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**NANOBEAM LIMITED**

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**UNAUDITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



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**NANOBEAM LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	Dr Tao Zhang Zhiwei Fu Xiaoyun Hu (re-appointed 9 October 2020, resigned 8 April 2020) Yanging Xiao (appointed 8 April 2020, resigned 9 October 2020)
<b>Registered number</b>	04230486
<b>Registered office</b>	Unit 4 College Business Park Coldhams Lane Cambridge Cambridgeshire CB1 3HD
<b>Accountants</b>	Grant Thornton UK LLP Chartered Accountants 300 Pavilion Drive Northampton Business Park Northampton NN4 7YE
<b>Bankers</b>	Barclays Bank Plc 10 Bene't Street Cambridge CB2 3BU

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**NANOBEAM LIMITED**

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**Report to the directors on the preparation of the unaudited statutory financial statements of NanoBeam Limited for the year ended 31 December 2020**

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We have compiled the accompanying financial statements of NanoBeam Limited (the 'company') based on the information you have provided. These financial statements comprise the Balance Sheet of NanoBeam Limited as at 31 December 2020, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), 'Compilation Engagements'.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). As a member firm of the Institute of Chartered Accountants in England and Wales, we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com](http://www.icaew.com)

These financial statements and the accuracy and completeness of the information used to compile them are your responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

This report is made solely to the Company's directors, as a body, in accordance with the terms of our engagement letter dated 21 May 2021. Our work has been undertaken solely to prepare for your approval the financial statements of the company and state those matters that we have agreed to state to the Company's directors, as a body, in this report in accordance with our engagement letter dated 21 May 2021. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and its directors, as a body, for our work or for this report.

*Grant Thornton UK LLP*

**Grant Thornton UK LLP**

Chartered Accountants

Northampton

Date: 23/6/2021

**NANOBEAM LIMITED**  
**REGISTERED NUMBER: 04230486**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Intangible assets	6	85,228	96,377
Tangible assets	7	3,177	5,362
		<u>88,405</u>	<u>101,739</u>
<b>Current assets</b>			
Stocks	8	1,186,199	1,085,510
Debtors: amounts falling due within one year	9	172,276	1,179,388
Cash at bank and in hand		7,611,911	6,761,273
		<u>8,970,386</u>	<u>9,026,171</u>
Creditors: amounts falling due within one year	10	(572,054)	(646,609)
<b>Net current assets</b>		<u>8,398,332</u>	<u>8,379,562</u>
<b>Total assets less current liabilities</b>		<u>8,486,737</u>	<u>8,481,301</u>
Creditors: amounts falling due after more than one year	11	(346,416)	(644,334)
		<u>8,140,321</u>	<u>7,836,967</u>
<b>Provisions for liabilities</b>			
Deferred taxation	12	(374)	(757)
		<u>(374)</u>	<u>(757)</u>
<b>Net assets</b>		<u><u>8,139,947</u></u>	<u><u>7,836,210</u></u>

**NANOBEAM LIMITED**  
**REGISTERED NUMBER: 04230486**

**BALANCE SHEET (CONTINUED)**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Capital and reserves</b>			
Called up share capital		1,140	1,140
Share premium account		1,616,932	1,616,932
Profit and loss account		6,521,875	6,218,138
		<u>8,139,947</u>	<u>7,836,210</u>

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

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

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

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

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on  
23/6/2021



**Dr Tao Zhang**  
Director

The notes on pages 4 to 13 form part of these financial statements.

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**1. General information**

Nanobeam Limited is a private company limited by shares incorporated in the England and Wales. Registered number 04230486. Its registered office is Unit 4 College Business Park, Coldhams Lane, Cambridge, CB1 3HD. The company develops and manufactures advanced electron beam lithography systems.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Going concern**

The directors have assessed the company's ability to operate as a going concern for a period in excess of 12 months from the date the financial statements are authorised. The uncertainty as to the future impact on the company of the recent COVID-19 outbreak has been considered as part of the company's adoption of the going concern basis.

As a result of their assessment, the directors are of the view that the company is able to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements.

**2.3 Revenue recognition**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Sale of goods**

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.3 Revenue recognition (continued)**

**Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

Where contracts for the sale of goods include the provision of services over an extended warranty period, the value of the revenue associated with this service is deferred and recognised on a straight line basis over the period the service is contracted for.

**2.4 Intangible assets**

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

All intangible assets are considered to have a finite useful life. Patent costs are amortised over twenty years on a straight line basis.

**2.5 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Short term leasehold property	- 10% straight line
Plant & machinery	- 10 - 33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.6 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**2.7 Debtors**

Short term debtors are measured at transaction price, less any impairment.

**2.8 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

**2.9 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.10 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.11 Foreign currency translation**

**Functional and presentation currency**

The company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit and loss.

**2.12 Operating leases: the company as lessee**

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

**2.13 Pensions**

**Defined contribution pension plan**

The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the company in independently administered funds.

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**2. Accounting policies (continued)**

**2.14 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Auditors' remuneration**

	2020 £	2019 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	-	18,000
<b>Fees payable to the company's auditor and its associates in respect of:</b>		
Audit-related assurance services	8,000	-
Taxation compliance services	-	9,200
	<u>8,000</u>	<u>9,200</u>

**4. Employees**

The average monthly number of employees, including directors, during the year was 4 (2019 - 4).

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**5. Taxation**

	2020 £	2019 £
<b>Corporation tax</b>		
Current tax on profits for the year	-	84,783
Adjustments in respect of previous periods	(24,249)	(3,797)
<b>Total current tax</b>	<u>(24,249)</u>	<u>80,986</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(383)	(490)
Effect of tax rate change	-	131
<b>Total deferred tax</b>	<u>(383)</u>	<u>(359)</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(24,632)</u>	<u>80,627</u>

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**6. Intangible assets**

	<b>Patents £</b>
<b>Cost</b>	
At 1 January 2020	223,704
At 31 December 2020	<u>223,704</u>
<b>Amortisation</b>	
At 1 January 2020	127,327
Charge for the year on owned assets	11,149
At 31 December 2020	<u>138,476</u>
<b>Net book value</b>	
At 31 December 2020	<u>85,228</u>
At 31 December 2019	<u>96,377</u>

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. Tangible fixed assets**

	Short Term Leasehold Property £	Plant & machinery £	Total £
<b>Cost</b>			
At 1 January 2020	144,434	73,796	218,230
At 31 December 2020	<u>144,434</u>	<u>73,796</u>	<u>218,230</u>
<b>Depreciation</b>			
At 1 January 2020	139,668	73,200	212,868
Charge for the year on owned assets	1,717	468	2,185
At 31 December 2020	<u>141,385</u>	<u>73,668</u>	<u>215,053</u>
<b>Net book value</b>			
At 31 December 2020	<u>3,049</u>	<u>128</u>	<u>3,177</u>
At 31 December 2019	<u>4,766</u>	<u>596</u>	<u>5,362</u>

**8. Stocks**

	2020 £	2019 £
Raw materials and consumables	<u>1,186,199</u>	<u>1,085,510</u>

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. Debtors**

	2020 £	2019 £
Trade debtors	35,315	1,004,557
Other debtors	90,622	38,783
Prepayments and accrued income	46,339	136,048
	<u>172,276</u>	<u>1,179,388</u>

**10. Creditors: Amounts falling due within one year**

	2020 £	2019 £
Trade creditors	35,097	26,330
Corporation tax	-	78,073
Other taxation and social security	-	50,283
Other creditors	1,156	1,459
Accruals and deferred income	535,801	490,464
	<u>572,054</u>	<u>646,609</u>

**11. Creditors: Amounts falling due after more than one year**

	2020 £	2019 £
Deferred income	346,416	644,334

Deferred income relates to the revenue deferred in respect of services to be provided over extended warranty periods.

**12. Deferred taxation**

	2020 £	2019 £
At beginning of year	(757)	(1,116)
Charged to profit or loss	383	359
<b>At end of year</b>	<u>(374)</u>	<u>(757)</u>

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**NANOBEAM LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
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**12. Deferred taxation (continued)**

The provision for deferred taxation is made up as follows:

	2020	2019
	£	£
Timing differences	<u>(374)</u>	<u>(757)</u>

**13. Pension commitments**

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. Contributions totalling £1,156 (2019: £1,459) were payable to the fund at the balance sheet date and are included in creditors.

**14. Controlling party**

In March 2020 the immediate parent entity became Xuhou Suyon Venture Capital Co Limited. The ultimate controlling party remains as Mr Zhiwei Fu.