

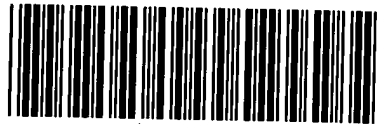
Buddi Limited

Registered number: 05308826

Annual report and financial statements

For the year ended 31 December 2024

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BUDDI LIMITED

Company Information

Directors	Charles Lewinton Sara Murray (resigned 31 March 2025) Michael Stratford Johns (appointed 4 April 2025) Daren Morris (resigned 8 May 2025)
Company secretary	Sophie Georgiou-Pavli
Registered number	05308826
Registered office	Talbot House 17 Church Street Rickmansworth Hertfordshire WD3 1DE
Independent auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Bankers	HSBC UK Bank plc. 71 Queen Victoria Street London EC4V 4AY C. Hoare & Co. 37 Fleet Street London EC4P 4DQ Citibank 33 Canada Square Canary Wharf London E14 5LB
Legal advisers	Slaughter and May One Bunhill Row London EC1Y 8YY

BUDDI LIMITED

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BUDDI LIMITED

Strategic Report for the year ended 31 December 2024

Introduction

The directors present their Strategic Report on the Company for the year ended 31 December 2024. The principal activity of the Company remains the design, development, manufacture and delivery of innovative remote people monitoring solutions to improve people's quality of life. The Company's products are sold to a range of domestic and international customers in the criminal justice and remote care sectors.

Business review and key performance indicators

Turnover decreased by 10.3% to £45,649,000 (2023: £50,912,000), largely due to the loss of a customer contract in a subsidiary of the Company during the year. As a result of this contract loss, amounts invoiced to Buddi Colombia Sucursal Limited, a subsidiary of the Company decreased during the year. Turnover in the Americas regions declined by 50.1% due to the ending of a customer contract in the region as noted above. Turnover in the Asia-Pacific and European regions increased by 1.9% and 1.5% respectively. The increases in turnover in the Asia-Pacific and European regions were driven by new contract wins and an increase in amounts earned from existing customers.

Gross profit for the year decreased by £5,794,000 to £29,563,000 (2023: £35,357,000) as a result of the decreased turnover and customer mix change, increases to intercompany operational labour costs, increases to depreciation as the latest 4G technology is deployed and a higher level of stock provisioning.

Operating profit for the year decreased by £15,035,000 to £1,311,000 (2023: £16,346,000) as a result of the decrease in gross profit and an increase in administrative expenses due to legal costs of £9,021,000. The nature of these legal costs is outlined below.

Profit for the financial year, after taxation was £334,000 (2023 restated: £15,831,000). Details of the prior period adjustment are presented in note 4.

The Company's balance sheet remains in a robust position, with net assets of £25,548,000 (2023 restated: £45,700,000). Fixed assets increased by £945,000 to £5,846,000, due mainly to increases in investments and deferred tax assets. Current assets decreased by £8,344,000 to £41,812,000, mainly due to a reduction in cash at bank and in hand following payment of an interim equity dividend to the Company's parent company during the year. Current liabilities increased by £12,354,000 to £21,138,000, due to an increase in amounts owed to group undertakings and an increase to provisions for liabilities.

Future development of the business

The Company will continue to pursue a growth strategy focused on the criminal justice sector, expanding both the scope of activities with existing customers and growing the business in target markets where it is under-represented. The Company remains committed to ensuring that its products maintain their competitive advantage in criminal justice sector and to continuing to invest in research and development to support the future product roadmap. Despite a challenging year, the Company looks ahead with a refreshed team and renewed focus and has started the new financial year well.

Principal risks and uncertainties

The Company is part of the Big Technologies PLC group of companies. The risks and uncertainties relating to the group and its subsidiaries are also applicable to the Company and they are disclosed in the Big Technologies PLC annual report and accounts for the year ended 31 December 2024. The directors are of the opinion that there are no other risks and uncertainties specific to the Company which require disclosure. Likewise, environmental and employee matters relating to the group also apply to the Company and are disclosed in the Big Technologies PLC annual report and accounts for the year ended 31 December 2024.

Litigation

On 31 March 2025, it was announced that the Company had dismissed Sara Murray from her position as Chief Executive Officer, terminated her employment contract and removed her as a Director. On the same date, the Company issued legal proceedings and made an application for a freezing order against her and associated entities in the High Court. Subsequent to that announcement Sara Murray provided an undertaking to the High Court, agreeing not to dissipate her assets up to £320 million, being the value of the claim.

BUDDI LIMITED

Strategic Report (continued) for the year ended 31 December 2024

Litigation (continued)

Separately, the Court proceedings brought by a group of former shareholders of the Company continue to be defended and the Company is applying to join Sara Murray as a Part 20 Defendant to those proceedings with a view to the Company seeking to recover directly from Sara Murray any liabilities that the Company is held to have pursuant to any decision at trial.

Details of provisions made in relation to ongoing legal work with respect to the litigation can be found in note 21 and details of a contingent liability in respect of the Litigation can be found in note 30. Post balance sheets events are detailed in note 31.

Section 172 statement

As required by Section 172 of the Companies Act, a director of a company must act in the way he or she considers, in good faith, would likely promote the success of the company for the benefit of the shareholders. In doing so, the director must have regard, amongst other matters, to the following issues:

- likely consequences of any decisions in the long term;
- interests of the company's employees;
- need to foster the company's business relationships with suppliers/customers and others;
- impact of the company's operations on the community and environment;
- the company's reputation for high standards of business conduct; and
- need to act fairly between members of the company.

The directors believe that they have acted in accordance with Section 172 of the Companies Act during the year ended 31 December 2024. When making decisions, the board of directors seek to take the course of action that it considers best leads to the success of the Company over the long term, and this includes considering the Company's stakeholders.

The Company is a subsidiary of Big Technologies PLC and its stakeholder engagement is integrated within the governance framework of the wider group. Each of the Company's two directors also serve as executive directors of the parent. The parent board of directors has considered matters under Section 172 in relation to both the group and the Company and has set out these considerations on pages 18 and 19 of the Big Technologies PLC annual report and accounts for the year ended 31 December 2024. The group's Section 172 statement does not form part of this report.

Going concern

The directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Company's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements.

The directors have reviewed the forecasts for the Company and have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Company's ability to continue in operational existence for at least 12 months from the date of signing these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements. Further considerations are detailed in note 2.

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



Mike Johns
Director

Date: 21 May 2025

BUDDI LIMITED

Directors' Report for the year ended 31 December 2024

The directors present their report and the financial statements for the year ended 31 December 2024.

Principal activities

The principal activities of the Company are set out in the Strategic Report on page 1. The information that fulfils the Companies Act requirements of the business review is included in the Strategic Report on pages 1 and 2. This includes a review of the development of the business of the Company during the year and of likely future developments in its business. Details of the principal risks and uncertainties are included in the Strategic Report.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the financial year, after taxation, amounted to £334,000 (2023 restated: £15,831,000). This represents a decrease of 97.9% (2023 restated: decrease of 17.8%).

As at 31 December 2024, the Company had net assets of £25,548,000 (2023 restated: £45,700,000).

An interim equity dividend of £30,334,000 was paid in the year (2023: £38,778,000). No final dividends are proposed.

Directors

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

Charles Lewinton
Sara Murray (resigned 31 March 2025)
Michael Stratford Johns (appointed 4 April 2025)
Daren Morris (resigned 8 May 2025)

BUDDI LIMITED

**Directors' Report (continued)
for the year ended 31 December 2024**

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

Post balance sheet events

Details of post balance sheet events are presented in note 31.

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



Mike Johns
Director

Date: 21 May 2025

BUDDI LIMITED

Independent Auditor's Report to the members of Buddi Limited (continued) for the year ended 31 December 2024

Opinion

We have audited the financial statements of Buddi Limited for the year ended 31 December 2024, which comprise the Profit and loss account, Balance sheet, Statement of changes in equity, Statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to notes 21, 30 and 31 of the financial statements, which describe ongoing litigation against and by the company, the outcome of which is highly uncertain. There is significant estimation uncertainty surrounding the quantification and timing of any potential liabilities from the events and matters set out therein. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

BUDDI LIMITED

Independent Auditor's Report to the members of Buddi Limited (continued) for the year ended 31 December 2024

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- 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
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine 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.

Auditor's 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 auditor's 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:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in

BUDDI LIMITED

**Independent Auditor's Report to the members of Buddi Limited (continued)
for the year ended 31 December 2024**

the financial statements. The most significant identified were the Companies Act 2006 and local trading laws. Our work included enquiry with the board of directors, reviewing board and relevant committee minutes, a review of legal expense and inspection of correspondence.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and recognition of revenue.

Our audit procedures to respond to the risk of override of management included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals by agreeing to supporting documentation and reviewing accounting estimates for biases.

Our audit procedures to respond to the risk around revenue recognition included sampling testing revenue items to agreements and bank receipts and testing a sample of deferred income.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stephen Bullock
Senior Statutory Auditor

for and on behalf of
Crowe U.K. LLP

Statutory Auditor

55 Ludgate Hill London
EC4M 7JW
Date: 21 May 2025

BUDDI LIMITED**Profit and loss account
for the year ended 31 December 2024**

	Note	2024 £'000	2023 Restated* £'000
Turnover	5	45,649	50,912
Cost of sales		<u>(16,086)</u>	<u>(15,555)</u>
Gross profit		29,563	35,357
Administrative expenses		(28,261)	(19,023)
Other operating income		<u>9</u>	<u>12</u>
Operating profit	6	1,311	16,346
Interest payable	11	(120)	(41)
Interest receivable and similar income	12	<u>684</u>	<u>1,736</u>
Profit before tax		1,875	18,041
Tax on profit	13	<u>(1,541)</u>	<u>(2,210)</u>
Profit for the financial year		<u>334</u>	<u>15,831</u>

*The prior period restatement is detailed further in note 4.

There were no recognised gains and losses for 2024 (2023: £nil) other than those included in the profit and loss account.

There was no other comprehensive income for 2024 (2023: £nil).

The notes on pages 12 to 31 form part of these financial statements.

BUDDI LIMITED**Balance sheet
as at 31 December 2024**

	Note	2024 £'000	2023 Restated* £'000
Fixed assets			
Tangible assets	14	5,056	4,897
Investments	15	481	4
Deferred tax assets		309	-
		5,846	4,901
Current assets			
Stocks	17	7,205	7,206
Debtors: amounts falling due after more than one year	18	543	583
Debtors: amounts falling due within one year	18	16,644	11,773
Cash at bank and in hand	19	17,420	30,594
		41,812	50,156
Creditors: amounts falling due within one year	20	14,320	8,395
Provision for liabilities	21	6,818	389
		21,138	8,784
Net current assets		20,674	41,372
Total assets less current liabilities		26,520	46,273
Deferred tax liabilities		972	573
Net assets		25,548	45,700
Capital and reserves			
Called up share capital	23	15	15
Share premium account	24	11,652	11,652
Share-based payments reserve	24	13,238	18,390
Profit and loss account		643	15,643
		25,548	45,700

*The prior period restatement is detailed further in note 4. The company registration number is 05308826.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



Mike Johns
Director

Date: 21 May 2025

BUDDI LIMITED

**Statement of changes of equity
for the year ended 31 December 2024**

	Called up share capital £'000	Share premium account £'000	Share- based payments reserve £'000	Profit and loss account £'000	Total equity £'000
At 1 January 2023 (as previously reported)	15	11,652	7,439	39,962	59,068
Prior period restatement	-	-	-	(1,372)	(1,372)
At 1 January 2023 (restated)	15	11,652	7,439	38,590	57,696
Profit for the year (restated)	-	-	-	15,831	15,831
Dividends	-	-	-	(38,778)	(38,778)
Share-based payments	-	-	10,951	-	10,951
At 1 January 2024 (restated)	15	11,652	18,390	15,643	45,700
Profit for the year	-	-	-	334	334
Dividends	-	-	-	(30,334)	(30,334)
Share-based payments	-	-	9,599	-	9,599
Reclassification of share- based payments reserve	-	-	(15,000)	15,000	-
Deferred tax on share- based payments	-	-	249	-	249
At 31 December 2024	15	11,652	13,238	643	25,548

*The prior period restatement is detailed further in note 4.

The notes on pages 12 to 31 form part of these financial statements.

BUDDI LIMITED**Statement of cash flows
for the year ended 31 December 2024**

	2024	2023
	£'000	Restated*
		£'000
Cash flows from operating activities		
Profit for the financial year	334	15,831
Adjustments for:		
Depreciation of tangible fixed assets	4,165	3,423
Taxation charge	1,541	2,210
Share-based payments charge	9,599	10,951
Interest received	(684)	(1,736)
Interest paid	120	41
Decrease / (increase) in stocks	1	(388)
(Increase) / decrease in debtors	(6,008)	1,940
Increase in amounts owed to group undertakings	7,812	1,708
Increase / (decrease) in creditors	738	(1,772)
Increase / (decrease) in provisions	6,429	(411)
Corporation tax paid	(2,650)	(3,085)
Net cash generated from operating activities	21,397	28,712
Cash flows from investing activities		
Purchase of tangible fixed assets	(89)	(484)
Own work capitalised	(4,235)	(3,807)
Interest received	684	1,736
Investments	(477)	-
Net cash used in investing activities	(4,117)	(2,555)
Cash flows from financing activities		
Interest paid	(120)	(41)
Equity dividends paid	(30,334)	(38,778)
Net cash used in financing activities	(30,454)	(38,819)
Net decrease in cash and cash equivalents	(13,174)	(12,662)
Cash and cash equivalents at beginning of year	30,594	43,256
Cash and cash equivalents at end of year	17,420	30,594
Cash and cash equivalents at end of year comprise:		
Cash at bank and in hand	17,420	30,594
	17,420	30,594

*The prior period restatement is detailed further in note 4.

The notes on pages 12 to 31 form part of these financial statements.

BUDDI LIMITED

Notes to the financial statements for the year ended 31 December 2024

1. General information

Buddi Limited is a private company limited by shares incorporated in England & Wales under the Companies Act (registered number 05308826). The address of the registered office is Talbot House, 17 Church Street, Rickmansworth, Hertfordshire, WD3 1DE.

The Company's principal activity of the Company remains the design, development, manufacture and delivery of innovative remote people monitoring solutions to improve people's quality of life.

2. Accounting policies

Basis of preparation of financial statements

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

Financial Reporting Standard 102 – Reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.1B(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Big Technologies PLC annual report and accounts for the year ended 31 December 2024, copies of which can be obtained from Companies House.

Going concern

In assessing the going concern position of the Company for the year ended 31 December 2024, the Directors have considered the following:

- the Company's trading performance in 2024 and in the period since the reporting date;
- future expected trading performance of the Company to 30 June 2026 (the going concern period) including behaviours in light of the continued difficult macroeconomic environment; and
- the expected costs of defending the Litigation referred to below and consequential proceedings brought by the Company and which may be brought against the Company.

The Directors have reviewed the forecasts for the Company for the going concern period and have a reasonable expectation that there are no material uncertainties that cast significant doubt on the Company's ability to continue in operational existence for at least 12 months from the date of approval of these financial statements. Accordingly, the Directors continue to adopt the going concern basis in preparing the financial statements.

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

2. Accounting policies (continued)

Going concern (continued)

The Company continues to defend a claim filed with the High Court in 2023. The claim has been brought by a small number of former shareholders of the Company (the "Claimants"), relating to the acquisition of the Company by Big Technologies PLC, dating back to 2018 (the "Litigation"). Details of provisions made in relation to ongoing legal work with respect to the Litigation can be found in note 21 and details of a contingent liability in respect of the Litigation can be found in note 30.

The Directors are satisfied that the ongoing Litigation does not present a material uncertainty which causes significant doubt about the Company's ability to continue in operation and meet its liabilities over the going concern assessment period.

The Company is also pursuing a separate claim against Sara Murray in light of becoming aware that untrue information was provided by Sara Murray to the Company in relation to the Litigation. The claim against Sara Murray sets out demands for damages and for costs and liabilities of defending potential claims against the Company as a result of Sara Murray's alleged wrongdoing. No account has been taken of any possible cash inflows from this claim in the Company's going concern forecasts.

The Company had cash at 31 December 2024 of £17,420,000 (2023: £30,594,00) and expects to generate strong operational cash flows throughout the going concern period. The Company has no debt or banking covenants. The Directors have considered a severe downside scenario in which operating costs and the estimated costs of the Litigation are 20% more than forecast with no mitigating actions.

The Directors have a reasonable expectation that there are no material uncertainties that cast significant doubt about the Company's ability to continue in operation and meet its liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements.

Exemption from preparing consolidated financial statements

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Big Technologies PLC.

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

2. Accounting policies (continued)

Revenue

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

Sale of goods

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

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

Rendering of services

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

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

Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Leasehold property	Over the term of the lease
Plant & machinery	3 years
Fixtures & fittings	3 years
Office equipment	3 years
Other fixed assets	2 years

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 profit and loss account

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

2. Accounting policies (continued)

Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Stocks

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

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

Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

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.

In the statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Company's cash management.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

2. Accounting policies (continued)

Creditors

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

Foreign currency translation

The Company's functional and presentational currency is pound sterling and figures are rounded to the nearest £'000.

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

At each period end foreign currency monetary items are translated using the closing rate.

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 profit and loss account.

Share-based payments

Employees (including directors and senior executives) of the Company receive remuneration in the form of share based-payment transactions, whereby these individuals render services as consideration for equity instruments ('equity-settled transactions'). These individuals are granted share option rights which allow them to acquire shares of the parent company, Big Technologies PLC. No cash-settled awards have been made or are planned.

The cost of equity-settled transactions is recognised over the period in which the performance and/ or service conditions are fulfilled, ending on the date on which the relevant individuals become fully entitled to the award ('vesting point'). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments and value that will ultimately vest. The profit and loss charge for the year represents the movement in the cumulative expense recognised as at the beginning and end of that period.

The fair value of share-based remuneration is determined at the date of grant and recognised as an expense in profit or loss on a straight-line basis over the vesting period, taking account of the estimated number of shares that will vest. The fair value is determined by use of the Black Scholes model and Monte Carlo option pricing simulation.

Operating leases: the Company as lessee

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

2. Accounting policies (continued)

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 profit and loss account 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.

Interest receivable and similar income

Interest income is recognised in the profit and loss account using the effective interest method.

Finance costs

Finance costs are recognised in the profit and loss account in the year in which they are incurred.

Taxation

Current tax

Tax is recognised in the profit and loss account, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the reversal of underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse.

Research and development

All expenditure on research and development is recognised as an expense when it is incurred.

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Critical accounting judgements

In applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the financial statements.

Stock Provision:

Factors considered in the determination of net realisable value of stock are the ageing, category and condition of stocks, as well as recent stock utilisation. Reviews of provisions held against damaged, obsolete and slow-moving stock are carried out quarterly by management and these reviews require the application of judgement and estimates. Changes to these estimates could result in changes to the net valuation of stock. At 31 December 2024, the Company had net stocks of £7,205,000 (2023: £7,206,000).

Useful lives of tangible fixed assets – other fixed assets:

Other fixed assets (or own work capitalised) comprise electronic monitoring equipment that is considered to have a finite economic life. The useful economic life is determined based on historic evidence and the fact that new versions of the Company's products are introduced from time to time. When new products are introduced, this is considered an indication of impairment.

Estimation uncertainty

The key areas where estimates and assumptions are significant to the financial statements are described below.

Share-based payments:

The calculation of the fair value of share-based payments at the grant date impacts the profit or loss over the vesting period. The magnitude of the fair value is primarily determined by the estimated volatility. The volatility has been based on historical comparative benchmarks, but this is not necessarily representative of future volatility.

Outcome of litigation:

The Company is defending Litigation brought by a small number of former shareholders and has issued legal proceedings against Sara Murray and others in the High Court. Furthermore, the Company is likely to incur legal and other costs in the future in relation to potential claims and regulatory investigations with respect to historic disclosures. At 31 December 2024 a provision of £6,818,000 (2023: £389,000) has been recognised in relation to the estimated cost to defend the Litigation up to trial, and related costs. The quantum of the provision for this matter and the Directors' assessment of the possible range of outcomes of the Litigation and related proceedings is subject to significant estimation uncertainty. The outcome of the Litigation is highly uncertain. The sensitivity to a 10% increase in the estimated cost to defend the Litigation to trial is approximately £682,000.

Quantification of prior period adjustment:

In the current year, following receipt of new tax advice, and having considered the impact of relevant tax case law, the Company has derecognised deferred tax assets previously recognised in the financial statements and presented the general principles tax deduction claim for 2023 as a prior period adjustment. The treatment was determined based on expert tax advice received by the Company but the quantum of the adjustment in relation to the general principles tax deduction claim for 2023 is subject to estimation uncertainty in relation to the application of the revised effective rate of tax applied. The sensitivity to a 1% difference in the estimated effective rate of tax for 2023 is approximately £106,000.

BUDDI LIMITED

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

4. Prior period adjustment

The Company has a number of share-based payment arrangements in place including the Growth Share Plan ("GSP") for the Executive Directors. Historically, the Company recognised a deferred tax asset, as required by FRS 102, in relation to the GSP in anticipation of a future corporation tax deduction available when the GSP vests and the scheme's participants collected their awards.

In the current year, following receipt of new tax advice, and having considered the impact of relevant tax case law, the Company has concluded that future deductions on vesting are not available and that a general principles tax deduction can be claimed for the share-based payments charge in relation to the GSP. As a result of this change, the deferred tax asset recognised in the financial statements was overstated. Accordingly, the Company has restated its financial statements in accordance with FRS 102, Section 10 'Accounting Policies, Estimates and Errors'. The deferred tax asset in relation to the GSP has been reversed with the correcting entries resulting in a decrease to prior period profits and retained earnings. Furthermore, the Company has presented the general principles tax deduction claim for 2023 as a prior period adjustment. The general principles tax deduction claim is directly linked to the change in Company's approach for the recognition of deferred tax in relation to the GSP. The general principles tax deduction claim results in an increase to prior period profits and retained earnings.

	As previously reported 31 December 2023 £'000	Restatement as at 1 January 2023 £'000	Restatement year-ended 31 December 2023 £'000	Restatement cumulative to 31 December 2023 £'000	Restated 31 December 2023 £'000
Fixed assets/non-current liabilities					
Deferred tax (net)	3,002	(1,372)	(2,203)	(3,575)	(573)
Current assets					
Debtors: amounts falling due within one year	11,062	-	711	711	11,773
Current liabilities					
Creditors	8,960	-	(565)	(565)	8,395
Equity					
Retained earnings	47,999	(1,372)	(927)	(2,299)	45,700

The impact of the restatements on the profit and loss account are presented below:

	As previously reported 2023 £'000	Impact of restatement – deferred tax £'000	Impact of restatement – current tax £'000	Restated 2023 £'000
Tax on profit	1,283	2,203	(1,276)	2,210

BUDDI LIMITED**Notes to the financial statements (continued)
for the year ended 31 December 2024****5. Turnover**

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

	2024 £'000	2023 £'000
Sales of goods	361	1,093
Delivery of services	45,288	49,819
	<u>45,649</u>	<u>50,912</u>

Turnover by geographical area is as follows:

	2024 £'000	2023 £'000
Europe	7,267	7,161
Asia-Pacific	32,421	31,804
Americas	5,961	11,947
	<u>45,649</u>	<u>50,912</u>

6. Operating profit

The operating profit is stated after charging:

	2024 £'000	2023 £'000
Research and development charged as an expense	3,299	3,382
Foreign exchange rate differences	1,333	447
Operating lease expense	253	204
Depreciation of tangible fixed assets	4,165	3,423

7. Dividends

	2024 £'000	2023 £'000
Dividends paid to parent company	30,334	38,778
	<u>30,334</u>	<u>38,778</u>

No final dividends are proposed.

BUDDI LIMITED**Notes to the financial statements (continued)
for the year ended 31 December 2024****8. Auditor's remuneration**

	2024	2023
	£'000	£'000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>42</u>	<u>39</u>

9. Employees

	2024	2023
	£'000	£'000
Wages and salaries	5,615	5,328
Social security costs	598	609
Social security costs – employer's national insurance refund	(1,076)	-
Cost of defined contribution pension scheme	165	171
Share-based payments charge	<u>9,692</u>	<u>10,968</u>
	<u>14,994</u>	<u>17,076</u>

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

	2024	2023
	No.	No.
Employees	<u>101</u>	<u>96</u>

10. Directors' remuneration

	2024	2023
	£'000	£'000
Directors' emoluments	865	943
Company contributions to defined contribution pension schemes	84	83
Share-based payments charge	<u>9,573</u>	<u>10,633</u>
	<u>10,522</u>	<u>11,659</u>

During the year retirement benefits were accruing for three directors (2023: three directors) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £450,000 (2023: £487,000) and a share-based payments charge of £6,701,000 (2023: £7,443,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £41,000 (2023: £41,000).

Key management personnel comprise the directors of the Company and details of their remuneration are given above.

BUDDI LIMITED**Notes to the financial statements (continued)
for the year ended 31 December 2024****11. Interest payable**

	2024 £'000	2023 £'000
Interest payable	120	41
	<u>120</u>	<u>41</u>

12. Interest receivable and similar income

	2024 £'000	2023 £'000
Interest receivable	684	1,736
	<u>684</u>	<u>1,736</u>

13. Taxation

	2024 £'000	2023 Restated £'000
Current tax:		
Current tax on profits for the year	143	1,762
Adjustment in respect of prior years	1,058	216
	<u>1,201</u>	<u>1,978</u>
Deferred tax:		
Origination and reversal of timing differences	335	232
Adjustment in respect of prior years	5	-
	<u>340</u>	<u>232</u>
Total tax charge for the year	<u><u>1,541</u></u>	<u><u>2,210</u></u>

BUDDI LIMITED**Notes to the financial statements (continued)
for the year ended 31 December 2024****13. Taxation (continued)****Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2023 restated: lower than) the standard rate of corporation tax in the UK of 25.0% (2023: 23.5%). The differences are explained below:

	2024	2023
	£'000	Restated
		£'000
Profit on ordinary activities before tax	<u>1,875</u>	<u>18,041</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 25.0% (2023: 23.5%)	469	4,240
Effects of:		
Expenses not deductible for tax purposes	2,818	1,361
Income not taxable for tax purposes	(269)	-
Capital allowances for the year in excess of depreciation	-	(12)
Research and development tax credit	(247)	(297)
Share-based payments	149	(160)
Other temporary differences	-	423
Adjustments in respect of prior years	1,063	216
Patent box relief	(1,572)	(3,099)
Changes in tax rates	-	(144)
Deferred tax not recognised	-	(318)
Other permanent differences	(870)	-
Total tax charge for the year	<u>1,541</u>	<u>2,210</u>

Factors that may affect future tax charges

The Company's future tax charge could be affected by several factors including: tax reform in the UK and overseas jurisdictions, any future acquisitions and the availability of R&D allowances and UK Patent Box reliefs.

BUDDI LIMITED

**Notes to the financial statements (continued)
for the year ended 31 December 2024**

14. Tangible fixed assets

	Leasehold Property £'000	Plant & machinery £'000	Fixtures & fittings £'000	Office equipment £'000	Other fixed assets £'000	Total £'000
Cost						
At 1 January 2024	483	570	27	223	13,019	14,322
Additions	4	39	4	42	4,235	4,324
Disposals	-	-	-	-	(4,000)	(4,000)
At 31 December 2024	<u>487</u>	<u>609</u>	<u>31</u>	<u>265</u>	<u>13,254</u>	<u>14,646</u>
Depreciation						
At 1 January 2024	166	413	13	183	8,650	9,425
Charge for the year on owned assets	46	96	6	26	3,991	4,165
Disposals	-	-	-	-	(4,000)	(4,000)
At 31 December 2024	<u>212</u>	<u>509</u>	<u>19</u>	<u>209</u>	<u>8,641</u>	<u>9,590</u>
Net book value						
At 31 December 2024	<u>275</u>	<u>100</u>	<u>12</u>	<u>56</u>	<u>4,613</u>	<u>5,056</u>
At 31 December 2023	<u>317</u>	<u>157</u>	<u>14</u>	<u>40</u>	<u>4,369</u>	<u>4,897</u>

Other fixed assets relate to electronic monitoring equipment that has been manufactured by the Company and is used to supply monitoring services to customers.

The net book value of land and buildings may be further analysed as follows:

	2024 £'000	2023 £'000
Long leasehold	<u>275</u>	<u>317</u>
	<u>275</u>	<u>317</u>

BUDDI LIMITED**Notes to the financial statements (continued)
for the year ended 31 December 2024****15. Fixed asset investments**

	Investments
	£'000
Cost or valuation	
At 1 January 2024	728
Additions	477
At 31 December 2024	1,205
Impairment	
At 1 January 2024	724
Charge for the year	-
At 31 December 2024	724
Net book value	
At 31 December 2024	481
At 31 December 2023	4

16. Subsidiary undertakings

The Company has the following subsidiary undertakings:

Electronic Medical Solutions Limited

Registered office: Talbot House, 17 Church Street, Rickmansworth, Hertfordshire, WD3 1DE
Ordinary Shares – 100% holding by Buddi Limited

Buddi Colombia Sucursal Limited

Registered office: Calle 93B, 12-48 Oficina 308, Bogota, Colombia
Ordinary Shares – 100% holding by Buddi Limited

Buddi Australia Pty Limited

Registered office: Level 1, 5 George Street, North Strathfield, NSW 2137, Australia
Ordinary Shares – 100% holding by Buddi Limited

Union Temporal Vigilancia Electronica (UTVELEC)

Registered office: Avenida Calle 80, 55A-13, Bogota, Colombia
Ordinary Shares – 100% holding by Buddi Colombia Sucursal Limited

Buddi New Zealand Limited

Registered office: Level 3, 186 Willis Street, Te Aro, Wellington, 6011, New Zealand
Ordinary Shares – 100% holding by Buddi Limited

Buddi Guatemala Sucursal Limited

Registered office: Av. Reforma 6-39 zona 10, Centro Corporativo Guayacan nivel 8 oficina 802, Guatemala
Ordinary Shares – 100% holding by Buddi Limited

Buddi SA

Registered office: Place de le Gare 12, 1003 Lausanne, Switzerland
Ordinary Shares – 100% holding by Buddi Limited

BUDDI LIMITED**Notes to the financial statements (continued)
for the year ended 31 December 2024****17. Stocks**

	2024	2023
	£'000	£'000
Raw materials	3,844	4,043
Finished goods	3,361	3,163
	<u>7,205</u>	<u>7,206</u>

The value of stocks recognised as an expense during the year was £185,000 (2023: £604,000). During the year the amount charged to the profit and loss account as a provision against slow moving and obsolete stock was £977,000 (2023: £771,000).

18. Debtors

	2024	2023
	£'000	Restated £'000
Due after more than one year		
Other debtors	543	583
	<u>543</u>	<u>583</u>
Due within one year		
Trade debtors	6,040	5,121
Amounts due from group undertakings	2,929	5,554
Corporation tax	2,159	711
Other debtors	5,225	94
Prepayments	291	293
	<u>16,644</u>	<u>11,773</u>

19. Cash and cash equivalents

	2024	2023
	£'000	£'000
Cash at bank and in hand	17,420	30,594
	<u>17,420</u>	<u>30,594</u>

20. Creditors: Amounts falling due within one year

	2024	2023
	£'000	Restated £'000
Trade creditors	1,550	1,027
Amounts owed to group undertakings	10,057	4,870
Other taxation and social security	382	395
Other creditors	1,113	964
Accruals and deferred income	1,218	1,139
	<u>14,320</u>	<u>8,395</u>

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

21. Provision for liabilities

The movements were as follows:

	2024	2023
	£'000	£'000
At 1 January	389	800
Charged / (credited) to profit or loss	6,818	(259)
Utilised	(389)	(152)
At 31 December	6,818	389

Claims against the Company outside of the ordinary course of business

The Company continues to defend a claim filed with the High Court in 2023. The claim has been brought by a small number of former shareholders, relating to the acquisition of the Company, dating back to 2018 (the "Litigation"). On 31 March 2025 the Company announced that, in the context of this Litigation, Sara Murray had provided untrue information to the Company and its lawyers in relation to her interests in, and relationship with, certain former shareholders of the Company.

The Company continues to incur legal fees to defend the Litigation and has made a provision for estimated legal fees to be incurred up to trial. Total legal fees provided for at 31 December 2024 were £6,818,000 (2023: £389,000).

Claims against Sara Murray and others

The legal proceedings against Sara Murray and others are at an early stage and make demands for substantial sums in compensation including damages and for costs and liabilities of defending potential claims which may be made against the Company as a result of Sara Murray's alleged wrongdoing. The Company expects to incur significant legal fees in order to pursue these claims.

Furthermore, as a result of Sara Murray's actions, the Company may incur legal and other costs in the future in relation to potential claims and regulatory investigations. The quantum and timing of any such future costs are uncertain.

The Company is recognising these costs as they are incurred during 2025. No provision is recognised at 31 December 2024 because this litigation commenced after the balance sheet date. No amounts potentially recoverable from Sara Murray or others as a result of these proceedings have been recognised.

Other ongoing litigation

The Company and its subsidiaries are, from time-to-time, parties to legal proceedings and claims which arise in the ordinary course of business. The Directors do not anticipate that the outcome of these proceedings and claims will have a material adverse effect on the Company's financial position or on the results of its operations.

BUDDI LIMITED**Notes to the financial statements (continued)
for the year ended 31 December 2024****22. Financial instruments**

	2024	2023
	£'000	£'000
Cash and cash equivalents	17,420	30,594
Financial assets that are debt instruments measured at amortised cost	<u>8,969</u>	<u>10,675</u>
	<u>26,389</u>	<u>41,269</u>

	2024	2023
	£'000	£'000
Financial liabilities measured at amortised cost	<u>13,938</u>	<u>8,000</u>
	<u>13,938</u>	<u>8,000</u>

Cash and cash equivalents comprise cash at bank and in hand. Financial assets that are debt instruments measured at amortised cost comprise trade debtors and amounts owed by joint ventures and associated undertakings. Financial liabilities measured at amortised cost comprise trade creditors, amounts owed to group undertakings, other creditors, accruals and deferred income.

23. Share capital

	2024	2023
	£'000	£'000
Allotted, called up and fully paid		
1,491,502 (2023: 1,491,469) Ordinary shares of £0.01 each	15	15
67 (2023: 100) Ordinary A shares of £0.01 each	<u>-</u>	<u>-</u>
	<u>15</u>	<u>15</u>

24. Reserves**Share premium account**

The share premium records the amount above the nominal value of the sums received for shares issued, less transaction costs.

Profit and loss account

The profit and loss account represents accumulated profits, losses and distributions of the Company.

Share-based payments reserve

The share-based payments reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. See note 26 for further details.

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

25. Pension commitments

The Company operates a defined contribution 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 the fund and amounted to £165,000 (2023: £171,000). Contributions of £27,000 (2023: £25,000) were payable to the fund at the balance sheet date.

26. Share-based payments

Big Technologies PLC, the parent company to the Company has a number of share-based payment arrangements in operation. The schemes were established to reward and incentivise the senior management team and staff to deliver share price growth. The schemes are administered by the Remuneration Committee of Big Technologies PLC and further details on each of the schemes is disclosed in the Big Technologies PLC annual report.

During the year, the total expense recognised for share-based payment arrangements was as follows:

	2024 £'000	2023 £'000
Non-EMI Plan (Former Non-Executive Chair of Big Technologies)	-	51
LTIP	26	267
GSP	9,573	10,633
Share-based payments charge	9,599	10,951
Other	93	17
Total charge in respect of share-based payments	9,692	10,968

27. Commitments under operating leases

At 31 December 2024, the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2024 £'000	2023 £'000
Not later than one year	266	252
Later than one year and not later than five years	1,025	1,025
More than five years	937	1,191
	2,228	2,468

BUDDI LIMITED

Notes to the financial statements (continued) for the year ended 31 December 2024

28. Related party transactions

Buddi Limited is a 100% subsidiary of Big Technologies PLC, whose registered office is the same as the Company.

The Company has taken advantage of the exemption permitted by FRS 102 Section 33 'Related Party Disclosures' not to provide disclosures of transactions entered into with other wholly owned members of the group.

£100,000 (2023: £100,000) was paid to TFM Developments Ltd, a company of which Sara Murray is a director. The transaction relates to a licence fee paid in respect of a patent owned by the company used by the Company as part of its continuing research and development activities.

29. Ultimate parent undertaking and controlling party

The ultimate parent company and controlling party is Big Technologies PLC, a company registered in England and Wales, the parent undertaking of the smallest and largest company for which consolidated financial statements are prepared. A copy of the consolidated financial statements is available from the company's registered office at Talbot House, 17 Church Street, Rickmansworth, WD3 1DE.

30. Contingent liabilities

The Company continues to defend a claim filed with the High Court in 2023. The claim has been brought by a small number of former shareholders, relating to the acquisition of the Company by Big Technologies PLC, dating back to 2018 (the "Litigation"). These shareholders represented an interest of approximately 7.9% of the share capital of the Company as at May 2018 (the "Claimants").

The Claimants claim that they were forced to sell their shares in the Company in May 2018 and were not given the opportunity to reinvest into Big Technologies as they say was the case with other shareholders of the Company. The Claimants are seeking to be re-instated onto the register of the Company, to be paid their share of total distributions by the Company from May 2018 onwards, which total approximately £70,100,000, and to be awarded damages.

The outcome of the Litigation is highly uncertain, and any possible award cannot be reliably estimated at this stage.

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Notes to the financial statements (continued) for the year ended 31 December 2024

31. Post balance sheet events

1. On 18 March 2025, Big Technologies PLC announced that it had suspended Sara Murray from her role as Chief Executive Officer, owing to concerns in respect of her conduct.

On 31 March 2025 Big Technologies PLC subsequently announced that it had dismissed Sara Murray from her role as Chief Executive Officer, terminated her employment contract with the Company and removed her as a Director. On the same date the Company issued legal proceedings and an application for a freezing order against Sara Murray and others in the High Court.

The legal proceedings are at an early stage and make demands for substantial sums in compensation including damages and for costs and liabilities of defending potential claims which may be made against the Company as a result of Sara Murray's alleged wrongdoing.

The Company has spent £2,100,000 in legal and advisory fees in relation to these proceedings, from the balance sheet date through until 30 April 2025.

2. The Company continues to defend a claim filed with the High Court in 2023. The claim has been brought by a small number of former shareholders, relating to the acquisition of the Company, dating back to 2018 (the "Litigation"). On 31 March 2025, Big Technologies PLC announced that in the context of this Litigation, Sara Murray had provided untrue information to the Company and its lawyers (and to the Court in providing statements of truth in filed documents) in relation to her interests in, and relationship with, certain other former shareholders of the Company who are current shareholders of the Company's parent company, Big Technologies PLC.

As a result of these actions by Sara Murray, the Company is considering its position in relation to this Litigation. The Litigation is currently scheduled for trial in June 2026 and further details of the claim and related legal costs are included in Note 21

3. Sara Murray was a beneficiary under the Growth Share Plan and the holder of 47 A Shares in the Company as at 31 December 2024. In accordance with the provisions of the articles in the Company these shares have been bought back for a consideration of £1 per A share and cancelled.