

Company Registration No. 08372083 (England and Wales)

OMETRIA LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

OMETRIA LTD

COMPANY INFORMATION

Directors	I Mazour D Lougouev L H L Batchelor E H Dos Santos Piedade G S Santamaria C Scanlan	(Appointed 4 November 2021) (Appointed 23 August 2021)
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Secretary	J P Palmer
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Company number	08372083
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Registered office	Acre House 11-15 William Road London NW1 3ER United Kingdom
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Auditor	HW Fisher LLP Acre House 11-15 William Road London NW1 3ER United Kingdom
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OMETRIA LTD

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OMETRIA LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

Principal activities

Founded in 2013, Ometria is a retail-specific, customer data and marketing platform that enables retailers to grow customer revenue by sending personalised, relevant and precisely targeted marketing messages throughout the customer journey.

Business review

Whilst 2020 was a challenging year for retailers with a heavy reliance on physical stores, the year also prompted an acceleration of digital transformation. In 2021, as restrictions started to lift, the retail industry faced a new set of unknowns: will customers return to stores or predominantly stay on-line; and how does a retail brand compete and differentiate itself when there are a dozen other options just one click away?

The answer, at least to that last question, is found in data-driven customer experience that responds to the needs, wants, and expectations of today's customers in real-time. This level of agility is dependent on retail's ability to evolve digitally. Fortunately we have been preparing for this transformation for eight years, and have been perfectly placed to benefit. Ometria is a customer data and marketing platform for retail, and we enable retailers to create marketing experiences so compelling that their customers can't help but keep coming back.

Ometria offers brands both a sophisticated customer data and marketing platform that is tailor-made for retail, and the results-driven, strategic support they need to help them reach their CRM goals through the Ometria Co-Marketer.

In 2021, our customer numbers continued to grow with the addition of retailers from both sides of the Atlantic. Ometria has maintained its focus on our existing customers, continuing to maintain our industry leading customer retention rates. Our efforts have been recognised by the investor community, culminating in a successful raise of series C funding round in November 2021.

The surrounding competitive landscape has positioned us well while also introducing some challenges. The customer data platform space is poised to grow by another \$12Bn in the next 4 years, while major marketing platforms like Braze, Iterable, and several others are crossing the \$100M in ARR threshold and/or electing to IPO. These act as both tailwinds for our strategic approach (combining the strengths of both types of platforms, but purpose-building them for marketers), and as points of confusion for prospects who've been educated to accept a disjointed view of the way customer data and marketing action interplay within a stack.

We have also been receiving further recognition in the tech community. Ometria has been continuing as a participant in the Future Fifty programme run by Tech Nation, the UK's leading late-stage growth programme which counts Monzo, Zoopla, Deliveroo among its graduates.

We have continued to expand our international footprint, with hiring of new colleagues to support our North America office.

Our latest voluntary ethics statement which aligns with the needs of our larger and publicly listed companies regulatory obligations in the areas of modern slavery, anti-corruption, whistleblowing and employee rights can be found on our [website](https://ometria.com/ethics-statement).
<https://ometria.com/ethics-statement>

One of our values is "It's awesome to be here", here are some of the reasons we love working here:

- We are committed to hiring the right people through carefully designed recruitment processes designed to test ability and potential, whilst ensuring a positive experience for all candidates.
- We want all Ometrians to be able to continually learn and grow in their roles. Whether this is learning a supporting skill or a whole new role we're proud of our track record in enabling Ometrians to move upwards and around the business.
- We view managers as an essential conduit of our values and a positive employee experience in whom we support and enable them with manager training and coaching.
- Our people are the core of our business. We believe in making it awesome to be here for all Ometrians and place a continued focus on making Ometria an inclusive, respectful and diverse environment through an ongoing programme of initiatives.
- We facilitate a range of channels for Ometrians to engage with the business and feedback. These include a quarterly, anonymous engagement survey, regular all hands meetings and the Ometria Culture Club.

Ometria regularly benchmarks our compensation and reviews salaries internally and where we don't employ directly (e.g. cleaners), we are proud to work with suppliers who pay the London and National Living wages.

OMETRIA LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

We take our global social responsibilities seriously, aiming to substantially improve in at least one area of our operations each year. In 2021, we have focused on assessing our environmental impact. We commenced the journey to 'climate positive' by assessing our carbon footprint and achieved net neutrality through offsetting as a first step. In 2022, we will be actively reducing the impact of our operations through thoughtful and efficient working practices with the aim of offsetting only the residual emissions that we cannot reduce.

The Group's outlook for 2022 is robust. The business will continue to invest in its R&D and new business development activities, embedding further into the retail ecosystem in the UK and other geographies.

Financial review

The Group made a loss before taxation for the year ended 31 December 2021 of £7,333,518 (2020: £5,903,031). This result is analysed in more detail below and the directors have also chosen to include a number of industry standard non-GAAP measures of performance.

The revenue for the year increased to £9,554,415 (2020: £6,912,139), an increase of 38.2% year on year. Covid-19 did not have an impact on our existing contracts; the business enjoyed low customer churn and multi-year customer relationships together with strong revenue growth due to customers expanding the use of the platform. Consequently, a large investment in sales and marketing is not required to sustain existing levels of revenue, rather win new business and hence the business has continued to invest in new business activities in the year.

As the business is investing heavily in R&D and new business development, resulting in a statutory loss for the year, the Directors also present the profitability of the Group's deployed account ('Deployed Account EBITDA'). Deployed Account EBITDA is measured as Recurring Revenue less the cost of sales, employee costs and other overheads to service these accounts as well as an allocation of shared general and administration overheads on a reasonable basis. It can be seen as a measure of Ometria's underlying profit in the event the group ceased its investment in new product development and acquisition of new customers. On this basis, during the year ended 31 December 2021, the Group delivered a Deployed Account EBITDA profit of £2,273,653 (2020: £1,459,806) and a Deployed Account EBITDA operating margin of 24% (2020: 21%), illustrating the strong fundamentals of the business.

The Directors also present Adjusted EBITDA, being Earnings before interest, tax, depreciation and amortisation less exceptional items and share based payments costs.

The Adjusted EBITDA loss for the year is £6,716,949 (2020: £5,405,357).

Corporate governance, principal risks and uncertainties

The board consists of two executive, three non-executive directors and a non-executive chairman. The non-executive directors are appointed by the three largest institutional investors representatives: Infravia Growth Fund, Octopus Ventures and Sonae Investment Management - Software and Technology.

Together with the chairman, all non-executive directors are experienced directors, responsible for strategic guidance and corporate oversight of multiple companies across different geographies.

The directors of the board meet at least eight times a year. The subject of risk is continually discussed at board meetings as well as at the senior management meetings, which occur at least once a week. The principal risks and uncertainties are considered to be as follows:

OMETRIA LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Risk	Description	Mitigation Strategy
Data privacy and information security	<p>Ometria's core offering is the provision of a hosted software platform (integrated to its clients' own ecommerce environment) to deliver digital marketing messages to their customers based on each customer's analysed buying behaviours and preferences.</p> <p>A breach of privacy law or security breach could lead to regulatory fines, reputational loss, extensive clean-up costs, lost management time, direct loss of turnover, prospect loss and customer churn, competitiveness.</p>	<p>Ometria invests in</p> <ul style="list-style-type: none"> • general counsel and DPO supported by external special counsel data privacy based in London, Berlin, Bonn and Washington, DC to ensure clear sight and compliance with data privacy laws • dedicated platform, privacy and security engineering team, supported by external CISO • internal resource and awareness training of its information security management system (audited and certificated to ISO 27001:2017) • annual penetration testing by third-party security experts along with continual vulnerability scanning
Liquidity	<p>Ometria is a growth stage software-as-a-service (SaaS). Ometria's management, with the support of the board of directors, is executing a plan under which the Group R&D expenditure and investment in new business development exceeds the Group's income for a period of time, giving rise to a historical accounting loss and cash burn. This places reliance on the continued ability of the Group to access the fund raising markets.</p>	<p>The Group's high investment in R&D and new business development activities was planned and supported by the group's investors. Regular cashflow forecasts are prepared and reviewed by the board.</p> <p>During the year, the group secured Series C equity funding, further expanding its investment capacity.</p> <p>If spending in R&D and business expansion activities were to be eliminated from the financial results, the Group would achieve profitability, due to the existing operational revenues being greater than the costs of maintaining the platform and supporting the customers.</p>

On behalf of the board

I Mazour
Director
 21 April 2022

OMETRIA LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

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

Principal activities

The principal activity of the company continued to be the development and provision of software for online retailers.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

I Mazour	
D Lougouev	
L H L Batchelor	
M C Christmann	(Resigned 16 July 2021)
E H Dos Santos Piedade	
J B Saunders	(Resigned 4 November 2021)
G S Santamaria	(Appointed 4 November 2021)
C Scanlan	(Appointed 23 August 2021)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions and pension scheme indemnity provision for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Auditor

The auditor, HW Fisher LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Strategic report

The Group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the Group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

I Mazour
Director

21 April 2022

OMETRIA LTD

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

OMETRIA LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF OMETRIA LTD

Opinion

We have audited the financial statements of Ometria Ltd (the 'parent company') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows 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 United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *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 group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

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.

Opinions on other matters 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.

OMETRIA LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OMETRIA LTD

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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.

As part of our planning process:

- We enquired of management the systems and controls the company has in place, the areas of the financial statements that are mostly susceptible to the risk of irregularities and fraud, and whether there was any known, suspected or alleged fraud.
- We obtained an understanding of the legal and regulatory frameworks applicable to the company. We determined that the following were most relevant: FRS 102, Companies Act 2006.
- We considered the incentives and opportunities that exist in the company, including the extent of management bias, which present a potential for irregularities and fraud to be perpetuated, and tailored our risk assessment accordingly.
- Using our knowledge of the company, together with the discussions held with the company at the planning stage, we formed a conclusion on the risk of misstatement due to irregularities including fraud and tailored our procedures according to this risk assessment.

The key procedures we undertook to detect irregularities including fraud during the course of the audit included:

- Identifying and testing journal entries and the overall accounting records, in particular those that were significant and unusual.
- Assessing the extent of compliance, or lack of, with the relevant laws and regulations.
- Testing revenue and expenses, in particular cut-off, for evidence of management bias.
- Documenting and verifying all significant related party balances and transactions.
- Reviewing the financial statement disclosures and determining whether accounting policies have been appropriately applied.
- Reviewing and challenging the assumptions and judgements used by management in their significant accounting estimates
- Performing a physical verification of key assets
- Reviewing documentation such as the company board minutes, correspondence with solicitors, for discussions of irregularities including fraud.
- Testing all material consolidation adjustments.

OMETRIA LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF OMETRIA LTD

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. The primary responsibility for the prevention and detection of irregularities and fraud rests with those charged with governance of the entity.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://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.

Carolyn Hazard (Senior Statutory Auditor)

For and on behalf of HW Fisher LLP

Chartered Accountants

Statutory Auditor

Acre House
11-15 William Road
London
NW1 3ER
United Kingdom

28 April 2022

OMETRIA LTD

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	3	9,554,415	6,912,139
Cost of sales		(2,672,405)	(2,414,495)
Gross profit		6,882,010	4,497,644
Administrative expenses		(13,888,929)	(10,350,554)
Other operating (expenses)/income		(377)	134,164
Operating loss	4	(7,007,296)	(5,718,746)
Interest receivable and similar income	8	1,103	13,077
Interest payable and similar expenses	9	(327,325)	(197,362)
Loss before taxation		(7,333,518)	(5,903,031)
Tax on loss	10	609,125	651,925
Loss for the financial year		(6,724,393)	(5,251,106)

Loss for the financial year is all attributable to the owners of the parent company.

OMETRIA LTD

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
	£	£
Loss for the year	(6,724,393)	(5,251,106)
Other comprehensive income		
Currency translation differences	(29,995)	17,485
Total comprehensive income for the year	<u>(6,754,388)</u>	<u>(5,233,621)</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

OMETRIA LTD

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Intangible assets	11		161,638		25,346
Tangible assets	12		185,856		212,306
			<u>347,504</u>		<u>237,652</u>
Current assets					
Debtors	15	2,767,526		2,024,182	
Cash at bank and in hand		23,504,269		11,546,919	
		<u>26,271,795</u>		<u>13,571,101</u>	
Creditors: amounts falling due within one year	16	<u>(3,724,357)</u>		<u>(2,895,075)</u>	
Net current assets			<u>22,547,438</u>		<u>10,676,026</u>
Total assets less current liabilities			<u>22,894,942</u>		<u>10,913,678</u>
Creditors: amounts falling due after more than one year	17		<u>(600,382)</u>		<u>(1,846,810)</u>
Net assets			<u><u>22,294,560</u></u>		<u><u>9,066,868</u></u>
Capital and reserves					
Called up share capital	20		844		719
Share premium account	21		44,561,250		24,685,881
Profit and loss reserves			<u>(22,267,534)</u>		<u>(15,619,732)</u>
Total equity			<u><u>22,294,560</u></u>		<u><u>9,066,868</u></u>

The financial statements were approved by the board of directors and authorised for issue on 21 April 2022 and are signed on its behalf by:

I Mazour
Director

D Lougouev
Director

OMETRIA LTD

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2021

		2021		2020	
	Notes	£	£	£	£
Fixed assets					
Intangible assets	11		161,638		25,346
Tangible assets	12		164,558		210,375
Investments	13		8		8
			<u>326,214</u>		<u>235,729</u>
Current assets					
Debtors	15	2,650,588		2,013,346	
Cash at bank and in hand		23,465,251		11,496,801	
		<u>26,115,839</u>		<u>13,510,147</u>	
Creditors: amounts falling due within one year	16	<u>(3,640,120)</u>		<u>(2,889,837)</u>	
Net current assets			<u>22,475,719</u>		<u>10,620,310</u>
Total assets less current liabilities			<u>22,801,933</u>		<u>10,856,039</u>
Creditors: amounts falling due after more than one year	17		<u>(600,382)</u>		<u>(1,846,810)</u>
Net assets			<u><u>22,201,551</u></u>		<u><u>9,009,229</u></u>
Capital and reserves					
Called up share capital	20		844		719
Share premium account	21		44,561,250		24,685,881
Profit and loss reserves			<u>(22,360,543)</u>		<u>(15,677,371)</u>
Total equity			<u><u>22,201,551</u></u>		<u><u>9,009,229</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £6,789,758 (2020 - £5,291,260 loss).

The financial statements were approved by the board of directors and authorised for issue on 21 April 2022 and are signed on its behalf by:

I Mazour
Director

D Lougouev
Director

Company Registration No. 08372083

OMETRIA LTD

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

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2020		716	24,685,881	(10,478,822)	14,207,775
Year ended 31 December 2020:					
Loss for the year		-	-	(5,251,106)	(5,251,106)
Other comprehensive income:					
Currency translation differences		-	-	17,485	17,485
Total comprehensive income for the year		-	-	(5,233,621)	(5,233,621)
Issue of share capital	20	3	-	-	3
Credit to equity for equity settled share-based payments	19	-	-	92,711	92,711
Balance at 31 December 2020		719	24,685,881	(15,619,732)	9,066,868
Year ended 31 December 2021:					
Loss for the year		-	-	(6,724,393)	(6,724,393)
Other comprehensive income:					
Currency translation differences		-	-	(29,995)	(29,995)
Total comprehensive income for the year		-	-	(6,754,388)	(6,754,388)
Issue of share capital	20	137	19,935,159	-	19,935,296
Credit to equity for equity settled share-based payments	19	-	-	106,586	106,586
Other movements		(12)	(59,790)	-	(59,802)
Balance at 31 December 2021		844	44,561,250	(22,267,534)	22,294,560

OMETRIA LTD

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Balance at 1 January 2020		716	24,685,881	(10,478,822)	14,207,775
Year ended 31 December 2020:					
Loss and total comprehensive income for the year		-	-	(5,291,260)	(5,291,260)
Issue of share capital	20	3	-	-	3
Credit to equity for equity settled share-based payments	19	-	-	92,711	92,711
Balance at 31 December 2020		719	24,685,881	(15,677,371)	9,009,229
Year ended 31 December 2021:					
Loss and total comprehensive income for the year		-	-	(6,789,758)	(6,789,758)
Issue of share capital	20	137	19,935,159	-	19,935,296
Credit to equity for equity settled share-based payments	19	-	-	106,586	106,586
Other movements		(12)	(59,790)	-	(59,802)
Balance at 31 December 2021		844	44,561,250	(22,360,543)	22,201,551

OMETRIA LTD

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	24	(6,829,076)		(5,723,146)	
Interest paid		(327,325)		(165,162)	
Income taxes refunded		651,925		572,029	
Net cash outflow from operating activities		(6,504,476)		(5,316,279)	
Investing activities					
Purchase of intangible assets		(156,914)		(15,850)	
Purchase of tangible fixed assets		(154,369)		(69,143)	
Proceeds on disposal of tangible fixed assets		17,701		-	
Interest received		1,103		13,077	
Net cash used in investing activities		(292,479)		(71,916)	
Financing activities					
Proceeds from issue of shares		19,875,494		3	
Proceeds from borrowings		-		2,905,772	
Repayment of borrowings		(1,091,163)		-	
Net cash generated from financing activities		18,784,331		2,905,775	
Net increase/(decrease) in cash and cash equivalents		11,987,376		(2,482,420)	
Cash and cash equivalents at beginning of year		11,546,919		14,011,756	
Effect of foreign exchange rates		(30,026)		17,583	
Cash and cash equivalents at end of year		23,504,269		11,546,919	

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Company information

Ometria Ltd is a private company limited by shares incorporated in England and Wales. The registered office is Acre House, 11-15 William Road, London, England, NW1 3ER.

The group consists of Ometria Ltd and its subsidiary, Ometria Inc.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Ometria Ltd together with all entities controlled by the parent company (its subsidiaries).

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.3 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The directors have prepared forecasts which indicate that the group will have sufficient resources so it can continue as a going concern for a period of at least twelve months from the date of approval of these financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies **(Continued)**

1.4 Turnover

Turnover is recognised at the fair value of the consideration receivable for services provided in the normal course of business and is shown net of VAT.

Turnover is recognised when the company has performed services in accordance with the agreed terms with the relevant customer and has obtained a right to consideration for those services.

Where such income has not been billed at the balance sheet date, it has been accrued for in the accounts as accrued income.

Where the customer pays in advance such as an annual/quarterly/monthly fee, the company defers that amount and recognises it as turnover over the period during which the service is performed on a straight line basis.

Where the right to consideration arises from the occurrence of a critical event (stage of deliverables or contract milestone) the turnover is recognised when the event occurs.

1.5 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

IP Address	10 years straight line
Other intangibles	10 years straight line

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the lease term
Fixtures and fittings	33.33% straight line method
Computers	33.33% straight line method

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries are measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally 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.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

1.12 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Share capital represents the nominal value of equity shares that have been issued.

Share premium represents amount subscribed for share capital in excess of nominal value. Any transaction costs associated with the issuing of shares are deducted from share premium.

Profit and loss reserves represent all current and prior period retained profit and losses.

1.13 Taxation

The tax income represents research and development tax credits.

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies **(Continued)**

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.16 Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

1.17 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.18 Government grants

Government grants, which include amounts received under the Coronavirus Job Retention Scheme, are recognised at the fair value of the grant received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. The income is recognised in other income on a systematic basis over the periods in which the associated costs are incurred, using the accrual model.

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Valuation of share options

The fair value of share-based payments is determined at the grant date using a Black-Scholes valuation model. The inputs into the model include an assessment of a range of factors, including an expectation of theoretical share price volatility, a risk-free rate and an estimate of the vesting period. The directors consider the above assumptions to be reasonable based on the current size and conditions of the Group and the sector it operates in. These factors are disclosed in more detail in note 19.

3 Turnover and other revenue

	2021	2020
	£	£
Turnover analysed by class of business		
Sale of services	9,554,415	6,912,139
	<u>9,554,415</u>	<u>6,912,139</u>
	2021	2020
	£	£
Other significant revenue		
Interest income	1,103	13,077
Grants received	(377)	128,062
	<u>726</u>	<u>141,139</u>
	2021	2020
	£	£
Turnover analysed by geographical market		
UK	8,251,122	6,507,333
Rest of Europe	852,391	223,888
Rest of World	450,902	180,918
	<u>9,554,415</u>	<u>6,912,139</u>

4 Operating loss

	2021	2020
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(7,131)	37,583
Research and development costs	1,467,204	2,113,773
Government grants	377	(128,062)
Depreciation of owned tangible fixed assets	163,139	219,586
Amortisation of intangible assets	20,622	1,092
Share-based payments	106,586	92,711
Operating lease charges	392,397	498,425
	<u>3,149,995</u>	<u>3,234,025</u>

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

5 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	27,330	20,600

6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Directors	3	3	3	3
Admin	95	96	86	94
Total	98	99	89	97

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	8,231,097	6,969,165	7,322,205	6,802,873
Social security costs	999,414	804,488	937,486	784,227
Pension costs	231,335	181,630	231,335	181,630
Total	9,461,846	7,955,283	8,491,026	7,768,730

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	349,058	282,657
Company pension contributions to defined contribution schemes	6,000	10,095
Total	355,058	292,752

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 3).

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

7	Directors' remuneration	(Continued)	
	Remuneration disclosed above includes the following amounts paid to the highest paid director:		
		2021	2020
		£	£
	Remuneration for qualifying services	150,000	136,692
	Company pension contributions to defined contribution schemes	4,500	2,913
		<u> </u>	<u> </u>
8	Interest receivable and similar income		
		2021	2020
		£	£
	Interest income		
	Other interest	1,103	13,077
		<u> </u>	<u> </u>
9	Interest payable and similar expenses		
		2021	2020
		£	£
	Loan interest	327,325	197,362
		<u> </u>	<u> </u>
10	Taxation		
		2021	2020
		£	£
	Current tax		
	UK corporation tax on profits for the current period	(609,125)	(651,925)
		<u> </u>	<u> </u>

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

10 Taxation (Continued)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2021	2020
	£	£
Loss before taxation	(7,333,518)	(5,903,031)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(1,393,368)	(1,121,576)
Tax effect of expenses that are not deductible in determining taxable profit	260,748	3,170
Unutilised tax losses carried forward	1,676,601	700,432
Effect of change in corporation tax rate	(918,848)	-
Depreciation on assets not qualifying for tax allowances	1,590	5,090
Research and development tax credit	(609,125)	(651,925)
Share based payment charge	20,251	17,615
Research and development expenditure surrendered for tax credit	798,163	854,247
Additional deduction for research and development expenditure	(451,136)	(482,835)
Depreciation in excess of capital allowances	2,767	23,857
Ineligible loss on disposals	3,232	-
Taxation credit	(609,125)	(651,925)

The group has unutilised tax losses carried forward of £12,640,355 (2020: £11,488,218).

11 Intangible fixed assets

Group	IP Address	Other intangibles	Total
	£	£	£
Cost			
At 1 January 2021	10,861	15,850	26,711
Additions	4,363	152,551	156,914
At 31 December 2021	15,224	168,401	183,625
Amortisation			
At 1 January 2021	1,365	-	1,365
Amortisation charged for the year	1,483	19,139	20,622
At 31 December 2021	2,848	19,139	21,987
Carrying amount			
At 31 December 2021	12,376	149,262	161,638
At 31 December 2020	9,496	15,850	25,346

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Intangible fixed assets (Continued)

Company	IP Address £	Other intangibles £	Total £
Cost			
At 1 January 2021	10,861	15,850	26,711
Additions	4,363	152,551	156,914
At 31 December 2021	<u>15,224</u>	<u>168,401</u>	<u>183,625</u>
Amortisation and impairment			
At 1 January 2021	1,365	-	1,365
Amortisation charged for the year	1,483	19,139	20,622
At 31 December 2021	<u>2,848</u>	<u>19,139</u>	<u>21,987</u>
Carrying amount			
At 31 December 2021	<u>12,376</u>	<u>149,262</u>	<u>161,638</u>
At 31 December 2020	<u>9,496</u>	<u>15,850</u>	<u>25,346</u>

12 Tangible fixed assets

Group	Leasehold improvements £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 January 2021	212,881	154,977	229,478	597,336
Additions	-	32,019	122,350	154,369
Disposals	(212,881)	(2,011)	(20,012)	(234,904)
Exchange adjustments	-	-	26	26
At 31 December 2021	<u>-</u>	<u>184,985</u>	<u>331,842</u>	<u>516,827</u>
Depreciation				
At 1 January 2021	144,888	98,396	141,746	385,030
Depreciation charged in the year	50,982	37,813	74,344	163,139
Eliminated in respect of disposals	(195,870)	(2,011)	(19,322)	(217,203)
Exchange adjustments	-	-	(5)	(5)
At 31 December 2021	<u>-</u>	<u>134,198</u>	<u>196,763</u>	<u>330,961</u>
Carrying amount				
At 31 December 2021	<u>-</u>	<u>50,787</u>	<u>135,079</u>	<u>185,866</u>
At 31 December 2020	<u>67,993</u>	<u>56,581</u>	<u>87,732</u>	<u>212,306</u>

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

12 Tangible fixed assets		(Continued)			
Company	Leasehold fixtures and fittings improvements		Computers	Total	
	£	£	£	£	
Cost					
At 1 January 2021	212,881	154,977	226,804	594,662	
Additions	-	32,019	100,547	132,566	
Disposals	(212,881)	(2,011)	(20,012)	(234,904)	
At 31 December 2021	-	184,985	307,339	492,324	
Depreciation and impairment					
At 1 January 2021	144,888	98,396	141,003	384,287	
Depreciation charged in the year	50,982	37,813	71,877	160,672	
Eliminated in respect of disposals	(195,870)	(2,011)	(19,322)	(217,203)	
At 31 December 2021	-	134,198	193,558	327,756	
Carrying amount					
At 31 December 2021	-	50,787	113,781	164,568	
At 31 December 2020	67,993	56,581	85,801	210,375	

13 Fixed asset investments		Group		Company	
	Notes	2021	2020	2021	2020
		£	£	£	£
Investments in subsidiary	14	-	-	8	8
Movements in fixed asset investments					
Company					Shares in group undertakings
					£
Cost or valuation					
At 1 January 2021 and 31 December 2021					8
Carrying amount					
At 31 December 2021					8
At 31 December 2020					8

14 Subsidiaries

Details of the company's subsidiary at 31 December 2021 are as follows:

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

14 Subsidiaries (Continued)

Name of undertaking	Registered Office Key	Class of shares held	% Held Direct
Ometria, Inc	1	Common stock	100.00

Registered office addresses:

1 Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801

15 Debtors

	Group 2021	2020	Company 2021	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	1,274,952	713,192	1,267,078	713,192
Corporation tax recoverable	609,125	651,925	609,125	651,925
Other debtors	95,326	81,130	86,788	72,674
Prepayments and accrued income	788,123	577,935	687,597	575,555
	<u>2,767,526</u>	<u>2,024,182</u>	<u>2,650,588</u>	<u>2,013,346</u>

16 Creditors: amounts falling due within one year

	Group 2021	2020	Company 2021	2020
Notes	£	£	£	£
Other borrowings	1,246,427	1,091,162	1,246,427	1,091,162
Trade creditors	477,199	585,114	392,962	579,876
Other taxation and social security	528,980	420,932	528,980	420,932
Other creditors	63,735	93,715	63,735	93,715
Accruals and deferred income	1,408,016	704,152	1,408,016	704,152
	<u>3,724,357</u>	<u>2,895,075</u>	<u>3,640,120</u>	<u>2,889,837</u>

Other borrowings relates to a total loan drawn down of £3,000,000. The non current element of this loan can be seen in note 17. The interest rate on this loan is 10.95% per annum. The loan is being repaid in equal monthly instalments commencing on 29 January 2021 and has a maturity date of 31 May 2023.

Fixed and floating charges are held over the assets of Ometria Ltd including the three bank accounts owned by Ometria Ltd and the company's trademark.

17 Creditors: amounts falling due after more than one year

	Group 2021	2020	Company 2021	2020
Notes	£	£	£	£
Other borrowings	<u>600,382</u>	<u>1,846,810</u>	<u>600,382</u>	<u>1,846,810</u>

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

18 Retirement benefit schemes	2021	2020
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	231,335	181,630
	<u> </u>	<u> </u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

19 Share-based payment transactions

EMI share options

EMI share options have a contractual life of 4 years. First tranche matures 1 year after the start of vesting period, the remaining options vest monthly over the remaining 3 years. The Vesting condition is continuous employment. On the occurrence of an exit event, for example, a company reorganisation or sale, 50% of any unvested EMI option shall immediately vest at or immediately prior to such event.

Non EMI share options

First tranche of non-EMI share options mature within the first year after the start of vesting period, the remaining options vest monthly over the remaining 3 years. The vesting condition is continuous employment for non-EMI share options granted to the employees of the group. The options will be capable of exercise to the extent vested on an exit event.

The fair value

The fair value of the options is expensed over the vesting period and is arrived at using a Black-Scholes model. The key assumptions inherent in the use of the model are as follows:

- Share price at date of grant 2021 tranche £4.06 (2020 tranche £2.84) after consideration of a 65% discount for lack of voting and reduced distribution rights, the
- Expected volatility 2021 tranche 29.36% (2020 tranche 27.23%)
- Risk free rate 2021 tranche 0.82% (2020 tranche 0.70%)
- Life of the option 2021 tranche 4 years (2020 tranche 4 years)

Group and company	Number of share options		Weighted average exercise price	
	2021 Number	2020 Number	2021 £	2020 £
Outstanding at 1 January 2021	581,846	429,843	2.67	2.41
Granted	251,298	235,389	3.25	3.25
Forfeited	(107,079)	(56,386)	3.25	3.25
Exercised	(105,613)	(27,000)	0.76	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Outstanding at 31 December 2021	620,452	581,846	3.13	2.67
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Exercisable at 31 December 2021	325,369	389,031	3.03	2.39
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The options outstanding at 31 December 2021 had an exercise price ranging from £0.0001 to £3.25, and a remaining contractual life not exceeding 4 years.

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

19	(Continued)			
Share-based payment transactions	Group	2020	Company	2020
	2021	2020	2021	2020
	£	£	£	£
Expenses recognised in the year				
Arising from equity settled share based payment transactions	106,586	92,711	106,586	92,711
	<u>106,586</u>	<u>92,711</u>	<u>106,586</u>	<u>92,711</u>
20	Share capital			
	2021	2020	2021	2020
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Series 1 Ordinary shares of 0.0001p each	894,295	788,682	90	79
Series 2 Ordinary shares of 0.0001p each	2,882,921	2,997,459	288	300
Series B EIS shares of 0.0001p each	173,832	173,832	17	17
	<u>3,951,048</u>	<u>3,959,983</u>	<u>395</u>	<u>396</u>
	<u>3,951,048</u>	<u>3,959,983</u>	<u>395</u>	<u>396</u>
	2021	2020	2021	2020
Preference share capital	Number	Number	£	£
Issued and fully paid				
Series 1 Seed Preferred shares of 0.0001p each	457,544	457,544	46	46
Series 2 Seed Preferred shares of 0.0001p each	1,077,244	1,077,244	108	108
Series B VCT shares of 0.0001p each	1,697,046	1,697,045	169	169
Series C shares of 0.0001p each	1,260,022	-	126	-
	<u>4,491,856</u>	<u>3,231,833</u>	<u>449</u>	<u>323</u>
	<u>4,491,856</u>	<u>3,231,833</u>	<u>449</u>	<u>323</u>
Preference shares classified as equity			<u>449</u>	<u>323</u>
			<u>449</u>	<u>323</u>
Total equity share capital			<u>844</u>	<u>719</u>
			<u>844</u>	<u>719</u>

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

20 Share capital

(Continued)

The Series 1 Ordinary shares, Series 2 Ordinary shares and Series B EIS have full voting rights with dividend participation and rights to participate in capital distribution (after payment of sums due to the holders of Series 1 and 2 Seed Preferred shares, Series B VCT shares and Series C shares) including any distribution on winding up. The shares are not redeemable.

During the financial year the company issued the following shares:

81,000 series 1 ordinary shares of £0.0001 each at par following the exercise of share options
24,613 series 1 ordinary shares of £0.0001 each at £3.25 per share following the exercise of share options
1 series B VCT share of £0.0001 each at £17.46
1,145,474 series C shares of £0.0001 each at £17.46 per share

In addition, 114,548 series 2 ordinary shares of £0.0001 each were reclassified as series C shares of £0.0001 each.

In June 2020, the company issued a warrant to Wuessen Lending S.a.r.l. to subscribe in cash for 51,725 B VCT shares at 8.12 each. The subscription rights expire 10 years from the date of grant or earlier in the event of an exit. The value of the warrant was fair valued at inception and the charge relating to it is expensed over 4 years through profit and loss. Charge expensed during the period £7,759 (2020: £4,018).

21 Share premium account

	Group 2021 £	2020 £	Company 2021 £	2020 £
At the beginning of the year	24,685,881	24,685,881	24,685,881	24,685,881
Issue of new shares	19,935,159	-	19,935,159	-
Other movements	(59,790)	-	(59,790)	-
At the end of the year	<u>44,561,250</u>	<u>24,685,881</u>	<u>44,561,250</u>	<u>24,685,881</u>

22 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Within one year	104,400	264,846	104,400	264,846
	<u>104,400</u>	<u>264,846</u>	<u>104,400</u>	<u>264,846</u>

OMETRIA LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021	2020
	£	£
Aggregate compensation	1,349,950	1,627,129
Amounts expensed in relation to share options	25,652	37,265
	<u>1,375,602</u>	<u>1,664,394</u>

Remuneration of directors

Directors' remuneration has been disclosed in Note 7 to the accounts.

24 Cash absorbed by group operations

	2021	2020
	£	£
Loss for the year after tax	(6,724,393)	(5,251,106)
Adjustments for:		
Taxation credited	(609,125)	(651,925)
Finance costs	327,325	197,362
Interest income	(1,103)	(13,077)
Amortisation and impairment of intangible assets	20,622	1,092
Depreciation and impairment of tangible fixed assets	163,139	219,586
Equity settled share based payment expense	106,586	92,711
Movements in working capital:		
Increase in debtors	(786,144)	(369,270)
Increase in creditors	674,017	51,481
Cash absorbed by operations	<u>(6,829,076)</u>	<u>(5,723,146)</u>

25 Analysis of changes in net funds - group

	1 January 2021	Cash flows	Exchange rate 31 December 2021	
	£	£	£	£
Cash at bank and in hand	11,546,919	11,987,376	(30,026)	23,504,269
Borrowings excluding overdrafts	(2,937,972)	1,091,163	-	(1,846,809)
	<u>8,608,947</u>	<u>13,078,539</u>	<u>(30,026)</u>	<u>21,657,460</u>

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.