

REGISTERED NUMBER: 10430656 (England and Wales)

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
FOR
CAMBRIDGE GAN DEVICES LIMITED

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FOR THE YEAR ENDED 31 DECEMBER 2022

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CAMBRIDGE GAN DEVICES LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2022

DIRECTORS:

G Longobardi
Parkwalk Advisors Limited
P R Hutton
IQ Capital Directors Nominees Limited
A Charles
D Atkinson
I Lane

REGISTERED OFFICE:

Jeffreys Building, Suite 8
St Johns Innovation Park
Cowley Road
CAMBRIDGE
Cambridgeshire
CB4 0DS

REGISTERED NUMBER:

10430656 (England and Wales)

AUDITORS:

Staffords
Chartered Accountants
& Statutory Auditors
Unit 1, Cambridge House
Camboro Business Park
Oakington Road, Girton
CAMBRIDGE
Cambridgeshire
CB3 0QH

CAMBRIDGE GAN DEVICES LIMITED (REGISTERED NUMBER: 10430656)

BALANCE SHEET
31 DECEMBER 2022

| | Notes | 2022 | 2021 |
|--|-------|--------------------|--------------------|
| | | £ | £ |
| FIXED ASSETS | | | |
| Tangible assets | 4 | 570,872 | 115,934 |
| CURRENT ASSETS | | | |
| Stocks | | 222,703 | - |
| Debtors | 5 | 1,189,618 | 885,472 |
| Cash at bank | | <u>15,156,606</u> | <u>4,555,627</u> |
| | | 16,568,927 | 5,441,099 |
| CREDITORS | | | |
| Amounts falling due within one year | 6 | <u>651,465</u> | <u>306,001</u> |
| NET CURRENT ASSETS | | <u>15,917,462</u> | <u>5,135,098</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>16,488,334</u> | <u>5,251,032</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 8 | 703 | 449 |
| Share premium | | 23,770,212 | 8,896,618 |
| Retained earnings | | <u>(7,282,581)</u> | <u>(3,646,035)</u> |
| SHAREHOLDERS' FUNDS | | <u>16,488,334</u> | <u>5,251,032</u> |

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

In accordance with Section 444 of the Companies Act 2006, the Profit and loss account has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 28 September 2023 and were signed on its behalf by:

G Longobardi - Director

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. **STATUTORY INFORMATION**

Cambridge GaN Devices 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 Company Information page.

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

2. **ACCOUNTING POLICIES**

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

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

| | |
|--------------------------|-------------------------------|
| Improvements to property | - 20% on cost |
| Plant and machinery | - 50% on cost and 20% on cost |
| Computer equipment | - 33% on cost |

Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

2. **ACCOUNTING POLICIES - continued**

Research and development

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

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

Payment of creditors

The average payment terms taken with those creditors that offer credit for the payment of their costs varies according to the individual payment terms set by each creditor, with typical credit terms being, 14, 30 or End of Month. The policy of the company being that of payment to suppliers by the due date as stipulated on each supplier's bills to retain the use of credit where offered.

Share premium account

As the Share Premium, generated by the investments received in excess of the share nominal value, has limited uses as part of the company accounts, it is the policy to utilise the ability to allocate any allowable costs of fundraising against this balance for all historical and any future investments in the company's share capital.

Going concern

During 2022, the company raised £15.0m in order to fund growth in the company. At the balance sheet date, the company had cash of £15.1m. Following reviews of the company's cash flow forecasts, operating plans and fundraising plans (including an expected further raise during 2024), the directors are of the opinion that the company has adequate financial resources to continue in operational existence for the foreseeable future

The directors therefore are adopting the going concern basis of the preparation of these financial statements.

3. **EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 28 (2021 - 24) .

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

4. TANGIBLE FIXED ASSETS

| | Improvements to property £ | Plant and machinery £ | Computer equipment £ | Totals £ |
|------------------------|-------------------------------------|-----------------------------|----------------------------|----------------|
| COST | | | | |
| At 1 January 2022 | 1,973 | 117,581 | 37,801 | 157,355 |
| Additions | 98,210 | 362,068 | 88,926 | 549,204 |
| Disposals | (1,973) | - | (7,156) | (9,129) |
| At 31 December 2022 | <u>98,210</u> | <u>479,649</u> | <u>119,571</u> | <u>697,430</u> |
| DEPRECIATION | | | | |
| At 1 January 2022 | 704 | 27,962 | 12,755 | 41,421 |
| Charge for year | 5,174 | 66,840 | 16,523 | 88,537 |
| Eliminated on disposal | (967) | - | (2,433) | (3,400) |
| At 31 December 2022 | <u>4,911</u> | <u>94,802</u> | <u>26,845</u> | <u>126,558</u> |
| NET BOOK VALUE | | | | |
| At 31 December 2022 | <u>93,299</u> | <u>384,847</u> | <u>92,726</u> | <u>570,872</u> |
| At 31 December 2021 | <u>1,269</u> | <u>89,619</u> | <u>25,046</u> | <u>115,934</u> |

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|---------------|------------------|----------------|
| Trade debtors | 984 | - |
| Other debtors | 1,188,634 | 885,472 |
| | <u>1,189,618</u> | <u>885,472</u> |

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|-----------------|----------------|----------------|
| Trade creditors | 203,582 | 93,626 |
| Other creditors | 447,883 | 212,375 |
| | <u>651,465</u> | <u>306,001</u> |

7. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2022 £ | 2021 £ |
|----------------------------|----------------|----------------|
| Within one year | 128,500 | 60,000 |
| Between one and five years | 180,000 | 300,000 |
| | <u>308,500</u> | <u>360,000</u> |

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2022

8. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid

| Number | Class | Nominal Value | 2022 £ | 2021 £ |
|-----------|------------|---------------|------------|------------|
| 2,182,974 | Ordinary | 0.01p | 218 | 213 |
| 4,723,359 | A Ordinary | 0.01p | 472 | 236 |
| 127,503 | Growth | 0.01p | 13 | - |
| 1,066 | Deferred | 0.01p | . | - |
| | | | <u>703</u> | <u>449</u> |

During the year

25,200 Ordinary shares were redesignated as A Ordinary shares.

60,000 Ordinary shares were issued for cash at 18p per share.

2,000 Ordinary shares were issued for cash at 1p per share

15,674 Ordinary shares were issued as a cashless transaction in exchange for intellectual property transferred to the company in the year.

2,178,742 A Ordinary shares were issued for cash at £6.38 per share.

159,817 A Ordinary shares were issued for cash at £6.72 per share.

128,569 Growth shares were issued for cash at 1p per share

1,066 Growth shares were redesignated as Deferred shares

During the year 62,000 EMI share options were exercised and 34,000 were granted with an exercise price of 1p. 82,800 Unapproved share options were granted with an exercise price of 1p and 63,000 were surrendered for Growth shares

At the year end the total share options held were 370,138 (2021:398,138) EMI options and 114,800 (2021:95,000) unapproved options.

9. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Steven Ellis MA FCA (Senior Statutory Auditor)
for and on behalf of Staffords

10. RELATED PARTY DISCLOSURES

There are no material related party transactions which were not concluded under normal market conditions.

11. ULTIMATE CONTROLLING PARTY

As at the balance sheet date there is no single ultimate controlling party.

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.