

**Group Strategic Report, Report of the Directors and
Consolidated Financial Statements for the Year Ended 31 December 2021**

for

Huma Therapeutics Limited

Davis Grant Limited
Chartered Certified Accountants and
Statutory Auditors
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

**Contents of the Consolidated Financial Statements
for the Year Ended 31 December 2021**

	Page
Company Information	1
Group Strategic Report	2
Report of the Directors	4
Report of the Independent Auditors	6
Consolidated Income Statement	10
Consolidated Other Comprehensive Income	11
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	16
Consolidated Cash Flow Statement	18
Notes to the Consolidated Cash Flow Statement	19
Notes to the Consolidated Financial Statements	21

Huma Therapeutics Limited
Company Information
for the Year Ended 31 December 2021

DIRECTORS: Dr R A Khatib
D Vahdat
S R Fletcher
E Maleki
A Milburn
Dr C R R Suessmuth-Dyckerhoff

REGISTERED OFFICE: 13th Floor Millbank Tower
21-24 Millbank
London
SW1P 4QP

REGISTERED NUMBER: 07725451 (England and Wales)

AUDITORS: Davis Grant Limited
Chartered Certified Accountants and
Statutory Auditors
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

**Group Strategic Report
for the Year Ended 31 December 2021**

The directors present their strategic report of the company and the group for the year ended 31 December 2021.

The company has chosen in accordance with s.414C(11) Companies Act 2006 to set out in the strategic report information required by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 to be contained in the directors report. It has done so in respect of future development and financial instruments.

MISSION

The mission of the group is to help people live longer, fuller lives.

REVIEW OF BUSINESS

The directors consider the following measures to be the key financial performance indicators:

	2021	2020	Change %
	000's	000's	
Total Contract Value (Excluding devices)	23,900	6,400	273%
Turnover (excluding pass through costs)	5,219	5,308	-2%
Gross Profit	4,683	5,505	-15%
Loss after Tax	(25,804)	(12,005)	115%
Cash and cash equivalents	57,357	16,030	258%

During the year, group Total Contract Value (TCV) increased more than 273% over 2020 as the Company focused on signing recurring revenue contracts, which will benefit revenue growth in future years.

Operating expenses increased by 70% as the Company increased headcount and investment in the technology platform to support continued growth, resulting in an increased loss after tax compared with 2020.

Cash and cash equivalents increased by 258% as the Company concluded its successful Series C financing round in May 2021.

In late December 2021, the Company acquired iPLATO, a leading patient engagement platform in the UK and the developer of the popular myGP app.

PRINCIPAL RISKS AND UNCERTAINTIES

The increasing uncertainty of the macroeconomic environment with rising inflation and risk of a recession, could impact the ability of the group to maximise revenue growth. However, the Directors are comforted that the digital health industry generally is benefiting secular of healthcare systems looking to alternative solutions from traditional delivery of healthcare. Moreover, other clients such as pharmaceutical and medical device companies are less impacted by the macroeconomic environment than other industries.

Inflationary pressures: Could lead to higher wage costs in order to attract and retain the right talent. Wages represent the majority of the costs to the business, and the Company may not be able to pass on the increased costs through price increases to customers. This could lead to an impact on the profitability. In order to mitigate this risk, the Company is continuing to invest in innovation to make its product more valuable to customers. It is also investing in improving its overall employee benefits and has a flexible hybrid working policy to position itself as an attractive place to work.

Geopolitical climate: The group continues to monitor the impact of Brexit. Whilst Brexit is not anticipated to have a direct impact on the business, the group may be disadvantaged if it leads to hiring skilled individuals from the EU to become more difficult (although that has not been experienced so far). The group does not have exposure to Russia.

**Group Strategic Report
for the Year Ended 31 December 2021**

Regulatory: The Company develops and supplies Software-as-a-Medical-Device (SaMD) and Medical Data Systems for Clinical Trials. During 2021, the European Medical Device Regulation (EU MDR) became effective for new medical devices. Considering the end of the transition period is in 2024, the Company is in the process of transitioning to the new regime. Maintaining compliance and obtaining the required certifications and regulatory approvals is important to the continued supply of the Company's products. The Company has a highly skilled Quality Assurance & Regulatory Affairs team that monitors the regulatory environment and supports the company in ensuring compliance with existing standards and regulations.

Access to funding: Being loss-making today, the Company assumes that it can continue to access the private and public funding resources required to support its growth, should this be needed. In order to mitigate this risk, the company carefully manages its resources and maintains and develops strong relationships with a wide range of investors and financial institutions.

FINANCIAL INSTRUMENTS

The Group has normal exposure to price, credit, liquidity, foreign exchange and cash-flow risks. The Group earns revenue in USD, GBP or Euros. The Company does not enter into any hedging transactions but retains bank balances in a combination of these currencies.

RESEARCH AND DEVELOPMENT

The Group continues to invest in developing assets to add to its platform, in order to enhance the offering to customers.

FUTURE DEVELOPMENTS

The Directors remain confident of sustained growth in the business; however, the sector can be slow-moving and predicting the pace of digital-first adoption is not easy. In order to achieve its future objectives, the Group continues to invest in its sales and marketing capabilities, in research and development to improve the product offering and enhance the technology platform, and continues to build relationships with leading institutions and life sciences companies.

ON BEHALF OF THE BOARD:

D Vahdat - Director

8 August 2022

**Report of the Directors
for the Year Ended 31 December 2021**

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2021.

PRINCIPAL ACTIVITY

The principal activities of the Company is the development and commercialisation of a technology platform that supports digital-first delivery of care and research. The Company serves three principal customer groups; hospital at home solutions for healthcare service providers, companion/SaMD solutions for the commercial divisions of life sciences companies and solutions that support decentralised clinical trials for the R&D divisions of life sciences companies.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2021.

EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

Dr R A Khatib

D Vahdat

S R Fletcher

E Maleki

A Milburn

Other changes in directors holding office are as follows:

Dr C R R Suessmuth-Dyckerhoff - appointed 1 April 2021

BRANCHES OUTSIDE THE UK

The group operates a branch in Italy under the name BioBeats Group Limited.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Report of the Directors
for the Year Ended 31 December 2021**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

AUDITORS

The auditors, Davis Grant Limited, have indicated their willingness to be reappointed for another term and arrangements are in place for them to be deemed reappointed as auditors in the absence of a General Meeting.

ON BEHALF OF THE BOARD:

D Vahdat - Director

8 August 2022

Report of the Independent Auditors to the Members of Huma Therapeutics Limited

Opinion

We have audited the financial statements of Huma Therapeutics Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Consolidated Income Statement, Consolidated Other Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and Notes to the Consolidated Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is 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).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The directors are responsible for the other information. The other information comprises the information in the Group Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Huma Therapeutics Limited**

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 Group Strategic Report or the Report of the Directors.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Group Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page four, 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 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.

Report of the Independent Auditors to the Members of Huma Therapeutics Limited

Auditors' 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 a Report of the Auditors 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.

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatements due to fraud and error; and to respond appropriately to these risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned in accordance with the ISA's (UK).

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant: the Companies Act 2006, the UK Corporate Governance code and the UK corporate taxation laws,
- We obtained an understanding of how the company are complying with the with those legal and regulatory frameworks by making enquiries with the companies directors. We corroborated our inquiries through our review of the board minutes and other information provided to the audit team.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the engagement team included:

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process
- Challenging assumptions and judgements made by management in its significant accounting estimates
- Identifying and testing journal entries, in particular any journal entries posted with unusual account collaborations
- Assessing the extent of compliance with the relevant laws and regulations.

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 Report of the Auditors.

**Report of the Independent Auditors to the Members of
Huma Therapeutics Limited**

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 a Report of the Auditors 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.

Neil Marcel Driver (FCA) (FCCA) (Senior Statutory Auditor)
for and on behalf of Davis Grant Limited
Chartered Certified Accountants and
Statutory Auditors
Treviot House
186-192 High Road
Ilford
Essex
IG1 1LR

9 August 2022

Huma Therapeutics Limited (Registered number: 07725451)

**Consolidated
Income Statement
for the Year Ended 31 December 2021**

	Notes	2021 £'000	2020 £'000
TURNOVER	3	5,307	15,123
Cost of sales		<u>624</u>	<u>9,618</u>
GROSS PROFIT		4,683	5,505
Administrative expenses		<u>32,083</u> (27,400)	<u>18,910</u> (13,405)
Other operating income		<u>59</u>	<u>7</u>
OPERATING LOSS	5	(27,341)	(13,398)
Income from fixed asset investments		<u>-</u> (27,341)	<u>35</u> (13,363)
Interest payable and similar expenses	6	<u>124</u> (27,465)	<u>-</u> (13,363)
LOSS BEFORE TAXATION		(27,465)	(13,363)
Tax on loss	7	<u>(1,661)</u>	<u>(1,358)</u>
LOSS FOR THE FINANCIAL YEAR		<u>(25,804)</u>	<u>(12,005)</u>
Loss attributable to:			
Owners of the parent		<u>(25,804)</u>	<u>(12,005)</u>

The notes form part of these financial statements

**Consolidated
Other Comprehensive Income
for the Year Ended 31 December 2021**

Notes	2021 £'000	2020 £'000
LOSS FOR THE YEAR	(25,804)	(12,005)
OTHER COMPREHENSIVE INCOME		
Exchange differences on retranslating of subsidiary undertaking	(34)	6
Income tax relating to other comprehensive income	<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>(34)</u>	<u>6</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>(25,838)</u>	
Prior year adjustment		<u>1,938</u>
TOTAL COMPREHENSIVE INCOME SINCE LAST ANNUAL REPORT		<u>(10,061)</u>
Total comprehensive income attributable to: Owners of the parent	<u>(25,838)</u>	<u>(10,061)</u>

Huma Therapeutics Limited (Registered number: 07725451)

**Consolidated Balance Sheet
31 December 2021**

	Notes	2021 £'000	£'000	2020 £'000	£'000
FIXED ASSETS					
Intangible assets	10		20,873		1,877
Tangible assets	11		135		196
Investments	12		<u>-</u>		<u>23</u>
			21,008		<u>2,096</u>
CURRENT ASSETS					
Debtors	13	6,559		7,528	
Investments	14	11,521		9,919	
Cash at bank		<u>45,910</u>		<u>6,111</u>	
		63,990		23,558	
CREDITORS					
Amounts falling due within one year	15	<u>10,601</u>		<u>6,469</u>	
NET CURRENT ASSETS			<u>53,389</u>		<u>17,089</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>74,397</u>		<u>19,185</u>
CAPITAL AND RESERVES					
Called up share capital	19		27		23
Share premium	20		105,547		41,449
Cash advances for shares	20		11,000		2,508
Share options reserves	20		22,323		13,867
Retained earnings	20		<u>(64,500)</u>		<u>(38,662)</u>
SHAREHOLDERS' FUNDS			<u>74,397</u>		<u>19,185</u>

The financial statements were approved by the Board of Directors and authorised for issue on 8 August 2022 and were signed on its behalf by:

D Vahdat - Director

Huma Therapeutics Limited (Registered number: 07725451)

Company Balance Sheet
31 December 2021

	Notes	2021 £'000	£'000	2020 £'000	£'000
FIXED ASSETS					
Intangible assets	10		399		275
Tangible assets	11		96		148
Investments	12		<u>14,783</u>		<u>2,182</u>
			15,278		2,605
CURRENT ASSETS					
Debtors	13	10,288		9,716	
Investments	14	11,521		9,919	
Cash at bank		<u>44,407</u>		<u>5,248</u>	
		66,216		24,883	
CREDITORS					
Amounts falling due within one year	15	<u>5,247</u>		<u>6,204</u>	
NET CURRENT ASSETS			<u>60,969</u>		<u>18,679</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>76,247</u>		<u>21,284</u>
CAPITAL AND RESERVES					
Called up share capital	19		27		23
Share premium	20		105,547		41,449
Cash advances for shares	20		11,000		2,508
Share options reserves	20		22,323		13,867
Retained earnings	20		<u>(62,650)</u>		<u>(36,563)</u>
SHAREHOLDERS' FUNDS			<u>76,247</u>		<u>21,284</u>
Company's loss for the financial year			<u>(26,087)</u>		<u>(10,858)</u>

The financial statements were approved by the Board of Directors and authorised for issue on 8 August 2022 and were signed on its behalf by:

D Vahdat - Director

The notes form part of these financial statements

**Consolidated Statement of Changes in Equity
for the Year Ended 31 December 2021**

	Called up share capital £'000	Retained earnings £'000	Share premium £'000
Balance at 1 January 2020	18	(28,601)	39,369
Prior year adjustment	-	1,938	-
As restated	<u>18</u>	<u>(26,663)</u>	<u>39,369</u>
Changes in equity			
Issue of share capital	5	-	2,080
Total comprehensive income	-	(11,999)	-
Balance at 31 December 2020	<u>23</u>	<u>(38,662)</u>	<u>41,449</u>
Changes in equity			
Issue of share capital	4	-	64,098
Total comprehensive income	-	(25,838)	-
Balance at 31 December 2021	<u><u>27</u></u>	<u><u>(64,500)</u></u>	<u><u>105,547</u></u>

Consolidated Statement of Changes in Equity - continued
for the Year Ended 31 December 2021

	Cash advances for shares £'000	Share options reserves £'000	Total equity £'000
Balance at 1 January 2020	-	10,626	21,412
Prior year adjustment	-	-	1,938
As restated	-	10,626	23,350
Changes in equity			
Issue of share capital	-	-	2,085
Total comprehensive income	-	-	(11,999)
Cash advance for shares	2,508	-	2,508
Share option charge	-	3,241	3,241
Balance at 31 December 2020	2,508	13,867	19,185
Changes in equity			
Issue of share capital	-	-	64,102
Total comprehensive income	-	-	(25,838)
Share option charge	-	6,755	6,755
Shares to be issued	11,000	-	11,000
Share options to be granted	-	1,701	1,701
Shares issued	(2,508)	-	(2,508)
Balance at 31 December 2021	11,000	22,323	74,397

**Company Statement of Changes in Equity
for the Year Ended 31 December 2021**

	Called up share capital £'000	Retained earnings £'000	Share premium £'000
Balance at 1 January 2020	18	(27,643)	39,369
Prior year adjustment	-	1,938	-
As restated	<u>18</u>	<u>(25,705)</u>	<u>39,369</u>
Changes in equity			
Issue of share capital	5	-	2,080
Total comprehensive income	-	(10,858)	-
Balance at 31 December 2020	<u>23</u>	<u>(36,563)</u>	<u>41,449</u>
Changes in equity			
Issue of share capital	4	-	64,098
Total comprehensive income	-	(26,087)	-
Balance at 31 December 2021	<u><u>27</u></u>	<u><u>(62,650)</u></u>	<u><u>105,547</u></u>

Company Statement of Changes in Equity - continued
for the Year Ended 31 December 2021

	Cash advances for shares £'000	Share options reserves £'000	Total equity £'000
Balance at 1 January 2020	-	10,626	22,370
Prior year adjustment	-	-	1,938
As restated	-	10,626	24,308
Changes in equity			
Issue of share capital	-	-	2,085
Total comprehensive income	-	-	(10,858)
Cash advance for shares	2,508	-	2,508
Share option charge	-	3,241	3,241
Balance at 31 December 2020	2,508	13,867	21,284
Changes in equity			
Issue of share capital	-	-	64,102
Total comprehensive income	-	-	(26,087)
Share option charge	-	6,755	6,755
Shares to be issued	11,000	-	11,000
Share options to be granted	-	1,701	1,701
Shares issued	(2,508)	-	(2,508)
Balance at 31 December 2021	11,000	22,323	76,247

**Consolidated Cash Flow Statement
for the Year Ended 31 December 2021**

	Notes	2021 £'000	2020 £'000
Cash flows from operating activities			
Cash generated from operations	1	(9,777)	(8,455)
Interest paid		(124)	-
Tax received / (paid)		747	1,165
Net cash from operating activities		<u>(9,154)</u>	<u>(7,290)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(193)	(306)
Purchase of tangible fixed assets		(93)	(71)
Purchase of fixed asset investments		-	(23)
Sale of tangible fixed assets		7	17
Acquisitions of assets		(8,552)	350
Goodwill purchased		(2,210)	-
Cash invested in current assets		(1,602)	-
Loans from participating interests		-	(62)
Loans to related parties		-	(4)
Dividends received		-	35
Net cash from investing activities		<u>(12,643)</u>	<u>(64)</u>
Cash flows from financing activities			
Share issue		4	4
Share premium		64,098	1
Cash advances for shares		(2,508)	2,508
Net cash from financing activities		<u>61,594</u>	<u>2,513</u>
Increase/(decrease) in cash and cash equivalents		<u>39,797</u>	<u>(4,841)</u>
Cash and cash equivalents at beginning of year	2	6,111	10,952
Cash and cash equivalents at end of year	2	<u>45,909</u>	<u>6,111</u>

The notes form part of these financial statements

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2021

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021	2020
	£'000	£'000
Loss before taxation	(27,465)	(13,363)
Depreciation charges	3,195	468
Loss/(profit) on disposal of fixed assets	69	(3)
Share option charge	6,754	3,241
Impairment of goodwill	1,537	29
Impairment of patents and licences	-	294
Foreign exchange difference in reserves	-	6
Finance costs	124	-
Finance income	-	(35)
	<u>(15,786)</u>	<u>(9,363)</u>
Decrease/(increase) in trade and other debtors	1,881	(3,360)
Increase in trade and other creditors	4,128	4,268
Cash generated from operations	<u>(9,777)</u>	<u>(8,455)</u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2021

	31/12/21	1/1/21
	£'000	£'000
Cash and cash equivalents	45,910	6,111
Bank overdrafts	(1)	-
	<u>45,909</u>	<u>6,111</u>

Year ended 31 December 2020

	31/12/20	1/1/20
	£'000	£'000
Cash and cash equivalents	<u>6,111</u>	<u>10,952</u>

Notes to the Consolidated Cash Flow Statement
for the Year Ended 31 December 2021

3. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/1/21 £'000	Cash flow £'000	At 31/12/21 £'000
Net cash			
Cash at bank	6,111	39,799	45,910
Bank overdrafts	<u>-</u>	<u>(1)</u>	<u>(1)</u>
	<u>6,111</u>	<u>39,798</u>	<u>45,909</u>
Liquid resources			
Current asset investments	<u>9,919</u>	<u>1,602</u>	<u>11,521</u>
	<u>9,919</u>	<u>1,602</u>	<u>11,521</u>
Total	<u>16,030</u>	<u>41,400</u>	<u>57,430</u>

**Notes to the Consolidated Financial Statements
for the Year Ended 31 December 2021**

1. STATUTORY INFORMATION

Huma Therapeutics Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

The group financial statements consolidate the financial statements of Huma Therapeutics Limited and all its subsidiary undertakings drawn up to 31 December each year apart from those which are excluded as they are dormant and immaterial.

The individual accounts of Huma Therapeutics Limited have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures
- related party disclosures

Turnover

Turnover represents net invoiced sales, excluding value added tax. In respect of contracts for on-going services, turnover represents the value of work done in the year, including milestone basis, deferred income, estimates of amounts not invoiced.

Goodwill

After initial recognition, goodwill is measured at cost less any accumulated amortisation and any accumulated impairment losses.

Goodwill, being the amount paid in connection with the acquisition of business in 2020, has been fully impaired.

Goodwill, being the amount paid in connection with the acquisition of business in 2021, is being amortised evenly over its estimated useful life of 5 years.

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Patents and licences are being amortised evenly over their estimated useful life of ten years.

Development costs are being amortised evenly over their estimated useful life of five years.

Computer software is being amortised evenly over its estimated useful life of five years.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Short leasehold	- Straight line over the life of the lease
Improvements to property	- Straight line over the life of the lease
Plant and machinery	- 25% on reducing balance, 25% on cost and Straight line over the life of the lease
Fixtures and fittings	- 25% on cost and Straight line over 3 years
Computer equipment	- Straight line over 3 years

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

Taxation

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

Current taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax receivable on R&D tax credits using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Research and development

Expenditure on research and development is expensed in the year in which it is incurred.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

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

Fixed asset investments

Fixed asset investments are stated at cost less provision for diminution in value.

Current asset investments

Current asset investments are stated at market value.

Debtors & Creditors

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

Short term creditors are measured at transaction price.

Grants

Grant income during the period has been accounted for using the performance model. Where a grant imposes specified future performance-related conditions on the recipient, income is recognised only when the performance-related conditions are met.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

2. ACCOUNTING POLICIES - continued

Share based payment

The grant date fair value of share-based payments awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees become unconditionally entitled to the awards. The fair value of the awards granted is measured using an option valuation model, taking into account the terms and conditions upon which the awards were granted. The amount recognised as an expense is adjusted to reflect the actual number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Share-based payment transactions in which the company receives goods or services by incurring a liability to transfer cash or other assets that is based on the price of the company's equity instruments are accounted for as cash-settled share-based payments. The fair value of the amount payable to employees is recognised as an expense, with a corresponding increase in liabilities, over the period in which the employees become unconditionally entitled to payment. The liability is remeasured at each balance sheet date and at settlement date. Any changes in the fair value of the liability are recognised as a personnel expense in profit or loss.

3. TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2021	2020
	£'000	£'000
United Kingdom	1,769	473
Europe	1,050	13,224
United States of America	2,300	-
Rest of the world	188	1,426
	<u>5,307</u>	<u>15,123</u>

4. EMPLOYEES AND DIRECTORS

	2021	2020
	£'000	£'000
Wages and salaries	9,337	8,282
Social security costs	1,118	1,066
Other pension costs	153	136
	<u>10,608</u>	<u>9,484</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

4. **EMPLOYEES AND DIRECTORS - continued**

The average number of employees during the year was as follows:

	2021	2020
Commercial, Delivery & Operations	58	28
Design, Product & AI	39	22
Engineering	39	15
Leadership	-	10
Business Excellence	28	25
Directors	<u>6</u>	<u>5</u>
	<u>170</u>	<u>105</u>

The average number of employees by undertakings that were proportionately consolidated during the year was 69 (2020 - 28).

The remuneration for the key management personnel amounted to £1,148,756 (2020: £572,321).

Share option charges relating to key management personnel amounted to £1,452,501 (2020: £1,350,931).

	2021	2020
	£	£
Directors' remuneration	150,922	163,000
Directors' pension contributions to money purchase schemes	<u>1,134</u>	<u>1,483</u>

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	<u>3</u>	<u>2</u>
------------------------	----------	----------

Share option charges relating to directors amounted to £401,922 (2020: £1,078,200)

For the highest paid director the share option charges amounted to £163,756 (2020: £501,616)

5. **OPERATING LOSS**

The operating loss is stated after charging/(crediting):

	2021	2020
	£'000	£'000
Other operating leases	406	482
Depreciation - owned assets	143	156
Loss/(profit) on disposal of fixed assets	69	(3)
Goodwill amortisation	2,982	271
Patents and licences amortisation	30	24
Development costs amortisation	29	7
Computer software amortisation	3	10
Auditors' remuneration	38	27
Foreign exchange differences	<u>(1,324)</u>	<u>(302)</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£'000	£'000
Bank loan interest	116	-
Interest payable	<u>8</u>	<u>-</u>
	<u>124</u>	<u>-</u>

7. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2021	2020
	£'000	£'000
Current tax:		
UK corporation tax	(1,471)	(1,119)
Adjustments in respect of previous periods	<u>(190)</u>	<u>(239)</u>
Tax on loss	<u>(1,661)</u>	<u>(1,358)</u>

UK corporation tax was charged at 19 %) in 2020.

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021	2020
	£'000	£'000
Loss before tax	<u>(27,465)</u>	<u>(13,363)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19 % (2020 - 19 %)	(5,218)	(2,539)
Effects of:		
Expenses not deductible for tax purposes	2,064	907
Depreciation in excess of capital allowances	887	84
Franked Investment Income	-	(7)
R & D Enhanced deduction	(1,088)	(831)
Tax credit adjustment	1,924	1,470
Tax adjustments for subsidiaries	-	187
Losses Carried forward	1,420	730
R&D Tax credit	(1,469)	(1,122)
Adjustments in respect of previous periods	(184)	(239)
Overseas Subsidiary Tax	<u>3</u>	<u>2</u>
Total tax credit	<u>(1,661)</u>	<u>(1,358)</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

7. TAXATION - continued

Tax effects relating to effects of other comprehensive income

	Gross £'000	2021 Tax £'000	Net £'000
Exchange differences on retranslating of subsidiary undertaking	(34)	-	(34)
	<u>(34)</u>	<u>-</u>	<u>(34)</u>
		2020	
	Gross £'000	Tax £'000	Net £'000
Exchange differences on retranslating of subsidiary undertaking	6	-	6
	<u>6</u>	<u>-</u>	<u>6</u>

8. INDIVIDUAL INCOME STATEMENT

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

9. INCOME

The various sources of income received during the years in 2021 and 2020 are as follows:

	2021 £	2020 £
Service income	5,307,000	15,123,000
Dividend income	0	35,000
Grant income	59,000	7,000
Total	<u>5,366,000</u>	<u>15,165,000</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

10. INTANGIBLE FIXED ASSETS

Group	Goodwill £'000	Patents and licences £'000	Development costs £'000	Computer software £'000	Totals £'000
COST					
At 1 January 2021	1,808	295	40	47	2,190
Additions	14,911	193	-	(14)	15,090
Disposals	-	(38)	-	-	(38)
Acquisitions through business combinations	-	-	8,525	-	8,525
Impairments	158	165	-	-	323
At 31 December 2021	<u>16,877</u>	<u>615</u>	<u>8,565</u>	<u>33</u>	<u>26,090</u>
AMORTISATION					
At 1 January 2021	271	24	7	11	313
Amortisation for year	2,982	30	29	3	3,044
Impairments	1,695	165	-	-	1,860
At 31 December 2021	<u>4,948</u>	<u>219</u>	<u>36</u>	<u>14</u>	<u>5,217</u>
NET BOOK VALUE					
At 31 December 2021	<u>11,929</u>	<u>396</u>	<u>8,529</u>	<u>19</u>	<u>20,873</u>
At 31 December 2020	<u>1,537</u>	<u>271</u>	<u>33</u>	<u>36</u>	<u>1,877</u>

iPLATO Limited, together with its 2 subsidiaries, were acquired on 22 December 2021. Total consideration of £14,214 was agreed for 100% voting rights. This was made up of £350 initial cash consideration, £6,000 deemed value for consideration shares to be issued, estimated earnout payments of £6,163 and share options for £1,701.

The fair value of iPLATO Limited and its 2 subsidiaries net liabilities at the date of acquisition was £186. Management estimate the useful life for the goodwill to be 5 years.

The amounts recognised at the acquisition date for this business acquisition were Fixed Assets of £8,552 (£26 are tangible assets and £8,525 are intangible assets), Current Assets of £8,804 and Current Liabilities of £17,542. Since the acquisition there has been revenue generated of £117 and loss before tax made of £3,490 which has been consolidated within these accounts.

During the year management determined that the value of the investment in Medsubone Limited acquired in 2020 had nil value.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

10. INTANGIBLE FIXED ASSETS - continued

Company

	Patents and licences £'000	Computer software £'000	Totals £'000
COST			
At 1 January 2021	249	47	296
Additions	193	(14)	179
Disposals	(38)	-	(38)
At 31 December 2021	<u>404</u>	<u>33</u>	<u>437</u>
AMORTISATION			
At 1 January 2021	10	11	21
Amortisation for year	14	3	17
At 31 December 2021	<u>24</u>	<u>14</u>	<u>38</u>
NET BOOK VALUE			
At 31 December 2021	<u>380</u>	<u>19</u>	<u>399</u>
At 31 December 2020	<u>239</u>	<u>36</u>	<u>275</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

11. TANGIBLE FIXED ASSETS

Group	Short leasehold £'000	Improvements to property £'000	Plant and machinery £'000
COST			
At 1 January 2021	25	56	1
Additions	-	-	1
Disposals	-	-	-
Acquisitions through business combination	-	-	1
Reclassification/transfer	-	-	-
At 31 December 2021	<u>25</u>	<u>56</u>	<u>3</u>
DEPRECIATION			
At 1 January 2021	17	33	-
Charge for year	6	18	1
Eliminated on disposal	-	-	-
Reclassification/transfer	-	-	-
At 31 December 2021	<u>23</u>	<u>51</u>	<u>1</u>
NET BOOK VALUE			
At 31 December 2021	<u>2</u>	<u>5</u>	<u>2</u>
At 31 December 2020	<u>8</u>	<u>23</u>	<u>1</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

11. TANGIBLE FIXED ASSETS - continued

Group

	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST			
At 1 January 2021	98	319	499
Additions	1	91	93
Disposals	(80)	(274)	(354)
Acquisitions through business combination	-	26	27
Reclassification/transfer	(3)	3	-
At 31 December 2021	<u>16</u>	<u>165</u>	<u>265</u>
DEPRECIATION			
At 1 January 2021	60	193	303
Charge for year	26	92	143
Eliminated on disposal	(72)	(244)	(316)
Reclassification/transfer	(2)	2	-
At 31 December 2021	<u>12</u>	<u>43</u>	<u>130</u>
NET BOOK VALUE			
At 31 December 2021	<u>4</u>	<u>122</u>	<u>135</u>
At 31 December 2020	<u>38</u>	<u>126</u>	<u>196</u>

Tangible fixed assets with the net book value of £26 was acquired as part of the business combination with iPLATO limited and its subsidiaries.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

11. TANGIBLE FIXED ASSETS - continued

Company

	Short leasehold £'000	Improvements to property £'000	Fixtures and fittings £'000	Computer equipment £'000	Totals £'000
COST					
At 1 January 2021	25	56	80	265	426
Additions	-	-	1	88	89
Disposals	-	-	(69)	(213)	(282)
Reclassification/transfer	-	-	(3)	3	-
At 31 December 2021	<u>25</u>	<u>56</u>	<u>9</u>	<u>143</u>	<u>233</u>
DEPRECIATION					
At 1 January 2021	17	33	55	173	278
Charge for year	6	18	23	75	122
Eliminated on disposal	-	-	(69)	(194)	(263)
Reclassification/transfer	-	-	(2)	2	-
At 31 December 2021	<u>23</u>	<u>51</u>	<u>7</u>	<u>56</u>	<u>137</u>
NET BOOK VALUE					
At 31 December 2021	<u>2</u>	<u>5</u>	<u>2</u>	<u>87</u>	<u>96</u>
At 31 December 2020	<u>8</u>	<u>23</u>	<u>25</u>	<u>92</u>	<u>148</u>

12. FIXED ASSET INVESTMENTS

Group

	Shares in group undertaking £'000
COST	
At 1 January 2021	23
Reclassification/transfer	(23)
At 31 December 2021	-
PROVISIONS	
Provision for year	543
Reversal of impairments	(543)
At 31 December 2021	-
NET BOOK VALUE	
At 31 December 2021	-
At 31 December 2020	<u>23</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

12. **FIXED ASSET INVESTMENTS - continued**

Company	Shares in group undertaking £'000
COST	
At 1 January 2021	2,725
Additions	14,761
Exchange differences	(2)
At 31 December 2021	<u>17,484</u>
PROVISIONS	
At 1 January 2021 and 31 December 2021	<u>2,701</u>
NET BOOK VALUE	
At 31 December 2021	<u>14,783</u>
At 31 December 2020	<u>24</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries

Medopad Inc.

Registered office: 378C, 101 Ave of Americas New York NY 10013

Nature of business: Global healthtech company

	%
Class of shares:	holding
Ordinary	100.00

Medopad Information Technology (Shanghai) Co., Ltd.

Registered office: Room 123, 13 / F, Shanghai Tower, No. 501 Yincheng Middle Road, Pudong New Area, Shanghai

Nature of business: Global healthtech company

	%
Class of shares:	holding
Ordinary	100.00

Medsubone Limited

Registered office: 13th Floor Millbank Tower, 21-24 Millbank, London, United Kingdom, SW1P 4QP

Nature of business: Global healthtech company

	%
Class of shares:	holding
Ordinary	100.00

Huma Therapeutics Limited (Registered number: 07725451)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021**

12. FIXED ASSET INVESTMENTS - continued

Biobeats Group Limited

Registered office: 13th Floor Millbank Tower, 21-24 Millbank, London, England, SW1P 4QP
Nature of business: Global healthtech company

Class of shares:	%
Ordinary	holding 100.00

Medopad Limited

Registered office: 13th Floor Millbank Tower, 21-24 Millbank, London, England, SW1P 4QP
Nature of business: Dormant

Class of shares:	%
Ordinary	holding 100.00

Medopad Limited (12538105) is incorporated and a dormant business in the United Kingdom. It is exempt from audit under section 479A Companies Act 2006.

Huma Therapeutics GmbH

Registered office: Raboisen 32, 20095 Hamburg, Germany
Nature of business: Global healthtech company

Class of shares:	%
Ordinary	holding 100.00

Iplato Limited

Registered office: 1 King Street, London, W6 9HR
Nature of business: Global healthtech company

Class of shares:	%
Ordinary	holding 100.00

Iplato Healthcare Limited

Registered office: 1 King Street, London, W6 9HR
Nature of business: Global healthtech company

Class of shares:	%
Ordinary	holding 100.00

Iplato s.r.o

Registered office: nám. Republiky 56 530 02 Pardubice
Nature of business: Global healthtech company

Class of shares:	%
Ordinary	holding 100.00

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

13. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Trade debtors	2,709	5,683	2,448	5,678
Amounts owed by group undertakings	-	4	4,890	2,502
Other debtors	496	379	291	193
Tax	2,034	1,122	1,469	1,122
Prepayments and accrued income	1,320	340	1,190	221
	<u>6,559</u>	<u>7,528</u>	<u>10,288</u>	<u>9,716</u>

Amounts owed by group undertakings are repayable on demand.

14. **CURRENT ASSET INVESTMENTS**

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Listed investments	11,447	9,919	11,447	9,919
Promissory Notes	74	-	74	-
	<u>11,521</u>	<u>9,919</u>	<u>11,521</u>	<u>9,919</u>

Market value of listed investments at 31 December 2021 held by the group and the company - £ (11,447) (2020 - £ (9,919)).

Original investment via Goldman Sachs Asset Management was £10,050 which generated dividends of £0.29 (2020: £35) which has been included in the Profit & Loss Account. This investment can be converted to cash on demand.

New investment this year via Pictet Connect was £1,424

15. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Bank loans and overdrafts (see note 16)	1	-	-	-
Trade creditors	956	3,647	491	3,574
Tax	3	-	-	-
PAYE	606	75	255	3
VAT	758	609	257	621
Other creditors	1,222	167	1,184	53
Net wages	48	-	-	-
Accruals and deferred income	7,007	1,971	3,060	1,953
	<u>10,601</u>	<u>6,469</u>	<u>5,247</u>	<u>6,204</u>

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

16. **LOANS**

An analysis of the maturity of loans is given below:

	Group
	2021
	2020
	£'000
	£'000
Amounts falling due within one year or on demand:	
Bank overdrafts	<u>1</u>
	<u>-</u>

17. **LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2021	2020
	£'000	£'000
Within one year	372	347
Between one and five years	<u>256</u>	<u>87</u>
	<u>628</u>	<u>434</u>

Company

	Non-cancellable operating leases	
	2021	2020
	£'000	£'000
Within one year	67	347
Between one and five years	<u>-</u>	<u>87</u>
	<u>67</u>	<u>434</u>

18. **SECURED DEBTS**

The bank as a security agent had fixed and floating charge covering all the property or undertaking of the company.

Huma Therapeutics Limited (Registered number: 07725451)

**Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021**

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:		Nominal value:	2021	2020
Number:	Class:		£'000	£'000
17,779,328	Ordinary	£0.001	18	18
4,650,000	Growth	£0.001	5	5
4,139,257	C Preference	£0.001	4	-
			<u>27</u>	<u>23</u>

The total consideration received for the new shares was £64,102,976

There are 1,700,870 shares reserved under options.

Rights, preferences and restrictions attaching to each class is as follows:

Ordinary Shares

The Shares Have Attached To Them Full Voting, Dividend And Capital Distribution (Including On Winding Up) Rights; They Do Not Confer Any Rights Of Redemption.

Growth Shares

The Growth Shares Have Attached To Them Full Voting And Dividend Rights. The Growth Shares Have The Right To Participate In A Capital Distribution (Including On A Winding Up) Save That The Holders Of The Growth Shares Shall Have No Entitlement Prior To Each Ordinary Share Having Received An Amount Equal To 100% Of The Hurdle Amount For That Growth Share And Thereafter The Growth Share Shall Participate Pari Passu With The Ordinary Shares In Distributions In Excess Of The Hurdle Amount. The Growth Shares Do Not Confer Any Rights Of Redemption.

C Preference Shares

Right Of Distribution Of Profit. Right To Receive Notice Of, Attend And Vote At, General Meetings. One Vote On A Show Of Hands. One Vote For Each Share Of Which That Person Is The Holder On A Poll Vote. Right Of Conversion To Ordinary Shares (1:1 Basis). On An Insolvency Event Or Exit Event, Holders Of C Preference Shares Shall, Ahead Of The Holders Of Ordinary Shares Or Growth Shares, Be Entitled To Receive An Amount Equal To The Amounts Paid Up On The Preference Shares.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

20. RESERVES

Group

	Retained earnings £'000	Share premium £'000	Cash advances for shares £'000	Share options reserves £'000	Totals £'000
At 1 January 2021	(38,662)	41,449	2,508	13,867	19,162
Deficit for the year	(25,804)				(25,804)
Cash share issue	-	64,098	-	-	64,098
Foreign exchange differences	(34)	-	-	-	(34)
Share option charge	-	-	-	6,755	6,755
Shares to be issued	-	-	11,000	-	11,000
Share options to be granted	-	-	-	1,701	1,701
Shares issued	-	-	(2,508)	-	(2,508)
At 31 December 2021	<u>(64,500)</u>	<u>105,547</u>	<u>11,000</u>	<u>22,323</u>	<u>74,370</u>

Company

	Retained earnings £'000	Share premium £'000	Cash advances for shares £'000	Share options reserves £'000	Totals £'000
At 1 January 2021	(36,563)	41,449	2,508	13,867	21,261
Deficit for the year	(26,087)				(26,087)
Cash share issue	-	64,098	-	-	64,098
Share option charge	-	-	-	6,755	6,755
Shares to be issued	-	-	11,000	-	11,000
Share options to be granted	-	-	-	1,701	1,701
Shares issued	-	-	(2,508)	-	(2,508)
At 31 December 2021	<u>(62,650)</u>	<u>105,547</u>	<u>11,000</u>	<u>22,323</u>	<u>76,220</u>

21. POST BALANCE SHEET EVENTS

On 25 March 2022, Huma Therapeutics Limited entered into a financial commitment totalling £614,460. The financial commitment is to be spread over the 30 month term of the lease.

On 23 March 2022, Huma Therapeutics Limited announced a new partnership with AstraZeneca to scale innovation for digital health. As part of the transaction, the Group acquired AstraZeneca's digital health platform AMAZE™ and AstraZeneca became a minority shareholder of the Group. As a result of the partnership, equity has increased by £19.8m, 3 statement of works have been signed and are currently in the development phase with revenue being recognised.

Notes to the Consolidated Financial Statements - continued
for the Year Ended 31 December 2021

22. **SHARE-BASED PAYMENT TRANSACTIONS**

The company operates an equity settled Enterprise Management Incentive (EMI) Share Option Scheme and Non-EMI scheme. The options are granted with a fixed exercise price determined at the grant of the option. The options vest over a period of up to 4.5 years following the date of the grant. The options are exercisable until the 10th anniversary from the date of grant. Employees are not entitled to dividends until the shares are exercised. Vesting of options is subject to continued employment with the company. The company had the following options granted in the year.

Share Option Type	Date of Grant	No. of shares	Exercise Price
Enterprise Management Incentive	04/08/2015 to 31/12/2021	1,265,668	£0.08 to £8.51
Non-EMI	26/08/2016 to 31/12/2021	1,739,209	£0.08 to £9.01

	EMI Scheme	Non EMI Scheme	Weighted average exercise price
Brought forward	1,442,042	827,985	£1.87
Granted in the year	40,988	988,635	£2.57
Exercised in the year	Nil	Nil	Nil
Lapsed in the year	(217,362)	(77,411)	£3.50
Carried forward	1,265,668	1,739,209	£1.55
Exercisable at year end	991,203	950,430	£1.14
Exercisable at last year end	613,155	308,817	£0.90

The fair value of the options granted have been calculated using the Black Scholes model. The total charge for the period was £6,754,422.

The total figure included in share options reserves as at 31 December 2021 is £22,322,593.

23. **SUBSIDIARY EXEMPT FROM AUDIT**

Biobeats Group Limited and Medsubone Limited are both consolidated within the group financial statements. The companies are exempt from audit under S479A of the Companies Act.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.