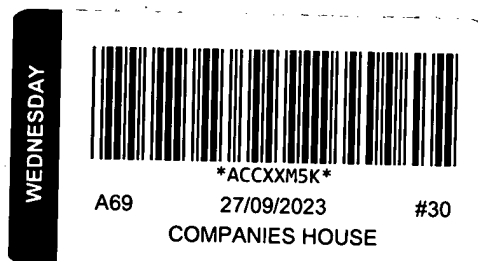


Registered number: 06534480

ALPHASIGHTS LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



ALPHASIGHTS LTD

COMPANY INFORMATION

Directors	A Heath M Cartellieri
Registered number	06534480
Registered office	Thames Court, 3rd Floor 1 Queenhithe London EC4V 3DX
Independent auditors	PricewaterhouseCoopers LLP Chartered Accountants, Statutory Auditor 1 Embankment Place London WC2N 6RH

ALPHASIGHTS LTD

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ALPHASIGHTS LTD

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The directors present the Strategic Report for AlphaSights Ltd (the 'company'), together with its subsidiaries (the 'group'), for the year ended 31 December 2022. The company is incorporated in the United Kingdom and domiciled in England and Wales.

Fair review of the business

The group sustained its growth and profitability for the year to 31 December 2022. The results of the group for the year, as set out on page 10, show a 27% increase in turnover year-over-year, owing to growth of existing clients, an expanded platform offering, as well as the continued acquisition of new clients. The group's profit before tax margin of 25% reflects a temporary elevation of direct costs in connection with the introduction of an enhanced platform offering, as well as considerable technology investments.

The group continues to monitor the ongoing conflict in Ukraine. The group has completed a review of all stakeholder relationships against the backdrop of applicable sanctions. The group has no offices or employees in either Russia or Ukraine.

Research and development costs related to the development of the company's platform have been capitalised as software development costs and the respective amortisation charge recognised in the Statement of Comprehensive Income for the year.

The group's liquidity remained strong, with the group closing the year with £43,615k (2021: £26,802k) in cash balances.

Key performance indicators

The group measures its performance based on financial key performance indicators which are turnover and profit before tax margin as set out further in the financial statements on page 10.

The group's turnover in 2022 was £352,168k (2021: £277,152k). This represents a year-over-year increase of 27% (2021: 41%). The profit before tax margin for 2022 was 25% (2021: 33%).

ALPHASIGHTS LTD

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Principal risks and uncertainties

Commercial risk

Continued commercial success will depend on the company's ability to add clients and expand its footprint amongst its existing client base, while maintaining the quality and standards in execution.

Financial risk and financial risk management objectives

The group identifies and monitors key financial risks, with a view to limiting or mitigating such risks.

i. Foreign exchange risk

The company executes business denominated in currencies other than its reporting currency and is thus **exposed to risks related to movements in exchange rates. While the group is hedged to a degree owing to costs** incurred in the invoicing currencies, a net exposure remains to the movement in currencies against the reporting currency.

ii. Credit risk

The company extends credit to clients and therefore assumes credit risk with regards to non-payment of invoices issued to clients or general client default. This is mitigated by the composition and quality of the company's client base.

iii. Liquidity risk

The company considers the risk that it will be unable to meet its financial obligations as they fall due. The company manages this risk by ensuring sufficient liquidity is available to meet foreseeable needs. The company manages liquidity across a diversified set of banking relationships and regularly monitors potential counterparty risk as part of its treasury operations.

Future developments

The group will continue to invest in its people and its relationships with clients and aims to grow the business with existing clients, further expand its platform offering and continue to acquire new clients.

ALPHASIGHTS LTD

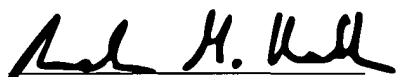
STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Directors' statement of compliance with duty to promote the success of the group

The directors consider that they have acted in the way they consider, in good faith, most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken in the year to 31 December 2022.

- a. The directors delegate day-to-day management and decision making to the senior management team, **but maintain oversight of the group's performance, with matters of elevated strategic importance and major decisions remaining subject to board approval. Decision-making is guided by the directors' long-term focus.**
- b. The company's competitive position is a reflection of its reputation for performing to the highest standards of business conduct. **Maintaining and adding to this reputation guides the actions and decision-making of the directors.**
- c. Consistent with the group's ambition to be a top global employer, the directors are committed to maintaining an environment and culture where the group's employees benefit from high quality professional development and strive towards success.
- d. As a leader in knowledge-on-demand, the company unlocks human knowledge to power progress for **professionals, businesses and society. The directors seek to enhance the company's relationships with clients, knowledge holders and other suppliers to drive success for each of them.**
- e. The company amplifies its societal contribution as a significant employer and taxpayer with its Knowledge for Good (KFG) programme. Through KFG, the company facilitates no or low cost access to relevant knowledge in support of social enterprises committed to positively impacting the community **and the environment.**
- f. In its long-term focus, the company depends on those who hold its equity. The directors' responsible treatment of its members is reflected in considered decision-making and the equal treatment applied to shares within each share class.

This report was approved by the board on 27 June 2023 and signed on its behalf.


A Heath
Director


M Cartellieri
Director

ALPHASIGHTS LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the audited financial statements for the year ended 31 December 2022.

Principal activities

The principal activity of the company and group continued to be the provision of business information services to corporate clients.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were:

A Heath
M Cartellieri

Directors' indemnity

Each director is indemnified out of the company's assets as set out in the articles of association of the company, and the indemnity remains in force at the date of the signature of the financial statements.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and 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 group and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law).

Under company law, 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 group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- **make judgements and accounting estimates that are reasonable and prudent; and**
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

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

Results and dividends

The results for the year are set out on page 10.

A dividend of £150.0m (2021: £nil) was declared and paid during the year.

ALPHASIGHTS LTD

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Engagement with employees

The group places considerable value on the involvement and engagement of its employees. The pace of progress along commercial and operational dimensions reflects this involvement and engagement. Progress is routinely shared in group-wide updates and employees have visibility of, and are encouraged to engage with, qualitative and quantitative information and metrics that, in combination, drive commercial and operational results.

Going concern

The directors have adopted the going concern basis in preparing these financial statements after assessing the principal and financial risks facing the group and the company, as well as the group's performance and current financial position and forecasts for the group's business.

In the assessment of going concern, the directors have considered the economic environment in the market in which the business operates, including macroeconomic conditions, and its potential impact on the business for the 12 months following the signing of the financial statements, and believe that the group is well placed to **manage its business and financial risks successfully. The directors also assume the business to continue to be** profitable for the foreseeable future. This view is supported by the profitable and cash-generative performance of the business in 2022. The going concern assumption is further supported by the fact that, given the company's and group's high level of absolute and relative profitability, along with the high level of flexibility in its cost base, the company and group have the capacity to withstand a substantive deterioration in business performance.

On the basis of business performance and forecasts, and having regards to all of the above, the directors have a reasonable expectation that the company will continue to have adequate financial resources to meet its liabilities as they fall due throughout the going concern period of at least 12 months following the signing of the financial statements and thus consider it appropriate to adopt the going concern basis of accounting in preparing these financial statements.

Engagement with clients, suppliers and others

The group's continued success is based on strong and mutually beneficial relationships with clients, knowledge holders, suppliers and providers of finance. The directors seek the promotion and application of certain general principles in such relationships. These principles involve reciprocity and fairness, as well as the safeguarding and demarcation of data and intellectual property. Consistency with these principles is an important factor in the directors' decision whether to enter and continue any relationship.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues. Career advancement is based on merit, against objective criteria, and without regard to disability status.

Research and Development

The group continuously seeks to develop and integrate new technologies and to advance its systems. The group performs research and development activities in the area of software development.

Post reporting date events

Change in Currency

In light of identified triggers and the fact that the company executes business predominantly in USD, the functional and presentational currency of the company changed from **GBP to USD** as of 1 January 2023. The 2023 group and company financial statements will, therefore, be prepared accordingly.

ALPHASIGHTS LTD

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

Independent Auditors

During the year, PricewaterhouseCoopers LLP were appointed to hold office as auditors of the company and its parent, AlphaSights Holdings Ltd.

Matters included in the Strategic Report

Information relating to financial risk management and future developments has been included in the Strategic Report.

Energy and carbon report

The following summarises the company's UK energy consumption over the year ended 31 December 2022:

	2022	2021
Energy consumption (total electricity and gas in kWh)	1,233,206	1,123,899
Emissions resulting from purchase of electricity for its own use (in tonnes of CO2 equivalent)	368	284

The group is committed to constraining its energy consumption and continues to encourage the adoption of sustainable practices in order to mitigate its environmental impact.

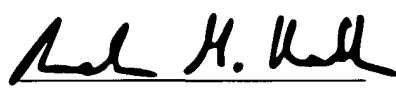
For the reporting year, the company's emissions were 8.76 gCO2e (2021: 8.97 gCO2e) for each £1 incurred in staff costs.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

This report was approved by the board on 27 June 2023 and signed on its behalf.


A Heath
Director


M Cartellieri
Director

ALPHASIGHTS LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALPHASIGHTS LTD

Report on the audit of the financial statements

Opinion

In our opinion, AlphaSights Ltd's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2022 and of the group's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Group and Company Balance Sheets as at 31 December 2022; the Group Statement of Comprehensive Income, Group Statement of Changes in Equity, Company Statement of Changes in Equity and Group Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion on or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

ALPHASIGHTS LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALPHASIGHTS LTD

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to income, sales and payroll taxes, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting

ALPHASIGHTS LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALPHASIGHTS LTD

inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- review of minutes of meetings of those charged with governance;
- **identifying and testing journals, in particular journal entries posted with unusual account combinations or with unusual descriptions; and**
- challenging assumptions and judgements made by management in their critical accounting estimates.

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

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

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Paul Norbury (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

27 June 2023

ALPHASIGHTS LTD

GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Turnover	3	352,168	277,152
Cost of sales		(200,982)	(146,311)
Gross profit		151,186	130,841
Administrative expenses		(64,046)	(40,352)
Operating profit	4	87,140	90,489
Interest receivable and similar income	8	165	22
Interest payable and similar expenses	9	-	(13)
Profit before taxation		87,305	90,498
Tax on profit	10	(20,247)	(16,292)
Profit for the financial year		67,058	74,206
Currency translation differences		1,161	29
Tax relating to other comprehensive income		184	269
Other comprehensive income for the year		1,345	298
Total comprehensive income for the year		68,403	74,504

The notes on pages 20 to 41 form part of these financial statements.

Profit for the financial year is all attributable to its parent company, AlphaSights Holdings Ltd.

Total comprehensive income for the year is all attributable to its parent company, AlphaSights Holdings Ltd.

ALPHASIGHTS LTD
REGISTERED NUMBER:06534480

GROUP BALANCE SHEET
AS AT 31 DECEMBER 2022

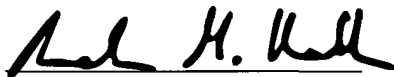
	Note	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Intangible assets	11		14,785		12,452
Tangible assets	12		12,727		7,707
			<u>27,512</u>		<u>20,159</u>
Current assets					
Debtors	14	79,169		169,040	
Cash and cash equivalents	15	43,615		26,802	
		<u>122,784</u>		<u>195,842</u>	
Creditors: amounts falling due within one year	16	(74,310)		(63,873)	
Net current assets			<u>48,474</u>		<u>131,969</u>
Total assets less current liabilities			<u>75,986</u>		<u>152,128</u>
Creditors: amounts falling due after more than one year	17		-		(774)
Provisions for liabilities					
Deferred taxation	18		(2,931)		-
Other provisions			(3,135)		-
Net assets			<u>69,920</u>		<u>151,354</u>
Capital and reserves					
Called up share capital	19		331		331
Capital redemption reserve	20		210		210
Foreign exchange reserve	20		1,240		79
Share options reserve	20		388		760
Profit and loss account	20		67,751		149,974
Total equity			<u>69,920</u>		<u>151,354</u>

ALPHASIGHTS LTD
REGISTERED NUMBER:06534480

GROUP BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

The notes on pages 20 to 41 are an integral part of these financial statements.

The financial statements on pages 10 to 41 were approved and authorised for issue by the board and were signed on its behalf on 27 June 2023.



A Heath
Director



M Cartellieri
Director

ALPHASIGHTS LTD
REGISTERED NUMBER:06534480

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £000	2022 £000	2021 Restated £000	2021 Restated £000
Fixed assets					
Intangible assets	11		14,785		12,452
Tangible assets	12		2,511		1,935
Investments	13		58		58
			17,354		14,445
Current assets					
Debtors	14	78,269		170,192	
Cash and cash equivalents	15	28,656		19,854	
			106,925	190,046	
Creditors: amounts falling due within one year	16	(70,796)		(62,999)	
Net current assets			36,129		127,047
Total assets less current liabilities			53,483		141,492
Provisions for liabilities					
Deferred taxation	18		(3,672)		-
Net assets			49,811		141,492
Capital and reserves					
Called up share capital	19		331		331
Capital redemption reserve	20		210		210
Share options reserve	20		388		760
Profit and loss account	20		48,882		140,191
Total equity			49,811		141,492

ALPHASIGHTS LTD
REGISTERED NUMBER:06534480

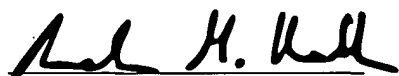
COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2022

As permitted by s408 Companies Act 2006, the company has not presented its own Statement of Comprehensive Income and related notes. The company's profit for the year was £57,972k (2021: £64,681k).

The notes on pages 20 to 41 are an integral part of these financial statements.

The comparative investments' balance has been restated due to a change in accounting policy. This has also led to a restatement of the comparative profit and loss account.

The financial statements on pages 10 to 41 were approved and authorised for issue by the board and were signed on its behalf on 27 June 2023.



A Heath
Director



M Cartellieri
Director

ALPHASIGHTS LTD

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital £000	Capital redemption reserve £000	Foreign exchange reserve £000	Share options reserve £000	Profit and loss account £000	Total equity £000
At 1 January 2022	331	210	79	760	149,974	151,354
Profit for the year	-	-	-	-	67,058	67,058
Currency translation differences	-	-	1,161	-	-	1,161
Transfer of deferred tax on excess depreciation	-	-	-	-	184	184
Comprehensive income for the year	-	-	1,161	-	67,242	68,403
Contributions and distributions						
Dividends: Equity capital	-	-	-	-	(150,000)	(150,000)
Transfer to profit and loss account upon exercise	-	-	-	(535)	535	-
Movement in share options reserve	-	-	-	163	-	163
At 31 December 2022	331	210	1,240	388	67,751	69,920

ALPHASIGHTS LTD

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £000	Capital redemption reserve £000	Foreign exchange reserve £000	Share options reserve £000	Profit and loss account £000	Total equity £000
At 1 January 2021	331	210	50	928	75,203	76,722
Profit for the year	-	-	-	-	74,206	74,206
Currency translation differences	-	-	29	-	-	29
Transfer of deferred tax on excess depreciation	-	-	-	-	269	269
Comprehensive income for the year	-	-	29	-	74,475	74,504
Contributions and distributions						
Transfer to profit and loss account upon exercise	-	-	-	(296)	296	-
Movement in share options reserve	-	-	-	128	-	128
At 31 December 2021 and 1 January 2022	331	210	79	760	149,974	151,354

ALPHASIGHTS LTD

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Share capital	Capital redemption reserve	Share options reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 January 2022	331	210	760	140,191	141,492
Profit for the year	-	-	-	57,972	57,972
Transfer of deferred tax on excess depreciation	-	-	-	184	184
Contributions and distributions					
Dividends: Equity capital	-	-	-	(150,000)	(150,000)
Transfer to profit and loss account upon exercise	-	-	(535)	535	-
Movement in share options reserve	-	-	163	-	163
At 31 December 2022	331	210	388	48,882	49,811

ALPHASIGHTS LTD

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital £000	Capital redemption reserve £000	Share options reserve £000	Profit and loss account Restated £000	Total equity Restated £000
At 1 January 2021	331	210	928	101,275	102,744
Restatement due to change in accounting policy	-	-	-	(26,330)	(26,330)
At 1 January 2021 (as restated)	331	210	928	74,945	76,414
Profit for the year	-	-	-	64,681	64,681
Movement in share options reserve	-	-	-	-	-
Transfer of deferred tax on excess depreciation	-	-	-	269	269
Contributions and distributions					
Transfer to profit and loss account upon exercise	-	-	(296)	296	-
Movement in share options reserve	-	-	128	-	128
At 31 December 2021 and 1 January 2022	331	210	760	140,191	141,492

Effective 1 January 2021, the company elected to change its accounting policy to account for investments in subsidiaries at cost less accumulated impairment losses.

The change in policy has resulted in a decrease of £26,330k in the profit and loss account. Details of this change have been included in note 1.2.

ALPHASIGHTS LTD

GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £000	2021 £000
Cash flows from operating activities		
Profit for the financial year	67,058	74,206
Adjustments for:		
Amortisation of intangible assets	6,817	5,319
Depreciation of tangible assets	3,712	2,705
Profit on disposal of tangible assets	(76)	(10)
Interest payable	-	12
Interest receivable	(165)	(22)
Tax on profit	20,063	16,292
Decrease / (increase) in debtors	89,454	(98,077)
Increase in creditors	13,751	21,315
Increase in other provisions	3,135	-
Share-based payments	163	128
Corporation tax paid	(20,803)	(17,460)
Foreign exchange	-	1
Net cash generated from operating activities	183,109	4,409
Cash flows from investing activities		
Purchase of intangible fixed assets	(9,150)	(5,080)
Purchase of tangible fixed assets	(7,828)	(3,403)
Proceeds on disposal of tangible fixed assets	87	15
Interest received	165	22
Interest paid	-	(12)
Net cash used in investing activities	(16,726)	(8,458)
Cash flows from financing activities		
Dividends paid	(150,000)	-
Net cash used in financing activities	(150,000)	-
Net increase / (decrease) in cash and cash equivalents	16,383	(4,049)
Cash and cash equivalents at beginning of year	26,802	30,854
Foreign exchange gains and losses	430	(3)
Cash and cash equivalents at the end of year	43,615	26,802

ALPHASIGHTS LTD

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

1. Accounting policies

Company information

AlphaSights Ltd (the 'company') is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales. The address of its registered office is:

Thames Court, 3rd Floor
1 Queenhithe
London
EC4V 3DX

These financial statements are the company's separate financial statements and the consolidated financial statements of the company and all its subsidiaries (the 'group'). The group and company's principal activity and the nature of its operations have been disclosed in the Directors' Report.

1.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in Sterling, which was the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention, modified to include the historic revaluation of intangible assets.

The company has taken advantage of the following exemption in its individual financial statements: Exemption from preparing a company statement of cash flows, on the basis that the company is a qualifying entity and the Group Statement of Cash Flows, included in these financial statements, includes the company's cash flows.

The principal accounting policies adopted are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.2 Change in Accounting Policy

Effective 1 January 2021, the company elected to change its accounting policy to account for investments in subsidiaries at cost less accumulated impairment losses. Previously, the company accounted for many of the investments in subsidiaries at fair value through other comprehensive income with formal revaluations performed on a periodic basis.

The change in accounting policy has been made due to management's opinion that accounting for the investments in subsidiaries at cost less accumulated impairment losses, given the structure of the group, provides reliable and more relevant information on the carrying amount of the company's investments in subsidiaries and provides a less costly and more straightforward approach to the accounting for these investments.

The impact of the change in policy has resulted in a decrease of £26,330k in the prior year carrying amount of investments and an equal decrease in the prior year retained earnings (profit and loss account) in the company accounts. The Company Balance Sheet and Company Statement of Changes in Equity have been restated by the same amount for prior year adjustments.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company, AlphaSights Ltd, together with all entities controlled by the parent company (its subsidiaries). Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Group Balance Sheet, the formed entity's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the formation / acquisition date. The results of the formed entity's operations are included in the Group Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

The directors have adopted the going concern basis in preparing these financial statements after assessing the principal and financial risks facing the group and the company, as well as the group's performance and current financial position and forecasts for the group's business.

In the assessment of going concern, the directors have considered the economic environment in the market in which the business operates, including macroeconomic conditions, and its potential impact on the business for the 12 months following the signing of the financial statements, and believe that **the group is well placed to manage its business and financial risks successfully. The directors also** assume the business to continue to be profitable for the foreseeable future. This view is supported by the profitable and cash-generative performance of the business in 2022. The going concern assumption is further supported by the fact that, given the company's and group's high level of absolute and relative profitability, along with the high level of flexibility in its cost base, the company **and group have the capacity to withstand a substantive deterioration in business performance.**

On the basis of business performance and forecasts, and having regards to all of the above, the directors have a reasonable expectation that the company will continue to have adequate financial resources to meet its liabilities as they fall due throughout the going concern period of at least 12 months following the signing of the financial statements and thus consider it appropriate to adopt the going concern basis of accounting in preparing these financial statements.

1.5 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates and value added tax, for the provision of business information services to corporate clients. Turnover is recognised when the company has discharged its performance obligations contractually owed to clients. A performance obligation is considered to be fully discharged on completion of a transaction as provided for under the contract between the client and the company.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.5 Turnover (continued)

Where performance obligations have been discharged but not yet invoiced, revenue is accrued based on the commercial terms of contracts.

Where clients, based on contractual arrangements, have been invoiced in advance of the company discharging its performance obligations, such amounts are accounted for as deferred income and are recognised in the Statement of Comprehensive Income when the company discharges its performance obligations, or on expiry of the term during which the company contractually owes such performance obligations.

1.6 Intangible assets other than goodwill

Previously revalued intangibles are brought in at deemed cost representing the net book value of those revalued intangible assets as at the date of transition. Subsequently, intangible assets are **recognised at cost**. After recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Software development costs

Costs associated with maintaining internally generated software are expensed to the Statement of Comprehensive Income as these costs are incurred.

Software development costs are only capitalised to the extent that they result in the creation of an enduring asset delivering benefits at least as great as the amount capitalised, provided the directors are satisfied as to the technical, commercial and financial viability of the asset.

The amortisation charge for the year is expensed to administrative expenses in the Statement of Comprehensive Income.

Software development costs are amortised on a straight line basis over 10 years.

1.7 Tangible assets

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

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

Depreciation is provided on the following basis:

Leasehold land and buildings	- straight line over the life of lease
Plant and equipment	- 33% straight line
Fixtures and fittings	- 25% straight line

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

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

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.8 Investments

In the parent company financial statements, investments in subsidiaries are carried at historic cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial operating policies of the entity so as to obtain benefits from its activities.

1.9 Impairment of fixed assets

At each reporting date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group Balance Sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.11 Financial instruments (continued)

Basic financial assets

Basic financial assets, which include trade debtors, other debtors and cash and cash equivalents, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including trade creditors, other creditors and amounts owed to group companies, are initially recognised at transaction price unless the arrangement constitutes a financing transaction where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.12 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of Ordinary shares are shown in equity as a deduction, net of tax, from proceeds. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of fixed assets.

1.15 Pensions

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

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

1.16 Share-based payments

The group's parent, AlphaSights Holdings Ltd, provides equity-settled share-based payment arrangements to certain group employees which are measured at fair value at the date of grant. The fair value is expensed on a straight line basis over the vesting period. The amount recognised as an expense reflects the actual number of shares in respect of which options have vested in the period.

ALPHASIGHTS LTD

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

1. Accounting policies (continued)

1.17 Operating leases: lessee

Rentals paid under operating leases are charged to the profit or loss on a straight line basis over the lease term. Benefits received and receivable as an incentive to sign an operating lease are recognised in the Group Statement of Comprehensive Income on a straight line basis over the lease term.

1.18 Foreign exchange

Functional and presentational currency

The company's functional and presentational currency was Sterling for the year ended 31 December 2022.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

All foreign exchange gains and losses are presented in the Group Statement of Comprehensive Income within operating profit.

On consolidation, the results of overseas operations are translated into the presentational currency at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at the opening rate and the results of overseas operations at the actual rate are recognised in other comprehensive income and transferred to the foreign exchange reserve.

1.19 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

ALPHASIGHTS LTD

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

2. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the accounting policies, the directors are required to make significant judgements, estimates and assumptions about the carrying amounts of assets that are not readily available from other sources. The estimates and assumptions are based on historic experience and other factors that are considered to be relevant. The items in the financial statements where these judgments and estimates have been made include:

Estimates

Capitalisation and amortisation of intangible assets

Critical estimates are made by the directors as regards capitalisation and amortisation rates for intangible assets and their residual values.

Capitalised software development costs are recorded as intangible assets. Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific intangible asset to which it relates. All other expenditure, such as related maintenance costs, is expensed as it is incurred.

Tangible assets

Critical estimates are made by the directors as regards depreciation rates for tangible assets and their residual values.

Debtors

Critical estimates are made by the directors as regards the recoverable amount of impaired receivables.

Judgements

Impairment reviews

At each financial year end, the company assesses whether there is an indication that the non-financial assets may be impaired. No such indication was identified at the end of the reporting period.

ALPHASIGHTS LTD

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

3. Turnover

The total turnover of the group for the year has been derived from its principal activity invoiced from the United Kingdom.

	2022 £000	2021 £000
United Kingdom	352,168	277,152
	352,168	277,152

4. Operating profit

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

	2022 £000	2021 £000
Amortisation	6,817	5,319
Depreciation	3,712	2,705
Exchange losses / (gains)	2,350	(1,517)
Operating lease rentals	9,729	5,826
Share-based payments	163	128

5. Auditors' remuneration

During the year, the company obtained the following services from the company's auditors and their associates in relation to the audit of the company's and group's consolidated annual financial statements:

	2022 £000	2021 £000
Fees payable to the company's auditors and their associates in respect of:		
Audit of the company and group financial statements - current auditors	100	-
Audit of the company and group financial statements - previous auditors	-	36
Non-audit services - previous auditors	-	10

ALPHASIGHTS LTD

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

6. Employees

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

	Group 2022 £000	<i>Group 2021 £000</i>	Company 2022 £000	<i>Company 2021 £000</i>
Wages and salaries	116,578	79,521	37,622	28,274
Social security costs	10,390	7,171	3,583	2,691
Other pension costs	2,577	1,738	639	485
Share-based payments	163	128	163	128
	<u>129,708</u>	<u>88,558</u>	<u>42,007</u>	<u>31,578</u>

The average monthly number of employees, including directors, employed by the group and company during the year was:

	Group 2022 No.	<i>Group 2021 No.</i>	Company 2022 No.	<i>Company 2021 No.</i>
Commercial and administration	<u>1,622</u>	<u>1,164</u>	<u>448</u>	<u>316</u>

7. Directors' remuneration

	2022 £000	<i>2021 £000</i>
Directors' emoluments	894	2,440
Company pension contributions to defined contribution schemes	28	17
	<u>922</u>	<u>2,457</u>

The highest paid director received remuneration of £497k (2021: £1,243k).

Group contributions to a defined contribution pension scheme in respect of the highest paid director amounted to £28k (2021: £17k).

The directors are considered to be the key management personnel of the group and the company.

8. Interest receivable and similar income

	2022 £000	<i>2021 £000</i>
Group interest receivable	<u>165</u>	<u>22</u>

ALPHASIGHTS LTD

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

9. Interest payable and similar expenses

	2022 £000	2021 £000
Group bank interest payable	-	13

10. Tax on profit

	2022 £000	2021 £000
Current tax		
UK Corporation tax on profit for the year	7,990	11,013
Foreign tax on profit for the year	8,725	5,847
Total current tax	16,715	16,860
Deferred tax		
Origination and reversal of timing differences	3,532	(568)
Total deferred tax	3,532	(568)
Tax on profit	20,247	16,292

ALPHASIGHTS LTD

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

10. Tax on profit (continued)

Factors affecting tax charge for the year

Tax assessed for the year is higher (2021: lower) than the standard rate of corporation tax in the UK for the year ended 31st December 2022 of 19% (2021: 19%). The differences are explained below.

	2022 £000	2021 £000
Profit before taxation	<u>87,305</u>	<u>90,498</u>
Profit before taxation multiplied by the standard rate of UK corporation tax of 19% (2021: 19%)	16,588	17,195
Effects of:		
Expenses not deductible for tax purposes	526	634
Capital allowances for year in excess of / (under) depreciation	(36)	744
Research and development tax credit	(2,647)	(1,625)
Chargeable disposals	(7)	(1)
Overseas tax charge	6,564	4,255
Origination and reversal of timing differences	3,532	(568)
Utilised loss on foreign subsidiaries	-	(1,330)
Group relief	(4,273)	(3,012)
Total tax charge for the year	<u>20,247</u>	<u>16,292</u>

ALPHASIGHTS LTD

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

11. Intangible assets

Group

	Software development costs £000
Cost	
At 1 January 2022	32,220
Additions	9,150
At 31 December 2022	<u>41,370</u>
Amortisation	
At 1 January 2022	19,768
Charge for the year	6,817
At 31 December 2022	<u>26,585</u>
Net book value	
At 31 December 2022	<u><u>14,785</u></u>
At 31 December 2021	<u><u>12,452</u></u>

ALPHASIGHTS LTD

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

11. Intangible assets (continued)

Company

	Software development cost £000
Cost	
At 1 January 2022	32,220
Additions	9,150
At 31 December 2022	<u>41,370</u>
Amortisation	
At 1 January 2022	19,768
Charge for the year	6,817
At 31 December 2022	<u>26,585</u>
Net book value	
At 31 December 2022	<u><u>14,785</u></u>
At 31 December 2021	<u><u>12,452</u></u>

ALPHASIGHTS LTD

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

12. Tangible assets

Group

	Leasehold land and buildings £000	Plant and equipment £000	Fixtures and fittings £000	Total £000
Cost				
At 1 January 2022	11,261	4,325	3,551	19,137
Additions	5,445	2,175	208	7,828
Disposals	-	(504)	-	(504)
Exchange differences	1,445	322	185	1,952
At 31 December 2022	18,151	6,318	3,944	28,413
Depreciation				
At 1 January 2022	6,081	2,716	2,634	11,431
Charge for the year	2,096	1,200	416	3,712
Disposals	-	(493)	-	(493)
Exchange differences	682	231	123	1,036
At 31 December 2022	8,859	3,654	3,173	15,686
Net book value				
At 31 December 2022	9,292	2,664	771	12,727
At 31 December 2021	5,181	1,609	917	7,707

ALPHASIGHTS LTD

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

12. Tangible assets (continued)

Company

	Leasehold land and buildings £000	Plant and equipment £000	Fixtures and fittings £000	Total £000
Cost				
At 1 January 2022	1,351	1,420	1,969	4,740
Additions	439	850	182	1,471
Disposals	-	(141)	-	(141)
At 31 December 2022	<u>1,790</u>	<u>2,129</u>	<u>2,151</u>	<u>6,070</u>
Depreciation				
At 1 January 2022	444	739	1,621	2,804
Charge for the year	268	451	177	896
Disposals	-	(141)	-	(141)
At 31 December 2022	<u>712</u>	<u>1,049</u>	<u>1,798</u>	<u>3,559</u>
Net book value				
At 31 December 2022	<u>1,078</u>	<u>1,080</u>	<u>353</u>	<u>2,511</u>
At 31 December 2021	<u>906</u>	<u>681</u>	<u>348</u>	<u>1,935</u>

ALPHASIGHTS LTD

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

13. Investments**Company**

	Investments in subsidiaries £000
Cost	
At 1 January 2022 (as restated)	58
At 31 December 2022	<u>58</u>

Effective 1 January 2021, the company elected to change its accounting policy to account for investments in subsidiaries at cost less accumulated impairment losses. Previously, the company accounted for many of the investments in subsidiaries at fair value through other comprehensive income with formal revaluations performed on a periodic basis.

The change in accounting policy has been made due to management's opinion that accounting for the investments in subsidiaries at cost less accumulated impairment losses, given the structure of the group, provides reliable and more relevant information on the carrying amount of the company's investments in subsidiaries and provides a less costly and more straightforward approach to the accounting for these investments.

The impact of the change in policy has resulted in a decrease of £26,330k in the prior year carrying amount of investments of £26,388k, leading to a carrying amount of £58k on restatement.

Direct subsidiary undertakings

The following were direct subsidiary undertakings of the company:

Name	Registered office	Principal activity	Class of shares	Holding
AlphaSights, Inc.	350 Madison Ave, 12/F New York, NY 10017 United States of America	Business information services	Ordinary	100%
AlphaSights Limited	36/F, Cambridge House Taikoo Place 979 King's Road Hong Kong	Business information services	Ordinary	100%
AlphaSights FZ-LLC	1607 Aurora Tower Media City, Dubai U.A.E.	Business information services	Ordinary	100%
AlphaSights GmbH	Stadthaus Axel-Springer-Platz 3 20355 Hamburg Germany	Business information services	Ordinary	100%

ALPHASIGHTS LTD

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13. Investments (continued)

Indirect subsidiary undertaking

The following was an indirect subsidiary undertaking of the company:

Name	Registered office	Principal activity	Class of shares	Holding
AlphaSights K.K.	Hibiya Fort Tower, 8/F 1 Chrome-1-1 Nishi Shinbashi, Minato-ku Tokyo 105-0003 Japan	Business information services	Ordinary	100%

14. Debtors

	Group 2022 £000	<i>Group 2021 £000</i>	Company 2022 £000	<i>Company 2021 £000</i>
Trade debtors	55,236	57,262	55,236	57,262
Amounts owed by group undertakings	15,763	104,255	15,977	106,944
Other debtors	2,326	1,119	1,912	383
Deferred taxation	-	417	-	417
Prepayments and accrued income	5,844	5,987	5,144	5,186
	79,169	169,040	78,269	170,192

The trade debtors balance has been stated after including a provision for bad debts of £100k (2021: £nil)

Amounts owed by group undertakings are unsecured, interest free and payable on demand.

15. Cash and cash equivalents

	Group 2022 £000	<i>Group 2021 £000</i>	Company 2022 £000	<i>Company 2021 £000</i>
Cash at bank and in hand	43,615	26,802	28,656	19,854

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16. Creditors: Amounts falling due within one year

	Group 2022 £000	Group 2021 £000	Company 2022 £000	Company 2021 £000
Trade creditors	4,712	3,185	4,110	2,512
Amounts owed to group undertakings	-	-	20,477	15,708
Corporation tax	5,339	9,427	-	4,568
Other taxation and social security	2,656	2,921	2,540	2,973
Other creditors	23	258	9	41
Accruals and deferred income	61,580	48,082	43,660	37,197
	<u>74,310</u>	<u>63,873</u>	<u>70,796</u>	<u>62,999</u>

Amounts owed to group undertakings are unsecured, interest free and payable on demand.

17. Creditors: Amounts falling due after more than one year

	Group 2022 £000	Group 2021 £000
Other creditors	-	774
	<u>-</u>	<u>774</u>

18. Deferred taxation

Group

	2022 £000	2021 £000
Asset / (liability) at the beginning of the year	417	(419)
(Charged) / credited to comprehensive income	(3,532)	567
Charged to other comprehensive income	184	269
(Liability) / asset at the end of the year	<u>(2,931)</u>	<u>417</u>

ALPHASIGHTS LTD

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

18. Deferred taxation (continued)

Company

	2022	2021
	£000	£000
Asset / (liability) at the beginning of year	417	(419)
(Charged) / credited to comprehensive income	(4,273)	567
Charged to other comprehensive income	184	269
(Liability) / asset at the end of year	(3,672)	417

The deferred taxation balance is made up as follows:

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£000	<i>£000</i>	£000	<i>£000</i>
Accelerated capital allowances	(5,051)	(538)	(4,181)	(538)
Employee benefits	2,120	955	509	955
	(2,931)	<i>417</i>	(3,672)	<i>417</i>

The net deferred tax liability expected to reverse in 2023 is £2,060k. This primarily relates to the reversal of timing differences on tangible assets and capital allowances through depreciation and amortisation, offset by expected tax deductions when payments are made utilising provisions.

19. Share capital

	2022	2021
	£000	£000
Allotted, called up and fully paid		
6,623,980 (2021: 6,623,980) Ordinary shares of £0.05 each	331	331

ALPHASIGHTS LTD

**NOTES TO THE FINANCIAL STATEMENTS
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20. Reserves

The reserves for the group and company have been fully analysed in the Group Statement of Changes in Equity and Company Statement of Changes in Equity.

Share premium account

The reserve represents the amount above the nominal amount received for issued share capital, less transaction costs.

Capital redemption reserve

The reserve represents the accumulated, non-distributable amount transferred following redemptions and purchases of company shares.

Foreign exchange reserve

The reserve represents accumulated exchange differences arising from net investment in foreign operations.

Profit and loss account

The reserve represents distributable accumulated profits and losses.

21. Share-based payments

Certain employees of the group have historically been granted options, subject to vesting, over Ordinary shares in AlphaSights Holdings Ltd, the ultimate parent company and controlling party of the group. The charge for these share options continues to be recognised in the company's and group's financial statements in line with service provision by the holders of share options.

The aggregate of the estimated fair value of vesting share options, determined by adjusting the arithmetic average of an earnings-based and yield-based valuation, based on management's best estimates, resulted in a charge of £163k (2021: £128k) in the Group Statement of Comprehensive Income.

22. Pension commitments

The group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the group in independently administered funds. The pension cost charge represents contributions payable by the group to the funds and amounted to £639k (2021: £485k).

Contributions totalling £116k (2021: £99k) were payable to the funds at the reporting date.

ALPHASIGHTS LTD

NOTES TO THE FINANCIAL STATEMENTS
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23. Operating leases commitments

At 31 December 2022, the group and the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	2021	2022	2021
	£000	£000	£000	£000
Not later than 1 year	10,377	8,630	1,842	2,152
Later than 1 year and not later than 5 years	53,663	20,832	2,917	5,537
Later than 5 years	53,192	-	-	-
	<u>117,232</u>	<u>29,462</u>	<u>4,759</u>	<u>7,689</u>

24. Related party transactions

The company has taken advantage of the exemption available in section 33 of FRS 102 "Related Party Disclosures" whereby it has not disclosed transactions with any wholly owned subsidiary undertaking of the group.

There are no other related party transactions.

The bank loan in AlphaSights Holdings Ltd, the ultimate parent company, is secured by a fixed and floating charge over the assets of the company.

25. Controlling party

The ultimate parent company and controlling party is AlphaSights Holdings Ltd, a company registered in England and Wales. AlphaSights Holdings Ltd is the parent company of the largest and smallest group of which AlphaSights Ltd is a member, and for which group financial statements are drawn up. Copies of the consolidated financial statements are available from the Registrar of Companies.

The registered office of AlphaSights Holdings Ltd is:

Thames Court, 3rd Floor
1 Queenhithe
London
EC4V 3DX

26. Events after the reporting date

Change in currency

In light of identified triggers and the fact that the group and company execute business predominantly in USD, the functional and presentational currency of the group and the company changed from GBP to USD as of 1 January 2023. The 2023 group and company's financial statements will, therefore, be prepared accordingly.