Company Registration number 12664320

# Annual Report and Audited Financial Statements

# for the year ended 30 September 2024

# for

# Intuitive Investments Group Plc

CONTENTS

# Intuitive Investments Group Plc

## Company Information

| | |
|---|---|
| **Directors**: | Sir N Rudd<br>R Naylor<br>M Gillies<br>C Willis<br>J Baines (resigned 31 October 2024)<br>G Willits (Appointed 28 November 2023)<br>R Kilsby (Appointed 19 November 2024) |
| **Secretary:** | M Gillies |
| **Registered number**: | 12664320 (England & Wales) |
| **Registered office**: | One, St Peters Square<br>Manchester<br>England<br>M2 3DE |
| **Independent Auditor**: | MHA<br>Building 4<br>Foundation Park<br>Roxborough Way<br>Maidenhead<br>SL6 3UD |
| **Financial adviser and corporate broker**: | Zeus Capital Limited<br>125 Old Broad Street<br>London EC2N 1AR<br>United Kingdom |
| **Website address:** | www.iigplc.com |

# Intuitive Investments Group Plc

## Highlights

**Overview**

Intuitive Investments Group Plc experienced a transformational year ending 30 September 2024, marking significant progress in executing its strategic goals, particularly in technology and life sciences investments.

**Key Developments**

1. **Strategic Investment in Hui10 Inc.**
   - Investment in Hui10, a company integral to China's digital lottery transformation.
   - Established growth trajectory with innovative solutions like the Points Exchange for Lottery Tickets (PELT) platform, Lucky World HongBao (Red Envelope) platform and partnerships with UnionPay, Alibaba, and Qunar.
   - Key expansions include the rollout with 2,235 Lucky World Shops connected, 243,560 registered users and the opening of two flagship stores.
   - Recorded at fair value, with cost considered appropriate during the first year of the investment.

2. **Strengthened Leadership Team**
   - Sir Nigel Rudd assumed the role of Chairman.
   - Giles Willits joined as Chief Investment Officer and Richard Kilsby was appointed as Non-Executive Director.

3. **Financial highlights**

| | **30 September 2024** | **30 September 2023** | **30 September 2022** |
|---|---|---|---|
| **Net Assets (£)** | 311.37 million | 10.46 million | 12.93 million |
| **Investments (£)** | 306.32 million | 8.78 million | 11.16 million |
| **Cash (£)** | 1.06 million | 1.74 million | 1.55 million |
| **Net Asset Value (“NAV”) per share (£)** | 1.540 | 1.204 | 1.795 |

**Sir Nigel Rudd, Chairman, commented**

*"The past year has been transformative for Intuitive Investments Group. Our strategic investment in Hui10 is a groundbreaking opportunity with the potential to deliver long-term value for our shareholders. With a strengthened leadership team, I am confident that the foundations we have laid will drive sustained growth in the years to come."*

**About Intuitive Investments Group plc**

IIG is an investment company seeking to provide investors with exposure to a portfolio concentrating on fast growing and/or high potential and technology and life sciences businesses operating predominantly in the UK, continental Europe, the US and APAC, utilising the Board's experience to seek to generate capital growth over the long term for shareholders.

# Intuitive Investments Group Plc

## Strategic Report – Corporate Summary

**Introduction**

Intuitive Investments Group Plc is an investment company, the shares of which are admitted to trading on the Specialist Fund Segment of the London Stock Exchange's Main Market.

**The objective of the Company and investment strategy**

The Company's investment objective is to generate capital growth over the long term through investment in a portfolio concentrating on fast growing and/or high potential technology and life sciences businesses operating predominantly in the UK, continental Europe, the US and APAC. The Company is targeting an average return to shareholders of 20 per cent. capital growth per annum.

**Company's business**

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and its business is that of an investment company. The principal activity of the Company is to invest in accordance with the Company's investment policy with a view to achieving its investment objective.

**Key risks**

The key risks relating to the Company and its industry which are known to the Directors are as follows and further risks are detailed in the Strategic Report:

- The Company may not achieve its investment objective. Meeting the investment objective is a target, but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.
- The Company's returns to Shareholders will depend on many factors, including the value and performance of its investments and the Company's ability successfully to execute its investment strategy. The value and performance of the Company's investments will be affected by a broad range of factors. The majority of the Company's assets are invested in a single company Hui10 Inc. so there is concentration risk.
- The Company's NAV, revenues and returns to Shareholders will be dependent on there being no material adverse change in applicable laws (including tax laws) or regulations (or their interpretation) that affects the Company, the portfolio, any instruments issued or held by any of them or the overall structure to be adopted to effect the investment strategy and objective of the Company.

**AIFMD**

The Company is subject to regulation by the FCA and is registered by the FCA as a small, registered UK AIFM pursuant to regulation 10(2) of the AIFM Regulations, whereby the Company has been designated as an internally managed AIF. The Board is therefore responsible for the portfolio management and risk management functions of the Company in accordance with the requirements of the AIFM Directive.

# Intuitive Investments Group Plc

## Strategic Report – Chairman's Statement

**Driving Growth: A Transformational Year for IIG**

As we enter 2025, Intuitive Investment Group plc ("IIG" or the "Company") is embarking on an exciting new chapter, building on the strategic transformations initiated in the year ending 30 September 2024. Our primary focus remains on enhancing shareholder value, by our key investment in Hui10 Inc ("Hui10"), supported by a strengthened leadership team. We would like to express our sincere gratitude to our shareholders for their continued support as we execute on our strategy.

The following core developments highlight the progress we have made:

*1. Investment in Hui10*

In October 2023, IIG made a strategic investment in Hui10, a unique opportunity in China's digital lottery transformation. This move has positioned IIG on a promising growth trajectory within China, with significant long-term potential. The scale and scope of this opportunity is truly transformational and align with our goal of sustained shareholder growth.

*2. Leadership Expansion*

In August 2023, I assumed the role of Chairman, and in November 2023 Giles Willits joined as Chief Investment Officer, bringing decades of expertise in growth and strategic oversight. We are also pleased to welcome Richard Kilsby to the board, in November 2024 as a non-executive Director. We would like to extend our thanks to Julian Baines for his invaluable contribution during his tenure as non-executive Director and prior to that, as non-executive chairman. Additionally, we also have an excellent team in Hui10, led by co-CEOs Frank Li Tong and Daniel Levine. With our expanded leadership team, IIG is well-equipped to execute our strategy and unlock its full potential.

I have had the privilege of serving as chairman of numerous companies over many years, across various industries and regions. In all that time, I can confidently say that I have never encountered an opportunity with as much potential as Hui10. The company stands at the forefront of China's digital lottery transformation, a sector poised for significant growth. Hui10's innovative approach and strategic positioning offer a truly unique opportunity, and I believe it is set to play a pivotal role in reshaping the future of this industry in China.

**Hui10: Seizing the Opportunity in China**

Hui10's integration into China's lottery sector through its Tech Platform as a Service (TPAAS) solution, in partnership with UnionPay's national card settlement and payment systems, positions the company for substantial growth. With an ambitious five-year growth forecast, Hui10's expansion plans offer exciting opportunities for our shareholders. Additionally, the growth of Lucky World, supported by its omni-channel platform for retail and consumer goods, further strengthens this positive outlook.

Since IIG's investment in Hui10 in October 2023, the company has made significant progress. Hui10's Points Exchange for Lottery Tickets (PELT) platform is now being rolled out nationally in collaboration with the National Sports Lottery. Moreover, the company has secured contracts with major players such as Qunar and Alibaba's ErLeMa.

The HongBao operation in Hebei province is progressing well, and several additional contracts are in the pipeline. Hui10's POSLOT scratchcard operation, currently in pilot on the UGO platform, is set to commence rollout after Chinese New Year in February 2025.

The deployment of terminals is advancing on schedule, with over 1,707 HongBao terminals now active, covering a significant portion of Hebei province. In addition, more than 2,235 Lucky World retail outlets are now connected. Two flagship Lucky World Sports Lottery stores have opened in Shijiazhuang and Handan, co-branded with China State Farms and China Mobile, with additional stores expected to open in the coming months.

Hui10 is on track to deliver its strategic roadmap, aimed at digitising China's lottery sector and transforming the lottery store network through Lucky World.

In line with our valuation policy, we hold Hui10 at £299.34 million.

**Other Unquoted Investments**

The fundraising environment for small technology and healthcare companies remains challenging. However, it is encouraging to note that all of our unquoted companies have managed to continue operations, despite some having raised funds at lower valuations. The unquoted portfolio, in the vast majority, is held at the valuation of the most recent investment round. Notably, Axol, Momentum, Ocutec, and Micrima have all raised additional capital. Further details on these investments are provided at the end of this statement.

**Financial Performance**

For the fiscal year ending September 2024, IIG's Net Assets totalled £311.37 million, with a NAV per share of £1.540. Administrative costs for the year amounted to £692,000, excluding the fees associated with the acquisition of Hui10. With £1.06 million in cash and liquid investments, IIG is well-positioned to meet operational needs in the years ahead. Since the 1 October 2023 to the date of this report, the Company has raised £10.00 million by the issue of new equity for cash, the majority of which has been transferred to Hui10 to support the development of the business in China

We have substantially divested the quoted portfolio. We remain focused on refining our investment portfolio and selectively evaluating opportunities to ensure we are strategically placed for sustainable growth. It is highly unlikely that we will be making new investments, but may make follow on investments into existing investments.

**Our people, advisers and shareholders**

We are fortunate to have an exceptional Board, bringing valuable expertise and insight to support the Company's growth. I would like to extend my sincere thanks to all our colleagues for their hard work, dedication, and commitment during this period of transformation. I would like to thank Zeus, our corporate broker, who were recently appointed. They have published an excellent research note as a well visited our operations in China. We also remain deeply grateful to our shareholders for their continued trust in our vision.

**Outlook: Building on Momentum**

The year 2024 has been a transformational one for IIG, setting the foundation for an exciting year ahead. Our strategic investment in Hui10, the strengthening of our leadership team, and our disciplined approach to portfolio management are central to our ongoing mission to deliver long-term shareholder returns.

We are excited about the progress we've made, and we look forward to providing further updates throughout the year as we continue on our path of growth, transformation, and value creation.

# Strategic Report – Chairman's Statement

| Unquoted Investments | Method of fair value valuation | Valuation as at 30 September 2024 £ | Valuation as at 30 September 2023 £ |
|---|---|---|---|
| **Later stage investments** | | | |
| Hui10 Inc. | Investment Team valuation | 299,345,526 | NA |
| | Loan | 4,047,395 | NA |
| BioQ Pharma Inc | Cost, interest and FX movement | 1,023,676 | 1,040,130 |
| Touchless Innovations Limited | Investment Team valuation | 556,000 | 556,000 |
| Touchless Hygiene Limited | Investment Team valuation | 4,088,000 | 3,880,000 |
| **Series A and B investments** | | | |
| Axol Bioscience Limited | Last investment round | 79,472 | 177,923 |
| Cardinor | Last investment round | Nil | 57,525 |
| The Electro Spinning Company Limited | Last investment round | 90,900 | 496,053 |
| Micrima Limited | Last investment round | 34,557 | 34,557 |
| Momentum Bioscience Limited | Last investment round | 375,000 | 375,000 |
| Outec Limited | Last investment round | 312,500 | 312,500 |
| PneumoWave Limited | Last investment round | 395,903 | 904,124 |
| **Closing fair value** | | **310,348,929** | **7,822,812** |

**Sir Nigel Rudd**

*Chairman*

23 December 2024

**Unquoted portfolio review**

**Later stage investments**

**Hui10 Inc (Hui10)**

Investment of £299 million (US$365 million) to acquire the entire issued share capital, held at cost which is deemed fair value.

For further details see the Chairman's statement.

**BioQ Pharma Incorporated ("BioQ")**

Investment of US$1 million by way of unsecured convertible loan notes and warrants, valued at cost plus accrued interest.

BioQ is a commercial-stage, medical device and pharmaceutical company, addressing the infusible drugs market. BioQ's proprietary Invenious™ platform comprises a "connect-and-go" drug-device system combination, which can be utilised to improve the delivery of infusible medicines. BioQ's platform includes a bespoke unit-dose delivery solution for infusible drugs, whereby a diluent delivery system and administration line are combined in one self-contained, ready-to-use presentation. The key benefits of the platform include reduced cost and complexity compared to current infusion techniques.

**Touchless Innovation Ltd ("Sanondaf")**

Investment of £2.1 million to acquire the entire issued share capital, held at £556,000 fair value, for which Investment Team valuation is deemed the most appropriate basis of measurement.

Touchless Innovation is an international licensing and franchising business, with master franchise agreements in 10 countries. Sanondaf licenses the brands, know-how and intellectual property of specialist disinfection and decontamination technology.

**Touch-Less Hygiene Ltd ("Touch-Less Hygiene")**

Investment of £4.3 million to acquire the entire issued share capital, held at £4.1 million fair value, for which Investment Team valuation is deemed the most appropriate basis of measurement.

Touch-Less Hygiene is a market-leading provider of specialist disinfection and decontamination services and has 25 regional sites in the UK. Treatments are non-corrosive, contain no toxic ingredients and Sanondaf's application methods ensure they are not harmful to people, animals or the environment. It is safe for use in all settings, including operating theatres, critical care units, and is CASA (Civil Aviation Safety Authority) approved. Sanondaf's disinfection formula has proven efficacy against pathogens, including viruses, mould, bacteria and fungi. Customers include the blue-chip life sciences companies, essential infrastructure firms and the NHS. Touchless Hygiene holds a master franchise agreement from Sanondaf International Ltd to operate in the UK.

**Series A and B investments**

**Axol Bioscience Ltd ("Axol")**

Investment of £249,000 in A ordinary shares, held at £79,000, fair value, for which last investment round is deemed the most appropriate basis of measurement. The company undertook a fundraising in May 2024.

Axol produces high quality human cell products, particularly in relation to pluripotent stem cell and critical reagents such as media and growth supplements, which are sold to medical research and drug discovery organisations. Axol also provides contract research for example customising cell lines for customers, such as reprogramming and differentiation. The Chairman of Axol is Jonathan Milner, who was previously deputy chairman of Abcam plc.

**The Electrospinning Company Ltd ("TECL")**

Investment of £500,000 in ordinary shares, held at £90,950 fair value, for which last funding round is deemed the most appropriate basis of measurement. TECL undertook a fundraising in August 2024.

TECL has a technology platform built around the process of electrospinning, a technique for production of micro and nano-fibre biomaterials from a variety of natural and synthetic polymers, and a suite of post-processing technologies to convert the biomaterials into medical device components. The core business is the sale of product development and manufacturing services to medical device companies. TECL is also using its know-how to develop proprietary materials for targeted out-licensing opportunities, aiming to capture more of the end-market value created by its innovations and expertise.

**Micrima Ltd ("Micrima")**

The initial investment of £230,000 was by way of convertible loan note. The Company undertook a fundraising which triggered the conversion of the convertible loan note. The investment is held at £34,557 fair value, for which last investment round is deemed the most appropriate basis of measurement. Micrima undertook a fundraising in September 2024 at this valuation.

Micrima specialises in radiofrequency technology to improve early diagnosis of breast cancer and measure breast density. Micrima continues to make progress, but has suffered delays in its commercial launch and as a consequence is looking to refocus on breast density measurement.

**Momentum Bioscience Ltd (“Momentum”)**

Investment of £125,000 in preferred A ordinary shares, held at £375,000 fair value, for which last investment round is deemed the most appropriate basis of measurement. Momentum undertook a fundraising in in March 2024.

Momentum is developing a revolutionary rapid diagnostic test for patients suspected of sepsis, an infection of the blood stream resulting in symptoms including a drop in a blood pressure, increase in heart rate and fever. Momentum’s SepsiSTAT® system enables reporting of the presence or absence and ‘pan gram identification’ of viable organisms in just two hours, helping direct the right antimicrobials. The system also provides a pure concentrate of growing organisms for further analysis. Faster testing in suspected sepsis patients can reduce mortality, accelerate hospital discharge, lower hospital costs, and reduce the incidence of antimicrobial resistance.

**Ocutec Ltd (“Ocutec”)**

Investment of £250,000 in ordinary shares, held at £312,500 fair value, for which last investment round is deemed the most appropriate basis of measurement. Ocutec completed a fundraising in July 2024.

Ocutec has patented technology covering the formulation of novel contact lens products, contact lens comfort solutions and injection moulding technology for rapid manufacturing. Ocutec is based in Glasgow, and has been operating since 2006, having been spun out of the University of Strathclyde.

**PneumoWave Ltd ("PneumoWave")**

Investment of £450,000 in new ordinary shares, held at £395,903 fair value, for which last investment round is deemed the most appropriate basis of measurement. IIG invested £100,000 by way of convertible loan notes which converted at a 15% discount to the Series A and £350,000 in the pre-series A funding round. PneumoWave raised money in September 2024 by convertible loan note. Third party valuation is deemed the most appropriate basis of measurement.

PneumoWave is developing an innovative remote respiratory monitoring platform comprising a small, chest-worn biosensor and AI-driven data analysis/alerting software for the early detection, prediction, and prevention of adverse events in respiratory patients, both in hospitals and at home. In 2020, PneumoWave was awarded Breakthrough Medical Device designation from the U.S. Food and Drug Administration for the development of the device, which is designed to monitor breathing in real-time to a clinical standard of care.

# Intuitive Investments Group Plc

## Strategic Report – Investment Policy

The Directors present the strategic report of the Company for the year ended 30 September 2024.

**Principal activity**

The principal activity of the Company is to invest in accordance with the Company's investment policy with a view to achieving its investment objective.

**Objective**

The Company's investment objective is to generate capital growth over the long term through investment in a portfolio concentrating on fast growing and/or high potential technology and life sciences businesses operating predominantly in the UK, continental Europe, the US and APAC. The Company is targeting an average return to shareholders of 20 per cent. capital growth per annum.

**Investment policy**

The Company's investment policy is to achieve its investment objective, the Company will invest in early and later-stage technology, life sciences and healthcare businesses.

The Company will follow a high conviction investment strategy. The Company expects to hold a concentrated portfolio of investments and the Company will not seek to reduce concentration risk through diversification. The opportunity set will dictate the number of holdings and the weighting of investments in the Portfolio. The investments with the best return profiles will receive the largest weightings. The Company will therefore have no set diversification policies.

Investments are expected to be mainly in the form of equity and equity-related instruments, including convertible debt instruments. The equity interest in any investment may range from a minority position to 100 per cent. ownership.

The Company's strategy is to invest in unquoted companies and in companies whose Ordinary Shares are publicly traded. The Company may acquire investments directly or by way of holdings in special purpose vehicles, intermediate holding companies or subsidiary entities. The Company might also invest in limited liability partnerships and other forms of legal entity.

The Company will ensure that it has suitable investor protection rights, as determined by the Board. The Company may offer its Ordinary Shares in exchange for Ordinary Shares in investee businesses or may invest cash or a combination of Ordinary Shares and cash investment in such businesses.

The Company, where appropriate and deemed by the Board to be in the Company's best interests, may seek a position on investee companies' boards. The Investment Team, where appropriate, will actively assist the board and management of investee companies, including helping to scale management teams, informing strategy, driving key performance indicators and assisting with future financing.

The Company intends to realise value through exiting the investments over time and will have no fixed investment period.

**Investment restrictions**

The Company will observe the following investment restrictions:

- at least 70 per cent. of NAV will be invested in businesses which are in the life sciences and technology sectors;
- up to 30 per cent. of NAV may be invested in seed investments;

- at least 70 per cent. of NAV will be invested in businesses which are headquartered in or have their main centre of business in the UK, continental Europe, the US and APAC;
- There will be no cross-financing between the companies forming part of the Portfolio and no operation of a common treasury function between the Company and any of its investee companies; and
- no more than 15 per cent. of total assets may be invested in other investment companies whose ordinary shares are admitted to the "commercial companies" category of the Official List

Each of the restrictions above will be calculated at the time of investment. The Company will not be required to dispose of any investment or to rebalance the portfolio because of a change in the respective valuations of its assets post their acquisition.

**Hedging and derivatives**

Save for investments made using equity-related instruments as described above, the Company will not employ derivatives of any kind for investment purposes. Derivatives may be used for currency hedging purposes.

**Borrowing policy**

The Company does not currently intend to borrow money. However, the Company may, in the future, raise debt finance if it believes it will enhance Shareholder returns over the longer term. If, in the future, the Board does decide to introduce gearing, it would seek to maintain this at a conservative level and would intend to limit IIG's borrowings to a maximum of 25 per cent. of Net Asset Value at the time any loan is secured.

**Cash management**

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds and tradeable debt securities.

There is no restriction on the amount of cash or cash equivalent investments that the Company may hold or where it is held. The Board will agree prudent cash management guidelines to ensure an appropriate risk and return profile is maintained. It is expected that the Company will hold between 10 and 20 per cent. of its gross assets in cash or cash equivalent investments, for the purpose of making follow-on investments in accordance with the Company's investing policy and to manage the working capital requirements of the Company.

**Changes to the investing policy**

No material change will be made to the investing policy without the approval of Shareholders. If such approval is sought, a general meeting will be convened to seek such approval. Non-material changes to the investing policy may be approved by the Board. In the event of a breach of the investing policy set out above and the investment and gearing restrictions set out therein, the Chairman or another member of the Investment Team shall inform the Board upon becoming aware of such breach and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

# Intuitive Investments Group Plc

# Strategic Report

### Review of business

A review of the business of the Company together with comments on future developments is given in the Chairman and Chief Executive's Statements.

**Market Risks**

| Risk | Impact | Mitigation |
|---|---|---|
| **Performance of Investments** | The value and performance of the Company's investments will be affected by a broad range of factors, which will in turn impact the returns to Shareholders. | The Investment Team regularly obtains updates from unquoted investments and monitors publicly traded investments. Emerging risks are identified through market trend analysis, scenario planning, and ongoing stakeholder engagement. Any identified risks are mitigated through active portfolio management and diversification. |
| **Early-Stage Investments** | The businesses in which the Company will invest may be at an early stage and carry inherent risk. | Before an investment is made, the Company conducts due diligence, tailored to the facts and circumstances of each investment. This includes financial, operational, and market viability assessments. Emerging risks are flagged during post-investment reviews, and contingency strategies are developed for high-risk cases. |
| **Exit Value of Investments** | The investment may exceed its exit value, leading to potential financial loss. | The Investment Team regularly obtains updates from unquoted investments, evaluating performance against market benchmarks. Scenario planning tools are used to assess potential exit strategies, and co-investment opportunities are explored to balance risk. |
| **Macro-Economic Environment** | Volatility in public and private markets, combined with potential recession, could lead to loss of investor confidence and challenges for investee companies in attracting follow-on investments, ultimately impacting valuations. | IIG maintains cash reserves to support investee companies and implements a range of funding strategies, including co-investments. The Board leverages its extensive experience to navigate market uncertainties. Emerging risks are identified via macroeconomic monitoring and engagement with industry experts to ensure timely responses to economic shifts. |

**Operational Risks**

| Risk | Impact | Mitigation |
|---|---|---|
| **Achievement of Investment Objectives** | Meeting the investment objective is a target, but its attainment cannot be guaranteed. | The performance and composition of the Investment Team are regularly reviewed by the Board. Emerging risks, such as misaligned strategies or shifting market conditions, are addressed through periodic strategy reviews and external benchmarking. A governance framework ensures |

| | | |
|---|---|---|
| | | the Company's objectives are adaptable to changing circumstances. |
| **Concentration in a Single or Few Investments** | The Company's investment policy allows concentration in a single or small number of investee companies, increasing risk. | Where concentration risk exists, the investee companies are closely monitored. The Company may appoint a non-executive Director or specific person to oversee the investment. Emerging risks related to concentration are evaluated through stress tests and diversification opportunities are actively pursued to reduce exposure. |

**Financial Risks**

| **Risk** | **Impact** | **Mitigation** |
|---|---|---|
| **Future Funding Requirements** | Current funding is sufficient to meet existing requirements. However, unforeseen opportunities may arise that cannot be pursued with available resources. | The Investment Team regularly reviews potential opportunities and assesses funding adequacy. For major opportunities, the team prepares detailed business cases to secure additional funding if warranted. Emerging funding risks are identified through scenario planning and stress testing, with contingency plans in place to access alternative financing sources if needed. |

**Regulatory Risks**

| **Risk** | **Impact** | **Mitigation** |
|---|---|---|
| **AIFMD** | The Alternative Investment Fund Managers Directive (AIFMD) imposes regulations for UK managers of Alternative Investment Funds (AIFs), requiring them to be registered, authorised, and regulated. Non-compliance could result in operational and reputational risks. | The Company is registered with the FCA as a small registered UK AIFM, ensuring compliance with AIFMD requirements. Emerging regulatory risks are monitored through engagement with legal advisers and updates from the FCA. The Board oversees adherence to regulations, supported by regular audits and compliance reviews. |

## Identifying Emerging Risks

For both financial and regulatory risks, the following procedures are in place to identify and address emerging threats:

1. **Continuous Monitoring:** Regular assessments of the financial market and regulatory landscape to detect changes or new requirements.
2. **Stakeholder Engagement:** Maintaining dialogue with investors, regulators, and industry bodies to anticipate shifts in funding or compliance demands.
3. **Scenario Analysis:** Evaluating potential risks through simulations and stress tests to prepare for adverse scenarios.

4. **Board Oversight:** Ensuring robust governance to respond swiftly to emerging financial or regulatory challenges.

By employing proactive monitoring and governance frameworks, Intuitive Investments Group ensures it remains agile in addressing financial and regulatory risks while continuing to pursue growth opportunities and maintaining compliance with industry standards. The financial risk management objectives and policies can be found within Note 16 of the financial statements.

The Board's objective is to maintain a balance sheet that is both efficient and delivers long term shareholder value.

**Key performance indicators**

**Financial**

| | Year to 30 September 2024 £'000 | Year to 30 September 2023 £'000 |
|---|---|---|
| Revenue loss | (876) | (2,521) |
| Loss for the period | (2,282) | (3,236) |
| Cash as at 30 September | 1,063 | 1,737 |
| Loss per share | (1.22p) | (43.11p) |
| Net Asset Value | 311,370 | 10,460 |
| NAV per share | 153.96p | 120.40p |

**Non-financial**

The Board recognises the importance of KPIs in driving appropriate behaviour and enabling of Company performance. For the period to 30 September 2024 the primary KPIs were the completion of the investment in Hui10 Inc:

1. Investee relationships and communication; and
2. Service quality and brand awareness.

**Future developments**

The Chairman's and Chief Executive Statement gives information on the outlook of the Company.

# Intuitive Investments Group Plc

## Strategic Report - Section 172 Statement

Under Section 172 of the Companies Act 2006, Directors are required to promote the success of the Company for the benefit of its members as a whole. In accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations, 2018, the Company has to detail how this duty has been performed with regard to the matters set out in Section 172 (1) (a) to (f).

- The Directors have to consider the likely consequences of their decisions in the long-term taking into account the interests of the various different stakeholders of the Company. Key decisions made by the Board during 2024 were the investment into Hui10 Inc.
- A Company's stakeholders are normally considered to comprise of its shareholders, employees, customers and suppliers as well as the wider community in which the Company operates. As the Company is an internally managed investment Company it does not have any employees. Its customers are its shareholders and details of those owning more than 3% of the Company's shares are shown on page 25.
- The main stakeholders are therefore the Company's shareholders and a small number of key third party suppliers, accountants, broker and auditor.
- The Board works to promote the long-term success of the Company as effectively and responsibly as possible. Details of the investments can be found on pages 8 to 10.
- The Company has a limited impact on the environment and has no greenhouse gas emissions to report as indicated on this page. Its impact on social, community and human rights issues are detailed on this page and a statement on the Modern Slavery Act is given on page 23.
- The Directors take care to ensure that the Company maintains a reputation for high standards of business conduct through adherence to ethical practices, robust governance and regulatory compliance.
- The Directors ensure that the Company always acts fairly between members of the Company by promoting transparency, equitable decision-making and clear communication to uphold the interests of all shareholders.
- To summarise, the Directors are fully aware of their duty under Section 172 in all their deliberations, and decisions always take into account the interests of the key stakeholders.

**Shareholder Engagement**

The Company, through its brokers, Cavendish and Zeus, has regular contact with its institutional shareholders. The Board supports the principle that the Annual General Meeting be used to communicate with private shareholders and encourages them to participate. The Annual General Meeting is attended by Directors.

**On behalf of the Board**

**Robert Naylor**

23 December 2024

# Intuitive Investments Group Plc

## Board of Directors and Investment Team

**Board of Directors**

**Sir Nigel Rudd***, Non-Executive Chairman*

Sir Nigel Rudd is an experienced Chairman of listed businesses and investor in emerging growth companies and SMEs. Over the past 25 years, he has chaired companies such as Pendragon plc, the automotive retailer; Pilkington, a manufacturer of glass and glazing systems; Alliance Boots, a global retail pharmacy; Heathrow, the UK airport; Invensys plc, an engineering firm; Business Growth Fund, an investor in growth companies; Signature Aviation plc, the aviation firm; and Meggitt plc, the aerospace and defence firm. Sir Nigel occupied a seat on the Barclays Bank Board for more than 12 years, latterly as Deputy Chairman, retiring in 2008.

Sir Nigel Rudd is currently a Non-Executive Director of Sappi Limited, a renewable resource company. Sir Nigel Rudd is best known for his role in the 1980s at Williams plc, which he turned into a FTSE 100 Company. Williams plc remained one of the largest industrial holding companies in the UK until its demerger in 2000 into two separate entities, Chubb and Kidde.

**Robert Naylor**, *Chief Executive Officer*

Robert has 29 years' experience in capital markets, specialising in both life sciences' and investment companies' sectors. Robert is also Non-Executive Director of NIOX Group PLC, a company dedicated to improving asthma diagnosis and management, PRS REIT plc, a FTSE 250 closed-ended real estate investment company which invests in high-quality, new build, family homes in the private rented sector and Renalytix, an artificial intelligence-enabled in vitro diagnostics company, focused on optimizing clinical management of kidney disease.

Previously Robert was Chairman of Hipgnosis Songs Fund Limited, a FTSE 250 company, and Round Hill Music Royalty Fund Limited, both were subject to recommended cash offers. Earlier in his career Robert held various positions within JP Morgan Asset Management Limited, Panmure Gordon (UK) Limited and Cenkos Securities plc. Robert is a qualified chartered accountant, having started his career with Ernst & Young in 1996.

**Giles Willits,** *Chief Investment Officer*

Giles has over 30 years' experience working in senior finance positions, including over 20 years in executive board positions, most recently as Group CFO at IG Design Group plc, an AIM50 company, and Entertainment One Ltd., a FTSE250 company. Giles was previously Director of Group Finance at J Sainsbury's plc, a FTSE100 company, and is a qualified Chartered Accountant. Specific to Hui10, Giles invested in Hui10 in 2018 and has been advising the business since his initial investment.

Giles is currently a Non-Executive Director of Shearwater Group plc and Acceler8 Ventures plc. Giles is also Treasurer of the University of Nottingham.

**Colin Willis**, *Senior Independent Non-Executive Director*

Colin has 27 years of venture capital experience. He founded Hotspur Capital Partners Ltd in November 2007, which is a private investor group.

Prior to founding Hotspur, he set up the Rising Stars Growth Fund in which he completed 37 early-stage investments and led two successful funding rounds with institutions. Rising Stars has returned greater than five times initial investment to investors.

Colin currently serves on the board of Directors of Caspian Learning Ltd, Femeda Ltd, Screenreach Group Ltd, Greengage Lighting Ltd and Hotspur Capital Partners Ltd. Previously, Colin has been involved with companies that floated on public markets or were acquired by large UK or US corporations.

**Malcolm Gillies**, *Independent Non-Executive Director*

Malcolm is a Director of several private companies involved in the medical and technology sectors, including Recircle Ltd and OhMedics Ltd, Changingday Ltd and previously of AIM-quoted Collagen Solutions plc. Malcolm was a Director of Aircraft Medical Ltd. Until November 2015, when it was sold to Medtronic Ltd for US$110 million. He has previously held positions as a non-executive Director in public companies and was Company Secretary at Axis-Shield plc. He has a background as a corporate finance lawyer, where Malcolm was most recently a senior corporate partner with Shepherd and Wedderburn LLP.

**Richard Kilsby,** *Independent Non-Executive Director*

Richard is a knowledgeable public company director with experience ranging from technology to financial services. Richard served as Executive Director of regulation of the London Stock Exchange, an independent monitor for the US Securities Exchange Commission. He was personally the competent authority for Listing in the UK. Richard‘s other positions have included the CEO of Charterhouse Bank, chairman of 888 Holdings plc and a non-executive director of Tullet Prebon and Collins Stewart. Prior to this Richard was a partner in PwC responsible for audit, foreign exchange and treasury matters and was Joint Lead of the treasury management consulting practice.

**The Investment Team**

The Investment Team consists of Robert Naylor and Giles Willits.

## Corporate Governance

**Introduction from the Chairman**

The Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements. The Company's website at www.iigplc.com sets out full details of the Company's corporate governance policies.

The Board has considered the principles and provisions of the Association of Investment Companies Code of Corporate Governance ("AIC Code"). The AIC Code addresses the principles and provisions set out in the Corporate Governance Code, as well as setting out additional principles and provisions on issues that are of specific relevance to listed investment companies. The Board considers that reporting against the principles and recommendations of the AIC Code provide better information to Shareholders and has applied the AIC Code since admission to the Specialist Funds Segment on 8 August 2023.

**Compliance with the AIC's Code of Corporate Governance**

The AIC Code adapts the Principles set out in the UK Corporate Governance Code issued by the Financial Reporting Council (the ''UK Code'') to make them more relevant for investment companies, as well as setting out additional principles and recommendations which are better tailored to investment companies.

The Board of Directors considers that reporting against the AIC Code provides more suitable information to shareholders than if it had adopted the UK Code. A copy of the AIC Code can be obtained from the Association of Investment Companies' ("AIC") website (www.theaic.co.uk). It includes an explanation of how the AIC Code adapts the principles and provisions set out in the UK Code to make them relevant for investment companies. It is also worth noting that as the Company is listed on the Specialist Fund Segment it does not have the same corporate governance requirements as companies with a premium listing.

The Company complied throughout the period, and continues to comply with the Principles and Provisions of the AIC Code, except as set out below;

1. Provisions 27 and 28: Given the experience of the Directors as a collective, combined with the minimal complexity of the Company's business, size and recent listing, a regular internal and external evaluation of the Board's performance is not considered necessary at this time. There has been no external evaluation of the Board to date.

2. Post year end the Directors resolved not to continue the nomination and remuneration committees. The functions that are carried out by these committees are dealt with by the full Board.

3. The UK Corporate Governance Code includes provisions relating to the need for an internal audit function. For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, being a self-managed investment company. In particular, all of the company's day-to-day management and administrative functions are outsourced to third parties. As a result, the company has no executive Directors, employees or internal operations. The company has therefore not reported further in respect of these provisions.

# Intuitive Investments Group Plc

## Corporate Governance

The Board remains committed to high standards of corporate governance and believes that its approach to compliance with the AIC Code is appropriate for the Company's structure and operations. Regular reviews ensure that governance practices remain effective and aligned with shareholder interests.

**Role of the Board**

Brief biographical details of the Directors in office are set out above. The Board consists of six Directors, four of whom are non-executive (Sir Nigel Rudd (Chairman), Malcolm Gillies, Colin Willis and Richard Kilsby) and considered by the Board to be independent for the purposes of the Association of Investment Companies Code.

They are all free of any relationship that could materially interfere with the exercise of their independent judgement on issues concerning strategy, performance and standards of conduct. The Board considers that it has the appropriate balance of skills, experience, ages and length of service. Robert Naylor is the Company's Chief Executive and Giles Willits as the Company's Chief Investment Officer are not considered independent. Colin Willis acted as the Company's Senior Independent Director. The Board normally meets at least four times a year and at other times as necessary.

The Chairman and other members of the Board recommend that the Directors standing for re-election be re-elected. The Chairman has confirmed that all Directors have been subject to performance evaluation and following that evaluation, the Chairman confirms that their performance continues to be effective and that they continue to demonstrate commitment to their role and in his view responsibly fulfil their functions.

**Board Meetings**

The Board has a schedule of matters reserved to it and sets down matters which require prior approval of the Board. The Chief Executive carries out day-to-day activities which relate to the management of the Company's investment portfolio on a discretionary basis within guidelines that have been set by the Board. These guidelines include, amongst other things, maximum exposure to any one investment and total exposure to unquoted investments. The management of the investment portfolio also includes the monitoring of the performance and activities of the investee companies in the portfolio and detailed research into any prospective investment. In addition to scheduled Board Meetings, the Board may carry out certain urgent matters not requiring debate by way of delegation to a Committee of the Board or by resolution in writing of all Directors.

**Attendance at Board Meetings**

| *Total number in year* | *Board Meetings which the Director was eligible to attend* | *Board meetings attended* |
|---|---|---|
| Sir Nigel Rudd | 8 | 8 |
| Malcolm Gillies | 8 | 8 |
| Colin Willis | 8 | 8 |
| Robert Naylor | 8 | 8 |
| Giles Willits | 7 | 7 |
| Julian Baines | 8 | 6 |

# Intuitive Investments Group Plc

## Corporate Governance

**Board Committees**

**Remuneration Committee**

The Remuneration Committee is made up of Colin Willis as Chair with Malcom Gillies and Sir Nigel Rudd has access to external expertise should that be required. This Committee is responsible for the scale and structure of the remuneration of the Chief Executive. The recommendations of the Committee must be approved by the Board of Directors. The Remuneration Committee met twice during the year. There was no change to the remuneration the Board Directors. Post year end the Directors resolved not to continue the remuneration committee. This function carried out by this committee is dealt with by the full Board.

**Audit and Risks Committee**

The Audit Committee is made up of Malcolm Gillies as Chair with Colin Willis and Richard Kilsby. Julian Baines was previously a member until his resignation on 31 October 2024. The Audit and Risk Committee is responsible for monitoring the integrity of the Company's financial statements, reviewing significant financial reporting issues, reviewing the effectiveness of the Company's internal control and risk management systems and overseeing the relationship with the external auditors

*Significant Issues Considered*

The Committee identified and addressed several significant issues related to the financial statements during the year, including:

- **Valuation of Investments:** Ensuring that the valuations of investments were accurate and aligned with applicable accounting standards. The Committee reviewed management's assumptions and engaged with external auditors to validate these valuations.
- **Revenue Recognition:** Monitoring the recognition of revenue to ensure compliance with accounting policies and standards.
- **Going Concern and Viability:** Assessing the Company's financial position and future cash flow projections to confirm its ability to continue as a going concern.

Each issue was thoroughly reviewed in collaboration with management and the external auditors, and the Committee is satisfied that they were appropriately resolved.

*Independence and Effectiveness of the External Audit*

The Committee assessed the independence and effectiveness of the external audit process through:

- Reviewing the auditor's engagement terms and scope of work.
- Monitoring the auditor's compliance with independence requirements.
- Evaluating the performance of the auditors through feedback from management and the Committee's own observations.

The external audit firm has been engaged for two years. The last tender for audit services was conducted in 2023, and the Committee plans to review the need for a retender in seven years.

*Appointment and Reappointment of External Auditors*

The Committee recommended the reappointment of the current external auditors, MHA, for the upcoming financial year. The Board accepted this recommendation. There were no instances during the year where the Board took a different position from the Committee on the appointment, reappointment, or removal of the external auditors.

*Auditor Independence and Non-Audit Services*

The Committee ensures the independence and objectivity of the external auditors are safeguarded. Policies are in place to control the provision of non-audit services by the auditors, limiting these to work that does not compromise their independence. During the year there were no non-audit services provided by the auditors

*Other Responsibilities*

The Audit and Risk Committee also ensures compliance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and other applicable legal requirements. The Committee continues to monitor the need for an internal audit function, given that the Company's operations are outsourced to third-party service providers.

The Committee meets at least once a year, aligned with the reporting and audit cycle, and holds additional meetings as required. Meetings with the external auditors occur at least annually to discuss audit findings and any significant issues.

**Nomination Committee**

The Nominations Committee is made up of Sir Nigel Rudd as Chair with Malcolm Gillies and Colin Willis. The Nominations Committee is responsible for identifying and nominating members of the Board, and in the case of the Board recommending Directors to be appointed to each Committee of the Board and the chair of each such committee. The Nominations Committee will also arrange for evaluation of the Board. The Nomination Committee did not meet during the year. Post year end the Directors resolved not to continue the nomination committees This function that are carried out by this committee is dealt with by the full Board.

**Conflicts of Interest**

The Directors and/or members of Investment Team may be involved in other financial, investment or professional activities which may, directly or indirectly, on occasion give rise to conflicts of interest, or the perception of conflicts of interest, between any duties carried out on behalf of the Company and their private interests or other duties. Accordingly, the Company has established a Conflicts Policy.

The Company seeks to manage any such conflicts and ensure, in particular, that any transactions are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed. In particular, the Directors and members of the Investment Team will endeavour to ensure that the Company has the opportunity to participate in potential investments which fall within the Company's investment objective and policy on the best terms reasonably obtainable at the relevant time.

In respect of any investment being considered, each Director must disclose their direct or indirect economic interests or relationships, and that interest must be registered in The Conflicts of Interest Register. In the event that any Director has any potential or perceived conflict of interest in relation to a specific investment or investment opportunity, they will not be able to participate in any decision relating to that investment. Any investment decision where a conflict exists will require the unanimous approval of those Board members able to vote in advance of entering into final documentation. If the Company is required to issue an RNS, the conflict is noted in the Company's announcement regarding the investment, noting which Board members were conflicted, the reasons for the conflict and that they did not participate in the decision-making process for that investment.

In respect of any listed investment, in the healthcare, life sciences or technology sectors, in which a Director or member of the Investment Team wishes to execute a transaction on their own account, they must notify the Chairman, or Senior Independent Non-Executive Director prior to any transaction being executed (save for where such investment is made by a fund manager or equivalent on a fully discretionary basis).

Directors can, subject to permission being granted by the Board, participate personally in any (potential) Investee Company investment, but in such circumstances they will not be able to participate in any Board decision relating to that Investment and such participation should not impact the Company's ability to invest or effect the quantum of such investment (due to scaling back or otherwise).

Where a Director is appointed to the board of an investee company, such interest is disclosed in the Company's interim and annual financial statements. Where Board or Investment Team members become aware of an investment opportunity in the healthcare, life sciences or technology sectors, that may be available and of interest to the Company, they shall disclose such opportunity to the Company and, if the Director or Investment Team member is able to do so, afford the Company the opportunity to undertake the transaction on the same terms as those being offered to the relevant member.

It is also likely that the Investment Team will also seek to maintain board representation on the boards of future investee companies where appropriate. Statutory and fiduciary duties owed to investee companies may create conflicts of interest between the duties owed to the Investee Company and the duties owed to the Company by the Investment.

In particular, where representatives of the Investment Team are involved (either as Directors or on a more informal basis as advisers) in an Investee Company whose Ordinary Shares are publicly listed or quoted, there is a risk that the Company will be restricted in transacting in, or redeeming, its investment in that Investee Company as a result of, among other things, legal restrictions on transactions by company Directors or affiliates or due to the fact the Investment Team will be deemed to be in receipt of inside information for the purposes of Market Abuse Regulation. Full details of such interest will be disclosed in the Company's interim and annual financial statements.

The Directors do not believe there are currently any material conflicts of interest, including there being no material potential conflicts of interest which any of the service provider to the Company may have between their duty to the Company and the duties owed to third parties and their other interests.

**Suppliers and Contractors**

The Company recognises that the goodwill of its contractors, consultants and suppliers is crucial to the success of its business and seeks to build and maintain this goodwill through fair and transparent business practices. The Company aims to settle genuine liabilities in accordance with contractual obligations.

# Intuitive Investments Group Plc

## Corporate Governance

**Health and Safety**

The Board recognises that it has a responsibility to provide strategic leadership and direction in the development and maintenance of the Company's health and safety strategy, in order to protect all of its stakeholders.

**Greenhouse Gas Emissions**

The Company has no physical assets, operations, premises or employees of its own. Consequently, it consumed less than 40,000 kWh of energy during the year so has no greenhouse gas emissions to report.

**Social, Community and Human Rights Issues**

As an investment company with no employees other than Directors, the Company has no direct social or community responsibilities or impact on the environment. The Company, however, takes into account the impact of environmental, social and governance factors when selecting and managing its investments within the context of its obligation to manage investments in the financial interests of its shareholders.

**Modern Slavery Act**

As an investment vehicle the Company does not provide goods or services in the normal course of business. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015.

**Diversity**

Due to the size of the Board and the fact that there are no employees, the Company does not have a diversity policy.

**On behalf of the Board**

**Robert Naylor**

23 December 2024

# Directors' Report

The Directors present their report and the audited financial statements of the Company for the year to 30 September 2024.

**Issued share capital**

The issued share capital of the Company at the date of this document is as follows:

| | *Issued (fully paid) Number* | *Aggregate nominal value* |
|---|---:|---:|
| Existing Ordinary Shares of 10p each | 206,918,006 | £20,691,01 |
| Deferred Ordinary Shares | 250,000 | £47,500 |

The Deferred Ordinary Shares are Ordinary Shares of £0.19 each in the capital of the Company, issued in British Pound Sterling. The Deferred Ordinary Shares do not confer any right or rights to:

- transmit or transfer the deferred Ordinary Shares to any person (other than with the prior written consent of the Directors of the Company);
- receive notice of, attend or vote at any general meeting of the Company;
- dividends or distributions of the Company; or
- participate in any pre-emptive office of Ordinary Shares.
- On a winding up or other return of capital, the holders of deferred Ordinary Shares are entitled to receive only the amount paid up or credited on their deferred Ordinary Shares and are entitled to receive such amount only when the holders of the Ordinary Shares shall have been paid in respect of each ordinary share the amount paid up or credited as paid thereon plus £25,000,000.

**Directors**

The Directors who served the company during the period and up to the date of this report were as follows:

*Executive Directors*

R Naylor Chief Executive Officer
G Willits Chief Investment Officer (Appointed 28 November 2023)

*Non-Executive Directors*

Sir N Rudd Chairman
C Willis Senior Independent non-executive Director
M Gillies
J Baines (Resigned 31 October 2024)
R Kilsby (Appointed on 19 November 2024)

# Directors' Report

### Dividends

The Company made a loss for the year of £2.28 million. No dividends can be distributed for the year to 30 September 2024.

### Substantial shareholdings

Substantial shareholdings greater than 3% of the Company's issued share capital, from the Company's share register, as at 19 December 2024 were as follows:

| | Ordinary shares of 10 pence each | Percentage held |
|---|---|---|
| Hsbc Global Custody Nominee (Uk) Limited | 63,682,471 | 30.78% |
| The Bank Of New York (Nominees) Limited | 38,783,110 | 18.74% |
| Vidacos Nominees Limited | 23,268,413 | 11.25% |
| Link Market Services Trustees (Nominees)Limited | 21,644,824 | 10.46% |
| The Bank Of New York (Nominees) Limited | 14,459,055 | 6.99% |

### Financial instruments

The Company's exposure to financial risk is set out in Note 16 to the financial statements.

### Research and development

The Company does not engage in research and development activities.

### Events after the reporting period

Refer to Note 18 to the financial statements for further details.

### Going concern

The financial statements have been prepared on the assumption that the Company is a going concern. When assessing the foreseeable future, the Directors have looked at the budget for the next 12 months from the date of this report, the cash at bank available as at the date of approval of this report and are satisfied that the Company should be able to cover its quoted maintenance cost and other administrative expenses.

The Directors have considered its forecast of the Company's cash requirements for the next 18 months reflecting contracted and anticipated future revenue and the resulting net cash outflows.

After making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt a going concern basis in preparing the annual report and financial statements.

### Auditor

A resolution to reappoint MHA as the Company's Auditor will be proposed at the Annual General Meeting.

**On behalf of the Board**

**Robert Naylor**

23 December 2024

## Directors' Responsibility Statement

The Directors are responsible for preparing the Report for the year ended 30 September 2024 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 UK-adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- Assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors each confirm to the best of their knowledge that:

- The Financial Statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and return of the Company; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company, along with a description of the principal risks and uncertainties that the Company faces.

The Directors confirm that the Audited Report and Financial Statements, taken as a whole are fair, balanced and understandable and provide the information necessary to assess the Company's position and performance, business model and strategy.

**Publication of accounts on company website**

Financial statements are published on the Company's website. The maintenance and integrity of the website is the responsibility of the Directors. The Directors' responsibilities also extend to the financial statements contained therein.

**Statement as to disclosure of information to auditors**

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all

## Directors' Responsibility Statement

the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of the information.

**On behalf of the Board**

**Robert Naylor**

23 December 2024

# Directors' Remuneration Report

### Directors' remuneration report for the year ended 30 September 2024

This Report has been prepared in accordance with the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, Schedule 8. The Directors' Remuneration Report will be put to an advisory shareholder vote at this year's annual general meeting. The law requires the Company's Auditor to audit certain of the disclosures provided and to state whether, in their opinion, those parts of the report have been properly prepared in accordance with the Accounting Regulations. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report.

### Role and Composition

The Remuneration Committee consists of Colin Willis as Chair with Malcom Gillies and Sir Nigel Rudd. Robert Naylor, the Company's Chief Executive, and Giles Willits, the Company's Chief Investment Officer, do not attend meetings of the Remuneration Committee. The Remuneration Committee is responsible for determining all aspects of Directors' remuneration. No Director participates in discussions on their own remuneration. The Committee takes independent professional advice where it considers this is appropriate. No such advice has been received in the year.

The Remuneration Committee will normally meet at least once a year to consider its policy on Directors' Remuneration. The Remuneration Committee did not meet this year.

### Directors' remuneration (audited)

Details of emoluments received by Directors of the Company for the year ended 30 September are as follows:

| | 2024 | | 2023 | |
|---|---|---|---|---|
| | Remuneration and fees | Total | Remuneration and fees | Total |
| | £'000 | £'000 | £'000 | £'000 |
| Sir N Rudd | 30 | 30 | 5 | 5 |
| M Gillies | 20 | 20 | 20 | 20 |
| C Willis | 20 | 20 | 20 | 20 |
| J Baines | 20 | 20 | 28 | 28 |
| C Kilty | | | 7 | 7 |
| R Naylor | 110 | 110 | 76 | 76 |
| G Willits[1.] | 50 | 50 | | |
| Total | 250 | 250 | 156 | 156 |

1. Giles Willits is paid £110,000 but Intuitive Investments Group plc, of which £60,000 is re-charged to Hui10.

## Directors' Remuneration Report

### Directors and their interests (audited)

The Directors held the following beneficial interests in the issued share capital of the Company at the date of this report:

| | Ordinary shares of 10 pence each | Percentage held |
|---|---|---|
| Sir Nigel Rudd | 1,779,027 | 0.86% |
| M Gillies | 145,238 | 0.07% |
| R Naylor | 246,837 | 0.12% |
| G Willits | 269,189 | 0.13% |
| R Kilsby | 225,560 | 0.11% |

### Policy on Directors' Remuneration

The Company's Articles of Association allow for the aggregate total of Directors' fees that can be paid during each year is £250,000 or such other sum as the Company may determine.

The Company's policy is to determine the level of Directors' fees having regard to the level of fees payable to the executive and non-executive Directors in other investment trusts, the rate of inflation and the increasing amount of time that individual Directors must commit to the Company's affairs. The Committee is also concerned that the remuneration of the executive and non-executive Directors should reflect the experience of those Directors and believes that the level of remuneration should be sufficient to attract and retain executive and non-executive Directors to oversee the Company.

The Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties and attendance at meetings. Non-executive Directors are not eligible for bonuses, pension benefits, share options or any other incentives or benefits. There are no agreements between the Company and its Directors concerning compensation for loss of office.

The Board will consider, where raised, shareholders' views on Directors' remuneration.

An explanation of the Company's performance is given in the Chairman's and Chief Executive Statement.

The policy is to review Directors' fees from time to time, but reviews will not necessarily result in the level of Directors' fees changing.

*Hui10 share growth incentive scheme*

The Company established Hui10 share growth incentive scheme in which participants are rewarded if a predetermined level of shareholder value is created over a three-to-five-year period or upon a change of control of the Hui10 (whichever occurs first). The reward is calculated on a formula basis by reference to the growth in market capitalisation of Hui10 over and above the value of US$365 million. It allows for adjustments for the issue of any new Ordinary Shares and taking into account dividends and capital returns ("Shareholder Value"). The reward will be realised by the exercise by the beneficiaries of a put option in respect of a new class of Hui10 shares and satisfied either in cash or by the issue of new Ordinary Shares, at the election of the Company. Under these arrangements in place, participants are entitled up to in total 15% ("Incentive Pool"). One of the beneficiaries is Giles Willits.

## Directors’ Remuneration Report

*Warrants in the Company and Hui10*

Hui10 has executed a warrant instrument and issued 1,658,956 warrants to the Chairman and an aggregate of 1,658,956 additional warrants to certain connected parties. Each warrant entitles the warrant holder to subscribe for one Class B share in Hui10 at an exercise price of £1.8868. Exercise of the warrants is subject to satisfaction of a vesting condition being the closing price of the shares in IIG being equal to or more than £3.13264 per Ordinary Share. Once this condition has been satisfied, the warrant is regarded as vested and may be exercised at any time thereafter, even if the IIG share price subsequently falls below £3.13264 per Ordinary Share. If Hui10 declares any dividend on the Ordinary Shares, it is obliged to accrue a pro rata amount in respect of a notional dividend on the B Shares. Such accrued notional dividend may be used by the warrantholder towards payment of the subscription price on the exercise of the warrants.

Each of the warrantholders have entered into a put and call option agreement with IIG, entitling the Warrantholders to require IIG to acquire the Class B Shares issued in Hui10 on exercise of the Warrants in exchange for the issue of an aggregate of 3,996,779 new Ordinary Shares for all of the Class B Shares in issue in Hui10. IIG has the right to choose whether to issue shares or to pay cash on the exercise of the put or call option. The warrantholders have a period of 30 days to exercise their put option. If the put option is not exercised by a warrantholder within 30 days, IIG may exercise its call option to acquire the Class B shares in exchange for the issue of IIG shares or payment in cash, at its discretion.

In addition, the Company executed a warrant instrument on 27 October 2023 and issued 3,996,779 warrants to Mannerston Investments Limited, a company in which David Evans, a past director of the Company, has a significant interest. Each Warrant entitles the warrant holder to subscribe for one Ordinary Share at an exercise price of £1.56632 during the period commencing on 31 October 2023 and ending on the tenth anniversary and are conditional on the share price reaching £3.13264. Once this condition has been satisfied, the Warrant is regarded as vested and may be exercised at any time thereafter, even if the IIG share price subsequently falls below £3.13264 per share. Full exercise of the subscription rights under the Warrants will result in the issue of 3,996,779 new Ordinary Shares.

**Relative importance of spend on pay**

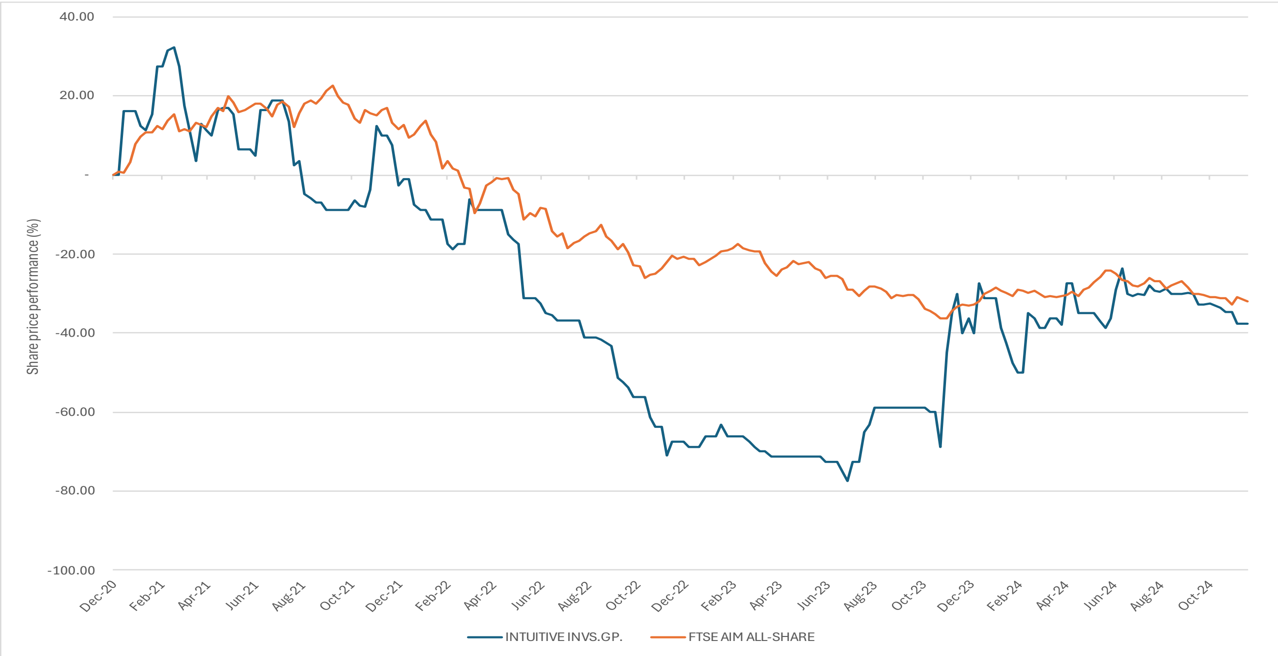
In the current or prior year financial year;

- the Company had no employees and therefore has no policy on the remuneration of employees. No remuneration was paid to employees;
- there were no distributions to shareholders by way of dividend or share buyback; and
- there are no other significant distribution or payments.

**Company’s performance**

The performance graph below measures the Company’s share price performance against the AIM Small Cap Index from flotation in December 2020.

## Directors' Remuneration Report




**Service contracts**

The non-executive Directors are engaged by letters of appointment.

The service contract in place during the year ended 30 September 2024 was with the Chief Executive Officer and Chief Investment Officer a summary of which is below.

On 8 December 2020 and 20 November 2023, respectively Robert Naylor and Giles Willits entered into a rolling service agreement pursuant to which there were appointed to act respectively as the chief executive officer and Chief Investment Officer of the Company. The service agreements are terminable at any time by either party on no less than 3 months' prior written notice. Mr Naylor nor Mr Willits shall not engage or otherwise be interested in any business, or contact any employee officer, contractor, consultant, client, customer, shareholder, funder, supplier, agent, distributor, professional advisor, broker of the Company without prior written permission from the Company. Mr Naylor and Mr Willits shall continue to comply with such instructions or requirements as the Company may specify.

**On behalf of the Board**

**Robert Naylor**

23 December 2024

## Independent Auditor's Report
## For the year ended 30 September 2024

### Independent Auditor's Report to the members of Intuitive Investments Group Plc

For the purpose of this report, the terms "we" and "our" denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of Intuitive Investments Group Plc. For the purposes of the table on pages 34 to 36 that sets out the key audit matters and how our audit addressed the key audit matters, the terms "we" and "our" refer to MHA. The "Company" is defined as Intuitive Investments Group Plc. The relevant legislation governing the Company is the United Kingdom Companies Act 2006 ("Companies Act 2006").

**Opinion**
We have audited the financial statements of Intuitive Investments Group Plc for the year ended 30 September 2024. The financial statements that we have audited comprise:

- the Statement of Comprehensive Income
- the Statement of Financial Position
- the Statement of Changes in Equity
- the Statement of Cash Flows, and
- Notes 1 to 18 of the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Company's financial statements is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2024 and of the Company's loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Our opinion is consistent with our reporting to the Audit and Risks Committee.

**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 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 as applied to listed public interest entities, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Independent Auditor's Report
## For the year ended 30 September 2024

**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.

Our evaluation of the Directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

- The consideration of inherent risks to the Company's operations and specifically its business model.
- The evaluation of how those risks might impact on the Company's available financial resources.
- Where additional resources may be required, the reasonableness and practicality of the assumptions made by the Directors when assessing the probability and likelihood of those resources becoming available.
- Liquidity considerations including examination of the Company's cash flow projections.
- The evaluation of the base case scenario and stress scenario and the respective sensitivities and rationale.
- Viability assessment including consideration of reserve levels and business plans.

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.

**Overview of our audit approach**

| | | | |
|---|---|---|---|
| **Scope** | Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement. | | |
| **Overall Materiality** | **2024** | **2023** | |
| Company | £3,144k | £158k | 1% (2023: 1.5%) of gross assets |
| **Key audit matters** | | | |
| **Recurring** | Valuation of investments in unquoted companies | | |

## Independent Auditor's Report
## For the year ended 30 September 2024

**Key Audit Matters**

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those matters which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Valuation of investments in unquoted companies (Hui10 & Touchless Innovation) | |
|---|---|
| **Key audit matter description** | Refer to Note 8 – Investments held at fair value through profit and loss<br><br>As at 30 September 2024, the Group held investments in eleven unquoted investments with two of them (Hui10 Inc and Touchless Innovation) being the most significant making up approx. 97.61% of the Group's net assets, by value, as at that date hence Hui10 Inc and Touchless Innovation were specifically tested.<br><br>Unquoted investments are measured at fair value. Given the lack of observable market inputs, the valuation involves significant estimation uncertainty and management judgment in selecting appropriate valuation techniques and assumptions. Due to the level of judgement involved in quantifying the value of unquoted investments, we determined this to be a key audit matter. |
| **How the scope of our audit responded to the key audit matter** | Our audit work included, but was not restricted to the following:<br><br>• We assessed the appropriateness of the Director's accounting policy in respect of unquoted investments, in line with the requirements of the applicable accounting standards.<br>• We reconciled management's valuation methodology to the accounting policies and to the requirements of IFRS 13 'Fair Value Measurement'.<br>• We involved internal valuation experts to critically assess management's valuation methodology.<br>• We audited management's valuation assessment interrogating both assumptions used, the valuation methodology and the mechanics of the model, including the source of these inputs.<br>• We checked if there were any events that may indicate impairment, such as: change in market conditions and decline in the financial performance of the investee.<br>• We re-performed calculations to ensure numerical accuracy.<br>• We re-performed a review of the valuations sensitivity to the discount rates and other key areas of estimation and reviewed the sensitivity disclosure calculations.<br>• We reviewed documentation related to the raising of capital of the relevant investment entities, to ascertain existence of any |

| | |
|---|---|
| | observable transaction sand understand their relevance to the valuations.<br>• We reconciled the fair value movements to the financial statements.<br>• We reviewed the appropriateness of the Group's disclosures within the financial statements in relation to critical accounting judgments, valuation methodology, key valuation inputs and valuation uncertainty. |
| **Key observations communicated to the Company's Audit & Risk Committee** | Based on our audit work detailed above, we confirm that we have nothing material to report, and or draw attention to, in respect of this matter. The results are in accordance with the requirements of the accounting standards applicable. |

**Our application of materiality**

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

**Overall materiality**

Materiality in respect of the Company was set at £3,114,000 (2023: £158,000) which was determined on the basis of 1% (2023: 1.5%) of the Company's gross assets. This was deemed to be the appropriate benchmark for the calculation of materiality as this is a key area of the financial statements with which the users of the financial statements are principally concerned.

**Performance materiality**

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Performance materiality for the Company was set at £2,179,000 (2023: £110,800) which represents 70% (2023: 70%) of the above materiality levels.

The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.

**Specific materiality**

Recognising that there are transactions and balances of a lesser amount which could influence the understanding of the users of the Financial Statements, we calculate a lower level of materiality for testing such areas.

Specifically, given the distinction between the Statement of Comprehensive Income and Statement of Financial Position, we considered applying a separate testing threshold for the income statement at £228,000 which represents 10% of the Company's loss before tax. We have set a separate materiality considering the users of the financial statements may also be interested in understanding the operational costs, related party transactions and Directors' remuneration. We used our judgement in setting these thresholds and considered our experience and industry benchmarks for specific materiality

**Audit and Risk Committee reporting threshold**
We agreed to report any corrected or uncorrected adjustments exceeding £108,000, the maximum of 5% of overall materiality and 5% of specific materiality, to the Audit and Risk Committee, as well as differences below this threshold that in our view warranted reporting on qualitative grounds.

**The control environment**
We evaluated the design and implementation of those internal controls of the company which are relevant to our audit, such as those relating to the financial reporting cycle.

**Climate-related risks**
In planning our audit and gaining an understanding of the Company, we considered the potential impact of climate-related risks on the business and its financial statements. We obtained management's climate-related risk assessment, along with relevant documentation relating to management's assessment and held discussions with management to understand their process for identifying and assessing those risks.

We have agreed with managements' assessment that climate-related risks are not material to these financial statements.

We critically reviewed management's assessment and challenged the assumptions underlying their assessment. We also designed our audit procedures to specifically consider those assets and liabilities where we anticipated, based on the work performed, that the highest impact arising from climate change might fall.

**Reporting on other information**
The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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.

## Independent Auditor's Report
## For the year ended 30 September 2024

**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 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.

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.

**Directors' remuneration report**
Those aspects of the director's remuneration report which are required to be audited have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**
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, 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
- the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns; 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, 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 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**Extent to which the audit was considered capable of detecting irregularities, including fraud**
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.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

**Identifying and assessing potential risks arising from irregularities, including fraud**
The extent of the procedures undertaken to identify and assess the risks of material misstatement in respect of irregularities, including fraud, included the following:

- We considered the nature of the industry and sector, the control environment, business performance including remuneration policies and the Company’s own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussion with the directors, we obtained an understanding of the legal and regulatory frameworks applicable to the Company focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, UK listing rules and tax legislation.
- We enquired of the directors and management concerning the Company’s policies and procedures relating to:
    - identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
    - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

- We assessed the susceptibility of the Company’s financial statements to material misstatement, including how fraud might occur by evaluating management’s incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks were management bias in accounting estimates, particularly those used in determining the valuation of investments in unquoted companies, or posting inappropriate journal entries to increase revenue or reduce costs.

**Audit response to risks identified**
In respect of the above procedures:

- we corroborated the results of our enquiries through our review of the minutes of the Company's meetings;
- audit procedures performed by the engagement team in connection with the risks identified included:
    - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements.
    - testing journal entries, including those processed late for financial statements preparation, those posted by infrequent or unexpected users, those posted to unusual account combinations;
    - evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
    - enquiry of management around actual and potential litigation and claims.
    - challenging the assumptions and judgements made by management in its significant accounting estimates, particularly those underpinning the valuation of investments in unquoted companies as reported in the key audit matter section of our report; and
    - obtaining confirmations from third parties to confirm existence of a sample of transactions and balance.
- the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities; and
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members, including experts, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

**Other requirements**
We were appointed by the Directors on 13 November 2024. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 2 years.

We did not provide any non-audit services which are prohibited by the FRC's Ethical Standard to the Company, and we remain independent of the company in conducting our audit.

## Independent Auditor's Report
## For the year ended 30 September 2024

**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.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.14R, these financial statements form part of the European Single Electronic Format (ESEF) prepared Annual Financial Report filed on the National Storage Mechanism of the UK FCA in accordance with the ESEF Regulatory Technical Standard ((‘ESEF RTS’). This auditor's report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.

**Jason Mitchell MBA BSC FCA**
(Senior Statutory Auditor)
for and on behalf of MHA, Statutory Auditor
Maidenhead, United Kingdom
23 December 2024

MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)

# Intuitive Investments Group Plc

## Statement of Comprehensive Income

## For the year ended 30 September 2024

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| | Notes | Year ended 30 September 2024 £'000 | Year ended 30 September 2023 £'000 |
|---|---|---|---|
| **Investment income** | | | |
| Finance Income | | 197 | 103 |
| Unrealised losses due to foreign exchange movements | | (72) | (76) |
| Gains/(losses) on disposal of investments | | (88) | 47 |
| Losses on Investments at fair value | **8** | (913) | (2,599) |
| Management Fees | | - | 4 |
| | | (876) | (2,521) |
| Total administrative expenses | **4** | (1,406) | (477) |
| **Loss before tax** | | **(2,282)** | **(2,998)** |
| Corporation tax | **5** | - | (238) |
| **Loss for the year** | | (2,282) | (3,236) |
| Other comprehensive income | | - | - |
| **Total comprehensive loss for the year attributable to owners of the company** | | (2,282) | (3,236) |
| **Earnings per share** | | | |
| Basic loss per share - pence | **7** | (1.22)p | (43.11)p |
| Diluted loss per share - pence | | (1.22)p | (43.11)p |

**All activities relate to continuing operations**
**The notes on pages 46 to 72 form part of these financial statements**

## Intuitive Investments Group Plc

### Statement of Financial Position

### As at 30 September 2024

| | Notes | As at 30 September 2024 £'000 | As at 30 September 2023 £'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Investments | **8** | 306,315 | 8,781 |
| | | 306,315 | 8,781 |
| **CURRENT ASSETS** | | | |
| Trade and other receivables | **9** | 4,072 | 44 |
| Cash and cash equivalents | **10** | 1,063 | 1,737 |
| | | 5,135 | 1,781 |
| **TOTAL ASSETS** | | **311,450** | **10,562** |
| **EQUITY** | | | |
| **Shareholders' Equity** | | | |
| Called up share capital | **11** | 20,229 | 869 |
| Deferred shares | **11** | 48 | 48 |
| Share premium account | **11** | 297,062 | 13,234 |
| Other reserves | **11** | 144 | 144 |
| Accumulated losses | | (6,115) | (3,833) |
| **Total Equity** | | **311,368** | **10,462** |
| **LIABILITIES** | | | |
| **Current liabilities** | | | |
| Trade and other payables | **13** | 82 | 100 |
| | | 82 | 100 |
| **TOTAL EQUITY AND LIABILITIES** | | **311,450** | **10,562** |
| Net asset value per share | | £1.5396 | £0.1204 |

These financial statements were approved and authorised for issue by the Board of Directors on 23 December 2024 and were signed on its behalf by:

**Robert Naylor**
**Chief Executive Officer**
**Company Registration no. 12664320**

**The notes on pages 46 to 72 form part of these financial statements**

# Intuitive Investments Group Plc

## Statement of Changes in Equity

## As at 30 September 2024

| | Called up Share capital | Deferred Shares | Share Premium account | Other reserves | Accumulated Losses | Total equity |
|---|---|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 | £'000 | £'000 |
| Balance at 30 September 2022 | 721 | 48 | 12,619 | 144 | (597) | 12,935 |
| Loss for the year | - | - | - | - | (3,236) | (3,236) |
| Issue of shares during the year | 148 | - | 615 | - | - | 763 |
| Balance at 30 September 2023 | 869 | 48 | 13,234 | 144 | (3,833) | 10,462 |
| Loss for the year | - | - | - | - | (2,282) | (2,282) |
| Issue of shares during the year | 19,360 | - | 283,828 | - | - | 303,188 |
| Balance at 30 September 2024 | 20,229 | 48 | 297,062 | 144 | (6,115) | 311,368 |

**The notes on pages 46 to 72 form part of these financial statements**

# Intuitive Investments Group Plc

## Statement of Cash Flows

## For the year ended 30 September 2024

| | Notes | Year ended 30 September 2024 £'000 | Year ended 30 September 2023 £'000 |
|---|---|---|---|
| **(Loss)/Profit before tax from continuing operations** | | (2,282) | (2,998) |
| Adjusted by: | | | |
| Unrealised interest income | | (55) | (103) |
| Loss/(profit) on disposal of investments | | 88 | (47) |
| Unrealised losses due to foreign exchange | | 73 | 76 |
| Losses on investments due to fair value movements | | 913 | 2,599 |
| Interest income | | (142) | - |
| | | (1,405) | (473) |
| Changes in working capital | | | |
| (Increase)/decrease in trade and other receivables | | 19 | (20) |
| Increase/(decrease) in trade and other payables | | (18) | 60 |
| **Cash generated from continuing operations** | | 1 | (433) |
| **Net cashflow from operating activities** | | 1 | (433) |
| **Cash flows from investing activities** | | | |
| Purchase of investments | **8** | (299,346) | (300) |
| Reclassification of loan advanced to investee | | (3,905) | - |
| Proceeds from sale of investments | | 793 | 269 |
| Net cash flows from investing activities | | (302,458) | (31) |
| **Cash flows from financing activities** | | | |
| Proceeds of issuance of shares | | 303,188 | 648 |
| **Net cash inflow from financing activities** | | 303,188 | 648 |
| **Net increase/(decrease) in cash and equivalents** | | (674) | 184 |
| Cash and cash equivalents at beginning of period | | 1,737 | 1,553 |
| Cash and cash equivalents at end of period | **10** | 1,063 | 1,737 |

**The notes on pages 46 to 72 form part of these financial statements**

## Notes to the Financial Statements

### 1. General Information

Intuitive Investments Group plc is a Public Limited Company incorporated in England and Wales. registration number 12664320 and domiciled in the United Kingdom. Details of the registered office, the officers and advisers to the Company are presented on the Company information page at the start of this report. The Company's offices are at 1 St Peters Square, Manchester England, M2 3DE.

The Company's investment objective is to generate capital growth over the long term through investment in a portfolio concentrating on fast growing and/or high potential technology and life sciences businesses operating predominantly in the UK, continental Europe, the US and APAC

### 2. Accounting Policies

**Statement of compliance**

The financial statements of Intuitive Investments Group plc have been prepared in accordance with applicable UK law and UK adopted International Accounting Standards Uk adopted IAS and as applied in accordance to the provision of the Companies Act 2006. The Directors consider that the financial information presented in these Financial Statements represents fairly the financial position, operations and cash flows for the year in conformity with UK adopted IAS.

**Basis of preparation**

The financial statements have been prepared under the historical cost convention except for investments which are measured at fair value at the end of each reporting period. The functional currency of the Company is Pounds Sterling because this is the currency of the primary economic environment in which the Company operates.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period under review.

Non-consolidation of subsidiaries

The company is considered to be an Investment Entity under the meaning of IFRS 10 Consolidated Financial Statements and therefore does not consolidate its investee subsidiary undertakings. An Investment Entity is an entity whose primary object is investing and managing its asset with a view to spreading or otherwise managing investment risk.

See note 2 on page 50 for further details on the accounting policy applied to the company's investments.

**Going concern**

The financial statements have been prepared on a going concern basis.

The Directors have made an assessment of Company's cashflow forecast and its ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for a period of 12 months from the date these financial statements were approved.

In making the assessment, the Directors have considered in particular the likely economic effects and the effects on the Company's operations of the downturn in the markets following the global downturn.

The longer-term economic effects are very difficult to predict but in considering preparing the accounts on a going concern basis the Directors noted the company holds a portfolio of liquid investments whose value is a multiple of liabilities. The Directors are of the view the Company can meet its obligations as and when they fall due, the cash available enables the Company to meet any funding requirements and finance future additional investments.

**2. Accounting Policies (continued)**

**Segmental Reporting**

In the opinion of the Directors, the Company has one operating segment being that of long-term investment in a focused portfolio of fast growing and/or high potential technology and life sciences businesses operating predominantly in the UK, continental Europe, the US and APAC

**New and amended standards adopted by the Company**

There are no IFRS or IFRIC interpretations that are effective for the first time in this financial period that would be expected to have a material impact on the Company.

| | |
|---|---|
| IAS 12, amendment 'Income Taxes': Deferred Tax related to Assets and Liabilities arising from a single transaction | 01 January 2023 |
| IFRS 17 - Insurance contracts | 01 January 2023 |
| IAS8 - Definition of accounting estimates | 01 January 2023 |
| IAS1 - Non-Current liabilities with covenants | 01 January 2023 |
| IAS 1 Presentation of Financial Statements (amendments regarding the classification of liabilities and the disclosure of accounting policies) | 01 January 2023 |
| IFRS 17 Supplier Finance Arrangements (amendments to IAS 7 and IFRS 7) | 01 January 2023 |
| IFRS 16, Lease liability in a sale and leaseback transaction (Amendments to IFRS 16) | 01 January 2023 |

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company.

The following new standards, amendments to standards, and interpretations have been issued, but are not effective for the financial period beginning 01 October 2023 and have not been early adopted:

| | |
|---|---|
| IIAS 21 Lack of exchangeability | 01 January 2025 |
| (Amendments to IFRS 9 and IFRS 7) Amendments to classification and measurement requirements for financial instruments | 01 January 2026 |
| IFRS 18 Presentation and Disclosure in Financial Statements | 01 January 2027 |
| (IFRS 19) Subsidiaries without Public Accountability: Disclosures | 01 January 2027 |

**2. Accounting Policies (continued)**

**Income recognition**

**(i) Gains on realised investments**

All purchases and sales of quoted investments are accounted for on the trade date basis. All purchases and sales of unquoted investments are accounted for on the date that the sale and purchase agreement becomes unconditional.

**(ii) Interest income**

Interest income is recognised using the effective interest method. Interest income is interest earned on bank deposit accounts, loan notes and loans to investee companies and is included within the statement of comprehensive income.

(iii) **Management fees**

The Company earns fee income from the monitoring fees from investee companies. Monitoring takes the form of attendance at board and other meetings, as required, either as an observer or a non-executive director of the investee company. Revenue is recognised at the fair value of the consideration received or receivable, excluding rebates. Fees earned for the provision of an ongoing service are recognised as that service is provided.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

**(i) Current tax**

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules using tax rates enacted or substantially enacted by the statement of financial position date.

Income tax is recognised in the income statement or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

**(ii) Deferred tax**

Deferred tax is provided, using the liability method, on temporary differences at the statement of financial position date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differenced and the carrying forward or unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

**2. Accounting Policies (continued)**

**Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party the contractual provisions of the instrument.

**Investments**

All investments are designated upon initial recognition as held at fair value through the profit and loss and are measured at subsequent reporting dates at fair value in accordance with IFRS 9.

Publicly traded securities will be valued by reference to their bid price or last traded price, if applicable, on the relevant exchange in accordance with the Association of Investment Companies' valuation guidelines and applicable accounting standards. Where trading in the securities of an Investee Company is suspended, the investment in those securities will be valued at the Chairman's estimate of its net realisable value. In preparing these valuations, the Company will take into account, where appropriate, latest dealing prices, valuations from reliable sources, comparable asset values and other relevant factors.

Fair values for unquoted investments including convertible loan notes, or investments for which the market is inactive, are established by using various valuation techniques in accordance with the International Private Equity and Venture Capital Valuation (the "IPEV") guidelines. These may include recent arm's length market transactions, the current fair value of another instrument which is substantially the same, discounted cash flow analysis and option pricing models. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised.

Where an investment has been made recently, the Company may use cost as the best indicator of fair value. In such cases, any changes or events subsequent to the relevant transaction date would be assessed to ascertain if they imply a change in the investment's fair value. Such valuations prepared by the Investment Team will be approved by the Audit and Risk Committee at least twice a year. If the Board considers that any of the above basis of valuation are inappropriate in any case, or generally, it may adopt such other valuation procedures as it considers reasonable in the circumstances.

In accordance with IFRS10, paragraph 4B, investments are recognised at FVTPL in line with guidance set out in IFRS9. Changes in foreign exchange rates impact investments valued in a foreign currency.

All investments for which a fair value is measured or disclosed in the financial statements are categorised within note 16.

**Assets carried at Fair value through profit or loss (FVTPL)**

Under UK adopted IAS, no impairment testing is required for equity investments which are measured at FVTPL.

**2. Accounting Policies (continued)**

**Other receivables and payables**

Other receivables are measured at transaction price, less any impairment. Loan receivables are recognised initially at fair value, net of transactions costs, and subsequently measured at amortised cost using the effective interest rate method, less any impairment.

Other payables are measured at transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held on call, together with other short term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are not subject to significant changes in value.

**Share Capital and Reserves**

Share Capital: Represents the nominal value of equity shares.

Share Premium: The account represents the accumulated premium paid for shares issued in previous periods above their nominal value less issue expenses.

Other reserves

The other reserve is the equity component of the convertible loan note investments.

Retained Earnings: Represents the accumulated profits being the excess of income derived from holding investments less the costs associated with running the Company. This reserve may be distributed by way of dividends.

**Share based payments**

All share-based payments are accounted for in accordance with IFRS 2 – "Share based payments", the company issues equity-settled share-based payments in the form of warrants to advisors. Equity settled share-based payments are measured at fair value at the date of grant. The fair value determined at the date of grant of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, with a corresponding adjustment to retained earnings, based on the Company's estimate of the shares that will eventually vest.

Fair value is estimated using the Black-Scholes model as relevant for the terms and conditions of options. The expected life used in the model has been adjusted, on the basis of management's best estimate for the effects of non-transferability, exercise restrictions and behaviour considerations.

### 3. Employees and Directors

| | Year ended 30 September 2024 £'000 | Year ended 30 September 2023 £'000 |
|---|---|---|
| Directors' remuneration | 250 | 156 |
| Social security costs | 25 | 15 |
| Pension costs | - | - |
| | 275 | 171 |

| | Year ended 30 September 2024 No. | Year ended 30 September 2023 No. |
|---|---|---|
| The average monthly number of employees during the period was as follows: | | |
| Directors | 6 | 5 |
| | 6 | 5 |
| | **£'000** | **£'000** |
| Directors' remuneration | 250 | 156 |
| Pension | - | - |
| Total emoluments | 250 | 156 |
| Emoluments paid to the highest paid Director | 110 | 76 |

**3. Employees and Directors (continued)**

**Directors' remuneration**

Details of emoluments received by Directors of the Company for the year ended 30 September 2024 are as follows:

| | Remuneration and fees | Total |
|---|---|---|
| | £'000 | £'000 |
| R Naylor | 110 | 110 |
| M Gillies | 20 | 20 |
| C Willis | 20 | 20 |
| J Baines | 20 | 20 |
| Sir N Rudd | 30 | 30 |
| G Willits | 50 | 50 |
| Total | 250 | 250 |

Details of emoluments received by Directors of the Company for the year ended 30 September 2023 are as follows:

| | Remuneration and fees | Total |
|---|---|---|
| | £'000 | £'000 |
| R Naylor | 76 | 76 |
| M Gillies | 20 | 20 |
| C Willis | 20 | 20 |
| C Kilty | 7 | 7 |
| J Baines | 28 | 28 |
| Sir N Rudd | 5 | 5 |
| Total | 156 | 156 |

### 4. Expenses – analysis by nature

| | Year ended 30 September 2024 £'000 | Year ended 30 September 2023 £'000 |
|---|---|---|
| Directors' fees & remuneration (Note 3) | 275 | 171 |
| Auditor remuneration - audit fees | 50 | 40 |
| Consultancy fees | 56 | 69 |
| Legal and professional fees | 199 | 157 |
| Legal costs re acquisition of HUI 10 | 714 | - |
| Public Relations costs | 58 | 14 |
| Travel costs | 25 | 8 |
| Other expenses | 29 | 18 |
| Total administrative expenses | 1,406 | 477 |

### 5. Corporation Tax

Analysis of tax expense

No liability to UK corporation tax arose on ordinary activities for the period ended 30 September 2024

| | Year ended 30 September 2024 | Year ended 30 September 2023 |
|---|---|---|
| **Current Tax** | **£'000** | **£'000** |
| Total current tax charge for the period | - | - |
| **Deferred Tax** | | |
| Origination and reversal of temporary differences | - | - |
| Derecognition of deferred tax asset | - | 238 |
| Total deferred tax charge / (credit) for the period | - | 238 |
| Total tax charge / (credit) in the period | - | 238 |

**5. Corporation Tax (continued)**

**Factors affecting current tax expense**

The tax assessed on the loss for the period is different to the standard rate of corporation tax in the UK. The differences are explained below

| | **Year ended 30 September 2024 £'000** | **Year ended 30 September 2023 £'000** |
|---|---|---|
| Loss on ordinary activities before income tax | (2,282) | (2,998) |
| Loss on ordinary activities multiplied by the standard rate of corporation tax in UK of 25% (2023 22%) | (570) | (659) |
| Effects of: | | |
| Expenses not deductible for tax purposes | 199 | 13 |
| Chargeable disposals with higher unrecognised base cost | (228) | - |
| Derecognition of deferred tax asset previously recognised | - | 238 |
| Tax effect of temporary differences where deferred tax not recognised | 599 | 646 |
| Total tax charge / (credit) | - | 238 |

The tax rate used for the above reconciliation is the effective domestic rate of tax in the United Kingdom, being the country in which the Company is domiciled. The UK tax rate increased from 19% to 25% on 1 April 2023.

**6. Deferred tax**

| Deferred tax assets | Year ended 30 September 2024 £'000 |
|---|---|
| At 30 September 2022 | 238 |
| Charge to income statement - derecognition | (238) |
| At 30 September 2023 | - |
| Charge to income statement | - |
| At 30 September 2024 | - |

| **Deferred Tax liabilities** | |
|---|---|
| At 30 September 2022 | - |
| Charge to income statement | - |
| At 30 September 2023 | - |
| Charge to income statement | - |
| At 30 September 2024 | - |

At the year end, the Company had unrelieved gross tax losses with no expiry date of £2,037,000 (2023: £553,000), resulting in a potential deferred tax asset of £509,000 (2023: £138,000). The deferred tax asset has not been recognised in the accounts at the period end as the timing of future profits is uncertain.

At the year end, the Company had incurred net unrealised losses on investments of £2,890,000 (2023: £2,696,000) resulting in a potential deferred tax asset of £722,500 (2023: £674,000). The deferred tax asset has not been recognised in the accounts at the period end as the timing of future profits is uncertain.

## 7. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable shareholders by the weighted average number of ordinary shares outstanding during the period.

Reconciliations are set out below:

| Basic and diluted EPS | (Loss) | 2024 Weighted average Number of shares | per-share |
|---|---|---|---|
| | £'000 | No. | Pence |
| Basic EPS | (2,282) | 187,335,346 | (1.218) |
| Diluted EPS | (2,282) | 187,335,346 | (1.218) |

| Basic and diluted EPS | (Loss) | 2023 Weighted average Number of shares | per-share |
|---|---|---|---|
| | £'000 | No. | Pence |
| Basic EPS | (3,236) | 7,501,493 | (43.11) |
| Diluted EPS | (3,236) | 7,501,493 | (43.11) |

The diluted loss per Ordinary Share is calculated by adjusting the weighted average number of Ordinary shares outstanding to consider the impact of options, warrants and other dilutive securities.

The weighted average shares for the comparative period have been adjusted to account for the 1:10 share consolidation which took place on 29 February 2024.

At 30 September 2024 there were 4,217,903 outstanding warrants. As the share price at 30 September 2024 is below the warrant price the warrants are not considered to be dilutive.

**8. Investments at fair value through profit or loss**

| | Equity investments in quoted companies | Equity investments in unquoted companies | Debt investments in unquoted companies | Total |
|---|---|---|---|---|
| | **£'000** | **£'000** | **£'000** | **£'000** |
| At 30 September 2022 | 1,395 | 8,415 | 1,350 | 11,160 |
| Additions at cost | 300 | 115 | - | 415 |
| Loan note conversion | | 100 | (100) | - |
| Disposal | (222) | - | - | (222) |
| Change in fair value | (526) | (1,871) | (202) | (2,599) |
| Exchange rate adjustments | | | (76) | (76) |
| Accrued Interest | | | 103 | 103 |
| At 30 September 2023 | 947 | 6,759 | 1,075 | 8,781 |
| Additions at cost | - | 299,346 | - | 299,346 |
| Disposal | (881) | - | - | (881) |
| Change in fair value | (51) | (862) | - | (913) |
| Exchange rate adjustments | - | - | (72) | (72) |
| Accrued Interest | - | - | 54 | 54 |
| | 15 | 305,243 | 1,057 | 306,315 |

**Analysis of Additions at Cost**

| | 30 September 2024 £'000 | 30 September 2023 £'000 |
|---|---|---|
| **Current** | | |
| Cash – non listed | - | 150 |
| Cash - listed | - | 150 |
| Equity – non listed | 299,346 | 115 |
| | 299,346 | 415 |

The fair value of quoted investments is determined by reference to bid prices at the close of business on the reporting date.

Where an unquoted investment has been made recently, the Company may use cost as the best indicator of fair value. In such cases, any changes or events subsequent to the relevant transaction date would be assessed to ascertain if they imply a change in the investment's fair value. Such valuations prepared by the Investment Team will be approved by the Audit and Risk Committee at least twice a year. If the Board considers that any of the above bases of valuation are inappropriate in any case, or generally, it may adopt such other valuation procedures as it considers reasonable in the circumstances.

The fair value of debt instruments is taken as cost-plus accrued interest to the balance sheet date.

### 9. Trade and other Receivables

| | 30 September 2024 £'000 | 30 September 2023 £'000 |
|---|---|---|
| **Current** | | |
| Loan to investee | 4,047 | - |
| Other receivables | - | 11 |
| Prepayments and accrued income | 25 | 33 |
| | 4,072 | 44 |

Directors consider that the carrying amount of trade receivables is a reasonable approximation of its fair value. There is no provision for loss allowance for expected credit losses Other classes within trade and other receivables do not contain impaired assets.

### 10. Cash and Cash Equivalents

| | 30 September 2024 £'000 | 30 September 2023 £'000 |
|---|---|---|
| **Current** | | |
| Cash and bank balances | 1,018 | 1,468 |
| Cash equivalent | 45 | 269 |
| | 1,063 | 1,737 |

Directors consider that the carrying amount of cash at bank is a reasonable approximation of its fair value.

Cash equivalents are liquid balances held within third-party broker accounts, receivable on demand.

### 11. Called up share capital

| Issued and fully paid | 30 September 2024 £'000 | 30 September 2023 £'000 |
|---|---|---|
| **Deferred Shares** | | |
| 250,000 deferred shares | 48 | 48 |
| **Ordinary Shares** | | |
| 86,859,644 ordinary shares @ £0.01 | - | 869 |
| 202,293,166 ordinary shares @ £0.10 | 20,229 | - |
| At 30 September 2024 | 20,277 | 917 |

Ordinary shares have full voting, dividend and capital distribution (including winding up) rights; they do not confer any rights of redemption.

Deferred shares do not entitle the holder to receive any dividend or other distribution; or receive a share certificate of the relevant holding; or to receive notice of; nor to attend, speak or vote at, any general meeting of the Company. The deferred shares shall not be capable of transfer at any time other than with the prior written notice consent of the Directors of the Company

**11. Called up share capital (continued)**

| | Deferred Shares | Ordinary Shares | Share Capital | Deferred Shares | Share Premium account | Total |
|---|---|---|---|---|---|---|
| | | **Number** | **£'000** | **£'000** | **£'000** | **£'000** |
| At 30 September 2022 | 250,000 | 72,064,551 | 721 | 48 | 12,619 | 13,388 |
| Allotment of shares @ £0.0575 | - | 2,000,000 | 20 | - | 95 | 115 |
| Allotment of shares @ £0.0525 | - | 12,857,142 | 129 | - | 547 | 676 |
| Purchase of shares via tender offer @ £0.0525 | - | (62,049) | (1) | - | (3) | (4) |
| Fund raising costs | - | - | - | - | (24) | (24) |
| At 30 September 2023 | 250,000 | 86,859,644 | 869 | 48 | 13,234 | 14,151 |
| Allotment of shares @ £0.1566 | - | 1,911,529,540 | 19,115 | - | 280,230 | 299,345 |
| Allotment of shares @ £0.1566 | - | 14,040,862 | 140 | - | 2,058 | 2,198 |
| Consolidation shares | | 4 | - | - | - | - |
| 29 February 2024 | 250,000 | 2,012,430,050 | 20,124 | 48 | 295,522 | 315,694 |
| Restatement following consolidation of ordinary shares 1:10 | 250,000 | 201,243,005 | 20,124 | 48 | 295,522 | 315,694 |
| Allotment of shares @ £1.566 | | 1,050,161 | 105 | - | 1,540 | 1,645 |
| At 30 September 2024 | 250,000 | 202,293,166 | 20,229 | 48 | 297,062 | 317,339 |

On 27 October 2023 the Company acquired the entire share capital of Hui10 for a consideration of $365m. Consideration was settled by the issue of 1,911,529,540 new Ordinary Shares in the Company.

On 13 December 2023, the Company issued 2,687,095 Ordinary Shares, fully paid for cash at a price of 15.66 pence per share.

On 5 January 2024, the Company issued 11,353,767 Ordinary Shares, fully paid for cash at a price of 15.66 pence per share.

On 29 February 2024 the ordinary shares were consolidated on the basis of 1 new share for 10 old shares to simplify the company's capital structure.

On 21 March 2024, the Company issued 890,519 Ordinary Shares, fully paid for cash at a price of £1.566 per share.

On 8 April 2024, the Company issued 159,642 Ordinary Shares, fully paid for cash at a price of £1.566 per share.

**12. Reserves**

Share capital is the amount subscribed for shares at nominal value. Share premium represents amounts subscribed for share capital in excess of nominal value, net of expenses.

Retained earnings represents the cumulative profits and losses of the Company attributable to the owners of the Company.

The other reserve is the equity component of the convertible loan note investments.

**Share based payments**

The Company operates one option schemes, namely an unapproved option scheme. The unapproved option scheme is for consultants involved in the raising of finance equity.

**Warrants**

The Company established Hui10 share growth incentive scheme in which participants are rewarded if a predetermined level of shareholder value is created over a three-to-five-year period or upon a change of control of the Hui10 (whichever occurs first). The reward is calculated on a formula basis by reference to the growth in market capitalisation of Hui10 over and above the value of US$365 million. It allows for adjustments for the issue of any new Ordinary Shares and taking into account dividends and capital returns ("Shareholder Value"). The reward will be realised by the exercise by the beneficiaries of a put option in respect of a new class of Hui10 shares and satisfied either in cash or by the issue of new Ordinary Shares, at the election of the Company. Under these arrangements in place, participants are entitled up to in total 15% ("Incentive Pool"). One of the beneficiaries is Giles Willits.

Hui10 has executed a warrant instrument and issued 1,658,956 warrants to the Chairman and an aggregate of 1,658,956 additional warrants to certain connected parties. Each warrant entitles the warrant holder to subscribe for one Class B share in Hui10 at an exercise price of £1.8868. Exercise of the warrants is subject to satisfaction of a vesting condition being the closing price of the shares in IIG being equal to or more than £3.13264 per Ordinary Share. Once this condition has been satisfied, the warrant is regarded as vested and may be exercised at any time thereafter, even if the IIG share price subsequently falls below £3.13264 per Ordinary Share. If Hui10 declares any dividend on the Ordinary Shares, it is obliged to accrue a pro rata amount in respect of a notional dividend on the B Shares. Such accrued notional dividend may be used by the warrantholder towards payment of the subscription price on the exercise of the warrants.

Each of the warrantholders have entered into a put and call option agreement with IIG, entitling the Warrantholders to require IIG to acquire the Class B Shares issued in Hui10 on exercise of the Warrants in exchange for the issue of an aggregate of 3,996,779 new Ordinary Shares for all of the Class B Shares in issue in Hui10. IIG has the right to choose whether to issue shares or to pay cash on the exercise of the put or call option. The warrantholders have a period of 30 days to exercise their put option. If the put option is not exercised by a warrantholder within 30 days, IIG may exercise its call option to acquire the Class B shares in exchange for the issue of IIG shares or payment in cash, at its discretion.

In addition, the Company executed a warrant instrument on 27 October 2023 and issued 3,996,779 warrants to Mannerston Investments Limited, a company in which David Evans, a past director of the Company, has a significant interest. Each Warrant entitles the warrant holder to subscribe for one Ordinary Share at an exercise price of £1.56632 during the period commencing on 31 October 2023 and ending on the tenth anniversary and are conditional on the share price reaching £3.13264. Once this condition has been satisfied, the Warrant is regarded as vested and may be exercised at any time thereafter, even if the IIG share price subsequently falls below £3.13264 per share. Full exercise of the subscription rights under the Warrants will result in the issue of 3,996,779 new Ordinary Shares.

The Board have determined that the warrants have market based vesting conditions in respect of share price target. The value of the warrants has immaterial value considering the Company's results for the 2024 accounting period.

The fair value of warrants granted by the Company has been arrived at using the Binomial Tree model. The assumptions inherent in the use of this model are as follows

| | |
|---|---|
| **Company Beta:** | 0.54 |
| **Volatility:** | 7.7% |
| | (based on FTSE Emerging Small Cap 3-year volatility of 14.4%) |
| **Dividend Yield:** | 0% |
| **Risk-Free Rate:** | 4% |
| **Assumed Term:** | 5-year term |
| **Adjustments for Lack of Marketability** | 80% |

At the year end, the group had the following warrants at the weighted average exercise price (WAEP) shown below

| | Number | WAEP (£) |
|---|---|---|
| At 30 September 2022 and 30 September 2023 | 221,125 | 2.00 |
| Issued during the period | 3,996,778 | 1.566 |
| At 30 September 2024 | 4,217,903 | 1.583 |

| | 2024 | 2023 |
|---|---|---|
| Weighted average remaining contractual life (years) | 9 | 2 |

At 30 September 2024, the following warrants were outstanding in respect of ordinary shares and all are exercisable by expiry date:

| Grant date | Number | Exercise price | Expiry date |
|---|---|---|---|
| 8 December 2020 | 221,125 | 2.00 | 7 December 2025 |
| | 3,996,778 | 1.56 | 25 October 2023 |
| Outstanding at 30 September 2024 | 4,217,903 | | |

The warrants outstanding at the start of the year have been adjusted to take account of the 1 new share for 10 old shares consolidation which took place on 29 February 2024.

**13. Trade and other payables**

| | 30 September 2024 £'000 | 30 September 2023 £'000 |
|---|---|---|
| Accounts payable | 15 | 42 |
| Accrued expenses | 57 | 58 |
| Other payables | 10 | - |
| | 82 | 100 |

**14. Related Party Disclosures**

During the year to 30 September 2024 the Company was charged £24,037 (2023: £20,667) for services provided by Morrison Kingsley Consultants Ltd, a Company controlled by Mark Collingbourne, Chief Financial Officer.

During the year to 30 September 2024 the Company was charged £21,106 (2023: £48,333) for services provided by White Bio Consulting Ltd, a Company controlled by Dr Stewart White. At 30 September 2024 £3,000 was due to White bio Consulting Ltd (2023: £6,265)

During the year the Company loaned £3.905m to Hui 10 and investee company. Interest is chargeable at 6%. The balance outstanding at 30 September 2024 is £4.047m (2023: NIL)

Fees paid to Directors have been disclosed in note 3

**15. Financial Instruments**

The Company uses financial instruments, other than derivatives, comprising cash to provide funding for the Company's operations.

**Categories of financial instruments**

The IFRS 9 categories of financial asset and financial liabilities included in the Statement of Financial Position and the headings in which they are included are as follows:

| | 2024 £'000 | 2023 £'000 |
|---|---|---|
| **Financial assets** | | |
| Cash at bank | 1,063 | 1,737 |
| *Amortised cost* | | |
| Accounts receivable | 4,072 | 44 |
| *Fair value through profit or loss (FVTPL)* | | |
| Investments | 306,315 | 8,781 |

**Financial liabilities**

| | | |
|---|---|---|
| *Amortised cost* | | |
| Accounts payable | 15 | 42 |
| Accrued expenses | 57 | 58 |
| Other payables | 10 | - |

### 16. Financial Risk Management Objectives and Policies

The Company's financial instruments comprise its investment portfolio, cash balances, and trade receivables and trade payables that arise directly from its operations.

The main risks arising from the Company's financial instruments are:

(i) Market price risk, including currency risk, interest rate risk and other price risk;
(ii) Liquidity risk; and
(iii) Credit risk.

The Board consider and review the risks inherent in managing the Company's assets which are detailed below.

**(i) Market price risk**

The fair value of future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises currency risk, interest rate risk and other price risk. The Board of Directors reviews and agrees policies for managing these risks through continuing analysis. The Board assess the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the portfolio on an ongoing basis.

**(a) Currency risk**

The Company's total return and net assets can be affected by currency translation movements. It is not the Company's policy to hedge this risk on a continuing basis.

Foreign currency exposure  is the exposure of the principals of the investments.

| | 30 September 2024 Overseas investments | 30 September 2023 Overseas investments |
|---|---|---|
| | £'000 | £'000 |
| USD | 1,024 | 1,040 |
| NOK | - | 58 |
| Total | 1,024 | 1,098 |

### 16. Financial Risk Management Objectives and Policies (continued)

Sensitivity analysis is based on the Company's monetary foreign currency financial statements held at each balance sheet date. If Sterling had moved by 10% against all other variables constant, the net assets would have moved by the amounts shown below.

| | 30 September 2024 | | 30 September 2023 | |
|---|---|---|---|---|
| | 10% Weakening | 10% Strengthening | 10% Weakening | 10% Strengthening |
| | £'000 | £'000 | £'000 | £'000 |
| US Dollar | (140) | 11 | (75) | 91 |
| Norway Kroner | - | - | (5) | 6 |
| Total | (140) | 11 | (80) | 97 |

In the opinion of the Directors, the above sensitivity analyses are not representative of the period as a whole, since the level of exposure changes frequently as part of the currency risk management process used to meet the Company's objectives.

**(b) Interest rate risk**

Interest rate movements may affect.

- The fair value of the investments in fixed interest rate securities (including unquoted loans); or
- The level of income receivable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

The Board reviews on a regular basis the values of the fixed interest rate securities and the unquoted loans to companies in which private equity investment is made.

Movements in interest rates would not significantly affect net assets attributable to the Company's shareholders and total profit.

**16. Financial Risk Management Objectives and Policies (continued)**

**(c) Other price risk**

Other price risk (i.e. changes in market prices other than those arising from currency risk or interest rate risk) may affect the value of the quoted and unquoted investments.

The Company's exposure to price risk comprises mainly movements in the value of the Company investments. As at period end the spread of the Company's investment portfolio is set out on pages 8 to 10

The Board of Directors manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant investment information from the Investment Team. The Board meets regularly and at each meeting reviews investment performance. The Board is directly responsible for investment strategy and asset allocation.

The Company's exposure to other changes in market prices at 30 September 2024 on its quoted and unquoted investments were as follows:

| | **30 September 2024** | **30 September 2023** |
|---|---|---|
| | **£'000** | **£'000** |
| Financial assets at fair value through profit or loss | | |
| Non-current investments | 306,315 | 8,781 |
| Total | 306,315 | 8,781 |

As detailed in the accounting policies note, the unquoted equity investments have been valued following the IPEV Valuation guidelines.

Methods applied include cost of investment, price of recent investments, net assets and earnings multiples. Any valuations in local currency are converted into sterling at the prevailing exchange rate on the valuation date.

Although the Board believes that the estimates are appropriate, the use of different methodologies or assumptions could lead to different measures of fair values.

The table below shows how the unquoted investments have been valued as at 30 September 2024.

**16. Financial Risk Management Objectives and Policies (continued)**

| | Method of fair value valuation | 30 September 2024 fair value | 30 September 2023 fair value |
|---|---|---|---|
| **Quoted** | | **£** | **£'000** |
| Light Science Technologies Holdings plc | Bid price at period end | - | 735 |
| Microsaic Systems plc | Bid price at period end | - | 13 |
| BioDexa Pharmaceuticals PLC | Bid price at period end | - | 14 |
| Polarean Imaging plc | Bid price at period end | - | 42 |
| Shield Therapeutics plc | Bid price at period end | - | 64 |
| Theracryf PLc (formerly Evgen Pharma plc) | Bid price at period end | 15 | 46 |
| Trellus Health plc | Bid price at period end | - | 33 |
| **Unquoted** | | | |
| BioQ Pharma Inc | Cost, interest and FX movement | 1,023 | 1,040 |
| Micrima Ltd | Last investment round | 34 | 35 |
| PneumoWave Ltd | Last investment round | 395 | 904 |
| Axol Bioscience Ltd | Last investment round | 79 | 178 |
| CardiNor AS | Last investment round | - | 58 |
| The Electro Spinning Company Ltd | Last investment round | 91 | 496 |
| Momentum Bioscience Ltd | Last investment round | 375 | 375 |
| Ocutec Ltd | Last investment round | 312 | 312 |
| Hui 10 | Management valuation | 299,346 | - |
| Touchless Hygiene Ltd | Management valuation | 4,089 | 3,880 |
| Touchless Innovations Ltd | Management valuation | 556 | 556 |
| **Total** | | **306,315** | **8,781** |

**The valuation techniques applied are based on the following assumptions:**

**Quoted**

Publicly traded securities are valued by reference to their bid price or last traded price, if applicable, on the relevant exchange in accordance with the Association of Investment Companies' valuation guidelines and applicable accounting standards. Where trading in the securities of an Investee Company is suspended, the investment in those securities will be valued at the Chairman's estimate of its net realisable value. In preparing these valuations, the Company will take into account, where appropriate, latest dealing prices, valuations from reliable sources, comparable asset values and other relevant factors

**Unquoted**

Fair values for unquoted investments including convertible loan notes, or investments for which the market is inactive, are established by using various valuation techniques in accordance with the International Private Equity and Venture Capital Valuation (the "IPEV") guidelines. These may include recent arm's length market transactions, the current fair value of another instrument which is substantially the same, discounted cash flow analysis and option pricing models. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised.

Where an investment has been made recently, the Company may use cost as the best indicator of fair value. In such cases, any changes or events subsequent to the relevant transaction date would be assessed to ascertain if they imply a change in the investment's fair value. Such valuations prepared by the Investment Team will be approved by the Audit and Risk Committee at least twice a year. If the Board considers that any of the above bases of valuation are inappropriate in any case, or generally, it may adopt such other valuation procedures as it considers reasonable in the circumstances.

Further detail on the valuation of significant investments, are detailed below:

**Bio Q Pharma 10% USD Loan notes**
*Valuation:* The loan is held at par plus accrued interest and movement on USD/GBP exchange rate from previous year.
*Sensitivity:* If the exchange rate were to move by 10% in either direction the valuation of the investment would move by approximately £100,000.
*Key assumptions:* BioQ's Invenious™ platform will achieve commercial success, driven by demand for cost-effective and simplified infusion systems. Regulatory approvals will be obtained without significant delays or costs. The convertible loan terms remain favorable, with anticipated conversion upon a liquidity event.
*Risks and judgements:* Delays in regulatory approvals or commercialisation could impact revenues. Market adoption risks if healthcare providers prefer existing infusion methods. Potential financial instability of BioQ if sales targets are not met.

**Hui10 Inc.**
*Valuation:* Discounted cash flow.
*Sensitivity:* A number of sensitivities have been adopted, including a cost of capital of 75% and reduction in participation rate from 40% to 20%. These combined sensitivities support the valuation.
*Key assumptions:* There will be significant increase in people playing the lottery in China. Hui10 will be able to roll out its key products and revenues per user meet forecast. There will be approval for the digital rollout of Hui10's services and products.
*Risks and judgements:* Lower market penetration rates than forecast. No approval for the digitisation of the lotteries. Substantial uncertainty as to whether Hui10 will be able to execute its business plan.

**Touchless Innovations**
*Valuation:* Primarily discounted cash flow as well as comparable listed company multiples and comparable transactions multiples.
*Sensitivity:* An increase in the discount rate of 10% would reduce the valuation by £1,832,973 and a decrease in the discount rate of 10% would increase the valuation by £7,153,281.
*Key assumptions:* The core business operations will continue to grow organically, supported by new clients and flagship partnerships. The liquefaction technology will unlock additional revenue streams.
*Risks and judgements:* The lack of revenue from franchise efforts raises risks around the model's viability. The current and forecast revenue levels assumes stability in the core business and potential for growth in new markets.

**16. Financial Risk Management Objectives and Policies (continued)**

The following table illustrates the sensitivity of the profit after taxation and net assets to an increase or decrease of 10% in the fair values of the Company's investments. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Company's equities at the period end, with all other variables held constant.

| | 30 September 2024 | | 30 September 2023 | |
|---|---|---|---|---|
| | **Increase in fair value** | **Decrease in fair value** | **Increase in fair value** | **Decrease in fair value** |
| | **£'000** | **£'000** | **£'000** | **£'000** |
| Increase/(Decrease) in net assets | 30,632 | (30,632) | 878 | (878) |
| Total | 30,632 | (30,632) | 878 | (878) |

**(ii) Liquidity risk**

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The Company invests in equities and other investments that are readily realisable. It also invests in unquoted securities, which are less readily marketable than equities. These investments are monitored by the Board on a regular basis.

As at 30 September 2024 the Company's cash is held in a current account with Clydesdale Bank as a result the Company could access £1.46 million within one week.

**(iii) Credit risk**

The Company does not have any significant exposure to credit risk arising from one individual party. Credit risk is spread across a number of counterparties, each having an immaterial effect on the Company's cash flows, should a default happen. The Company assesses the credit worthiness of its debtors from time to time.to ensure they are neither past due or impaired.

The maximum exposure of the financial assets to credit risk at the year-end was as follows:

| | **30 September 2024 £'000** | **30 September 2023 £'000** |
|---|---|---|
| Financial assets neither past due or impaired | | |
| Convertible Loan note Investments | 1,058 | 1,074 |
| Trade and other receivables | 25 | 44 |
| Loan to investee | 4,047 | |
| Cash and cash equivalents | 1,063 | 1,737 |
| Total | 6,193 | 2,855 |

The maximum credit exposure of financial assets represents the carrying amount. There are no financial assets that are past due or impaired. There are no commitments giving rise to credit risk as at 30 September 2024.

**16. Financial Risk Management Objectives and Policies (continued)**

**Fair value of financial assets**

The Company measures fair value using the fair value hierarchy that reflects the significance of the inputs used in making the measures of the relevant assets as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets of liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset of liability, either directly (that is, as prices) or indirectly (that is, derived from prices.
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). See note 2 - Critical accounting judgments and key sources of estimation uncertainty, for how the value of level 3 investments are calculated.

The Company's main unobservable inputs are earnings multiples, recent transactions and net asset basis. The market value would be sensitive to movements in these unobservable inputs. Movements in these inputs, individually or in aggregate could have a significant effect on the market value.

The following table illustrates the sensitivity of the profit after taxation and net assets to an increase or decrease of 10% in the discounted cashflow used for valuation. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Company's equities at the period end, with all other variables held constant. There are no comparatives for the previous year as most investments were held at cost.

| | **30 September 2024** | |
|---|---|---|
| | **Increase in DCF %** | **Decrease in DCF %** |
| | **£'000** | **£'000** |
| Increase/(Decrease) in net assets | 802 | (4,247) |
| Total | 802 | (4,247) |

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The Company considers observable data from investments actively traded in organised financial markets, fair value is generally determined by reference to Stock Exchange quoted market bid prices at the close of business on the Period end date, without adjustment for transaction costs necessary to realise the asset.

The table below sets out fair value measurements of financial assets in accordance with the IFRS 13 fair value hierarchy system:

**Financial assets at fair value through profit and loss**
**At 30 September 2024**

| | Total | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 |
| Equity Investments | 305,258 | 15 | - | 305,243 |
| Fixed interest investments | 1,057 | - | - | 1,057 |
| Total | 306,315 | 15 | - | 306,300 |

A reconciliation of fair value measurements in Level 3 is set out below.

**Financial assets at fair value through profit and loss**
**At 30 September 2023**

| | Total | Level 1 | Level 2 | Level 3 |
|---|---|---|---|---|
| | £'000 | £'000 | £'000 | £'000 |
| Equity Investments | 7,707 | 948 | - | 6,759 |
| Fixed interest investments | 1,074 | - | - | 1,074 |
| Total | 8,781 | 948 | - | 7,833 |

A reconciliation of fair value measurements in Level 3 is set out below.

### 16. Financial Risk Management Objectives and Policies (continued)

**Level 3 financial assets as fair value through profit or loss**

| | Total | Equity Investments | Fixed Interest investments |
|---|---|---|---|
| | £'000 | £'000 | £'000 |
| Opening fair value | 7,833 | 6,759 | 1,074 |
| Purchases | | 299,346 | |
| Total gains/(losses) included in gains on investments in the Statement of Comprehensive income: | | | |
| - Revaluation of assets at period end | (862) | (862) | |
| - FX revaluations | (72) | | (72) |
| - Interest | 54 | | 54 |
| Closing fair value | 306,300 | 305,243 | 1,057 |

| | Total | Equity Investments | Fixed Interest investments |
|---|---|---|---|
| | £'000 | £'000 | £'000 |
| Opening fair value | 9,638 | 8,388 | 1,250 |
| Purchases | 315 | 215 | 100 |
| Loan note conversion | (100) | - | (100) |
| Total gains/(losses) included in gains on investments in the Statement of Comprehensive income: | | | |
| - Revaluation of assets at period end | (2,047) | (1,844) | (203) |
| - FX revaluations | (76) | - | (76) |
| - Interest | 103 | - | 103 |
| Closing fair value | 7,833 | 6,759 | 1,074 |

### 16. Financial Risk Management Objectives and Policies (continued)

**Capital risk**

The Company's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company's capital at 30 September 2024 comprises:

| | Fixed Interest investments 30 September 2024 | Fixed Interest investments 30 September 2023 |
|---|---|---|
| | £'000 | £'000 |
| Equity share capital | 20,229 | 869 |
| Retained earnings and other reserves | 291,139 | 9,593 |
| | 311,368 | 10,462 |

### 17. Ultimate Controlling Party

No one shareholder has control of the Company.

### 18. Post Balance Sheet Events

On 18 October 2024, the Company issued 4,624,840 Ordinary Shares at £0.001 each, fully paid for cash at a price of £1.33 per share.