cash equivalents

The Directors consider any cash on short-term deposits and other short-term investments to be cash equivalents.

2.5 Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are offset if there is a legally enforceable right to set off the recognised amounts and interests and it is intended to settle on a net basis.

2.6 Earnings per Ordinary Share

The Company presents basic and diluted earnings per share data for its Ordinary Shares. Basic earnings per Ordinary Share is calculated by dividing the profit or loss attributable to Shareholders by the weighted average number of Ordinary Shares outstanding during the period. Diluted earnings per Ordinary Share is calculated by adjusting the earnings and number of Ordinary Shares for the effects of dilutive potential Ordinary Shares.

2.7 Equity

Share capital is determined using the nominal value of shares that have been issued.

The share premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the share premium account, net of any related income tax benefits.

Retained losses includes all current and prior period results as disclosed in the income statement.

2.8 Taxation

Income tax for the period is based on the taxable income for the year. Taxable income differs from profit as reported in the statement of comprehensive income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods. Income tax for the period is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax represents the future tax consequences of transactions and events recognised in the financial statements of current and previous periods, and arises from 'temporary differences'. Deferred tax is recognised in respect of all temporary differences, except that 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.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date that are expected to apply to the reversal of the temporary differences.

2.9 Critical accounting estimates and judgments

3 Loss per Ordinary Share

There were no potentially dilutive instruments in issue at the period end.

	As at 31 Dec 2021		
	Earnings £	**Weighted average number of Ordinary Shares**	**Per-share amount (pence)**
Basic loss per Ordinary Share			
Earnings attributable to Shareholders	(66,101)	9,589,610	(0.69)

Dilutive earnings per share is not shown as the Company is loss making and as a result, additional equity instruments are anti-dilutive.

4 Other current liabilities

	As at 31 Dec 2021

	£
Other payable	32,000
	32,000

[1]On 26 January 2021 the Company received commitments for 320,000 Ordinary Shares at a subscription price of £0.01. The issue of these shares was conditional on the listing of the Company on the London Stock Exchange by the 31 July 2021. The funds were received in advance of listing and this condition was not met on the original timeline and as such, funds are required to be returned to investors.

In recent developments the Company has resumed its progression towards listing and investors have indicated that they are content for the funds to be converted into equity on listing. This is likely to occur before the end of the 2022 calendar year and hence classification as current liabilities is suitable.

5 Share Capital

	Ordinary Shares	Share Capital	Share Premium	Total
	#	£	£	£
Issue of ordinary shares on incorporation[1]	5,000,000	50,000	-	50,000
Issue of ordinary shares [2]	4,750,000	47,500	142,500	190,000
Share issue costs	-	-	(5,400)	(5,400)
At 31 December 2021	**9,750,000**	**97,500**	**137,100**	**234,600**

[1]On Incorporation, the company issued 5,000,000 Ordinary Share of £0.01 each at £0.01 per Ordinary Share.

[2] On 10 February 2021 the company issued 4,750,000 Ordinary Shares at a subscription price of £0.04 in connection with the seed round of fundraising.

6 Financial risk management objectives and policies

The Company's principal financial instruments comprise cash and cash equivalents and trade and other payables. The Company's accounting policies and method adopted, including the criteria for recognition, the basis on which income and expenses are recognised in respect of each class of financial asset and equity instrument are set out in Note 3 *"Accounting policies"* to the Company Financial Statements. The Company does not use financial instruments for speculative purposes.

7 Financial risk management

The Directors use a limited number of financial instruments, comprising cash and cash equivalents and trade payables, which arise directly from the Company's initial operations. The Company does not trade in financial instruments.

<u>Financial risk factors</u>

The Company's activities expose it to a variety of financial risks, being credit risk, liquidity risk and cashflow interest rate risk. The Directors' overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company'sfinancial performance.

Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company does not have any exposure to Credit risk as at the date of these financial statements due to the fact that it did not sell any goods or services to customers during the year as the Company is currently only seeking admission to the London Stock Exchange. It is not pursuing or engaged in the selling of any goods and does not have an accounts receivable balance at period end.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and available funding through an adequate amount of committed credit facilities. The Directors ensure that the Company has adequate resource to discharge all its liabilities. The Directors have considered the liquidity risk as part of their going concern assessment.

Other current liabilities are not expected to impact adversely on any liquidity risk as funds received will be converted into equity on the Company's successful admission to the London Stock Exchange. These liabilities will be settled before the end of the 2022 calendar year and hence are correctly classified as current liabilities.

Cash flow interest rate risk

The Company has no significant interest-bearing liabilities and assets.

8 Fair value of financial assets and liabilities

There is no material difference between the fair value of the Company's cash and cash equivalents and other current liabilities and their carrying values in the Company Financial Statements.

9 Related party transactions

Warrants issued to Directors and Director related entities

On 24 December 2020, Sarah Cope and Daniel Maling each subscribed for 200,000 Ordinary Shares of £0.01 at £0.01 per Ordinary share (total of 400,000) for cash consideration.

Provision of services

During the year £12,670 was incurred for the provision of administrative and corporate accounting services from Orana Corporate LLP of which Daniel Maling and Sarah Cope are both directors of the Company and Orana. These transactions have been treated at arm's length and processed at the fair market value of services provided.

Other than these there were no other related party transactions.

10 Events subsequent to the reporting date

Equity issued subsequent to period end

On 16 May 2022 the Company issued an additional 500,000 shares to raise a total of £20,000. The funds were not raised for any specific purpose other than to strengthen the cash position of the Company.

11 Financial commitments and contingent liabilities

Commission payable on admission

Should the Company be successful in admission to the London Stock exchange there will be a 6% commission payable to Arden Partners on the placing funds. This equates to a contingent liability of £34,385 that will be directly taken from the placing funds and therefore poses no liquidity risk.

12 Ultimate controlling party

As at 31 December 2021, there was no ultimate controlling party of the Company.