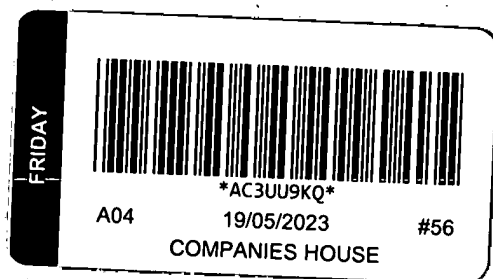


ASIMILAR

Group PLC

Annual Report
2022



ASIMILAR GROUP PLC
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2022

Company Registration Number: 4488281 (England and Wales)

ASIMILAR GROUP PLC
REPORT AND FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2022

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ASIMILAR GROUP PLC

DIRECTORS AND OFFICERS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Directors

J E Taylor (Chairman)
M S Bhatti (Executive Director)
M Horrocks (Non-executive Director)
M D Preen (Non-executive Director)

Secretary

M S Bhatti

Company number

4488281

Registered Office

4 More London Riverside
London
SE1 2AU

Nominated Adviser

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9th Floor
107 Cheapside
London
EC2V 6DN

AQSE Corporate Adviser

Oberon Securities Limited
Nightingale House
65 Curzon Street
London
W1J 8PE

**Alternative Investment Fund
Manager**

Station 12 Asset Management Limited
5 Jardine House, Harrovian Business Village
Bessborough Road
Harrow
Middlesex HA1 3EX

Auditors

Haysmacintyre LLP
10 Queen Street Place
London
EC4R 1AG

Registrars

Share Registrars Limited
27-28 Eastcastle Street
London
W1W 8DH

Brokers

Peterhouse Capital Limited
3rd Floor
80 Cheapside
London
EC2V 6EE

Website

www.asimilargroup.com

ASIMILAR GROUP PLC

CHAIRMAN'S STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Introduction

The year under review, and the period post year-end, have represented a particularly challenging time for the Company and a number of its investee companies. Global events and the macro-economic environment have significantly affected the performance of the portfolio, restricting the funding available to certain of these technology assets on appropriate terms to allow them to stabilise and grow.

A summary of the investment portfolio is provided below. Whilst the downwardly revised valuation of Veative Group Holdings plc (previously Dev Clever Holdings plc) has been the material driver of the Company's financial performance and position, the majority of the portfolio companies were valued lower at the year-end than they were at the start of the period.

Proposed cancellation from admission to AIM

Despite material uncertainties disclosed later in the going concern note the Board considers that the Company has sufficient liquid assets to meet its operating costs for the next reporting year. In the absence of any pending liquidity events in respect of its unquoted holdings, or any further fundraising, the Company does not currently have the capacity to pursue new investment opportunities. During the year, and post year-end, any additional investment has been limited to relatively low levels of follow-on support of existing portfolio companies, albeit the Board has continued to evaluate new opportunities and consider how these would be funded.

It is neither sustainable, nor beneficial, for the Company to be in a position where it needs to liquidate certain holdings in order to meet costs. The Board is actively reviewing its current cost base, as well as its options for the future. Certain permanent cost savings have already been implemented, and the Directors have deferred their salaries since December 2022. Further cost savings are planned.

Given the Company is currently admitted to trading on both AIM and AQSE, the Board propose to put a special resolution to the forthcoming Annual General Meeting ("AGM") which will seek shareholder approval to cancel its admission to trading on AIM. The Board does not consider that any potential benefits to the Company or shareholders from retaining the AIM admission are sufficient to justify the associated costs. Further details will be provided in the circular convening the AGM.

Options for the future

In the event that shareholders approve the AIM cancellation, the Board currently intends that the Company should retain its admission to AQSE in the near term, thereby maintaining liquidity in respect of its own shares. The Board will consult further with its shareholders in respect of its future options. These may include a recapitalisation in order to pursue new investment opportunities and/or support the existing portfolio, and to cover working capital requirements in order to remain listed in the longer term. It may also consider the commencement of an orderly realisation process and return of proceeds to shareholders.

Financial review

Total comprehensive loss for the year was £35,271,732 (2021: income £26,705,635). Unrealised losses on investments were £36,630,063 (2021: gain £25,687,510) and realised gains on investments were £226,976 (2021 gains: £2,202,000). Cash at the bank at the year-end was £7,179 (2021: £600,090). As noted above, however, the Company is able to continue operations through the phased liquidation of its listed asset base.

As at 30 September 2022, total assets were £6,727,334 (2021: £43,735,675) and the net fair value of investments held was £6,566,405 (2021: £43,040,104). Total net assets were £6,452,184 (2021: £41,474,640) which represents 5.53 (2021: 35.94) pence per share.

ASIMILAR GROUP PLC

CHAIRMAN'S STATEMENT (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Investment Portfolio

Asimilar has developed a portfolio approach to its investments. In order to expose our investors to the potential returns that we believe they demand, such investments should be regarded as being at the highest end of the risk spectrum. A brief summary of our investments and developments within them is outlined below:

Magic Media Works Ltd ("Magic Media")

Magic Media is a music entertainment technology business. The company's mission is to bring families together through shared music entertainment experiences via its app "ROXi".

At launch in 2017 Magic Media delivered the ROXi experience to consumers was by way of a dedicated set-top box, which plugged into a TV.

However, the rapid adoption of Smart TVs and streaming apps has allowed the business to transform itself into a free multi-platform Smart TV App, offering ad-funded free and subscription-funded premium editions of the ROXi experience.

The free ROXi TV App, which was launched in November 2021, offers a full catalogue of 90 million music videos covering all genres and decades, combining all the original music videos with tens of millions of virtual music videos which are exclusive to ROXi. ROXi also offers interactive music games and Karaoke and a Netflix-esque rail based user interface.

The ROXi experience is available on an increasingly large number of Smart TV platforms, including Sky Q, Fire TV, Google TV, Android TV and Samsung. Other platforms and territories are planned.

The company has global rights agreements with the major labels (Universal Music Group, Sony Music Group, Warner Music Group) and major independents including Merlin Music.

In June 2022 Magic Media launched a fund raise to raise up to £5 million at 30 pence per share with an option to invest via loan notes which would pay interest at 5% and have attached a warrant with rights to subscribe for shares in Magic Media at 30p. This amount has been extended by a further £2 million to a total of £7 million. Asimilar invested £100,000 in loan notes and associated warrants.

On 19 December 2022 ROXi announced a partnership with Simon Cowell, creator of X-Factor and Britain's Got Talent, to curate exclusive music and video content available on the ROXi App.

In December 2022, ROXi also announced a partnership with Samsung, allowing ROXi to be enjoyed on Samsung TVs.

At 30 September 2022, Asimilar held 1,646,682 shares which represents 5.05% (2021: 6.13%) of the issued share capital. Asimilar also holds, before any adjustment to fair value, £1,591,768 (2021: £1,491,768) in convertible loan notes, 1,262,050 (2021: 928,717) warrants and has options over a further 204,811 (2021: 95,000) ordinary shares in Magic Media. The carrying value of this investment was £1,732,509 at 30 September 2022 (2021: £3,352,295). The main reason for the decline in the carrying value is the fundraise at 30p which is a significant discount to the previous round and an indication that there is need for working capital.

Veative Group Holdings Plc (previously Dev Clever Holdings Plc) ("Veative")

Veative is a software and technology group specialising in the use of lightweight integrations of cloud-based gamification and VR technologies to deliver rich customer engagement experiences across both the commercial and education sectors. In January 2019, Veative listed on the Standard List of the London Stock Exchange.

On 24 December 2021, Veative announced that trading in its ordinary shares was to be suspended pending the approval by the FCA of the acquisition of Veative Labs Pte Ltd (Singapore). On 19 July 2022, the company completed the transaction with the issue of 225 million consideration shares.

ASIMILAR GROUP PLC

CHAIRMAN'S STATEMENT (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

At 30 September 2022, Veative's shares remained suspended and, on 16 December 2022, the company announced its intention to delist and change its name.

The majority of the interest in Veative is held via Asimilar's wholly owned subsidiary, Asimilar Investments Limited ("AIL"), based in Jersey. At 30 September 2022, AIL held 70,000,000 ordinary shares in Veative representing approximately 8.4% (2021: 12.2%) of Veative's issued share capital. The carrying value of this investment was £1,890,000 (2021: £26,950,000). Asimilar Group Plc also held an additional 2,300,000 (2021: 2,300,000) shares at a carrying value of £62,100 (2021: £885,500).

At year end, AIL held a warrant to subscribe for 35 million new ordinary shares in Veative at 25 pence per Veative share. This warrant expired on 22 March 2023. The carrying value of the warrants was £nil (2021: £5,670,000).

There has been a significant decline in the value of this investment due to Veative's prolonged suspension from the Standard List of the LSE as it sought to have its prospectus approved and subsequent delisting. Given that the Company does not have full visibility of Veative's ongoing process of raising funds as a delisted company, a considerable downward revaluation has been taken due to uncertainty inherent in the fundraising outcome and further discounts have been applied owing to the illiquidity of Veative's shares at the current time.

Simplestream Limited ("Simplestream")

Simplestream is an award winning provider of best in-class, next generation TV solutions to some of the biggest players in the broadcast, sports and media industry. Clients include QVC, UKTV, A&E Networks, AMC Networks, Channel 4, Narrative Entertainment and BFBS amongst others.

New customers taken on during the year were TVL in Norway, PBS UK, Copa90 and Talk TV.

With the TV landscape changing in terms of delivery, Simplestream's cloud-based Media Manager and App Platform provides broadcasters and rights owners with an end-to-end technology services eco-system, with a full range of multi-platform TV and video distribution products including low latency online simulcasts of TV channels, real-time sports highlights clipping, broadcaster catch-up services, platform syndication and subscriber management services.

Simplestream's App Platform also provides multi-channel and multi-territory front-end templated applications for a complete range of connected devices including mobiles, tablets, connected TVs and fast-growing over the top (OTT) platforms such as Amazon Fire TV, Apple TV and Roku. In the UK Simplestream's "HBBTV" solution is used by leading broadcasters to power "catchup" services on Freeview and YouView.

Simplestream currently delivers services across Europe, the US and Australia, with further international expansion planned for 2023-24.

At 30 September 2022 Asimilar held 9,943 (2021: 9,943) A shares in Simplestream, which represents 6.71% (2021: 6.71%) on a fully diluted basis and benefits from a one-time non-participatory liquidation preference together with a convertible loan note of £21,000. The carrying value of this investment at 30 September 2022 is £840,174 (2021: £856,212).

Sparkledun Limited ("Sparkeldun")

Sparkledun is a private company which, through its trading subsidiary, Fast to Fibre Limited ("Fast to Fibre"), has rights to exploit a patented process for the extraction of the inner core of telecoms and power cables, allowing the insertion of fibre optic without the need for excavation or other disruptive techniques.

The process, particularly in urban areas, offers significant advantages - economically, technologically and environmentally. It reduces the need for costly, disruptive and time-consuming civil engineering works and cable pulling. It also allows for the use of existing cable sheaths as ducts for new cables where no alternative is available.

Fast to Fibre has successfully completed several trials in a variety of geographical locations and complex situations and is now progressing a number of major commercial opportunities in the UK, Europe, North America and India.

On 29 April 2022, the company completed a fundraise of £1.3 million at a share price of £59.45.

ASIMILAR GROUP PLC

CHAIRMAN'S STATEMENT (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

At 30 September 2022 Asimilar held 8,307 (2021: 8,307) ordinary shares of £1.00 each in the issued share capital of Sparkeldun, which represents 4.2% (2021: 4.8%) of its issued share capital. The carrying value of this investment was £493,851 at 30 September 2022 (2021: £493,851).

Zeelo Limited ("Zeelo")

Zeelo's ambition is to build the world's leading smart mobility platform for organisations, enabling access to safe and sustainable transportation for everyday journeys. It seeks to use technology and data to provide flexible and cost-efficient transportation programmes in public transit deserts. This includes the smart provision and procurement of shared transport for businesses and providing employees with a safer commute to work and in education getting students to schools and colleges safely and competitively. It also gives transport operators access to new business via a digitised service.

In terms of both revenue and the number of journeys taken via the platform, Zeelo continues to grow rapidly and in April 2022 the company received a takeover offer for \$100 million from a US SPAC. Unfortunately the SPAC was unable to complete on its offer. The company also subdivided its share capital by 10,000. As a result Asimilar now holds 1,220,000 A shares in Zeelo.

In October 2022, the company launched a fundraise at a valuation of £50 million. The first phase of £5 million was completed by the end of January 2023.

The carrying value of this investment at the year-end was £439,298 (2021: £301,850).

Audioboom Group plc ("Audioboom")

Audioboom is a global leader in podcasting with more than 130 million downloads each month from 34 million unique listeners around the world. Audioboom was ranked as the fifth largest podcast publisher in the US by Triton Digital in March 2023.

Audioboom's ad-tech and monetization platform underpins a scalable content business that provides commercial services for a premium network of 250 top tier podcasts.

For the years ended 31 December 2022 the company reported revenues of \$74.9 million, up 24% from \$60.3 million in 2021, and adjusted EBITDA of \$3.6 million, up by 15% from \$3.1 million in 2021.

As at 30 September 2022 Asimilar held 85,200 (2021: 155,000) shares in Audioboom which represents 0.52% (2021: 0.99%) of the issued share capital. At year end the investment was valued at £421,740 (2021: £1,575,920).

All Active Asset Capital Plc ("AAA")

Asimilar holds 24 million shares in AAA as a result of the Company assigning its rights to subscribe into a Belgian AI based technology platform, Sentiance NV ("Sentiance"). This represents some 0.01% of AAA's issued share capital. The assignment was originally made to MESH Holdings Plc ("MESH") which issued 24 million shares to Asimilar credited as fully paid. MESH was subsequently acquired by AAA through a Court approved Scheme of Arrangement on 29 November 2021, on the basis of one new AAA share for one MESH share. The original assignment was announced by Asimilar on 3 August 2020.

AAA's strategy is to invest in opportunities in the global technology, software and AI space.

As result of its acquisition of MESH, AAA now holds approximately 25.3% of Sentiance, an emerging and leading organisation within behavioural and ethical artificial intelligence and machine learning with its "Motion Intelligence" and "Behavioural Change Platform" technologies.

AAA also holds an investment in AAQUA B.V. a company registered in Netherlands with operating subsidiaries in Singapore, Belgium and Canada. AAQUA's ambition was to develop a global social experience hub intended to curate original content. In August 2022 AAQUA was named in a worldwide freezing order on the assets of its founder and shareholder Robert Bonnier. Since then the company has filed for bankruptcy protection in Singapore.

SIMILAR GROUP PLC

CHAIRMAN'S STATEMENT (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

In December 2022 a new board was appointed to carry out a strategic review of the company's existing investment portfolio. On 11 April 2023 the board announced that it cannot currently value its 36% holding in AAQUA. However, Sentiance is showing strong sales growth whilst requiring additional working capital.

As a result, Asimilar's holding in AAA has been valued based solely on its 25.3% holding in Sentiance.

At year end, the holding of 24 million shares in AAA was valued at £240,000 (2021: £984,000). The Board of Asimilar conducted detailed due diligence on Sentiance in 2021 whilst it held the right to subscribe into it and believes that considerable value can be created in this exciting business.

Gfinity plc ("Gfinity")

Gfinity is a leading esports solutions provider listed on AIM. It focuses on designing, developing and delivering esports solutions for e-games publishers, rights holders and brands. It has contracts and partnership arrangements with EA Games, Microsoft, FIFA, Formula 1 and Indycar.

Following a number of acquisitions during 2020 and 2021 the company has now evolved its business model to reflect the rapidly developing gaming market focusing on three distinct areas:

- Gfinity Digital Media group ("GDM") is made up of 8 sites that reach more than 16 million unique active users and deliver 75 million impressions per month.
- Gfinity Engagement Platform ("GEP") is a fully configurable white label solution designed to maximise community engagement through competitive play.
- Joint Venture Partnerships, such as Global Racing Series ("GRS"). This allows the company to benefit from co-owned ideas and create products such as GRS with Abu Dhabi Motorsports Management.

At 30 September 2022 Asimilar held 8,148,954 (2021: 8,148,954) shares in Gfinity which represent 0.05% (2021: 0.05%) of the issued share capital. The carrying value of this investment at 30 September 2022 is £81,490 (2021: £224,463).

Low 6 Limited ("Low6")

Low6 builds award winning Free-to-Play (F2P) games for sports franchises, teams, leagues, sportsbooks, influencers and media organisations. Described as "the most exciting acquisition platform for rights holders" by EGR, the online gaming industry's leading information and networking group, Low6 works with some of the biggest global sports brands.

Low6 has a multi award winning proprietary tech stack and in May 2022 moved from pre-revenue to revenue generating by offering their F2P gaming technology to the iGaming market.

In October 2022 the company completed a fund raise of £2 million at a share price of £7.20 per share.

Asimilar holds 6,612 shares which represents 0.28% (2021: 1.1%) with a carrying value of £47,606 (2021: £119,993) at year end.

ASIMILAR GROUP PLC

CHAIRMAN'S STATEMENT (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

SeeQuestor Limited ("SeeQuestor")

SeeQuestor brings together leaders in cyber security and computer vision to deliver an Artificial Intelligence ("AI") tool to comb through some of the estimated 1.5 trillion hours of CCTV footage produced per year, harnessing what it believes to be world leading AI technology and affordable supercomputing to turn terabytes of video into actionable intelligence.

SeeQuestor has two main products available: SeeQuestor 'Post-Event' which allows teams to analyse archives of video footage to find vehicles or persons of interest, helping to solve investigations in a fraction of the time that would otherwise be needed; and SeeQuestor 'iCCTV' which monitors surveillance cameras in real-time. Use cases range from homeland security to smart cities, airports, industrial and mining operations.

The SeeQuestor 'Post-Event' product has been used successfully to solve crimes by 20 police forces in the UK and overseas. Having successfully completed a number of pilots in the field through 2019, SeeQuestor 'iCCTV' is now being deployed at scale to secure sensitive events and sites in several countries.

On 31 December 2021 AIL exercised its option and acquired 33,784 shares at £10 each, bringing its total holding to 67,568 shares.

In July 2022 SeeQuestor launched an internal fundraising round at £10 per share to help with short term cash needs while it progressed its trials with customers in the Far and Middle East. Asimilar subscribed for 10,000 of these shares. The company also implemented cost reduction plans to preserve cash.

During August 2022 the company also started initial discussions with a potential US acquirer. The plan was to complete the deal by the end of November 2022 so that the enlarged company would be in a position to benefit from the pipeline of orders that would follow after completion of the trials.

A formal term sheet was received on 14 November 2022 valuing the business at a premium to the last funding round. However while final negotiations were being concluded there was a delay in customer receipts relating to the trials resulting in a cash shortfall. The potential buyer took the opportunity to reduce their offer price and structure. The final offer that was accepted by the board was for the sale of the assets and IP of the company for cash and a conditional payment to the shareholders in January 2024 if certain earn out conditions are achieved by end of December 2023.

If the earn out conditions were to be met then Asimilar and AIL between them could receive around \$270,000 of shares in the acquiring company, however the board of Asimilar does not have a high degree of confidence that these earn out conditions will be met.

The holding of SeeQuestor shares totalled 124,586 (2021:80,802) as at 30 September 2022, representing 9.0% (2021:7.08%) of the issued share capital of SeeQuestor, and the carrying value of the investment was £nil (2021: £970,138).

Share issues

During the year Asimilar issued new shares as a result of the exercise of various warrants as follows:

- 573,333 5p warrants were exercised raising funds of £28,667
- 3,150,000 0.01p warrants were exercised raising funds of £315
- 2,000,000 5p warrants were exercised on a cashless exercise basis, as per the terms of the warrant, resulting in 1,090,849 shares being issued at par and raising £109

No other shares or warrants were issued during the year.

Admission to AQSE Growth Market

On 4 April 2022 Asimilar shares were admitted to trading on the Access Segment of the AQSE Growth Market. At the same time, the Company appointed Station 12 Limited as its Alternative Investment Fund Manager (AIFM).

John Taylor
Chairman

Date: 21 April 2023

ASIMILAR GROUP PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Principal Activity

The Company is a technology and software services investment company and focuses primarily on opportunities in the fields of big data, machine learning, telematics and the internet of things.

Investment Policy

The Company's Investing Policy is to invest in businesses which have some or all of the following characteristics:

- strong management with a proven track record;
- ready for investment without the need for material re-structuring by the Company;
- via an injection of new finances or specialist management, the Company can enhance the prospects and therefore the future value of the investment;
- able to benefit from the Directors' existing network of contacts; and
- the potential to deliver significant returns for the Company.

The Company will invest in the technology and software sectors and aims to focus primarily on opportunities in the big data, machine learning, telematics and internet of things areas.

Whilst the Directors are principally focused on making investments in private businesses, they do not rule out investments in listed businesses if this presents, in their judgment, the best opportunity for Shareholders.

The Company intends to be an active investor in situations where the Company can make a clear contribution to the progress and development of the investment. In respect of other more substantial investment opportunities, the Directors expect the Company to be more of a passive investor.

The Directors believe that their broad collective experience together with their extensive network of contacts assists them in the identification, evaluation and funding of appropriate investment opportunities. When necessary, other external professionals will be engaged to assist in the due diligence on prospective targets and their management teams. The Directors will also consider appointing additional directors with relevant experience if required.

There exists no limit on the number of projects into which the Company may invest, and the Company's financial resources may be invested in a number of propositions or in just one investment, which may be deemed to be a reverse takeover pursuant to Rule 14 of the AIM Rules. Where the Company builds a portfolio of related assets it is possible that there may be cross-holdings between such assets. The Company does not currently intend to fund any investments with debt or other borrowings but may do so if appropriate.

The Company's primary objective is that of securing for the Shareholders the best possible value consistent with achieving, over time, both capital growth and income for Shareholders through developing profitability coupled with dividend payments on a sustainable basis.

Business Review and Future Developments

A review of the business during the year and the likely future direction are explained in the Chairman's Statement on pages 2 to 7.

ASIMILAR GROUP PLC

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Risks and Uncertainties

The Company is subject to a number of risks and uncertainties. The board of directors is responsible for establishing internal controls, reviewing them for their effectiveness and mitigating risk. The key risks and how they are mitigated are detailed below:

- The Company's performance can be affected by general economic downturn. Forward looking indicators are regularly reviewed to identify varying market conditions.
- The cost base is reviewed regularly and the current management structure in place allows management to respond to changing circumstances.
- Performance of investments will be a risk to the Company in the future. To mitigate the risks inherent in making investments the Company carries out due diligence on acquisitions and monitors the performance of investments by regular review of financial information.
- As an investment company the directors will continue to ensure that there are sufficient funds in place to support the continuing investment strategy. See the Chairman's Statement for further details in this regard.
- Liquidity of investments can have impact on the Company's operational ability. See going concern policy for more details.

Key performance indicators

Measuring performance is integral to our strategic growth. The board has selected KPIs to benchmark the Company's progress and considers that future investment income and investment growth will be the measures used to assess the progress of the Company.

Investment income: is detailed in the statement of comprehensive income. The board recognises that not all investments will generate income for the Company as they are early stage start-ups and will be continually re-investing cash generated back into the business for further growth. Investment income received during the year was £46 (2021: £20,377).

Investment growth: the board monitors progress of its investments on a quarterly basis and has a presence on the board of its private investments either as a formal board member and / or observer to closely monitor the progress of its investments and assist the management where it can add value. Investment growth is detailed in note 13.

Overhead base: as noted in the Chairman's Statement, the board is actively reviewing its cost base and will continue to make further cost savings.

Approval

This report was approved by the board of directors and authorised for issue on 21 April 2023 and signed on its behalf by:



John Taylor
Chairman

ASIMILAR GROUP PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors present their report together with the financial statements for the year ended 30 September 2022.

Directors who served during the year

J E Taylor (Chairman)
M Horrocks
M D Preen
M S Bhatti

Directors and Directors' Interests

The directors who served during the year and their interests in the shares of the Company at year end are detailed below:

Details of Directors' Warrants

	Warrants	
	2022 Number	2021 Number
Current directors		
John Taylor- exercise price 10p, expired 31 December 2022	2,000,000	2,000,000
Mark Horrocks* - exercise price 0.01p, exercised 20 September 2022	-	3,150,000
Mark Horrocks**- exercise price 0.01p, expire 31 December 2025	3,150,000	3,150,000
Mark Horrocks – exercise price 30p, expire 23 October 2023	1,000,000	1,000,000
Sohail Bhatti - exercise price 5p, exercised 28 July 2022	-	2,000,000
Sohail Bhatti - exercise price 10p, expired 31 December 2022	1,000,000	1,000,000
Michael Preen – exercise price 60p, expire 17 June 2024	250,000	250,000
Former director		
Donald Stewart- exercise price 10p, expired 31 December 2022		2,000,000
	<u>7,400,000</u>	<u>14,550,000</u>

*Exercisable in the event mid-market price of Veative is or exceeds 28p for at least 5 consecutive business days and pro rata entitlement based on the amount of Veative options exercised by AIL.

** Exercisable in the event mid-market price of Veative is or exceeds 55p for at least 5 consecutive business days and pro rata entitlement based on the amount of Veative options exercised by AIL. These have not yet vested.

ASIMILAR GROUP PLC**DIRECTORS' REPORT (Continued)****FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	John Taylor		Mark Horrocks*		Sohail Bhatti		Michael Preen	
	Shares	Warrants	Shares	Warrants	Shares	Warrants	Shares	Warrants
At 1 October 2021	-	2,000,000	1,651,471	7,300,000	66,667	3,000,000	164,399	250,000
Warrants exercised	-	-	3,150,000	(3,150,000)	1,090,849	(2,000,000)	-	-
At 30 September 2022	-	2,000,000	4,801,471	4,150,000	1,157,516	1,000,000	164,399	250,000

*Mark Horrocks family holds a further 4,854,809 shares

Significant and substantial shareholders

As at 19 April 2023 the Company had been notified of the following interests of 3% or more in the share capital of the Company.

Shareholder	Number	%
David Von Rosen*	13,081,168	10.34%
Chris Akers	11,547,462	9.13%
Nigel Wray	11,502,500	9.09%
Mirador FZE	10,000,000	7.91%
Mark Horrocks and family	9,656,280	7.63%
Rory O'Sullivan	5,250,000	4.15%
Intertrader Ltd	5,125,000	4.05%

*4.7% is held via Situs Ltd which is controlled by David Von Rosen

ASIMILAR GROUP PLC

DIRECTORS' REPORT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Statement of disclosure of information to the auditor

The Directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Going concern

The financial statements have been prepared on the going concern basis, which assumes that the Group will have sufficient funds to continue in operational existence for at least twelve months from the date of approval of the financial statements.

Whilst the Company continues to hold relatively small cash balances, it holds a number of liquid, quoted investments which it is able to realise as required to meet operational costs and other outgoings. The Board's cash flow forecasts for the Group to April 2024, take into account a number of scenarios including due consideration of the cost saving measures referred to in the Chairman's Statement (including, but not limited to, those associated with the proposed cancellation of the Company's admission to trading on AIM) and, taking account of reasonably possible adverse changes in the performance of the investment portfolio, indicate that the Group will have sufficient access to cash to continue in operational existence for the next 12 months from the date of approval of the financial statements.

The assumptions include the ability to liquidate sufficient investment holdings and a sensitivity testing of a fall in value of the quoted investments by 30%. Should the value of these investments fall by more than 30% the Group would have no choice but to seek external funding, which is not certain to be secured, and further cost cutting measures may not be able to mitigate the impact of these investments losing value.

The Company could also seek to realise some of its substantial private investments. However, there is a risk that such forced disposal could be at a loss.

Considering the above, the Directors are confident the Group remains a going concern and that, should it be required, the Group would be able to raise funds.

Whilst material uncertainties relating to going concern do exist and may cast significant doubt over the Group's ability to continue as a going concern, at the date of signing these accounts, the Directors have concluded that the basis of preparation is appropriate.

Dividends

The board does not propose to pay any dividend for the year (2021: £nil).

The report was approved by the Directors on 21 April 2023 and signed on its behalf by:



John Taylor
Chairman

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Group has adopted the Quoted Companies Alliance's Corporate Governance Code (the "QCA Code"), as revised and reissued in May 2018.

John Taylor, in his capacity as Non-Executive Chairman, has assumed responsibility for leading the Board effectively and ensuring that the Group has appropriate corporate governance standards in place and that these standards are observed and applied within the Group as a whole.

The corporate governance arrangements that the Board has adopted are intended to ensure that the Group delivers medium and long-term value to its shareholders. The Board seeks to maintain a regular dialogue with its major investors and other professional investors, providing them with such information on the Group's progress as is permitted by the AIM and AQSE rules, MAR and the requirements of the relevant legislation.

It should be noted that most of the Directors are shareholders and/or warrant holders in the Group. The Directors therefore view their own medium and long-term interests to be integrally linked to the medium and long-term value of the Group and, as such, the interests of the Directors are directly aligned with those of the shareholders.

The Board currently consists of three Independent Non-Executives, John Taylor, Michael Preen and Mark Horrocks, and one Executive Director, Sohail Bhatti.

The QCA Code sets out ten principles that should be applied. These are listed on the Company's website at www.asimilargroup.com together with an explanation of how the Company applies each of the principles. The ten principles are:

1. establish a strategy and business model which promote long-term value for shareholders,
2. seek to understand and meet shareholder needs and expectations,
3. take into account wider stakeholder and social responsibilities and their implications for long-term success,
4. embed effective risk management, considering both opportunities and threats, throughout the organisation,
5. maintain the board as a well-functioning, balanced team led by the chair,
6. ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities,
7. evaluate board performance based on clear and relevant objectives, seeking continuous improvement,
8. promote a corporate culture that is based on ethical values and behaviours,
9. maintain governance structures and processes that are fit for purpose and support good decision-making by the board, and
10. communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

Further disclosures on certain particularly relevant principles are set out below.

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Principle 1 – Business Model and Strategy

Asimilar is a technology investing group which invests in businesses that develop purpose-built technology and operational expertise with potential to scale and generate positive returns for shareholders.

Asimilar backs founders that have a dedicated passion and competency for creating and engineering premium customer experiences through technology, content and product innovation.

Asimilar evaluates a significant pipeline of potential investment opportunities based on the principles stated in its investing policy. Before investing, the Board always evaluates the opportunities diligently and takes valued input from key shareholders and our investor partners on the potential value of the investment opportunities which it sources.

The Board often takes active positions within Asimilar's investee companies so that the Group can partner and support our investee founders and boards proactively, in their strategy and business plan execution, thereby seeking to grow and optimise investments for the Group's shareholders. As an investment business, Asimilar is dependent on its investee companies successfully executing their business plans and managing a positive exit for its investments and investors, which sometimes takes longer than initially envisaged.

Further information on the strategy of the Group is set out in the Chairman's Statement on pages 2 to 7 above and the risks the Board consider to be the most significant for potential investors and Shareholders are set out on page 9 of the Strategic Report above.

Principle 4 – Risk Management

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and recognises the need for an effective and well-defined risk management process. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. The Board is responsible for the monitoring of financial performance against budget and forecast and the formulation of the Group's risk appetite including the identification, assessment and monitoring of the Group's principal risks.

For further information on the risks the Board consider to be the most significant for potential investors, Shareholders are referred to the section headed "Risks and uncertainties" set out on page 9 above.

The Board has delegated certain authorities to committees, each with formal terms of reference. As part of its terms of reference, the Audit Committee is obliged, inter alia, to keep under review the Group's internal financial controls systems that identify, assess, manage and monitor financial risks, and other internal control and risk management systems, review the adequacy and security of the Group's arrangements for its employees and contractors to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters and ensure that these arrangements allow proportionate and independent investigation of such matters and appropriate follow up action, review the Group's procedures for detecting fraud and review the Group's systems and controls for the prevention of bribery.

Principle 5 – A Well-functioning Board of Directors

The Board is responsible for the management of the business of the Group, setting the strategic direction of the Group and establishing the policies of the Group. It is the Board's responsibility to oversee the financial position of the Group and monitor the business and affairs of the Group on behalf of Shareholders, to whom the Directors are accountable. The primary duty of the Board is to act in the best interests of the Group at all times. The Board also addresses issues relating to internal control and the Group's approach to risk management.

The Board currently consists of one Executive Director, being the Chief Finance Officer, and three Non-Executive Directors.

John Taylor chairs the Board. The Executive Director (Sohail Bhatti) has industry and technical knowledge and financial expertise. The Non-Executive Directors have public market and investing experience (John Taylor and Mark Horrocks). Sohail Bhatti also acts as the Company Secretary. Michael Preen has legal, regulatory and investing experience.

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The Board holds board meetings whenever issues arise which require the attention of the Board.

The Executive Director is employed for 3 days per week, and the Non-Executive Directors are expected to devote at least two days per month to the affairs of the Company and such additional time as may be necessary to fulfil their roles.

The Board has also established an Audit Committee and a Remuneration Committee. The Company considers that, at this stage of its development, and given the current size of its Board, it is not necessary to establish a formal Nominations Committee and nominations to the Board will be dealt with by the whole Board. This position will be reviewed on a regular basis by the Directors.

Audit Committee

The Audit committee comprises Mark Horrocks as Chairman, John Taylor and Michael Preen. The committee is responsible for making recommendations to the Board on the appointment of auditors and the audit fee and for ensuring that the financial performance of the Group is properly monitored and reported. In addition, the Audit Committee receives and reviews reports from management and the auditors relating to the interim report, the annual report and accounts and the internal control systems of the Group.

As noted above the Audit Committee is also responsible for reviewing the Group's internal financial controls systems that identify, assess, manage and monitor financial risks, other internal control and risk management systems and other aspects of risk management.

During the year under review, the Audit Committee has reviewed the production of the Interim Report of the Group for the six months ended 31 March 2022 and the Report and Accounts of the Group for the year ended 30 September 2022 set out in this document and the work of the Group's auditors thereon.

Remuneration Committee

The Remuneration Committee comprises John Taylor as Chairman, Mark Horrocks and Michael Preen. The committee is responsible for the review and recommendation of the scale and structure of remuneration for senior management, including any bonus arrangements or the award of share options or warrants with due regard to the interests of the Shareholders and the performance of the Group.

The Remuneration Committee made no new recommendations to the board in relation to the issue of share options to existing employees of the Group. The amounts of remuneration for each Director are set out on page 25 below. These include basic salary, bonus and the estimated monetary value of benefits in kind.

During the year under review the Board held 6 board meetings, at which all the members of the Board were present. In addition to the Company's formal board meetings, all of the Directors regularly discuss matters affecting the business and the strategy of the Group.

The number of board meetings attended by each director was as follows.

Director	Number of Meetings Attended	Percent of Meetings During Time in Office
John Taylor	6	100%
Sohail Bhatti	6	100%
Mark Horrocks	6	100%
Michael Preen	6	100%

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Specific matters are reserved to the Board. Such matters include overall group strategy, the annual business plan, the making and disposal of investments, the approval of the accounts, risk management, the appointment of senior management and the appointment and removal of the auditors. The board also seeks to ensure that the necessary financial and human resources are in place for the Group to be able to meet its objectives, to review management performance and to ensure that its obligations to its shareholders are understood and met.

Principle 6 – Appropriate Skills and Experience of the Directors

The Group believes that the current balance of skills within the Board as a whole reflects a broad and appropriate range of commercial, technical and professional skills relevant to the sectors in which the Group operates and its status as an AIM and AQSE listed company.

Biographical details of each of the Directors are set out below:

John Taylor

Non-Executive Chairman

Member of the board since 3 December 2019

John's most recent focus has been on assisting small cap listed companies with their development. Prior to this, he spent 18 months working in private equity backed portfolio companies, driving operational turnaround initiatives and implementing costing systems. He spent over 20 years in the Army Air Corps, leaving in 2015 with the rank of Lieutenant Colonel. Between 2013 and 2015 he was senior strategic communications officer for the Ministry of Defence. John is a non-executive director of BrandShield Systems Plc, an AIM quoted cyber security company. He is also a director of 2 companies listed on AQSE, those being TAP Global Group Plc and IamFire Plc. He was previously a director of Pathfinder Minerals Plc and of Sabien Technology Group plc, an AIM-quoted provider of energy reduction technologies. He was also a director of KIN Group Plc which became Bidstack Group Plc following a Reverse Takeover transaction.

Mark Horrocks

Non-Executive Director

Member of the board since 23 September 2020

Mark Horrocks has over 37 years' experience in financial markets and has been involved mainly in large scale institutional fund management. He has worked as a research analyst and fund manager for a FTSE100 insurance group. In addition, he has always maintained a keen interest in supporting smaller companies and identifying nascent opportunities as investor and supporting as mentor and, on occasion, board member. In 1997 Mark co-founded Intrinsic Capital Partnership Limited, in order to self-manage the Intrinsic Value PLC Investment Trust, an investor in mainly small/micro capitalized quoted companies. Mark then established Intrinsic Capital LLP in 2007 as a regulated corporate and introductory business and extended the regulatory permission to include a retail investment management offering in 2015 seeking to add value with a straightforward, transparent and cost-efficient service to high net worth and professional investors.

Sohail Bhatti

Finance Director

Member of the board since 2014

Mohammed Sohail Bhatti is a Fellow of The Association of Chartered Certified Accountants (FCCA) and has served as finance and non-executive director of a number of private and quoted companies for more than 20 years. In 1998, he joined Transcomm plc, an AIM quoted telecommunications group as finance director for one of its subsidiary undertakings and served for 6 years until its acquisition by British Telecom in 2004. Later that year he supported the private equity acquisition of a former Ericsson data radio technology company, and founded Woodhouse Price Limited, a licensed accountancy practice.

Sohail Bhatti also acts as the Company Secretary and is responsible for ensuring that Board procedures are followed and that the Company complies with all applicable rules, regulations and obligations governing its operation, as well as helping the Chairman maintain good standards of corporate governance.

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Michael Preen

Non-Executive Director

Member of the board since 18 June 2021

Michael Preen is a qualified solicitor with 25 years' experience in the provision of legal, corporate and governance advisory services. He qualified and spent over 6 years in the market-leading investment funds team at Norton Rose (now Norton Rose Fulbright), a major international law firm, before becoming a vice-president in the corporate advisory division at Dresdner Kleinwort Wasserstein, a European investment bank.

Following two years in Australia as a senior associate specialising in real estate investment funds with Mallesons Stephen Jaques (now King & Wood Mallesons), a leading law firm in the region, he returned to the UK and joined Development Capital Management, a global real estate fund management group, where he held a number of senior management roles and was instrumental in establishing its FCA regulated securities division.

From 2009 to 2014 he held the position of Head of Corporate and Legal Affairs at Hydrodec Group plc, an AIM listed clean tech oil company, before establishing his own corporate and governance consultancy business where he provides advisory services to the boards of various public and private companies, focussing on small cap technology clients.

The Directors have access to the Company's external advisers e.g. NOMAD, lawyers and auditors as and when required and are able to obtain advice from other external advisers when necessary.

All Directors have access to independent legal advice at the Company's expense.

The Board will seek to take into account Board imbalances for future nominations.

Principle 7 – Evaluation of Board Performance

The effectiveness and the performance of the board is reviewed on an annual basis. The board currently considers that the use of external consultants to facilitate the board evaluation process is unlikely to be of significant benefit to the process, although the option of doing so is kept under review.

The Board is aware that succession planning is a vital task and the management of succession planning represents a key responsibility of the Board. The balance of skills required of the Board as a whole is under constant review as the business develops. As a result the composition of the Board will change over time. The Board would appoint additional directors in the event that outstanding people with relevant skills are able to make the necessary commitment to drive the business forward.

Principle 8 – Corporate Culture

The Group recognises the importance of promoting an ethical corporate culture based on sound ethical values and behaviours, interacting responsibly with all stakeholders and the communities and environments in which the Group operates. The Board considers this to be essential to maximise shareholder value. This means promoting strong business ethics.

The Company is committed to building an inclusive culture. Discrimination in all its forms (including on the basis of age, race, sexual orientation, religion, national origin and gender) is not tolerated at any level.

The Directors view their own medium and long-term interests to be integrally linked to the medium and long-term value of the Group, and, as such, the interests of the Directors are directly aligned with those of the shareholders. The Group has adopted policies to deal with corruption and bribery and to comply with the UK Bribery Act.

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Principle 10 – Shareholder Communication

The Company remains committed to listening to and communicating openly with its shareholders to ensure that its strategy, business model and performance are clearly understood and that the board understands the needs and expectation of its shareholders. Understanding what our shareholders think about us is a key part of driving our business forward and we actively seek dialogue with the market. The Company communicates with shareholders through the annual report, full year and half year announcements, the AGM and one to one meetings with large existing or potential new shareholders. A range of corporate information (including all Company announcements and shareholder communications) is also available to shareholders, investors and the public on the Company's corporate website (<http://www.asimilargroup.com>).

The Company discloses contact details on its website and on all announcements released via RNS, should shareholders wish to communicate with the board. Communication with shareholders is co-ordinated by the Chairman.

The board is keen to promote greater liquidity in the Company's shares. The board seeks to build on a mutual understanding of objectives between the Company and its shareholders by:

- Communicating regularly throughout the year.
- Providing information to shareholders in a balanced and understandable way.
- Meeting shareholders to discuss long term issues and to obtain their views.
- Encouraging private investors, in particular, to attend the AGM, so that they have an opportunity to ask questions of the board and are equipped to make their own assessment of the Company's position and prospects.
- Regular meetings of the board being used as the forum to ensure that non-executive directors are updated on the views of major shareholders that have been communicated to the executive director or the Chairman.

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Independence of the Independent Auditors

Both the audit committee and the independent auditors have in place safeguards to avoid the auditors' objectivity and independence being compromised. One such safeguard is a policy of five yearly rotation of audit partner. The Company's policy with regard to services provided by the independent auditors is as follows:

- Statutory audit services

The independent auditors, who are appointed annually by the shareholders, undertake this work. The audit committee reviews the auditors' performance on an ongoing basis, as well as continuing to assess their independence. The auditor's report to the audit committee on the actions they take to comply with the professional and regulatory requirements and best practice designed to ensure their independence, including the rotation of key members of the audit team. Haysmacintyre LLP has formally confirmed this to the board.

- Non-audit services

The independent auditors provide only one ongoing non-audit service to the Group, being the review of interim financial information. The audit committee does not consider this to adversely impact the independence of the statutory audit.

These safeguards, which are monitored by the audit committee, are regularly reviewed and updated to ensure they remain appropriate. The disclosure of non-audit fees paid to Haysmacintyre LLP during the year is included in note 7 to the financial statements.

Section 172 Statement

Under section 172 of the Companies Act 2006 ("Section 172"), a director of a company must act in a way that they consider, in good faith, would most likely promote the success of the company for the benefit of its members as a whole, taking into account the non-exhaustive list of factors set out in Section 172.

Section 172 also requires directors to take into consideration the interests of other stakeholders set out in Section 172(1) in their decision making.

Asimilar's key stakeholders include its investors, employees and investee companies.

The Company's strategy is to be a successful and profitable investment company focused on technology opportunities focused on the fields of big data, machine learning, telematics and the internet of things (IoT). We seek to achieve this by identifying early stage or turnaround opportunities that require investment. We aim to invest into businesses with content and delivery capability that engage customers, monetise the user experience and have potential to scale.

Upon the successful implementation of the Company's strategy, the Company will have an expanded range of internal and external stakeholders, relations with which the Board will take into consideration when making decisions on Company strategy.

Engagement with our shareholders plays an essential role throughout our business. We are cognisant of fostering an effective and mutually beneficial relationship with our shareholders. Our understanding of our shareholders is factored into boardroom discussions regarding the potential long-term impacts of our strategic decisions.

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Post the reporting period end, the Directors of the Company have continued to have regard to the interests of the Company's stakeholders, including the potential impact of its future activities on the community, the environment and the Company's reputation when making decisions. The Directors also continue to take all necessary measures to ensure the Company is acting in good faith and fairly between shareholders and is promoting the success of the Company for its shareholders in the long term.

The table below acts as our Section 172 statement by setting out the key stakeholder groups, their interests and how the Company engages with them:

ASIMILAR GROUP PLC

CORPORATE GOVERNANCE STATEMENT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Stakeholder	Why we engage	How we engage
Our Investors	We maintain and value regular dialogue with our financial stakeholders throughout the year and place great importance on our relationship with them. We know that our investors expect a comprehensive insight into the financial performance of the Company, and awareness of our long-term strategy and direction. As such, we aim to provide high levels of transparency and clarity about our results and long-term strategy and to build trust in our future plans.	• Investor meetings and briefings • Annual Report • Company website • Shareholder circulars • AGM • RNS announcements • Press releases
Our Employees	Effective employee engagement leads to an effective, incentivised, healthier workforce who are invested in the success of the Group and who are all pulling in the same direction. Our engagement seeks to address any employee concerns regarding working conditions, health and safety, training and development, as well as workforce diversity.	• Competitive rewards packages • Flat structure communication with the Board
Our Investee Companies	We take active positions within our investee companies so that the Company can partner and support our investee founders and boards proactively, in their strategy and business plan execution, thereby seeking to grow and optimise investments for the Company's shareholders. As an investment business, Asimilar is dependent on its investee companies successfully executing their business plans and managing a positive exit for its investments and investors, which sometimes takes longer than initially envisaged.	• Holding board seats on investee companies • Regular dialogue and meetings with investee company management • Regular updates with investee companies and other shareholders

The above statement should be read in conjunction with the Strategic Report (on pages 8 - 9 above) and the Company's Corporate Governance Statement.



John Taylor
Chairman
21 April 2023

ASIMILAR GROUP PLC

AUDIT COMMITTEE REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

While operating as a committee of the board, the Company's audit committee is by no means remote from the key issues facing the business. The committee has considered not only the adequacy of financial reporting and the applicability of accounting standards to the business, but also how the challenges faced by the Company may flow through into internal control, accounting policy and financial reporting to shareholders.

The committee is responsible for reviewing approaches to risk management and looking at internal controls on behalf of the board. The full board has been engaged in looking at the critical success factors for the Company. The risk management process is discussed on page 14.

Membership and Meetings of the Audit Committee

The audit committee is chaired by Mark Horrocks. John Taylor and Michael Preen are the other member of the committee. As provided for in the QCA Code the committee chairman is regarded as being independent. At the invitation of the committee, the Finance Director and representatives of the external auditor usually attend committee meetings. Time is allowed at the end of each meeting for discussion without any members of the executive team being present, to allow the external auditor to raise any issues of concern.

The audit committee has met twice during the period and has recommended the approval of these report and accounts.

Terms of Reference

The committee's terms of reference confirm the main responsibilities of the committee.

The committee is responsible for monitoring the integrity of the financial statements of the Company and any formal announcements relating to the Company's financial performance. The committee reviews the accounting standards, policies and judgements behind and the clarity and fairness of the interim and year end results statements.

The committee reviews internal controls and risk management procedures in the context of any issues which arise during the external audit process, or if concerns are raised by a member of the board or by an employee under the "whistle blowing" procedures. The strength of internal controls was reviewed by the committee and considered by the full board.

The committee has primary responsibility for the relationship between the Company and its external auditor. Representatives from the external auditor are invited to attend committee meetings and the chairman of the committee may meet less formally with the audit director, as needed. The independence of the auditor is kept under review and is reported on annually, as part of the key issues memorandum presented to the committee by the auditor.

The committee reviews the fee proposals presented by the auditor and the scope of work is monitored carefully to ensure that independence is not compromised. In the year to 30 September 2022, audit fees for the Company totalled £47,350 (2021: £36,000), compared with non-audit fees (interim financial statement reviews) of £2,200 (2021: £2,000).

The auditors only provide audit services. All other accounting and taxation is now provided by independent advisors.

The committee is satisfied with the independence, objectivity and efficiency of the external auditor and the committee has not felt it necessary at this stage to propose re-tendering of the audit contract. A resolution for the re-appointment of Haysmacintyre LLP as the statutory auditor will therefore be proposed at this year's annual general meeting.

No other formal recommendations have been made to the board by the committee and no external reports have been commissioned on financial control processes during 2021/22.

This report was approved by the audit committee and the board on 21 April 2023.

Mark Horrocks
Chairman of the Audit Committee



ASIMILAR GROUP PLC

DIRECTORS' REMUNERATION REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Introduction

On behalf of your board, I present our remuneration report for the year ended 30 September 2022.

As an AIM-listed company, Asimilar is not obliged to provide a full directors' remuneration report meeting the requirements of with the UK Corporate Governance Code. We do, however, apply the standards of the QCA Code. The report provides remuneration details for all directors and explains any bonuses paid in the year. It gives a general statement of policy on directors' remuneration as it is currently applied.

The committee is responsible for reviewing and recommending the framework and policy for remuneration of the executive directors. The committee recognises the importance of our reward and performance strategy in recruiting and retaining high quality individuals who can lead, develop and sustain business growth over the longer term.

Membership and Meetings of the Committee

The chairman of the remuneration committee is currently John Taylor. The other members of the committee are Mark Horrocks and Michael Preen.

Other directors may attend by invitation of the committee. It is a fundamental principle that no individual should be able to contribute to discussions about their own remuneration.

The committee operates within terms of reference set by the board.

The committee is responsible for recommending any changes in the structure of remuneration packages for the executive directors. It also plays an important role when an executive director joins and leaves the Company. It recommends to the board the terms of employment for any appointment and any subsequent changes which may be needed and reviews any payments which might arise on termination of an executive director's contract.

The committee held one meeting during the year which was chaired by John Taylor.

Conclusion

The Directors' remuneration policy and statement of remuneration for 2021/22 which follows this annual statement sets out the committee's approach to remuneration for the future and provides details of remuneration for the year ended 30 September 2022. This report is intended to provide shareholders with sufficient information to judge the impact of the decisions taken by the committee, to assess whether remuneration packages for directors are fair in the context of business performance.

The committee will continue to be mindful of shareholder views and interests and we believe that our directors' remuneration policy continues to be aligned with the achievement of the Company's business objectives. As always, the annual general meeting provides an opportunity for face to face discussions on important matters for the Company and its shareholders.



John Taylor

Chairman of the Remuneration Committee

Date 21 April 2023

ASIMILAR GROUP PLC

DIRECTORS' REMUNERATION REPORT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Remuneration Policy and Statement of Remuneration for 2021/22

The policy of the committee is to ensure that the executive directors are fairly rewarded for their individual contributions to the Company's overall performance and to provide a competitive remuneration package to executive directors (including long-term incentives) to attract, retain and motivate individuals of the calibre required to ensure that the Company is managed successfully in the interests of shareholders. In addition, the committee's policy is to reward performance in a way which seeks to align the interests of management with those of shareholders.

Future Policy

The main elements of the remuneration package of executive directors are set out below.

The remuneration packages of executive directors comprise the following elements.

Basic Salary and Benefits

The executive directors' basic salaries are reviewed annually having regard to individual performance, market practice and the financial position of the Company. The salaries paid to executive directors are currently considered appropriate for the respective roles performed by them. The Remuneration Committee recommended that all Directors should defer all entitlements to salaries from December 2022. The Board accepted this recommendation and Directors have been deferring salaries since December 2022.

Executive directors are eligible for pension contributions (or payments in lieu of pension contributions) at the rate of 3% of salary. Such payments are not made in respect of any bonuses.

Executive directors are also eligible for health insurance for themselves, partners and children.

Annual Bonuses

The Company pays bonuses reflecting the contributions made by the executive directors and the Company's performance. No bonuses have been paid in the reporting period or subsequently.

Share Options and Warrants

The Company believes that share ownership by directors and employees strengthens the link between their personal interests and those of the Company and the shareholders.

The board believes it to be an essential part of attracting high calibre individuals to the board of directors, while preserving cash, in the interests of all shareholders, that directors are offered warrants or options in the Company in amounts and at exercise prices that align directors with the interests of the wider shareholder base.

Three directors currently either hold shares and / or warrants in the Company. Neither the Chairman nor Executive Director currently hold options or warrants, those having previously been held having expired in December 2022.

Service Contracts

The executive director has entered into a comprehensive service contract which is terminable by either party giving 12 months' notice. The executive director is subject to pre and post termination restrictive covenants with the Company including those relating to non-solicitation of customers and staff. No compensation is payable for loss of office and all appointments may be terminated immediately if, among other things, a director is found to be in material breach of the terms of the appointment.

ASIMILAR GROUP PLC

DIRECTORS' REMUNERATION REPORT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The non-executive directors have entered into Letters of Appointment which are terminable by either party on 6 months' notice. Non-executive directors are not eligible for pension arrangements. Additional fees may be paid to non-executive directors in respect of additional services provided to the Company. No such fees have been paid in the reporting period or subsequently.

Approach to Recruitment

The committee's approach to recruitment is to offer a market competitive remuneration package sufficient to attract high calibre candidates who are appropriate to the role but without paying any more than is necessary.

Any new executive director's regular remuneration package would include the same elements and be in line with the policy statement set out above.

Reasonable relocation and other similar expenses may be paid if appropriate.

Directors' Insurance and Indemnity

Directors' and officers' liability insurance is provided at the cost of the Company for all directors and officers. The articles of association provide for the Company to indemnify directors against losses and liabilities properly incurred in the execution of their duties.

Audited Information

Details of Directors' remuneration

This report should be read in conjunction with notes 8 and 9 to the financial statements, which also forms part of this report.

Directors' emoluments

The remuneration of the Directors for the years ended 30 September 2022 and 30 September 2021 is shown below.

	2021/22				2020/21			
	Salary	Bonus	Warrants	Total	Salary	Bonus	Warrants	Total
	£	£	£	£	£	£	£	£
John Taylor	36,000	-	-	36,000	36,000	-	-	36,000
Mark Horrocks	36,000	-	-	36,000	-	-	108,000	108,000
Michael Preen - appointed 18 June 2021	36,000	-	-	36,000	10,200	-	61,000	71,200
Sohail Bhatti	50,000	-	-	50,000	50,000	-	-	50,000
Donald Stewart- resigned 26 Oct 2020	-	-	-	-	21,000	-	-	21,000
Total	158,000	-	-	158,000	117,200	-	169,000	286,200

Options and warrants granted to and held by directors who served during the year are summarised below. Full details of the options and warrants outstanding are set out in note 17 to the accounts.

ASIMILAR GROUP PLC

DIRECTORS' REMUNERATION REPORT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2021				
	No. options and warrants held at beginning of the year	No. options and warrants granted during the year	No. options and warrants exercised during the year	No. options and warrants lapsed during the year	No. options and warrants held at end of the year
Sohail Bhatti	3,000,000	—	—	—	3,000,000
John Taylor	2,000,000	—	—	—	2,000,000
Mark Horrocks	9,000,000	1,000,000	—	2,700,000	7,300,000
Mike Preen	—	250,000	—	—	250,000
Donald Stewart	2,000,000	—	—	—	2,000,000
Total	16,000,000	1,250,000	—	2,700,000	14,550,000
	2022				
	No. options and warrants held at beginning of the year	No. options and warrants granted during the year	No. options and warrants exercised during the year	No. options and warrants lapsed during the year	No. options and warrants held at end of the year
Sohail Bhatti	3,000,000	—	2,000,000	—	1,000,000*
John Taylor	2,000,000	—	—	—	2,000,000*
Mark Horrocks	7,300,000	—	3,150,000	—	4,150,000
Michael Preen	250,000	—	—	—	250,000
Total	12,550,000	—	5,150,000	—	7,400,000

* Expired in December 2022

ASIMILAR GROUP PLC

DIRECTORS' REMUNERATION REPORT (Continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Statement of Directors' Shareholding

The Directors who held office at 30 September 2022, and their connected persons, had interests in the issued share capital of the Company as follows:

	Number of shares held (including by connected persons)	
	2022	2021
Sohail Bhatti	1,157,516	66,666
John Taylor	-	-
Michael Preen	164,399	164,399
Mark Horrocks	9,656,280	3,771,474

There were no changes in the share interests of directors between 1 October 2022 and 21 April 2023, being the date of signature of the Directors' remuneration report.

Approval

The Directors' remuneration report, and this statement of the Company's remuneration policy and remuneration for 2021/22, were approved by the remuneration committee and by the board on 21 April 2023



John Taylor
Chairman of the Remuneration Committee
Date: 21 April 2023

ASIMILAR GROUP PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. The directors are required by the AIM rules of the London Stock Exchange to prepare group financial statements in accordance with UK-adopted International Financial Reporting Standards ("IFRS") and to prepare the Company financial statements in accordance with UK-adopted IFRS.

The financial statements are required by law and IFRS adopted by the UK to present fairly the financial position of the Company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of the Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss 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 estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs adopted by the UK;
- 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 financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Asimilar Group plc website.

Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ in other jurisdictions.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ASIMILAR GROUP PLC

We have audited the financial statements of Asimilar Group PLC (the 'Parent Company') and its subsidiary (the 'Group') for the year ended 30 September 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statement of Financial Position, the Consolidated and Company Statements of Cash Flows, the Consolidated and Company Statements of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK-adopted International Financial Reporting Standards (IFRSs).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 September 2022 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; 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 Group 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 as applied to listed entities, 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.

Material uncertainty related to going concern

We draw attention to note 2.3 of the financial statements, which discloses that the Group expects that it will need to liquidate sufficient investment holdings to meet its liabilities in order to continue as a going concern, otherwise it would have no choice but to seek external funding. The valuation and liquidity of these investments, together with the timing and quantum of any external fundraising are uncertain and as such these events or conditions, along with other matters set forth in note 2.3, indicate that a material uncertainty exists that may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Our audit procedures to evaluate the director's assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included, but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the Group and the Parent's ability to continue as a going concern;
- Evaluating the methodology used by the directors to assess the Group and the Parent Company's ability to continue as a going concern;
- Reviewing the directors' going concern assessment and evaluating the key assumptions used and judgements applied within it;
- Challenging the directors on the key assumptions made and the forecasted cash outflows incorporated in the cashflow forecast, agreeing reductions in cash outflows to reasonable evidence where possible;
- Reviewing the directors' working capital projections prepared as part of their going concern assessment. This review included the consideration of appropriate sensitivity analysis applied to base forecast assessment and to the liquidity and valuation of listed shares which may require realisation to meet ongoing cash flow requirements;
- Reviewing the appropriateness of disclosures made in respect of going concern in the financial statements.

The financial statements do not include any adjustments that would result if the Group and the Parent Company were unable to continue as a going concern.

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

INDEPENDENT AUDITORS' REPORT (continued)

TO THE MEMBERS OF ASIMILAR GROUP PLC

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, in evaluating the effect of misstatements and in forming an opinion. For the purpose of determining whether the financial statements are free from material misstatement, we define materiality as the magnitude of a misstatement or an omission from the financial statements, or related disclosures, that would make it probable that the judgement of a reasonable person, relying on the information would have been changed or influenced by the misstatement or omission. We also determine a level of performance materiality, which we used to determine the extent of testing need, to reduce to an appropriately low level the risk that the aggregate of uncorrected and undetected misstatement exceeds materiality for the financial statements as a whole.

The materiality for the Group financial statements as a whole was set at £505,000. This was determined with reference to 2% of the average of gross assets presented as at 30 September 2021 and 2022. We have referred to the gross asset position as this is considered to be the chief key performance measure of the Group. We have taken an average of the position at both balance sheet dates due to the impact of year on year volatility in investment values. The impact of the decline in investment fair values is also considered relevant to users of the financial statements and our materiality has been calculated to incorporate this fact.

On the basis of our risk assessment and review of the Group's control environment, performance materiality was set at 75% of materiality, being £378,750.

The reporting threshold to the Audit Committee was set as 5% of materiality, being £25,250. If in our opinion differences below this level warranted reporting on qualitative grounds, these would also be reported.

The materiality for the Parent Company financial statements was set at £245,000. This was determined with reference to 2% of the average of gross assets presented for the Parent Company as at 30 September 2021 and 2022. We have referred to the gross asset position as this is considered to be the chief key performance measure of the Parent Company. We have taken an average of the position at both balance sheet dates due to the impact of year on year volatility in investment values. The impact of the decline in investment fair values is also considered relevant to users of the financial statements and our materiality has been calculated to incorporate this fact.

On the basis of our risk assessment and review of the Parent Company's control environment, performance materiality was set at 75% of materiality, being £183,750.

The reporting threshold to the Audit Committee was set as 5% of materiality, being £12,250. If in our opinion differences below this level warranted reporting on qualitative grounds, these would also be reported.

An overview of the scope of our audit

Our audit scope included the Parent Company, which is a registered company in the United Kingdom. Additionally, whilst not subject to statutory audit, the subsidiary Asimilar Investments Limited was reviewed to a similar degree of audit scrutiny on the basis that it now holds 75% of the total Group investments by fair value.

We communicated any issues with the Directors in our planning meetings, audit planning report and final audit findings report.

Our audit work focused predominantly on the investments in financial assets held by the Group at the balance sheet date with relevant investments selected for individual testing to relevant supporting valuation documentation, being either a quoted share price or a directors' valuation assessment.

For the purposes of our audit of the Group financial statements we obtained information pertaining to the subsidiary not subject to audit in Jersey directly from the Directors, and where appropriate the directors of the Jersey subsidiary. We performed a review in line with group materiality levels on Asimilar Investments Limited, which is a company registered in Jersey and is not subject to a statutory audit.

INDEPENDENT AUDITORS' REPORT (continued)

TO THE MEMBERS OF ASIMILAR GROUP PLC

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified. These matters included those which had the greatest effect on the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the material uncertainty related to going concern section, we have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter Description	How the matter was addressed in the audit
Valuation of investments in financial assets Included in the Group Statement of Financial Position are investments totalling £6.6m (2021: £43.0m). Of the investments held at 30 September 2022, £5.7m are considered to be level 3 investments (2021: £13.4m), a material element of the Group's asset base representing the majority of the total fair value of investments held. Due to the nature of these investments held, and the valuation techniques required in order to assess the fair value of these investments at 30 September 2022, there is a risk that the investments are materially misstated and have not been fair valued appropriately. The valuation techniques applied by the directors, or where applicable independent experts are disclosed as a critical accounting estimate and judgement, due to the level of estimation uncertainty in arriving at a fair value for some of the level 3 investments held at 30 September 2022. Where there are inputs into the valuation models that are estimates and the fair value of the investments are sensitive to these inputs, this is disclosed.	Our audit work has considered the various valuation methods employed by the directors in determining the fair value of the level 3 investments held at 30 September 2022. Our work consisted of, but was not limited to the following procedures: - We obtained all valuations that were prepared by the directors using observable inputs and appropriate valuation methodologies. - We challenged the directors on inputs into director valuations that were significant to determining the fair value of investments to ensure the judgements made by the directors were appropriate. Where appropriate we agreed these inputs to appropriate supporting documentation. - Where level 3 investments fair values were determined with regards to recent capital raises in the target company, we challenged the directors' assessment that these issue prices were representative of arm's length transactions, thus making them appropriate metrics to use in determining the fair value of the investments held as at 30 September 2022. - We obtained relevant third party valuation reports and challenged the valuation methodologies and inputs used to determine fair values. - Where appropriate we have for our own expectation of fair value ranges determined whether the valuations prepared by

	management or management experts sit within our expected range of fair values. - We have reviewed the disclosure regarding the fair value assessments performed for level 3 investments to ensure appropriate detail is provided regarding the technique used for each unlisted investment, and that the key inputs are disclosed. - Where valuations contain unobservable inputs, we have ensured that the financial statements contain appropriate levels of sensitivity disclosures in accordance with IFRS 13 "fair value".
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Other information

The directors are responsible for the other information. 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.

In connection with our audit of the financial statements, 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the audit:

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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 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 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

INDEPENDENT AUDITORS' REPORT (continued)

TO THE MEMBERS OF ASIMILAR GROUP PLC

- 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 28 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 Group's and 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 Group or the Parent 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:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the Group and industry, we identified the principal risks of non-compliance with laws and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, AIM & AQSE regulations and income tax.

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Discussions with management regarding any adverse AIM/AQSE complaints,
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates which ultimately form the basis for the majority of non listed, level 3 investments recognised at fair value.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

INDEPENDENT AUDITORS' REPORT (continued)

TO THE MEMBERS OF ASIMILAR GROUP PLC

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.

Christopher Cork

Christopher Cork
(Senior Statutory Auditor)
For and on behalf of Haysmacintyre LLP
Statutory Auditors
21 April 2023

10 Queen Street Place
London
EC4R 1AG

ASIMILAR GROUP PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 £	2021 £
Revenue	5	14,000	14,000
Realised gains on investment disposals		226,976	2,202,000
Administrative expenses		(735,906)	(800,536)
Gains / (loss) from remeasurement of derivative financial liabilities	16	1,853,215	(459,900)
Sundry income		-	43,414
Remeasurement to fair value of investments in financial assets	12,13	(36,630,063)	25,687,510
OPERATING (LOSS) / PROFIT BEFORE FINANCING ACTIVITIES		(35,271,778)	26,686,488
Finance income	6	46	20,377
Finance cost	6	-	(1,229)
(LOSS) / PROFIT BEFORE TAX	7	(35,271,732)	26,705,635
Tax charge	10	-	-
(LOSS) / PROFIT AFTER TAX		(35,271,732)	26,705,635
Earnings/(loss) per share (pence per share)			
Basic earnings	11	(28.85)p	23.29p
Diluted earnings	11	(28.85)p	19.23p

ASIMILAR GROUP PLC
Company Registration Number: 04488281
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 £	2021 £
ASSETS			
Non-current assets			
Investments in financial assets held at fair value	12	5,761,864	36,312,423
		<u>5,761,864</u>	<u>36,312,423</u>
Current assets			
Investments in financial assets held at fair value	12	804,541	6,727,681
Trade and other receivables	14	153,750	95,481
Cash and cash equivalents		7,179	600,090
		<u>965,470</u>	<u>7,423,252</u>
TOTAL ASSETS		<u><u>6,727,334</u></u>	<u><u>43,735,675</u></u>
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	15	219,150	131,635
Derivative financial liabilities held at fair value	16	56,000	2,129,400
Total liabilities		<u>275,150</u>	<u>2,261,035</u>
Equity			
Share capital	17	5,215,190	5,214,709
Share premium account	17	18,339,562	17,932,954
Merger relief reserve	17	279,900	279,900
Warrant reserve	17		157,813
Retained earnings	17	(17,382,468)	17,889,264
Total equity		<u>6,452,184</u>	<u>41,474,640</u>
TOTAL EQUITY AND LIABILITIES		<u><u>6,727,334</u></u>	<u><u>43,735,675</u></u>

The financial statements were approved and authorised for issue by the board of directors on 21 April 2023 and were signed on its behalf by



John Taylor
Chairman

ASIMILAR GROUP PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Share Capital £	Share Premium Account £	Merger Relief Reserve	Retained Earnings £	Warrant Reserve £	Total £
At 1 October 2020	5,213,277	14,327,636	279,900	(9,387,371)	157,813	10,591,255
Total comprehensive income for the year	-	-	-	26,705,635	-	26,705,635
Share based payments	-	-	-	571,000	-	571,000
Transactions with owners						
Shares issued	1,432	3,605,318	-	-	-	3,606,750
At 1 October 2021	5,214,709	17,932,954	279,900	17,889,264	157,813	41,474,640
Total comprehensive loss for the year	-	-	-	(35,271,732)	-	(35,271,732)
Warrant reserve	-	157,813	-	-	(157,813)	-
Transactions with owners						
Shares issued	481	248,795	-	-	-	249,276
At 30 September 2022	5,215,190	18,339,562	279,900	(17,382,468)	-	6,452,184

Share capital

Represents the par value of shares in issue.

Share premium

Represents amounts subscribed for share capital in excess of its nominal value, net of directly attributable issue costs.

Merger relief reserve

Represents premium on shares issued in connection with the acquisition of Intrinsic Capital Jersey Limited, recognised in accordance with S162 of the Companies Act 2006.

Retained earnings

Represents accumulated losses to date.

Warrant reserve

Represents the fair value of placing warrants issued.

ASIMILAR GROUP PLC
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022	2021
	£	£
Operating activities		
(Loss) / Profit for the year	(35,271,732)	26,705,636
Adjustments for:		
(Increase) / decrease in trade and other receivables	(58,269)	86,761
Decrease / (increase) in trade and other payables	87,515	(65,500)
Net finance income	(46)	(19,148)
Unrealised losses / (gain) on remeasurement to fair value	34,776,848	(25,687,510)
Gain on sale of investments	(226,976)	(2,202,000)
Share based payments	-	571,000
Net cash used in activities	(692,660)	(610,761)
Investing activities		
Payments to acquire investments	(644,230)	(9,570,755)
Proceeds from sale of investments	714,843	3,674,463
Loans repaid	-	2,771,426
Finance income received	46	19,148
Net cash generated / (used) in investing activities	70,659	(3,105,718)
Financing activities		
Net proceeds from issue of shares	29,090	3,606,750
Net cash generated from financing activities	29,090	3,606,750
Net decrease in cash and cash equivalents	(592,911)	(109,729)
Cash and cash equivalents at the start of the year	600,090	709,819
Cash and cash equivalents at the end of the year	7,179	600,090
Cash and cash equivalents consist of:		
Cash and cash equivalents	7,179	600,090

The Group had no debt in either period, therefore no net debt reconciliation has been presented.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

1. GENERAL INFORMATION

Asimilar Group Plc is a public limited company which is admitted to trading on the Alternative Investment Market (AIM) and the Aquis Exchange (AQSE) and is incorporated and domiciled in the UK. The address of its registered office is 4 More London Riverside, London, SE1 2AU.

2. ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with International Accounting Standards and International Financial Reporting Standards (collectively "IFRS") and the requirements of the Companies Act 2006 applicable to companies reporting under IFRS.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in note 3.

2.2 Changes in accounting policies and disclosures

(a) New standards, amendments and interpretations adopted by the Group

During the year ended 30 September 2022, the group has not adopted any new IFRS, IAS or amendments issued by the IASB and interpretations by the IFRS Interpretations Committee which have had a material impact on the group's financial statements.

(b) New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2022 and have not been applied in preparing these consolidated financial statements. None of these are expected to have a significant effect on the consolidated financial statements of the Group. There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2.3 Going Concern

The Group had net assets of £6,452,184 as at 30 September 2022 (2021: net assets £41,474,640) and generated loss after tax of £35,271,732 (2021: income £26,705,635) in the reporting period. Net cash absorbed during the year was £592,911 (2021: £109,729).

The financial statements have been prepared on the going concern basis, which assumes that the Group will have sufficient funds to continue in operational existence for at least twelve months from the date of approval of the financial statements.

Whilst the Group continues to hold relatively small cash balances, it holds a number of liquid, quoted investments which it is able to realise as required to meet operational costs and other outgoings. The Board's cash flow forecasts for the Group to April 2024, take into account a number of scenarios including due consideration of the cost saving measures referred to in the Chairman's Statement (including, but not limited to, those associated with the proposed cancellation of the Company's admission to trading on AIM) and, taking account of reasonably possible adverse changes in the performance of the investment portfolio, indicate that the Group will have sufficient access to cash to continue in operational existence for the next 12 months from the date of approval of the financial statements.

The assumptions include the ability to liquidate sufficient investment holdings and a sensitivity testing of a fall in value of the quoted investments by 30%. Should the value of these investments fall by more than 30% the Group would have no choice but to seek external funding, which is not certain to be secured, and further cost cutting measures may not be able to mitigate the impact of these investments losing value.

The Company could also seek to realise some of its substantial private investments. However, there is a risk that such forced disposal could be at a loss.

Considering the above, the Directors are confident the Group remains a going concern and that, should it be required, the Group would be able to raise funds.

Whilst material uncertainties relating to going concern do exist and may cast significant doubt over the Group's ability to continue as a going concern, at the date of signing these accounts, the Directors have concluded that the basis of preparation is appropriate.

2.4 Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group considers whether acquisitions meet the criteria of a business combination in determining whether to apply the criteria of IFRS 3: Business Combinations. Where such criteria are not met (as in the case of the acquisition of Asimilar Investments Limited during the year ended 30 September 2020), the consideration payable and assets and liabilities are ascribed a fair value in accordance with IFRS 9: Financial Instruments and IFRS 13: Fair Value Measurement. The reasons and difference arising on such a transaction are considered and recognised in accordance with the relevant standard. Differences in fair value arising from an exchange of financial instruments conducted on an arm's length basis are recognised as 'Day One gains or losses' in the income statement.

Acquisition-related costs are recognised as part of the carrying value of the relevant asset's initially recognised cost.

Contingent consideration is classified either as equity or as a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

2. ACCOUNTING POLICIES (continued)

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

The Group also considered if IFRS10 exception to consolidation of investment entity would be applicable. Under the standard an investment entity that has a subsidiary that is also an investment entity, then the subsidiary should be carried at fair value.

Based on the definition of an investment entity and the guidance on the characteristics of an investment entity, the Board has concluded that whilst Asimilar Group Plc is an investment entity, its subsidiary Asimilar Investments Limited does not satisfy the characteristics of an investment entity, specifically paragraph B851. Therefore the Asimilar Investments Limited is consolidated on the basis it is considered a service entity with in the Group.

2.5 Foreign Currency Translation

(a) Functional and Presentation Currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("functional currency").

The consolidated financial statements are presented in Pounds Sterling (£), which is the Company's functional and the Group's presentation currency.

(b) Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'Finance income or costs'. All other foreign exchange gains and losses are presented in the income statement within 'Finance costs'.

Translation differences on non-monetary financial assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss.

2.6 Revenue

Revenue is recognised when revenue and associated costs can be measured reliably and future economic benefits are probable. Revenue is measured at fair value of consideration received or receivable for services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

The Company only has one class of business, investment holdings and management, and therefore no segmental information has been presented.

2.7 Interest income

Interest income is accrued on a time apportioned basis, by reference to the principal outstanding and at the effective interest rate applicable.

2.8 Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from accounting profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and further excludes items that are never taxable or deductible. The Group's liability to current tax is measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or if the initial liabilities in a transaction affect either the taxable profit or the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

2.9 Financial assets

Classification

The Group classifies its financial assets in the following categories: at amortised cost including trade receivables and other financial assets, at amortised cost and at fair value through profit or loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. No financial assets are held at fair value through Other Comprehensive Income (OCI).

Trade receivables and other non interest bearing receivables

Trade and other non interest bearing receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, in which case they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows, and so it measures them subsequently at amortised cost using the effective interest method.

The Group's accounting policy is to recognise trade receivables within current assets.

(i) Fair values of trade receivables

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

(ii) Impairment and risk exposure

Information about the impairment of trade receivables and the Group's exposure to credit risk, foreign currency risk and interest rate risk can be found in note 4.

Other financial assets at amortised cost

(i) Classification of financial assets at amortised cost

The Group classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principle and interest.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

(ii) Other receivables

- These amounts generally arise from transactions outside the usual operating activities of the Group. Interest could be charged at commercial rates where the terms of repayment exceed six months. Collateral is not normally obtained. The non-current other receivables are due and repayable within three years from the end of the reporting period.
- Due to the short-term nature of the other current receivables, their carrying amount is considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different from their carrying amounts.

Financial Assets at Fair Value Through Profit or Loss

(i) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVTPL):

- Equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.
- Derivative financial assets such as options over counterparty equity instruments.

(ii) Fair value, impairment and risk exposure

Information about the methods and assumptions used in determining fair value is provided in note 3.

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Derivative Financial Instruments that do not qualify for hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value.

The Group's derivatives do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses).

Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks and other short term deposits with maturities of three months or less.

Derivative financial liabilities

Derivative financial liabilities constitute warrants over the parent company's own equity. They are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value.

On the date of exercise the difference between the fair value and the cash paid on exercise is recognized as share premium.

Information about the methods and assumptions used in determining fair value is provided in note 3.

Trade and other receivables

Trade and other non-interest bearing receivables are initially recognised at cost and are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective and probable evidence that it is uncertain if the amount due can be collected. Movement in the provision charged or credited in the period is recognised in the income statement.

The Group discounts some of its trade receivables. The accounting policy is to continue to recognise the trade receivables within current assets and to record cash advances as borrowings within current liabilities.

Trade and other payables

Trade and other payables are not interest bearing and are initially recognised at cost and are subsequently measured at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

2.10 Share based payments

The Company issues equity-settled options and warrants to certain employees, directors and financing parties and these are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period (or immediately if there is no such period), based on the Company's estimate of the number of instruments that will eventually vest with a corresponding adjustment to equity. Fair value is measured by use of an appropriate option pricing model. The expected life used in the model has been adjusted based on management's best estimates, for the effect of non-transferability, exercise restrictions, and behavioral considerations.

Non-vesting and market vesting conditions are taken into account when estimating the fair value of the option at grant date. Service and non-market vesting conditions are taken into account by adjusting the number of options expected to vest at each reporting date.

2.11 Earnings per share

Basic earnings per share is calculated by dividing:

- the profit or loss attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares (note 11).

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares; and
- the weighted average number of additional ordinary shares that would have been outstanding, assuming the conversion of all dilutive potential ordinary shares.

3. Critical accounting judgements and key sources of estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience, internal controls, advice from external experts and other factors, including expectations of future events that are believed to be reasonable under circumstances. The following estimates are considered integral to the Group's reported financial information:

Investment valuation

The Group has a number of level 3 investments (see note 13) whereby their valuation is determined in whole or in part using valuation techniques based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable data.

Valuation of unlisted equity investments

Management determines the fair value of unlisted equity investments primarily by reference to the prevailing price of further investment when conducted by the relevant entity on an arm's length basis. This is determined by reference to relevant historical fund raising prices and relevant post balance sheet events where it can be explicitly demonstrated that the conditions existed at the Group's balance sheet date. Management also exercises its own professional judgement in conducting these desktop valuations. At the balance sheet date the aggregate fair value of investments valued in this manner was £5,745,536 (2021: £13,384,222) (see note 13 for further analysis).

Where recent share placings have not been undertaken by the relevant investee entity, or are not considered to be a reliable indicator of fair value, management utilises alternative techniques to assess equity valuations. Such techniques include reference to comparable market transactions for similar businesses, enterprise valuations based on revenue and EBITDA multiples and equity valuation adjustments to take into account factors such as working capital, cash and debt positions in the investee entity. Such investment valuation methodologies rely on unobservable inputs and will often present a range of potential valuations. The Directors will adopt what they consider to be the most appropriate valuation within such ranges but acknowledge that there remains significant estimation uncertainty associated with this approach and that the actual fair values of the investments may materially differ from those recorded at the balance sheet date.

All Active Asset Capital ("AAA")

Asimilar holds 24 million AAA shares, representing 1.2% (2021: 1.3%) of the issued share capital.

The fair value of the shareholding at the balance sheet date of £240,000 (2021: £984,000) was determined with reference to an external valuation conducted by an independent third party. The valuation was derived by using a net asset valuation basis using publicly available data and the Directors' assessment of key asset and liability valuations associated with AAA. This included an assessment of the fair value of Sentiance N.V.

Veative Group Holdings Plc (formerly Dev Clever Holdings Plc) ("Veative")

The Group holds 72.3 million shares representing 8.4% (2021: 12.2%) of the issued share capital.

The fair value of the shareholding at the balance sheet date of £1,952,100 (2021: Level 1 £27,835,500) was determined by reference to an external valuation conducted by an independent third party. The valuation was primarily derived by use of the market approach and included calibration to the quoted share price of Asimilar Group Plc. A significant unobservable, Level 3, input was required with respect to the discount for illiquidity as the share listing was suspended. This fell into the range 25% to 50% in accordance with market practice.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Derivative assets – Veative Group Holdings Plc (formerly Dev Clever Holdings Plc) (“Veative”)

The fair value of derivative financial assets at the balance sheet date of £nil (2021: £5,670,000) has been determined with reference to third party actuarial valuation based on an adjusted binomial model based on the “binomial” or “lattice” option pricing method. The significant inputs into the model were a weighted average share price of £0.027 at year end date, volatility of 54%, dividend yield of 0%, the assumption that warrants are subscribed for when 100% in the money, and an annual risk-free interest rate equal to the yield on zero coupon yield curve of UK gilts at the issue dates. The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of Dev Clever’s daily share prices over the last year.

Derivative liabilities – AIL consideration warrants

The fair value of derivative liabilities at the balance sheet date of £56,000 (2021: £2,129,400) has been determined through a third party actuarial valuation using a Monte Carlo model that is consistent with the mathematics underlying the Black-Scholes methodology. The significant inputs into the model were a weighted average Dev Clever share price of £0.027 at year end date, volatility of 102%, dividend yield of 0%, the assumption that warrants are subscribed for when in the money, and an annual risk-free interest rate equal to the yield on zero coupon yield curve of UK gilts at the issue dates. The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the last year relevant to the instrument (namely that of the Group and reference holding, Dev Clever Holdings Plc).

Valuation of share based payments

The fair value of share based payments at the grant date of £nil (2021: £571,000) has been determined through an actuarial valuation using an adjusted binomial model. The significant inputs into the model were a weighted average share price of £0.27 at the grant date, average volatility of 73%, dividend yield of 0%, the assumption that warrants are subscribed for when 100% in the money, and an annual risk-free interest rate equal to the yield on zero coupon yield curve of UK gilts at the issue dates. The volatility measured at the standard deviation of continuously compounded share returns is based on statistical analysis of daily share prices over the twelve months prior to grant.

Magic Media Works – Unsecured Loan Notes

The fair value of the loan notes at the balance sheet date of £1,045,551 (2021: £963,854) was assessed with referenced to the fair value of equity implied by fundraising undertaken by the company during the year and the implied valuation of the debt arrangements entered into with warrants attached. This gave an implied debt valuation discount of 50% which has been applied to the discounting of the unsecured loan notes.

4. Financial Risk Management

Financial Risk Factors

The Group’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group’s overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group’s financial performance.

Risk management is carried out under policies approved by the Board of Directors. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

(i) Derivatives

Derivatives held by the Company are for speculative investment and not for economic hedging purposes. They are classified as ‘held for trading’ for accounting purposes and are accounted for at fair value through profit or loss.

They are presented as current assets or liabilities to the extent that they are expected to be settled within 12 months after the end of the reporting period.

Information about the derivatives used by the Group is provided in notes 12 and 16.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

(ii) Fair value measurement

For information about the methods and assumptions used in determining the fair value of derivatives, refer to note 3.

(a) Market Risk

(i) Foreign Exchange Risk

The Directors do not consider the Group to be exposed to a significant currency risk in the current year.

(ii) Price Risk

The Group is exposed to equity securities price risk because of investments held by the Group, classified on the consolidated Statement of Financial Position at fair value through profit or loss. The Group is not exposed to commodity price risk.

Sensitivity analysis

The table below summarises the impact of increases/decreases in the equity investment portfolio on the Group's post-tax loss for the year and on total equity. The analysis is based on the assumption that the equity investments had increased/decreased by 5%, with all other variables held constant. Where option pricing models with unobservable inputs have been used to derive fair values, the impact of changes in the most significant input assumption has been demonstrated.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Level 3 Investments in equity instruments

	Impact on post-tax profit/loss		Impact on total equity	
	2022 £	2021 £	2022 £	2021 £
Financial assets at fair value through profit or loss – increase in value5%	224,302	332,827	224,302	332,827
Financial assets at fair value through profit or loss – decrease in value5%	(224,302)	(332,827)	(224,302)	(332,827)

	Impact on post-tax profit/loss		Impact on total equity	
	2022 £	2021 £	2022 £	2021 £

Dev Clever warrants change in subscription behaviour (default is to subscribe at 100% in the money)

Subscribe at 20% in the money	-	(945,000)	-	(945,000)
Returns maximisation*	-	280,000	-	280,000

Financial liabilities – consideration warrants

Financial liabilities at fair value through profit or loss – increase volatilities of reference companies by 10%	-	(3,150)	-	(3,150)
Financial liabilities at fair value through profit or loss – decrease volatilities of reference companies by 10%	-	(12,600)	-	(12,600)

Magic Media Works - unsecured loan notes

Financial assets at fair value through profit or loss:				
Increase in discount by 10%	(104,555)	(96,385)	(104,555)	(96,385)
Decrease in discount by 10%	104,555	96,385	104,555	96,385

*Assumes the warrant holder tries to maximise returns in a financially optimal way, which generally means they will not exercise until almost the subscription deadline.

Post-tax loss for the year would increase/decrease as a result of gains/losses on equity securities and derivative financial instruments classified as at fair value through profit or loss.

(iii) Interest Rate Risk

The Group currently funds its operations through the use of equity. Cash at bank which is denominated in sterling, is held at variable rates. At the year end, the Group's financial liabilities did not suffer interest and thus were not subject to interest rate risk. Any decrease in interest rate to a minimum of 0% would have an insignificant impact on the interest income received by the Group.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

(b) Credit Risk

(i) Risk Management

Credit risk is mitigated by the Group via managing and analysing the credit risk for each new debtor before terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of "A" are accepted.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(c) Liquidity Risk

The principal risk to which the Group is exposed is liquidity risk. The nature of the Group's activities means it finances its operations through retained earnings, the issue of new shares to investors and realisation of liquid investments. The principal cash requirements are in relation to the Group's investing policy and meeting working capital requirements. The Group seeks to manage liquidity through planning, forecasting, and careful cash management. For much of the year the Group has liquidated some of its level 1 investments to ensure sufficient working capital in the business.

Capital Risk Management

The Group's main objective when managing capital is to protect returns to shareholders by ensuring the Group will continue to invest and trade profitably in the foreseeable future. The Group also aims to maximise its capital structure of equity so as to minimise its cost of capital. The Group expects its current and projected capital resources to be sufficient to cover its existing liabilities.

The Group's capital structure is derived solely from the issue of Ordinary and Deferred Shares.

The Group has not made any changes to its capital management during the year.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

5. REVENUE AND OTHER INCOME	2022 £	2021 £
Revenue: Management fees	14,000	14,000

The Company only has one class of business, investment holdings and management, and therefore no segmental information has been presented.

6. FINANCE INCOME AND COSTS	2022 £	2021 £
Bank and other interest received	46	20,377
	<u>46</u>	<u>20,377</u>
Other interest payable	-	1,229
	<u>-</u>	<u>1,229</u>

7. LOSS FOR THE YEAR BEFORE TAX	2022 £	2021 £
Loss for the year is stated after charging:		
Auditors' remuneration		
- audit of the Group and Parent Company's financial statements	47,350	36,000
- interim financial statement review services	2,200	2,000
Foreign exchange losses	-	40,450

8. DIRECTORS' EMOLUMENTS	2022 £	2021 £
Aggregate emoluments including benefits in kind and valuation ascribed to share based payments, by director, are as follows:-		
Sohail Bhatti	50,000	50,000
John Taylor	36,000	36,000
Donald Stewart (resigned 26/10/2020)	-	21,000
Mark Horrocks	36,000	108,000
Michael Preen	36,000	71,200
Aggregate emoluments	<u>158,000</u>	<u>286,200</u>

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

8. DIRECTORS' EMOLUMENTS (continued)

No warrants were granted to directors during the year.

The number of directors for whom retirement benefits are accruing under defined contribution schemes was nil (2021: Nil). The total contributions payable during the year amounted to £Nil (2021: £ Nil).

Exercisable warrants held by directors who held office at the relevant balance sheet date are detailed below:

	2022 Number	2021 Number
Current directors		
Sohail Bhatti - exercise price 5p, exercised 28 July 2022	-	2,000,000
Sohail Bhatti - exercise price 10p, expired 3 December 2022	1,000,000	1,000,000
John Taylor - exercise price 10p, expired 3 December 2022	2,000,000	2,000,000
Mark Horrocks – exercise price 0.01p, exercised 20 September 2022	-	3,150,000
Mark Horrocks – exercise price 0.01p, expires 31 December 2025	3,150,000	3,150,000
Mark Horrocks – exercise price 30p, expires 22 October 2023	1,000,000	1,000,000
Michael Preen – exercise price 60p, expires 17 June 2024	250,000	250,000
	<u>7,400,000</u>	<u>12,550,000</u>

9. STAFF COSTS

The average monthly number of employees (including directors) during the year was

	2022 Number	2021 Number
Administration	<u>4</u>	<u>4</u>
	£	£
Employment costs		
Wages and salaries	158,000	117,200
Social security costs	11,773	8,748
Warrants granted (note 18)	-	169,000
	<u>169,773</u>	<u>294,948</u>

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

10. TAXATION	2022 £	2021 £
10(a) Current year tax		
UK corporation tax (note 10(b))	-	-
10(b) Factors affecting the tax charge for the year		
(Loss) / Profit on ordinary activities before taxation	(35,271,732)	26,705,635
(Loss) / Profit on ordinary activities before taxation multiplied by the main rate of UK corporation tax 19% (2020: 19%)	(6,701,629)	5,074,071
Effects of:		
Unrealised loss on remeasurement to FV	(6,607,601)	(4,925,834)
Capital gains difference at 19%	43,125	228,890
Net tax adjustments and transfer	-	(25,188)
Non deductible expenses	22,033	(243,463)
Deferred tax not recognized	(159,186)	(108,476)
Current tax charge	-	-

The Company has unutilised losses carried forward of £1,544,704 (2021: £1,590,705). As at 30 September 2022 the Group and Company had unrealised chargeable losses of £4,331,894 (2021: gains £1,170,913) which give rise to a potential deferred tax asset of £823,060 (2021: liability £292,728). No deferred tax asset has been recognised in respect of these losses, as there is no certainty as to when the asset can be utilised. The Group and Company's deferred tax balance and charge for the year were £nil (2021: £nil).

Asimilar Investments Limited has no tax charge for the current year and is considered outside the scope of UK corporation tax.

11. EARNINGS PER SHARE

The calculations of earnings per share are based on the following profits and number of shares.

	2022		2021	
	Basic	Diluted	Basic	Diluted
(Loss) / profit for the financial year	(35,271,732)	(35,271,732)	26,705,636	26,705,636
Weighted average number of shares for basic and diluted profit per share	122,244,418	122,244,418	114,661,685	138,871,831
(Loss)/profit per share (pence per share)	(28.85p)	(28.85p)	23.29p	19.23p

IAS 33 requires presentation of diluted EPS when a company could be called upon to issue shares that would decrease earnings per share, or increase the loss per share. For a loss making Company with outstanding share options, net loss per share would be decreased by the exercise of the options. Therefore, per IAS33:36 the antidilutive potential ordinary shares are disregarded in the calculation of diluted EPS.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

12 FINANCIAL ASSETS

(a) Summary of financial assets

	2022 £	2021 £
Non-Current		
Investments in financial assets designated at fair value through profit or loss (see (b))	5,761,864	36,312,423
	<u>5,761,864</u>	<u>36,312,423</u>
Current		
Investments in financial assets designated at fair value through profit or loss (see movement analysis in (c))	804,541	6,727,681
Trade receivables carried at amortised cost (Note 14)	99,360	66,790
	<u>903,901</u>	<u>6,794,471</u>
	<u><u>6,665,765</u></u>	<u><u>43,106,894</u></u>

(b) Analysis of movement of non-current investments

	2022 £	2021 £
Financial assets designated at fair value through profit or loss		
Non – Current		
Fair value of investments brought forward	36,312,424	5,771,908
Purchases during the year	1,598,154	8,594,573
Disposals during the year	(1,471,868)	(88,652)
Net unrealised (loss) / gain in fair value	(30,676,846)	22,034,594
	<u>5,761,864</u>	<u>36,312,423</u>

(c) Analysis of movement of current financial assets

	2022 £	2021 £
Financial assets designated as held at fair value through profit or loss		
Current		
Fair value of investments brought forward	6,727,681	3,022,495
Purchases during the year	30,076	976,182
Disposals during the year	-	(923,912)
Net unrealised (loss) / gain in fair value	(5,953,216)	3,652,916
	<u>804,541</u>	<u>6,727,681</u>

Current investments are investment held for short term and expected to be realised within 12 months of the balance sheet date, whereas non-current investments are held for the longer term. There is uncertainty that the short term investment values will be realised as are dependent on future values and liquidity of demand.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

12 FINANCIAL ASSETS (continued)

As at 30 September 2022 the fair value of options and warrants over shares in Dev Clever Holdings Plc was £nil (2021: £5,670,000). See note 3 for valuation details.

Financial assets held at amortised cost

No assets were held at amortised costs

Details of the investments held are given in the Chairman's Statement.

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 9 requires the Group to classify financial instruments at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

(a) Financial instruments classified as level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise equity investments classified as trading securities or available-for-sale.

(b) Financial instruments classified as level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Specific valuation techniques used to value financial instruments include:

- quoted market prices or dealer quotes for similar instruments;
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period, with the resulting value discounted back to present value;
- other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Group holds no financial instruments classified as level 2.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

(c) Financial instruments classified as level 3

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) and determined by using valuation techniques which require significant adjustment based on unobservable inputs are included in level 3.

The determination of what constitutes observable requires judgement by the Group. The Group considers observable data to be market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

For financial instruments classified as level 3 the Group uses a combination of internal and external valuations. Where management determines an external valuation is appropriate the Group engages with professional service providers. Specific valuation techniques include:

- Market approach (utilising EBITDA or revenue multiples, industry value benchmarks and available market prices approaches);
- Net asset approach;
- Income approach (utilising discounted cash flow, replacement cost and net asset approaches);
- Desktop valuations based on price of a recent transaction when transaction price/cost is considered indicative of fair value; and
- Actuarial valuations using Monte Carlo, Black Scholes and adjusted binomial models.

The following table presents the Group's assets that are measured at fair value at 30 September 2022:

	Level 1 £	Level 3 £	Total £
Held at fair value			
At 1 October 2020	1,695,810	7,098,593	8,794,403
Additions during the year	6,802,757	2,767,997	9,570,754
Disposals during the year	(136,564)	(876,000)	(1,012,564)
Revaluation recognised in statement of comprehensive income	21,293,879	4,393,631	25,687,510
At 1 October 2021	29,655,882	13,384,221	43,040,103
Additions during the year	57,476	1,570,754	1,628,230
Disposals during the year	(487,868)	(984,000)	(1,471,868)
Reclassification*	(27,199,661)	27,199,661	-
Revaluation recognised in statement of comprehensive income	(1,204,962)	(35,425,100)	(36,630,062)
At 30 September 2022	820,867	5,745,536	6,566,403
Net book value			
At 30 September 2022	820,867	5,745,536	6,566,403
At 30 September 2021	29,655,882	13,384,221	43,040,103

*Veative holding has been reclassified from Level 1 to Level 3 as the company was suspended from AIM and subsequently delisted and failed to meet the definition of Level 1 holdings.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

The following table presents the Group's financial liabilities that are measured at fair value at 30 September 2022:

	Level 1	Level 3	Total
Held at fair value			
At 1 October 2021	-	2,129,400	2,129,400
Fair value adjustment	-	(1,853,215)	(1,853,215)
Transfer to share premium on exercise	-	(220,185)	(220,185)
At 30 September 2022	-	56,000	56,000

There were no transfers between levels during the year.

Refer to note 3 for further details of specific level 3 valuations performed during the year.

Refer to note 4 for sensitivity analysis on changes to financial instruments carried at fair value.

14. TRADE AND OTHER RECEIVABLES

	2022 £	2021 £
Trade receivables	8,400	23,400
Prepayments and accrued income	54,390	28,691
Other receivables	90,960	43,390
	<u>153,750</u>	<u>95,481</u>

The Directors consider the carrying value of trade and other receivables to equal their fair value. No interest is charged on receivables.

The Directors consider trade receivables held at amortised cost to have no significant financing element, and the effect of discounting to be immaterial.

15. TRADE AND OTHER PAYABLES

	2022 £	2021 £
Trade payables	41,016	40,980
Accruals and deferred income	81,814	83,635
Other taxes and social security	96,320	7,020
	<u>219,150</u>	<u>131,635</u>

The Directors consider the carrying value of trade and other payables to equal their fair value.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

16. DERIVATIVE FINANCIAL LIABILITIES	2022	2021
	£	£
Derivative liabilities	<u>56,000</u>	<u>2,129,400</u>

On 30 August 2020 as part of the consideration advanced for the acquisition of AIL, Asimilar Group Plc granted warrants to subscribe for up to 6,300,000 Asimilar Group Plc ordinary shares in two tranches of up to 3,150,000 warrants per tranche. The warrants represent derivatives over own equity and have been recognised as derivative financial liabilities.

Refer to note 3 for further details regarding the valuation of derivative financial liabilities.

Refer to note 4 for sensitivity analysis on changes to financial liabilities carried at fair value.

The change in the fair value of the warrants from £2,129,400 to £56,000 as at 30 September 2022 represents a fair value gain to the Group of £1,853,215 from start of the year to date of exercise which has been recognised in the income statement and the fair value at the date of exercise of £220,198 was recognised as share premium arising on exercise of the first tranche of the warrants.

The change in fair value arose as a result of fluctuations in the share prices of referenced equity instruments within the consideration warrants between the reporting dates of 30 September 2021 and 30 September 2022 and the exercise of the first tranche of the warrants at a lower price than that at the original grant date.

17. SHARE CAPITAL	2022	2021
	£	£
Issued and fully paid		
As at 1 October 2021	5,214,709	5,213,277
Issue of 4,814,182 (2021: 14,322,500) Ordinary shares of 0.01p each	481	1,432
	<u>5,215,190</u>	<u>5,214,709</u>
At 30 September 2022	<u>5,215,190</u>	<u>5,214,709</u>
The Company has the following classes of share capital		
Ordinary shares 126,489,125 (2021: 121,683,943) shares of 0.01p each	12,649	12,168
A deferred shares (44,132,276 shares of 9.99p each)	4,408,815	4,408,815
Deferred shares (8,819,181 shares of 9p each)	793,726	793,726
	<u>5,215,190</u>	<u>5,214,709</u>
Share Premium	2022	2021
	£	£
As at 1 October 2021	17,932,954	14,327,636
Shares issued during the year (net of costs)	248,794	3,605,318
Transfer from warrant reserve on expiration of placing warrants	157,813	-
At 30 September 2022	<u>18,339,561</u>	<u>17,932,954</u>

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

17. SHARE CAPITAL (continued)

Share transaction history

During the year ended 30 September 2022 the following share transactions took place.

Asimilar Group Plc issued new shares as a result of exercise of various warrants as follows:

- 573,333 warrants were exercised at 5p raising funds of £28,667.
- 4,240,849 warrants were exercised at par raising funds of £424. Included in this is the exercise of 3,150,000 consideration warrants at par. The fair value of the warrant at the date of exercise was £220,185 which credited to the share premium account.

The ordinary shares have full voting rights, priority dividend rights and priority in the case of winding up.

The deferred shares of 9.99p each have no voting rights and shareholders are not entitled to any dividend, and only receive the nominal amount paid up on their share after there has been distributed £1,000,000 to each of the holders of the ordinary shares. The deferred shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.

The A deferred shares have no voting rights and shareholders are not entitled to any dividend. Holders of A deferred shares shall be entitled to the amount paid up or credited as paid up on the A deferred shares to be paid out of the assets of the Company available for distribution among the members, after payment, to the holders of deferred Shares of the amounts paid up thereon. The holders of the A deferred shares shall not be entitled to any other or further right to participate in the assets of the Company.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

17. SHARE CAPITAL (continued)

Warrants

Movements in warrants during the year

	Warrant number	Exercise price (pence)	Vest date	Expiry date
As at 1 October 2021				
	573,333	5p	05/02/2019	21/02/2022
	2,000,000	5p	07/05/2019	31/05/2022
	5,000,000	10p	03/12/2019	03/12/2022
	1,000,000	30p	22/10/2020	22/10/2023
	10,000,000	130p	24/01/2020	31/12/2021
	3,150,000	0.01p*	31/08/2020	31/12/2025
	3,150,000	0.01p**	31/08/2020	31/12/2025
	6,000,000	50p	24/02/2021	24/08/2022
	250,000	60p	18/06/2021	17/06/2024
	31,123,333			
Weighted average price	55p			
Lapsed	(10,000,000)	130p	24/01/2020	31/12/2021
	(6,000,000)	50p	24/02/2021	24/08/2022
Cancelled	(909,151)	5p	07/05/2019	31/05/2022
Exercised	(1,090,849)	0.01p	07/05/2019	31/05/2022
	(573,333)	5p	05/02/2019	21/02/2022
	(3,150,000)	0.01p*	31/08/2020	31/12/2025
Total exercised	(4,814,182)			
Weighted average price	0.6p			
	9,400,000			
As at 30 September 2022				
	5,000,000	10p	03/12/2019	03/12/2022
	1,000,000	30p	22/10/2020	22/10/2023
	3,150,000	0.01p**	31/08/2020	31/12/2025
	250,000	60p	18/06/2021	17/06/2024
	9,400,000			
Weighted average price	4.6p			

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

17. SHARE CAPITAL (continued)

* Exercisable in the event mid market price of DevClever Holdings Plc is or exceeds 28p for at least 5 consecutive business days. This condition was met on 29 March 2021 and the warrant was exercised on 20 September 2022.

** Exercisable in the event mid market price of DevClever Holdings Plc is or exceeds 55p for at least 5 consecutive business days.

Of the 9,400,000 outstanding warrants (2021: 31,123,333 warrants), 6,250,000 warrants (2021: 27,723,333) were exercisable.

Warrants exercised in 2022 resulted in 4,814,182 shares (2021: 14,322,000 shares) being issued at a weighted average price of £0.006 each (2021: £0.25 each). The related weighted average share price at the time of exercise was £0.11 (2021: £0.40) per share. There were no transaction costs to offset against the proceeds received in either period.

No warrants were issued during the year.

Warrant Reserve

	2022	2021
	£	£
As at 1 October 2021	157,813	157,813
Transferred to share premium on expiration of placing warrants	(157,813)	-
At 30 September 2022	-	157,813

18. SHARE BASED PAYMENTS

The Company did not issue any options or warrants during the year.

The total value of share based payments recognised as expenditure during the year was nil (2021: £571,000). This amount has also been credited to equity in accordance with the provisions of IFRS 2: Share Based Payments.

19. ULTIMATE CONTROLLING PARTY

The Group is admitted to AIM and there is no individual controlling party. The Directors' Report provides details of those shareholders with an individual holding exceeding 3% of issued share capital.

ASIMILAR GROUP PLC

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 SEPTEMBER 2022

20. RELATED PARTY DISCLOSURES

Directors' remuneration is shown in Note 8. There were no key management personnel other than the Directors (2021: none).

Mark Horrocks is a member of Intrinsic Capital LLP which administers the listed investments held by Asimilar Group Plc. Management fees paid during the year were £20,719 (2021: £1,229). These were fully paid during the year.

There were no other transactions falling within the scope of IAS 24 Related Party Disclosures.

21. POST BALANCE SHEET EVENTS

On 16 December 2022 DevCleyer announced its intention to delist and change its name to Veative Group Holdings Plc.

On 22 December 2022 Gorilla Technology Group Inc offered to acquire the assets and IP of SeeQuestor Limited. Given the cash position of the company, this offer was accepted by the shareholders. The only payment due to shareholders of the company is \$3m in January 2024 subject to certain earn out conditions. The board of Asimilar believes it is unlikely that any payment will be due. The value of the investment has been written down to nil at the balance sheet date.

The Board is also proposing to delist the Group from AIM. A circular enclosed with the annual report includes the detailed proposal.

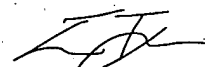
COMPANY STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Notes	2022 £	2021 £
ASSETS			
Non-current assets			
Investments in financial assets	IV	3,631,864	10,677,819
		<u>3,631,864</u>	<u>10,677,819</u>
Current assets			
Investments in financial assets	IV	804,541	1,057,681
Receivable from group companies		2,134,695	5,841,477
Trade and other receivables	IV / VI	148,572	94,685
Cash and cash equivalents		2,484	155,591
		<u>3,090,292</u>	<u>7,149,434</u>
TOTAL ASSETS		<u>6,722,156</u>	<u>17,827,253</u>
EQUITY AND LIABILITIES			
Current liabilities			
Trade and other payables	VII	213,972	129,680
Derivative financial liabilities	VIII	56,000	2,129,400
Total liabilities		<u>269,972</u>	<u>2,259,080</u>
Equity			
Share capital	IX	5,215,190	5,214,709
Share premium account		18,339,561	17,932,954
Merger relief reserve		279,900	279,900
Warrant reserve		-	157,813
Retained earnings		(17,382,467)	(8,017,203)
Total equity		<u>6,452,184</u>	<u>15,568,173</u>
TOTAL EQUITY AND LIABILITIES		<u>6,722,156</u>	<u>17,827,253</u>

The loss for the parent company for the year was £9,365,264 (2021: profit £780,193).

The financial statements were approved and authorised for issue by the board of directors on 21 April 2023 and were signed below on its behalf by


John Taylor
Chairman

ASIMILAR GROUP PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Share Capital £	Share Premium Account £	Merger Relief Reserve £	Warrant Reserve	Retained Earnings £	Total £
At 1 October 2020	5,213,277	14,327,636	279,900	157,813	(9,368,396)	10,610,230
Total comprehensive income for the year	-	-	-	-	780,193	780,193
Share based payments	-	-	-	-	571,000	571,000
Transactions with owners						
Shares issued	1,432	3,605,318	-	-	-	3,606,750
At 1 October 2021	5,214,709	17,932,954	279,900	157,813	(8,017,203)	15,568,173
Total comprehensive loss for the year	-	-	-	-	(9,365,264)	(9,365,264)
Share based payments	-	157,813	-	(157,813)	-	-
Transactions with owners						
Shares issued	481	248,794	-	-	-	249,275
At 30 September 2022	5,215,190	18,339,561	279,900	-	(17,382,467)	6,452,184

Share capital

Represents the par value of shares in issue.

Share premium

Represents amounts subscribed for share capital in excess of its nominal value, net of directly attributable issue costs.

Merger relief reserve

Represents premium on shares issued in connection with the acquisition of Intrinsic Capital Jersey Limited, recognised in accordance with S162 of the Companies Act 2006.

Retained earnings

Represents accumulated losses to date.

Warrant reserve

Represents the fair value of placing warrants issued.

ASIMILAR GROUP PLC

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

	2022 £	2021 £
Operating activities		
(Loss) / Profit for the year	(9,365,264)	780,194
Adjustments for:		
(Increase) / Decrease in trade and other receivables	(53,887)	51,178
Increase in trade and other payables	84,292	20,691
Net finance income	(187,277)	(169,967)
Derivative fair value movement	(1,853,215)	459,900
Unrealised (losses) / gains on remeasurement to fair value	7,117,618	(1,807,511)
Share based payments	-	169,000
Realised gains	(226,976)	-
Provision for intercompany (non-cash transaction)	3,824,012	-
Net cash generated / (used) in operating activities	(660,697)	(496,515)
Investing activities		
Payments to acquire investments	(306,390)	(4,070,752)
Proceeds on disposal of investments	714,845	172,421
Loans repaid	-	2,771,426
Receipts / (Payments) to group companies	70,000	(2,551,977)
Net finance income	46	20,274
Net cash generated / (used) in investing activities	478,501	(3,658,608)
Financing activities		
Net proceeds from issue of shares	29,090	3,606,750
Net cash generated from financing activities	29,091	3,606,750
Net decrease in cash and cash equivalents	(153,106)	(548,373)
Cash and cash equivalents at the start of the year	155,590	703,963
Cash and cash equivalents at the end of the year	2,484	155,590
Cash and cash equivalents consist of:		
Cash and cash equivalents	2,484	155,590

The Company had no debt in either period, therefore no net debt reconciliation has been presented.

ASIMILAR GROUP PLC

NOTES FORMING PART OF THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

I. GENERAL INFORMATION

Asimilar Group Plc is a public limited company which is listed on the Alternative Investment Market (AIM) and AQUIS exchange, and is incorporated and domiciled in the UK. The address of its registered office is 4 More London Riverside, London, SE1 2AU.

The company follows the same accounting policies as the Group. Only different or additional policies are noted here.

II. ACCOUNTING POLICIES

The separate financial statements of the Company are presented as required by the Companies Act 2006.

As permitted by the Act the separate financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The principal accounting policies adopted are the same as those set out in note 2 to the consolidated financial statements except as noted below:

Valuation of investments

Investments in subsidiaries are stated at cost less any provision for impairment in value.

III. INCOME FOR THE FINANCIAL PERIOD

The Company has taken advantage of the exemption allowed under s408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The Company's loss after taxation for the year was £9,365,264 (2021: profit £780,194).

All staff employed under Asimilar Group Plc and staff numbers are shown in note 9. Total staff costs were £169,773 (2021: £294,948).

ASIMILAR GROUP PLC

NOTES FORMING PART OF THE COMPANY FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

IV FINANCIAL INSTRUMENTS

	2022 £	2021 £
Non-Current		
Investments in financial assets designated at fair value through profit or loss (see below for movement analysis)	3,631,864	7,878,419
Investments in subsidiary at cost (note V)		2,799,400
	<u>3,631,864</u>	<u>10,677,819</u>
Current		
Investments designated at fair value through profit or loss	804,541	1,057,682
Financial assets carried at amortised cost – amounts owed by group undertakings	2,134,695	5,841,477
Trade and other receivables carried at amortised cost	94,182	65,994
	<u>3,033,418</u>	<u>6,965,153</u>
	<u><u>6,665,282</u></u>	<u><u>17,642,972</u></u>
Financial assets designated at fair value through profit or loss		
Non – Current		
Fair value of investments brought forward	7,878,419	3,091,908
Purchases during the year	276,314	3,094,570
Disposals during the year	(487,868)	(88,652)
Net unrealised loss in fair value	(4,261,977)	1,780,593
Realised gain on disposal	226,976	
	<u>3,631,864</u>	<u>7,878,419</u>
Current		
Fair value of investments brought forward	1,057,682	102,494
Purchases during the year	30,076	976,182
Net unrealised loss in fair value	(283,217)	26,918
Disposals		(47,912)
	<u>804,541</u>	<u>1,057,682</u>

Details of the investments held are given in the Chairman's statement.

ASIMILAR GROUP PLC**NOTES FORMING PART OF THE COMPANY FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 SEPTEMBER 2022****V. FIXED ASSET INVESTMENTS IN SUBSIDIARY**

	2022 £	2021 £
Total cost of investment as at 30 September 2021	2,799,400	2,397,400
Cost of warrants issued relating to sale of Dev Clever options and warrants	-	402,000
Impairment	(2,799,400)	-
	<u>-</u>	<u>2,799,400</u>
Total cost of investment as at 30 September 2022	-	2,799,400

At year end the Company had the following wholly owned subsidiary:

Asimilar Investments Limited 100%

Registered Office: 2nd Floor, The Le Gallais Building, 54 Bath Street, St Helier, Jersey, JE1 1FW, Channel Islands

VI. TRADE AND OTHER RECEIVABLES

	2022 £	2021 £
Trade receivables	8,400	23,400
Prepayments and accrued income	54,390	28,691
Other receivables	85,782	42,594
	<u>148,572</u>	<u>94,685</u>
Amounts due from subsidiary undertakings	2,134,695	5,841,477
	<u>2,283,267</u>	<u>5,963,162</u>

VII. TRADE AND OTHER PAYABLES

	2022 £	2021 £
Trade payables	41,016	40,980
Accruals and deferred income	76,636	89,278
Other taxes and social security	96,320	(578)
	<u>213,972</u>	<u>129,680</u>

ASIMILAR GROUP PLC**NOTES FORMING PART OF THE COMPANY FINANCIAL STATEMENTS (continued)****FOR THE YEAR ENDED 30 SEPTEMBER 2022**

VIII. DERIVATIVE FINANCIAL LIABILITIES	2022	2021
	£	£
Derivative liabilities (see note 13(c) for movement analysis)	<u>56,000</u>	<u>2,129,400</u>

On 30 August 2020 as part of the consideration advanced for the acquisition of AIL, Asimilar Group Plc granted warrants to subscribe for up to 9,000,000 Asimilar ordinary shares in 2 tranches of up to 4,500,000 warrants per tranche. In March 2021 these were prorated down to 6,300,000 in 2 tranches of 3,150,000. The warrants represent derivatives over own equity and have been recognised as derivative financial liabilities.

Refer to note 3 for further details regarding the valuation of derivative financial liabilities.

Refer to note 4 for sensitivity analysis on changes to financial liabilities carried at fair value.

The change in the fair value of the warrants from £2,129,400 to £56,000 as at 30 September 2022 represents a fair value gain to the Group of £1,853,215 from start of the year to date of exercise which has been recognised in the income statement and the fair value at the date of exercise of £220,198 was recognised as share premium arising on exercise of the first tranche of the warrants.

The change in fair value arose as a result of fluctuations in the share prices of referenced equity instruments within the consideration warrants between the reporting dates of 30 September 2021 and 30 September 2022 and the exercise of the first tranche of the warrants at a lower price than the original grant date.

IX. SHARE CAPITAL

Details of share capital are shown in note 17.