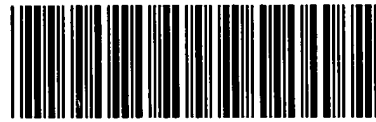


Company registered number: 05624498

BIZAGI LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 MARCH 2024**

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BIZAGI LIMITED

CONTENTS

	Page
Company Information	1
Strategic Report	2
Directors' Report	4
Independent Auditor's Report to the Members of Bizagi Limited	7
Statement of Comprehensive Income	11
Balance Sheet	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14

BIZAGI LIMITED

COMPANY INFORMATION

Directors

G I Gomez

C J Sullivan

Registered number

05624498

Registered office

Mill House

1 Soho Mills

Town Lane

Wooburn Green

HP10 0PF

Independent auditors

PricewaterhouseCoopers LLP

One Chamberlain Square

Birmingham

B3 3AX

BIZAGI LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 MARCH 2024

The directors presents the Strategic Report for Bizagi Limited (the "Company") for the year ended 30 March 2024.

Review of business

During the year of review the Company recorded a turnover of £17,104,282 (2023: £12,045,265) and a profit before tax of £887,806 (2023: £388,612).

The main reason for the profit is due to our strategy to invest in building the capabilities of the onshore customer facing sales, professional services and support teams whilst also strengthening the global leadership team. In addition, the Company was transitioning from a perpetual license software model to a cloud based recurring subscription model. During this transition, moving from revenue recognition upon contract signing (Perpetual) to revenue recognised over the life of a contract (Cloud) resulted in depressed growth, accentuating its historical losses. The Company has completed most of this transition which should improve its operating profits in the future, which in the current year totalled £1,372,593 (2023: £954,228).

During FY24 & FY23 no external funding was required, as all funding generated was from organic activities. The Group's shareholders continue to be excited by the prospects for the business and continue to invest in the business.

Research and development

Bizagi Limited is committed to advancing its cloud-based digital process automation platform, enhancing our PaaS offering to accelerate business digitalisation. The Group invests over five million USD annually in product development. We are continuously improving our Artificial Intelligence capabilities ensuring secure AI adoption through advanced governance and enterprise-class security and privacy measures. Our focus is on leveraging AI to achieve significant business outcomes and higher ROI through automation projects aimed at boosting productivity. Ask Ada provides end-users with conversational analytics that enable them to query their process and app data with natural language to find new business insights and take action upon the results.

Furthermore, we are pioneering end-to-end AI-based automation by evolving to the next generation of automation with AI agents. This transition provides comprehensive visibility into processes, applications, and AI, and enables the orchestration of AI assets alongside people, processes and data.

Principal risks and uncertainties

Revenue generates credit risk and consists principally of receivables, the majority of which are recoverable from big companies around the globe. It is controlled through credit control procedures. Currency risk is limited due to the fact that Company invoices mainly in GBP, EUR and USD.

BIZAGI LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 30 MARCH 2024

Key performance indicators ("KPIs")

The Company's primary goal is to increase market share by growing presence and relevance to customers in key markets by providing a competitive, easy to implement, resilient and scalable, full cycle, cloud solution with the deep functionality required by customers pursuing a wide-ranging digitalisation strategy.

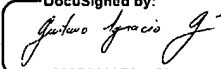
The key performance indicators are Annual Recurring Revenue, Recurring New Sales, Cost of Customer Acquisition and Customer Lifetime Value. Improving these metrics will drive the right quality of revenue over time and return to investors.

During FY24 Bizagi Ltd increased its Annual Recurring Revenue by 19% compared to previous year, as cloud adoption increases and intends to increase its customer base. This increase in ARR is mainly due to growth of expansion on existing customers.

Given the Company's focus on low-code and process automation the Cost of Customer Acquisition is expected to improve its operations as customer acquisition becomes more efficient through streamlined solutions and improved sales processes. During FY24 Bizagi Ltd continues to have strong customer loyalty and long-term revenue potential with further product innovations and expanding enterprise relationships, Customer Lifetime Value is expected to increase as customers derive more value from Bizagi's offerings.

Management is satisfied with the performance of the business for the year ended 30 March 2024 as they have invested for future growth and are seeing a rapid transition to the recurring revenue model.

This report was approved by the board and signed on its behalf by:

DocuSigned by:

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G I Gomez

Director

Date: 15 October 2024

BIZAGI LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 MARCH 2024

The directors present the annual report and the audited financial statements of Bizagi Limited (the "Company") for the year ended 30 March 2024.

Principal activities

The Company's principal activities are the provision of a digitalisation software and consultancy activities related thereto.

Results and dividends

The comprehensive income for the financial year amounted to £784,636 (2023: £1,810,247).

The Company has not declared or paid any dividends during the year (2023: £Nil).

Directors

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

G I Gomez

C J Sullivan (appointed 16 September 2024)

Qualifying third-party indemnity provisions

The Company has not provided for any qualifying third party indemnity cover for the directors.

Financial risk management and exposures

The financial risk exposure corresponding to loans is low because the Group has demonstrated its ability to balance the business to generate enough cash, alongside shareholder funding, to pay capital and interest on according to agreements. Cash and cash equivalents comprise of cash on hand and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Liquidity risk is managed by maintaining sufficient cash, engaging early with investors to commit additional funds and managing the business to deliver the right balance of delivering in the short term and whilst driving enterprise value over the long term.

BIZAGI LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 30 MARCH 2024

Going concern

The directors have prepared these financial statements on going concern basis. In making their assessment, the directors have considered the Company's forecasts and projections and assumed that the current transfer pricing arrangement with the wider Bizagi Group Corp. group of companies will continue over the going concern period.

The Company relies on the ongoing financial support of its parent company, Bizagi Group Corp., and has therefore obtained a letter of support from Bizagi Group Corp. confirming that it will continue to support the Company to meet its debts and liabilities as they fall due for the foreseeable future and for a period of at least 12 months from the date of signing these financial statements.

The directors have evaluated the ability of Bizagi Group Corp. to provide the financial support to the Company with reference to cash flow forecasts prepared by Bizagi Group Corp. management and taking account of reasonably possible changes in trading performance. The directors have a reasonable expectation that Bizagi Group Corp. will be successful in meeting its forecasts, and in the unlikely event it were not to do so, is satisfied that Bizagi Group Corp. management have appropriate and timely cost mitigation actions within its control to ensure it could continue to provide the support to Bizagi Limited as required. On this basis the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", 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 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;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

BIZAGI LIMITED
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 30 MARCH 2024

Directors' confirmations

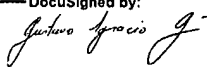
In the case of each director in office at the date the Directors' Report is approved:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This report was approved by the board and signed on its behalf by:

DocuSigned by:


G I Gomez
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Director

Date: 15 October 2024

BIZAGI LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIZAGI LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Bizagi Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: Balance Sheet as at 30 March 2024; Statement of Comprehensive Income and Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

BIZAGI LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIZAGI LIMITED (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 30 March 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements:

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 company or to cease operations, or have no realistic alternative but to do so.

BIZAGI LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIZAGI LIMITED (continued)

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 an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inquiries of management and reviewing minutes of meetings of those charged with governance regarding any known or suspected instances of fraud or non-compliance with laws and regulations
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations
- Challenging assumptions and judgements made by management in their accounting estimates and judgements
- Testing of journals that have unusual account combinations

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

BIZAGI LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIZAGI LIMITED (continued)

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Alex Smith (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
15 October 2024

BIZAGI LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 MARCH 2024

	Note	2024 £	2023 £
Turnover	4	17,104,282	12,045,265
Cost of sales		(14,005,114)	(9,605,836)
Gross profit		3,099,168	2,439,429
Administrative expenses		(1,726,575)	(1,485,201)
Operating profit	5	1,372,593	954,228
Interest receivable and similar income	9	14,683	7,284
Interest payable and similar expenses	10	(499,470)	(572,900)
Profit before taxation		887,806	388,612
Tax (expense)/benefit on profit	11	(103,170)	1,421,635
Profit for the financial year		784,636	1,810,247
Total comprehensive income for the financial year		784,636	1,810,247

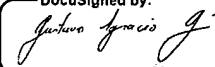
The notes on pages 14 to 28 form an integral part of these financial statements.

BIZAGI LIMITED
REGISTERED NUMBER: 05624498
BALANCE SHEET
AS AT 30 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	12	24,741	35,147
Tangible assets	13	21,834	13,627
		46,575	48,774
Current assets			
Debtors: amounts falling due after more than one year	14	1,426,241	1,497,237
Debtors: amounts falling due within one year	14	17,196,570	10,931,131
Cash at bank and in hand	15	1,049,016	8,252,155
		19,671,827	20,680,523
Creditors: amounts falling due within one year	16	(25,792,572)	(27,588,103)
Net current liabilities		(6,120,745)	(6,907,580)
Total assets less current liabilities		(6,074,170)	(6,858,806)
Capital and reserves			
Called up share capital	18	2,000,000	2,000,000
Profit and loss account		(8,074,170)	(8,858,806)
Total shareholders' deficit		(6,074,170)	(6,858,806)

The notes on pages 14 to 28 form an integral part of these financial statements.

The financial statements on pages 11 to 28 were approved by the Board of Directors and signed on its behalf by:

DocuSigned by:

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G I Gomez

Director

Date: 15 October 2024

BIZAGI LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 MARCH 2024

	Called up share capital £	Profit and loss account £	Total shareholders' deficit £
At 31 March 2022	2,000,000	(10,669,053)	(8,669,053)
Comprehensive income for the financial year			
Profit for the financial year	–	1,810,247	1,810,247
Total comprehensive income for the financial year	–	1,810,247	1,810,247
At 30 March 2023 and 31 March 2023	2,000,000	(8,858,806)	(6,858,806)
Comprehensive income for the financial year			
Profit for the financial year	–	784,636	784,636
Total comprehensive income for the financial year	–	784,636	784,636
At 30 March 2024	2,000,000	(8,074,170)	(6,074,170)

The notes on pages 14 to 28 form an integral part of these financial statements.

BIZAGI LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 MARCH 2024

1 General information

Bizagi Limited (the "Company") supplies bespoke business operations software packages along with related support and services. The Company is a private company limited by shares and is incorporated and domiciled in England.

The address of the registered office is Mill House, 1 Soho Mills, Town Lane, Wooburn Green, HP10 0PF.

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied consistently throughout the year:

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 16, 38A, 38B, 38C, 38D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

BIZAGI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 MARCH 2024

2 Accounting policies (continued)

2.3 Going concern

The directors have prepared these financial statements on going concern basis. In making their assessment, the directors have considered the Company's forecasts and projections and assumed that the current transfer pricing arrangement with the wider Bizagi Group Corp. group of companies will continue over the going concern period.

The Company relies on the ongoing financial support of its parent company, Bizagi Group Corp., and has therefore obtained a letter of support from Bizagi Group Corp. confirming that it will continue to support the Company to meet its debts and liabilities as they fall due for the foreseeable future and for a period of at least 12 months from the date of signing these financial statements.

The directors have evaluated the ability of Bizagi Group Corp. to provide the financial support to the Company with reference to cash flow forecasts prepared by Bizagi Group Corp. management and taking account of reasonably possible changes in trading performance. The directors have a reasonable expectation that Bizagi Group Corp. will be successful in meeting its forecasts, and in the unlikely event it were not to do so, is satisfied that Bizagi Group Corp. management have appropriate and timely cost mitigation actions within its control to ensure it could continue to provide the support to Bizagi Limited as required. On this basis the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

2.4 Impact of new international reporting standards, amendments and interpretations

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 30 March 2024 that have a material impact on the Company's financial statements.

BIZAGI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 MARCH 2024

2 Accounting policies (continued)

2.5 Turnover

The Company recognises revenues from contracts with customers based on a five-step model established in IFRS 15:

Step 1. Identification of contracts with clients: A contract is defined as an agreement between two or more parties, which creates enforceable rights and obligations and establishes criteria that must be met for each contract. Contracts can be written, verbal or implied through the usual business practices of a Company.

Step 2. Identification of performance obligations in the contract: A performance obligation is a promise in a contract with a client for the transfer of a good or service to the latter.

Step 3. Determination of the price of the transaction: The price of the transaction is the amount of the payment to which the Company expects to be entitled in exchange for the transfer of the goods or services promised to a customer, regardless of the amounts received on behalf of third parties.

Step 4. Distribute the transaction price among the performance obligations of the contract: In a contract that has more than one performance obligation, the Company distributes the transaction price among the performance obligations in amounts that represent the amount of the consideration to which the Company expects to be entitled in exchange for fulfilling each performance obligation.

Step 5. Revenue recognition when (or as) the Company performs a performance obligation.

The Company meets a performance obligation and recognises revenue over time if any of the following criteria are met:

- a) The performance of the Company does not create an asset with an alternative use for the Company, and the Company has an enforceable right to pay for the performance completed to date.
- b) The performance of the Company creates or improves an asset that the client controls as it is created or improved.
- c) The client at the same time, receives and consumes the benefits that result from the Company's performance as it works.

For performance obligations where none of the conditions indicated are met, income is recognised at the time the performance obligation is met.

When the Company satisfies a performance obligation by delivering the promised goods or services, it creates a contract asset for the amount of the consideration obtained with the performance. When the amount of compensation received from a client exceeds the amount of the recognised income, this generates a contract liability.

The income is measured based on the consideration specified in the contract with the client and excludes the amounts received on behalf of third parties. The Company recognises revenue when it transfers control over a goods or services to a customer. The income is presented net of the value-added tax (VAT), refunds and discounts and after eliminating sales within the Company.

The Company evaluates its revenue plans based on specific criteria to determine whether it acts as a principal or as an agent.

BIZAGI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 MARCH 2024

2 Accounting policies (continued)

2.5 Turnover (continued)

Income is recognised to the extent that economic benefits are likely to flow to the Company and if it is possible to measure income and costs, if any, reliably.

The following is a description of the main activities through which the Company generates revenue from contracts with customers:

- Perpetual software licence revenues are recognised on the transfer of the risks and rewards of ownership, which generally coincides with the time of delivery. Perpetual license is derived from customers with perpetual licenses to our platform and associated maintenance and support contracts. Maintenance and support is normally sold separately and is recognised rateably over a period of time.
- Term software license revenues are derived from customers with on-premises installations of our platform pursuant to contracts that are generally one to three years in length. Customers with term license subscriptions have the right to use our software and receive maintenance and support. As we sell the term license with the maintenance and support, the bundled price has to be allocated between the term license and the post-contract support (PCS). In order to estimate standalone selling price for both the license and PCS in a bundled term-based license contract, we have assessed that it is reasonable to use 20% of the net license fee for renewals of standalone PCS using the observable price. The term license revenue is recognised on delivery. The maintenance is recognised rateably over a period of time.
- SaaS subscription is derived from accessing our cloud offering pursuant to contracts that are generally one to three years. The Company is required to perform all maintenance and support and there is no separate charge for hosting costs. Revenues are recognised over the term of the contract.
- Professional service (project management, implementation, integration and training) revenues are recognised as the services are delivered to the customers. The Company determines that its performance obligations have been met over time and measures its progress towards completion to determine the time for revenue recognition using a method that represents the transfer of goods or services to the customer. The Company takes into account the nature of the products or services provided and the terms of the contract, such as the right to cancellation, rights to demand or withhold payments, and the legal title to work in a process to determine the best method of entry or output to measure progress towards the fulfilment of a performance obligation.

The Company applies a single method to measure the progress in each performance obligation within a contract. The method can be input (cost incurred, hours worked) or output (units produced, goals achieved).

Estimates of income, costs or degree of progress towards completion are reviewed if circumstances change. Any increase or decrease in estimated revenue or costs is reflected in the income statement in the period in which management learned of the circumstances that led to the review.

- Intercompany services - this represents income billed to other group companies in respect of centralised services the Company provides to the wider Bizagi Group such as R&D, IT, and marketing. The cost of these services are charged to other group companies with a margin in line with the Intercompany Services Agreement.

BIZAGI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 MARCH 2024

2 Accounting policies (continued)

2.6 Tangible assets

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

The Company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Statement of Comprehensive Income during the period in which they are incurred.

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

Depreciation is provided on the following basis:

Leasehold improvements	–	Over the period of the lease
Fixtures and fittings	–	25% per annum on a straight-line basis
Computer equipment	–	33% per annum on a straight-line basis

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.7 Foreign currency translation

Functional and presentational currency

The Company's functional and presentational currency is the Pound Sterling (GBP).

Transactions and balances

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

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'interest receivable and similar income' or 'interest payable and similar expenses'.

BIZAGI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 30 MARCH 2024

2 Accounting policies (continued)

2.8 Debtors

Trade and other debtors are amounts due for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

Trade and other debtors are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Financial assets and liabilities

Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are only offset and the net amount reported in the Balance Sheet and Statement of Comprehensive Income, when there is a currently enforceable legal right to offset the recognised amounts and the Company intends to settle on a net basis or realise the asset and liability simultaneously.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of the financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Comprehensive Income.

Financial assets

All financial assets recognised by the Company are measured subsequently in their entirety at amortised costs using effective interest rate method. The Company does not hold any financial assets which are subsequently measured at either fair value through profit or loss or at fair value through other comprehensive income.

Financial assets that meet the following conditions are measured subsequently at amortised cost using effective interest rate method:

- The financial asset is held within the business model whose objective is to hold financial assets in order to collect contractual cash flows: and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

BIZAGI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 MARCH 2024

2 Accounting policies (continued)

2.10 Financial assets and liabilities (continued)

Financial liabilities

The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All purchases of financial liabilities are recorded on the trade date, being the date on which the Company becomes party to the contractual requirements of the financial liability. Unless otherwise indicated, the carrying amounts of the Company's financial liabilities approximate fair values.

The Company's financial liabilities consist only of financial liabilities measured at amortised cost using the effective interest method. The Company's financial liabilities comprise of trade and other payables and loans and borrowings.

The effective interest method is a method of calculating the amortised costs of a financial asset/liability and allocating interest income/expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts/ payments through the expected life of the financial asset/liability or, where appropriate as a shorter period.

2.11 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

2.14 Interest Income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

BIZAGI LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 MARCH 2024

2 Accounting policies (continued)

2.15 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2.16 Borrowing costs

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

2.17 Current and deferred taxation

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

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

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the intangible recognition of goodwill; or arise from 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 income 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 income tax asset is realised or the deferred income tax liability is settled.

Deferred income 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 income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.18 Profit and loss account

The profit and loss account represents accumulated comprehensive income for the year and prior years less dividends and appropriations for bonus share issuances where applicable.

BIZAGI LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 MARCH 2024

3 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing financial statements, management has to make judgements on how to apply the Company's accounting policies and make estimates about the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that believed to be reasonable under the circumstances. Actual results may differ from these estimates.

There were no significant estimates and judgements applicable in the preparation of this set of financial statements.

4 Turnover

An analysis of turnover by class of business is as follows:

	2024	2023
	£	£
SaaS	6,754,229	2,760,478
Term license	1,215,452	1,733,874
Maintenance	689,194	1,015,389
Professional services	1,645,891	2,618,971
Perpetual license	8,242	46,618
Intercompany service	6,791,274	3,869,935
	17,104,282	12,045,265

Analysis of turnover by country of destination:

	2024	2023
	£	£
United Kingdom	2,771,732	2,869,456
Rest of Europe	2,999,543	3,065,838
Rest of the World	11,333,007	6,109,971
	17,104,282	12,045,265

5 Operating profit

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

	2024	2023
	£	£
Depreciation of tangible assets (Note 13)	10,794	72,512
Amortization of intangible assets (Note 12)	10,406	4,411
Exchange differences	213,469	(12,500)

BIZAGI LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 MARCH 2024

6 Auditor's remuneration

	2024	2023
	£	£
Fees payable to the Company's auditors for the audit of the Company's financial statements	28,000	24,000
Fees payable to the Company's auditors in respect of:		
Other services relating to taxation	19,468	17,750
Other non-audit services	3,600	4,310
	23,068	22,060

The directors have agreed with the Company's auditors that the auditor's liability to damages for breach of duty in relation to the audit of the company's financial statements for the year to 30 March 2024 should be limited to the greater of £5,000,000 or 5 times the auditor's fees, and that in any event the auditor's liability for damages should be limited to that part of any loss suffered by the company as is just and equitable having regard to the extent to which the auditor, the company and any third parties are responsible for the loss in question. The shareholders waived the need for approval of this limited liability agreement, as required by the Companies Act 2006, by a resolution dated 30 January 2024.

7 Employees

Staff costs, including directors' remuneration, were as follows:

	2024	2023
	£	£
Wages and salaries	2,924,563	3,129,475
Social security costs	509,462	448,259
Other pension costs	149,805	195,480
	3,583,830	3,773,214

The average monthly number of employees, including the directors, during the year was as follows:

	2024	2023
	Number	Number
Administration staff	2	4
Professional staff	23	23
	25	27

8 Directors' remuneration

During the year, there was only one director in office, and they were remunerated through a related subsidiary of the Group and was not paid any remuneration in fiscal 2024 in relation to their services to this Company.

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the directors amounted to £Nil (2023: £Nil).

There are no other key management personnel other than the directors.

BIZAGI LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 MARCH 2024

9 Interest receivable and similar income

	2024	2023
	£	£
Other interest receivable	14,683	7,284

10 Interest payable and similar expenses

	2024	2023
	£	£
Interest on loans from group undertakings	499,470	572,900

11 Tax (expense)/benefit on profit

	2024	2023
	£	£
Foreign tax		
Foreign tax on income for the financial year	–	(75,602)
Adjustment in respect of prior years	82,576	–
Current tax benefit/(expense)	82,576	(75,602)
Deferred tax		
Reversal of deferred tax valuation allowance	–	1,497,237
Origination of temporary differences	(185,746)	–
Deferred tax (expense)/benefit	(185,746)	1,497,237
The tax (expense)/benefit for the GBP	(103,170)	1,421,635

Factors affecting the tax (expense)/benefit for the year

The tax assessed for the year is lower than (2023: lower than) the standard rate of corporation tax in the UK of 25% (2023: 19%). The differences are explained below:

	2024	2023
	£	£
Profit before taxation	887,806	388,612
Profit before taxation multiplied by standard rate of corporation tax in the UK of 25% (2023: 19%)	(221,952)	(73,836)
Effects of:		
Non-taxable income	13,015	–
Expenses not deductible for tax purposes	(1,125)	37,573
Impact of overseas tax rates	24,316	(39,339)
Deferred tax asset recognised	–	1,497,237
Adjustment in respect of prior years	82,576	–
Total tax (expense)/benefit for the financial year	(103,170)	1,421,635

BIZAGI LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 MARCH 2024

11 Tax (expense)/benefit on profit (continued)

The Company periodically evaluates its need for a valuation allowance with respect to its net deferred tax assets. As of 30 March 2024, the Company still considered it more-likely-than-not that certain deferred tax assets consisting of historical net operating loss carryforwards would be realized and adjusted the balance of deferred tax affected by the tax provision for the fiscal year.

Factors that may affect future tax charges

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. Income taxes in the income statement and deferred taxes at the Balance Sheet date are measured at 25%.

12 Intangible assets

	Software
	£
Cost	
At 31 March 2023	39,558
At 30 March 2024	39,558
Accumulated amortisation	
At 31 March 2023	4,411
Charge for the year	10,406
At 30 March 2024	14,817
Net book value	
At 30 March 2024	24,741
At 30 March 2023	35,147

BIZAGI LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 MARCH 2024

13 Tangible assets

	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 31 March 2023	296,592	2,201	89,514	388,307
Additions	–	–	19,001	19,001
At 30 March 2024	296,592	2,201	108,515	407,308
Accumulated depreciation				
At 31 March 2023	296,592	2,201	75,887	374,680
Charge for the year	–	–	10,794	10,794
At 30 March 2024	296,592	2,201	86,681	385,474
Net book value				
At 30 March 2024	–	–	21,834	21,834
At 30 March 2023	–	–	13,627	13,627

14 Debtors

	2024 £	2023 £
Amounts falling due after more than one year		
Deferred commission	114,750	–
Deferred taxation (Note 17)	1,311,491	1,497,237
	1,426,241	1,497,237
Amounts falling due within one year		
Trade debtors	6,550,673	2,458,866
Amounts owed by group undertakings	4,764,796	6,159,347
Corporation tax	18	–
Other debtors	36,308	223,264
Prepayments and accrued income	5,844,775	2,089,654
	17,196,570	10,931,131

The amounts due by group undertakings arise from trading transactions. These are repayable on demand.

15 Cash at bank and in hand

	2024 £	2023 £
Cash at bank and in hand	1,049,016	8,252,155

BIZAGI LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 MARCH 2024

16 Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	624,189	569,068
Amounts owed to group undertakings	10,647,887	14,970,358
Corporation tax	-	60,082
Taxation and social security	615,982	3,887
Other creditors	592,767	196,453
Accruals and deferred income	13,311,747	11,788,255
	25,792,572	27,588,103

The loans from Bizagi Group Corp. are unsecured and attract interest at rates ranging from SONIA + 2% (2023: 2%) with repayment date of 31 March 2024. The Bizagi Group Corp. loans were renewed at loan maturity and were extended to 31 March 2025.

Of the £13,311,747 (including non-current) (2023: £11,788,255) balance in accruals and deferred income £12,774,790 (2023: £10,843,981) relates to deferred revenue.

In 2024, the deferred revenue is broken down as relating to:

MCS Enterprise - £Nil (2023: £210,446)
 Support - £1,220,199 (2023: £772,082)
 Cloud - £9,773,927 (2023: £8,505,604)
 Subscription - £204,241 (2023: £127,271)
 Maintenance - £1,393,622 (2023: £444,113)
 Perpetual - £Nil (2023: £8,242)
 Usage based license - £72,431 (2023: £95,053)
 TR level of PR - £4,548 (2023: £Nil)
 Prof Services - £105,822 (2023: £702,638)

The current deferred revenue in the prior year was all recognised as revenue in the current year.

17 Deferred taxation

	2024
	£
At beginning of the year	1,497,237
Charged to profit and loss	(185,746)
At the end of the year	1,311,491

The deferred taxation asset is made up as follows:

	2024	2023
	£	£
Losses	1,311,491	1,497,237

BIZAGI LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 MARCH 2024

18 Called up share capital

	2024	2023
	£	£
Allotted, called up and fully paid		
2,000,000 (2023: 2,000,000) Ordinary shares of £1 (2023: £1) each	2,000,000	2,000,000

All shares rank pari passu in all respects.

19 Pension commitment

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to fund and amounted to £149,805 (2023: £195,480). At the Balance Sheet date there were outstanding pension commitments of £39,937 (2023: £2,635).

20 Related party transactions

At 30 March 2024, there was £Nil balances to be paid to G I Gomez (2023: £Nil).

Balances due from and to related parties are disclosed within debtors and creditors in Notes 14 and 16.

21 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Bizagi Midco Corp.

The smallest and largest group to consolidate these financial statements for all Bizagi entities is Bizagi Group Corp. The consolidated financial statements for Bizagi Group Corp. are available from Bizagi Group Corp.'s address at 1775 Tysons Blvd, 5th Floor, Tysons, VA, 22102.

The ultimate parent undertaking is Stichting Administratiekantoor Westend.