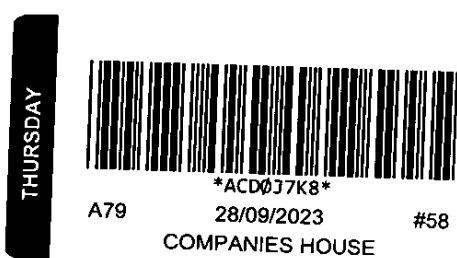


Company registration number 06539922 (England and Wales)

CHESS TECHNOLOGIES LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2023



CHESST TECHNOLOGIES LIMITED

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CHESSTechnologies Limited

COMPANY INFORMATION

Directors	A S Thomis D A Tuddenham S R Walther
Company Secretary	H Maybury
Registered office	1 Waterside Drive Theale Reading England RG7 4SW
Registered number	06539922

CHESSTECHNOLOGIES LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The directors present the Strategic report for the year ended 30 April 2023.

Principal activities

The principal activity of the Company continues to be that of a non-trading holding company to its subsidiary. The Company expects to continue in these activities during the next financial year and the foreseeable future.

Review of the business

During the year, Chess Technologies Limited (the "Company") received dividends from Chess Dynamics Limited, all of which was distributed as a dividend to its parent undertaking, Cohort plc.

The Company paid a final dividend of £750k (2022: £nil).

Key performance indicators

The directors of the Company do not use any key performance indicators to analyse the results of the Company due to its principal activity being that of a non-trading holding company.

Future developments

The directors expect the Company to continue in its principal activity of being a non-trading holding company during the next financial year and into the foreseeable future.

Principal risks and uncertainties

As an investment holding company, Chess Technologies Limited's risks and uncertainties are in respect of the value of its investments in its 100% subsidiaries, Chess Dynamics Limited, Vision4ce Limited and Chess Dynamics Inc.

Financial instruments and financial risk management

As an investment holding company, the directors do not consider there to be any additional financial risks and uncertainties outside those outlined under the 'Principal risks and uncertainties' section above.

Section 172 statement

Section 172 of the Companies Act 2006 (s172) requires the directors to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole. This statement describes how the directors and management team have considered the matters set out in s172.

How the directors have discharged their s172 duties

The Company has its own board and management team which meets regularly. Monthly reporting by the Company to its ultimate parent company (Cohort plc), facilitates good oversight and communication, and enables a continuous exchange of information on engagement with stakeholders and other s172 considerations. When making a decision, the directors, together with the management team, take into consideration the Company's mission and core values, together with its strategic priorities.

Strategy planning

The directors and the management team conduct a detailed review of the strategy for the Company on an annual basis. As part of this exercise, the long-term opportunities and risks for the business and how best to manage these for the benefit of all stakeholders is considered.

Focus on delivering long term value

We are committed to delivering value to shareholders and ensuring that they benefit from our success. This is achieved through our business model and strategic plan. Our strategy is clearly defined and communicated across our business by face-to-face briefings from the Managing Director.

Managing risk

Our effective risk management framework enables the directors and management team to take risk-based decisions which are well understood and managed within our strategic guidelines to deliver growth above target market and to protect shareholder value.

CHESS TECHNOLOGIES LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

Ethical conduct

The directors and management team place great emphasis on maintaining high standards of business conduct and our culture encourages our people to act with the highest ethical standards and integrity at all times. This is supported by the policies and processes we have implemented including our anti-bribery and corruption policy and modern slavery policy. We ensure clear communication of our policies through our employee induction, training, management briefings, our employee handbook and our intranet. Our policies are reviewed regularly to ensure they are in line with best practice.

Approved by the Board of Directors and signed by order of the Board.



D A Tuddenham
Director

Date: 07/08/2023

CHESST TECHNOLOGIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2023

The directors present their report and the financial statements of the Company for the year ended 30 April 2023.

Results and dividends

The profit after taxation for the year amounts to £750k (2022: £nil).

The directors recommend a payment of a dividend of £750k to the ordinary shareholders in respect of the year (2022: £nil).

Charitable and political donations

During the year the Company made no charitable or political donations (2022: £nil).

Research and development

The Company did not engage in any research and development activities in the current or prior year.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

A S Thomis
D A Tuddenham
S R Walther

Qualifying third-party indemnity provisions

The Company maintains appropriate third-party indemnity provisions and insurance cover in respect of legal actions against the directors as well as against material loss or claims against the Company. The adequacy of cover is reviewed regularly.

Streamlined Energy and Carbon reporting (SECR)

The streamlined energy and carbon reporting figures of the Company are included within the consolidated financial statements of Cohort Plc which are available from Companies House. As such, the Company qualifies for the subsidiary exemption under these regulations and therefore the streamlined energy and carbon reporting figures of the Company have not been disclosed within these financial statements.

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Going concern

In accordance with their responsibilities as directors, the directors have assessed the ability of the Company to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements.

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The company had net current assets of £2,658 as at 30 April 2023 (2022: £2,658k).

The Company's directors have prepared forecasts and projections which go beyond 12 months of the approval date of these accounts. The Company's forecasts and projections consider the reasonably possible changes in trading performance. All outcomes modelled in the forecast show that the Company should be able to operate within the level of its current facilities.

CHESS TECHNOLOGIES LIMITED


DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

Disclosure of information in the Strategic report

Disclosures relating to the future developments of the Company and its principal risks and uncertainties have been included in the Strategic report

Approved by the Board of Directors and signed by order of the Board.



D A Tuddenham
Director

Date: 07/08/23

CHESS TECHNOLOGIES LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 APRIL 2023

The directors are responsible for preparing the Annual report, which includes the Strategic report and 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. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 101 – 'The Reduced Framework' (FRS 101) and applicable laws including the Companies Act 2006.

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 of the Company 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 accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with FRS 101, subject to any material departures disclosed and explained in the financial statements; and
- 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 requirements of the Companies Act 2006.

The directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHESS TECHNOLOGIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 APRIL 2023

	Notes	2023 £000	2022 £000
Investment income	6	750	-
Profit before taxation		750	-
Taxation	7	-	-
Profit for the financial year		<u>750</u>	<u>-</u>

All results relate to continuing activities.

There was no other comprehensive income in either the current or prior years.

The accompanying notes on pages 10 - 18 form an integral part of the financial statements.

CHESS TECHNOLOGIES LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 30 APRIL 2023

	Notes	2023		2022	
		£000	£000	£000	£000
Fixed assets					
Investments	9		3,311		3,195
Current assets					
Trade and other receivables	11	5,146		5,097	
Cash at bank and in hand	12	1		50	
		<u>5,147</u>		<u>5,147</u>	
Creditors: amounts falling due within one year	13	<u>(2,489)</u>		<u>(2,489)</u>	
Net current assets			<u>2,658</u>		<u>2,658</u>
Net assets			<u>5,969</u>		<u>5,853</u>
Capital and reserves					
Called up share capital	14		2		2
Share premium account	15		2,349		2,349
Merger reserve	15		2,220		2,220
Capital contribution reserve	15		95		68
Other reserves	15		90		90
Profit and loss reserves	15		1,213		1,124
Total equity			<u>5,969</u>		<u>5,853</u>


The accompanying notes on pages 10 - 18 form an integral part of the financial statements.

For the financial year ended 30 April 2023 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors and authorised for issue on 02/08/23 and are signed on its behalf by:



D A Tuddenham
Director

Company Registration No. 06539922

CHESST TECHNOLOGIES LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2023

	Notes	Called up share capital £000	Share premium account £000	Merger reserve £000	Other reserves contributor reserves £000	Capital contributor reserve £000	Profit and loss reserves £000	Total £000
Balance at 1 May 2021		2	2,349	2,220	90	68	1,124	5,853
Year ended 30 April 2022:								
Profit for the year		-	-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	-	-	-
Total transaction with owners, recognised directly within equity		-	-	-	-	-	-	-
Balance at 30 April 2022		2	2,349	2,220	90	68	1,124	5,853
Year ended 30 April 2023:								
Profit for the year		-	-	-	-	-	750	750
Total comprehensive income for the year		-	-	-	-	-	750	750
Dividends	8	-	-	-	-	-	(750)	(750)
Charge in respect of share-based payments		-	-	-	-	116	-	116
Transfers of capital contribution on vesting of options		-	-	-	-	(89)	89	-
Total transactions with owners, recognised directly within equity		-	-	-	-	27	(661)	(634)
Balance at 30 April 2023		2	2,349	2,220	90	95	1,213	5,969

The accompanying notes on pages 10 - 18 form an integral part of the financial statements.

CHESS TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

1 General information

Chess Technologies Limited (the "Company") is a private limited company, limited by shares, registered, incorporated and domiciled in England and Wales. The registered office is:

1 Waterside Drive
Theale
Reading
RG7 4SW

The registration number (06539922) can be found on the company information page.

The principal activities of the Company can be found within the strategic report.

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"). The financial statements have been prepared under the historical cost convention, unless otherwise specified within these accounting policies, and in accordance with the Companies Act 2006.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards ("IFRS") as adopted by the UK ("UK adopted International Accounting Standards") but makes amendments where necessary in order to comply with the Companies Act 2006 and to take advantage of FRS 101 disclosure exemptions.

The principal accounting policies applied in the preparation of these financial statements are set out below. *These policies have been consistently applied to all the years presented, unless otherwise stated.*

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 30 April 2023 that have a material impact on the Company's financial statements.

2.2 Going concern

In accordance with their responsibilities as directors, the directors have assessed the ability of the Company to continue as a going concern for a period of at least 12 months from the date of approval of these financial statements.

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The company had net current assets of £2,658k as at 30 April 2023 (2022: £2,658k).

The Company's directors have prepared forecasts and projections which go beyond 12 months of the approval date of these accounts. The Company's forecasts and projections consider the reasonably possible changes in trading performance. All outcomes modelled in the forecast show that the Company should be able to operate within the level of its current facilities.

CHESS TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 APRIL 2023

2 Accounting policies (continued)

2.3 Financial reporting standard 101 - reduced disclosure exemptions

The Company is a member of a Group, where the parent of that Group prepares publicly available consolidated financial statements, including this Company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group.

The consolidated financial statements of Cohort Plc (the "Group") are prepared in accordance with UK adopted International Accounting Standards and are available to the public. They may be obtained from Cohort Plc, 1 Waterside Drive, Arlington Business Park, Theale, Reading RG7 4SW.

The Company has therefore taken advantage of exemptions available under FRS 101 from the following disclosure requirements:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
 - paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 111 (statement of cash flows information); and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.
- The requirements of paragraph 52 and 58 of IFRS 16, 'Leases' in respect of a single lease disclosure note and detailed maturity analysis, respectively.

2.4 Foreign currencies

The financial statements of the Company are presented in the currency of the primary economic environment in which it operates (its functional currency), which is Pounds Sterling (£).

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the historic transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

CHESS TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

2 Accounting policies (continued)

2.5 Investment income

Investment income is dividend income from the Company's subsidiary. Investment income is recognised when the right to receive payment is established.

2.6 Taxation

Tax on the profit or loss 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 directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for if they arise from the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.7 Investments in subsidiaries

Investments in subsidiaries are carried at cost less impairment.

CHESS TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

2 Accounting policies (continued)

2.8 Impairment of assets

Financial assets (including trade and other receivables)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any).

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Any subsequent reversal of an impairment loss is recognised as income immediately.

2.9 Trade and other receivables

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and on-demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Deposits are included within cash and cash equivalents where the maturity from commencement of the deposit is three months or less.

2.11 Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Creditors are presented as amounts falling due within one year unless payment is not due within 12 months after the reporting period.

2.12 Equity instruments

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

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the Company.

CHESST TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

3 Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described above, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised.

The Directors have identified the following critical judgements and estimates in applying the Company's accounting policies that have the most significant impact on the amounts recognised in the financial statements.

Critical estimates

Impairment of investments

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs.

4 Operating profit

Auditors' remuneration was borne by another group entity in the prior year. The fee attributable to the Company is estimated at £nil (2022: £9k).

5 Directors and employees

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

	2023 Number	2022 Number
Directors	3	3
Secretary	1	1
Total	<u>4</u>	<u>4</u>

The directors did not receive any remuneration from the company in respect of their services during the year (2022: £nil). Certain directors who served during the year are also directors of the parent company or a fellow group company and are remunerated by those companies. Although they do receive remuneration from those companies in respect of their services to various group companies, including this company, any allocation would be notional. Therefore, their remuneration has been disclosed in the financial statements of the relevant company from which remuneration is received.

CHESS TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

6	Interest receivable and similar income		
		2023	2022
		£000	£000

Income from fixed asset investments

Income from shares in group undertakings	750	-
	<u>750</u>	<u>-</u>

7 Taxation

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

	2023	2022
	£000	£000
Profit before taxation	750	-
	<u>750</u>	<u>-</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.50% (2022: 19.00%)	146	-
Tax effect of income not taxable in determining taxable profit	(146)	-
	<u>-</u>	<u>-</u>
Taxation charge for the year	-	-
	<u>-</u>	<u>-</u>

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

8 Dividends

	2023	2022
	£000	£000
Final paid	750	-
	<u>750</u>	<u>-</u>

The proposed final dividend is subject to approval by shareholders and has not been included as a liability in these financial statements.

9 Fixed asset investments

		2023	2022
	Notes	£000	£000
Shares in group undertakings	10	3,311	3,195
		<u>3,311</u>	<u>3,195</u>

CHESST TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

9 Fixed asset investments (continued)

Movements in fixed asset investments

	Shares in subsidiaries £000
Cost or valuation	
At 1 May 2022	3,195
Additions from share based payments	116
	<u>3,311</u>
At 30 April 2023	3,311
	<u>3,311</u>
Carrying amount	
At 30 April 2023	3,311
	<u>3,311</u>
At 30 April 2022	<u>3,195</u>

10 Subsidiaries

Details of the company's subsidiaries at 30 April 2023 and 30 April 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Chess Dynamics Limited	Quadrant House, North Heath Business Park, Horsham, West Sussex, RH12 5QE	Design and production of detection and tracking systems, as well as counter-UAV solutions for the defence and security markets	Ordinary	100.00
VISION4CE Limited	Unit 4, Wokingham Commercial Centre, Molly Millars Lane, Wokingham, RG41 2RF	Software solutions for detection, tracking and C-UAV systems	Ordinary	100.00
Chess Dynamics Inc	7060 South Tuscon Way A, Centennial, CO 80112	US representative of Chess's UK business	Ordinary	100.00

11 Trade and other receivables

	2023 £000	2022 £000
Amounts falling due within one year:		
Amounts owed by fellow subsidiary undertakings	5,146	5,097
	<u>5,146</u>	<u>5,097</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

CHESS TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

12 Cash and cash equivalents

	2023 £000	2022 £000
Cash at bank and in hand	1	50
	<u>1</u>	<u>50</u>

13 Creditors: amounts falling due within one year

	2023 £000	2022 £000
Amounts owed to fellow subsidiary undertakings	2,489	2,489
	<u>2,489</u>	<u>2,489</u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14 Share capital

	2023 Number	2022 Number	2023 £000	2022 £000
Ordinary share capital				
Issued and fully paid				
Ordinary shares of 1p each	183,696	123,840	2	1
Ordinary shares of 0.00001p each	140,000	-	-	-
Preferred ordinary shares of 1p each	-	44,231	-	1
B ordinary shares of 1p each	-	15,625	-	-
D ordinary shares of 0.00001p each	-	140,000	-	-
	<u>323,696</u>	<u>323,696</u>	<u>2</u>	<u>2</u>

On 30 November 2022, Cohort plc acquired the remaining shares of the Company (18.16%) to take 100% ownership. On 13 February 2023 a Special Resolution was passed to correct an error in the share capital redesignation made on 12 December 2018 when 44,231 Preferred ordinary shares of 1 pence each were reclassified as Ordinary shares of 1 pence each, 15,625 B ordinary shares of 1 pence each were reclassified as Ordinary shares of 1 pence each, and 140,000 D ordinary shares of 0.00001 pence each were reclassified as Ordinary shares of 0.00001 pence each.

The holders of each class of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

CHESS TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2023

15 Reserves

Below is a description of the nature and purpose of the individual reserves:

- Share capital represents the nominal value of shares issued.
- Share premium account includes the amounts over the nominal value in respect of share issues. In addition, costs in respect of share issues are debited to this account.
- Other reserves represents the total fair value of options in respect of the share options granted to the members and employees of a subsidiary company.
- Capital contribution account represents the cumulative share-based payment charged to reserves less the transfer to the profit and loss account on the vesting of options.
- Profit and loss account is the retained earnings of the Company from realised gains and losses.
- Merger reserve represents the difference between consideration and the fair value of assets purchased in a merger.

16 Contingent liabilities and guarantees

The Company, as part of Cohort Plc's group banking and offset arrangements, for the year ended 30 April 2023 is a guarantor for £25.8m (year ended 30 April 2022: £47.4m) of bank borrowings and overdraft drawn by its parent company and other group companies, along with a further £25.8m (year ended 30 April 2022: £11.7m) in respect of bank guarantees drawn by other group companies.

17 Related party transactions

There were no disclosable related party transactions during the current or prior year.

The Company has taken the exemption under FRS 101 to not disclose related party transactions entered into between two or more members of the wholly owned group of which it is a member.

18 Ultimate controlling party

The Company is a subsidiary under control of Cohort Plc which is the ultimate and immediate parent company incorporated in the United Kingdom. Cohort Plc's registered office address is 1 Waterside Drive, Arlington Business Park, Theale, Reading, RG7 4SW.

The largest and smallest group in which the results of the Company are consolidated is that headed by Cohort Plc. The consolidated financial statements of the Group are available to the public and may be obtained from the address above.