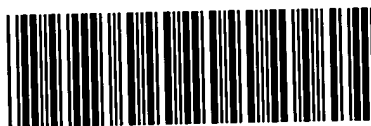

EAGLE GENOMICS LIMITED

Report and Financial Statements

Year ended 31 March 2021

Company Number: 06587071

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EAGLE GENOMICS LIMITED**COMPANY INFORMATION**

DIRECTORS	Anthony Finbow, (resigned 27 September 2023) Clifford Meltzer, (resigned 27 September 2023) Simon Thorpe, (resigned 20 September 2020) Robert Genieser Delphine Gény-Stephann (appointed 3 December 2019) Miklós Kóbor (appointed 10 September 2020) Alistair Watson (appointed 28 October 2022) Victoria Kimonides, (appointed 27 September 2023) John Schoellerman, (appointed 27 September 2023)
COMPANY SECRETARY	Gavin Horn (resigned 27 September 2023) Nigel Higgs (appointed 27 September 2023)
REGISTERED NUMBER	06587071
REGISTERED OFFICE	The Biodata Innovation Centre Wellcome Genome Campus Hinxton Cambridge CB10 1DR
INDEPENDENT AUDITORS	BDO LLP Newton House Cambridge Business Park Cambridge CB4 0WZ
BANKERS	Lloyds TSB Bank Plc 95-97 Regent Street Cambridge CB2 1BQ

Eagle Genomics Limited is a private company limited by shares and incorporated in England and Wales.

EAGLE GENOMICS LIMITED**CONTENTS**

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12	Notes forming part of the financial statements

EAGLE GENOMICS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The directors present their report together with the audited financial statements for the year ended 31 March 2021.

Principal activity

The principal activity of the Company is the provision of an Enterprise Cloud software platform, the e[datascientist], together with associated services allowing global enterprises, primarily in the life sciences, health and fast-moving consumer good sectors, to fully exploit large scale, complex life sciences data. The Company's solutions enable its customers to bring new products and services to market, improve their business processes, accelerate product innovation and productivity and, therefore, enhance commercial performance.

Directors

The directors of the company during the year and since the year end were:

Anthony Finbow (resigned 27 September 2023)
Simon Thorpe (resigned 10 September 2020)
Clifford Meltzer (resigned 27 September 2023)
Robert Genieser
Delphine Gény-Stephann (appointed 3 December 2019)
Miklós Kóbor (appointed 10 September 2020)
Alistair Watson (appointed 28 October 2022)
Victoria Kimonides, (appointed 27 September 2023)
John Schoellerman, (appointed 27 September 2023)

Going concern

The directors have assessed that additional funding is required from investors or to secure substantial revenue growth from existing customers and new opportunities for its SaaS platform in order to continue as a going concern, for a period of at least 12 months from the date of approval of these financial statements. The directors have prepared these financial statements on a going concern basis, which assumes that the Company will be successful in raising further capital from investors in addition to the funding detailed in Note 15 of these financial statements or securing substantial revenue growth in the next 12 months. While the directors believe, based on discussions with investors that they will be successful in raising the additional capital, no agreements have been finalised. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments should the going concern basis of preparation be inappropriate.

Post balance sheet events

Between October 2021 and September 2022 the Company raised a further £7.7m through the issuance of Convertible Loan Notes.

EAGLE GENOMICS LIMITED**DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

In October 2022, the company raised a further £10m through the issuance of Series C shares. At this time, the £7.7m of Convertible Loan Notes described above were converted into shares.

In December 2022, the company raised a further £2m through the issuance of Series C shares.

In September 2023, the company raised a further £3.2M through the issuance of Series D Shares.

As part of the funding conditions, the company has committed to a major restructuring and cost reduction programme. As at the date of these financial statements an estimate of the effects cannot be made.

This event occurred after the reporting period and consequently amounts are not reflected in these financial statements.

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to

EAGLE GENOMICS LIMITED

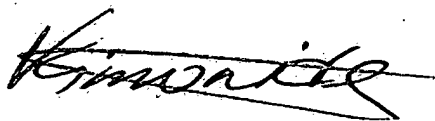
DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021 (continued)

establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

In preparing this directors' report, advantage has been taken of the small companies' exemption.

The auditors, BDO LLP, will be resigning their reappointment in accordance with section 485 of the Companies Act 2006.

Approved by the Board and signed on its behalf by:



Victoria Kimonides

Director

Date 25/10/2023

EAGLE GENOMICS LIMITED**INDEPENDENT AUDITORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF EAGLE GENOMICS LTD**Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Eagle Genomics Limited ("the Company") for the year ended 31 March 2021 which comprise the Income Statement, the Balance Sheet, Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

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

Material uncertainty related to going concern

We draw attention to note 1 to the financial statements, which indicates that the Directors have assessed that additional funding is required from investors in the next 12 months in order for the Company to continue as a going concern however no agreements have been finalised. As stated in note 1, these events or conditions, along with other matters as set out in note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

EAGLE GENOMICS LIMITED**INDEPENDENT AUDITORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

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

Other information

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

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.

Other Companies Act 2006 reporting

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

- the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has 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 Directors' report.

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

EAGLE GENOMICS LIMITED**INDEPENDENT AUDITORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

- 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
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

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's responsibilities for the audit of the financial statements

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

Extent to which the audit was 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

The objectives of our audit, in respect to irregularities, including fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit

EAGLE GENOMICS LIMITED**INDEPENDENT AUDITORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; to respond appropriately to fraud or suspected fraud identified during the audit, to obtain audit evidence regarding compliance with provisions of applicable laws and regulations, and to respond appropriately to any non-compliance identified. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management. Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company. We determined that the most significant laws and regulations which are directly relevant to specific assertions in the financial statements are those related to the reporting framework (Financial Reporting Standard 102 and the Companies Act 2006), labour regulations and tax in the United Kingdom and in foreign jurisdictions.
- We understood how the company is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and review of material legal costs in the period.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it is considered there was a susceptibility to fraud. We also considered potential fraud drivers: including financial or other pressures, opportunity, and personal or corporate motivations. We considered the processes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals, review of the revenue recognition policy, and testing the amounts of revenue recognised on contracts in the period. We also considered key areas of estimation uncertainty or judgment, for example in relation to share option valuation and assessment of non-market vesting conditions.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

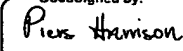
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

EAGLE GENOMICS LIMITED

**INDEPENDENT AUDITORS' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2021**

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.

DocuSigned by:


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25 October 2023

Piers Harrison (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Cambridge, UK

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

EAGLE GENOMICS LIMITED**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	2021 £	2020 £
Turnover		1,371,968	467,843
Cost of sales		(221,808)	(104,080)
Gross profit		1,150,160	363,763
Administrative expenses		(4,684,098)	(4,443,363)
Other income		74,850	474,367
Operating loss	4	(3,459,088)	(3,605,233)
Interest receivable		-	134
Interest payable and similar expenses		(37,448)	(52,832)
Loss before taxation		(3,496,536)	(3,657,931)
Taxation credit on loss	5	-	-
Loss and total comprehensive income for the financial year		(3,496,536)	(3,657,931)

The results stated above are derived from continuing activities.

The notes on pages 12 to 23 form part of these financial statements.

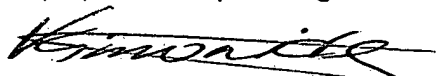
EAGLE GENOMICS LIMITED**BALANCE SHEET AT 31 MARCH 2021**

Company number: 06587071

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	6		33,965		5,504
Tangible assets	7		66,396		19,839
Investment in subsidiaries			10,976		10,976
			<hr/>		<hr/>
			111,337		36,319
Current assets					
Debtors	8	1,389,022		406,160	
Cash at bank		2,040,610		566,131	
		<hr/>		<hr/>	
		3,429,632		972,291	
Creditors: Amounts falling due within one year	9	(1,574,250)		(2,262,033)	
		<hr/>		<hr/>	
Net current assets			1,855,382		(1,289,742)
			<hr/>		<hr/>
Total assets less current liabilities			1,966,719		(1,253,423)
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	11		1,681		960
Share based payment reserve			223,968		96,807
Convertible Reserve			-		170,000
Share premium			12,524,066		5,765,270
Profit and loss account			(10,782,996)		(7,286,460)
			<hr/>		<hr/>
Shareholders' funds			1,966,719		(1,253,423)
			<hr/>		<hr/>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the Board of Directors and authorised for issue on 25/10/ 2023 They were signed on its behalf by:



Victoria Kimonides

Director

The notes on pages 12 to 23 form part of these financial statements

EAGLE GENOMICS LIMITED**STATEMENT OF CHANGES IN EQUITY AT 31 MARCH 2021**

	Called up share capital	Share premium account	Share Based Payment	Convertible Reserve	Profit and loss account	Total
	£000	£000	£000	£000	£000	£000
At 1 st April 2020	960	5,765,270	96,807	170,000	(7,286,460)	(1,253,423)
Total comprehensive income for the period	-	-	-	-	(3,496,536)	(3,496,536)
Shares issued in the period	721	6,588,796	-	-	-	6,589,517
Conversion of Convertible loans	-	170,000	-	(170,000)	-	-
Share based charge	-	-	127,161	-	-	127,161
At 31 st March 2021	<u>1,681</u>	<u>12,524,066</u>	<u>223,968</u>	<u>0</u>	<u>(10,782,996)</u>	<u>1,966,719</u>

The notes on pages 12 to 23 form part of these financial statements.

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with FRS102 Section 1A Small Entities.

Basis of measurement

The financial statements have been prepared on a historical cost basis. The preparation of financial statements in compliance with FRS 102 Section 1A Small Entities requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies.

The following principal accounting policies have been applied.

Going concern

At 31 March 2021, the company had net assets of £1,966,719 (2020: net liabilities of £1,523,423) and cash of £2,040,610. Between October 2021 and September 2022, the Company raised a further £7.7m through the issuance of Convertible Loan Notes. In October 2022, the company raised a further £10m through the issuance of Series C shares. At this time, the £7.7m of Convertible Loan Notes were converted into shares. In December 2022, the company raised a further £2m through the issuance of shares and in September 2023 a further £3.2m was raised from issuance of shares.

The directors have assessed that additional funding is required from investors or to secure substantial revenue growth from existing customers and new opportunities for its SaaS platform in order to continue as a going concern, for a period of at least 12 months from the date of approval of these financial statements. The directors have prepared these financial statements on a going concern basis, which assumes that the Company will be successful in raising further capital from investors in addition to the funding detailed in Note 15 of these financial statements or securing substantial revenue growth in the next 12 months. While the directors believe, based on discussions with investors that they will be successful in raising the additional capital, no agreements have been finalised. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include any adjustments should the going concern basis of preparation be inappropriate.

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

Turnover

Turnover comprises the value of sales (excluding VAT) of goods and services in the normal course of business. All revenue is measured at fair value of consideration. The Company has different sources of revenue and the policy on revenue recognition of each is detailed below.

Software is sold under a subscription model and revenues cover the contractual period of use. They are recognised over the period to which the subscription fee relates.

Turnover relating to the provision of service contracts and custom development is recognised using a percentage of completion method.

Pension costs

Contributions to the company's defined contribution pension scheme are charged to the income statement in the year in which they become payable. The assets of the scheme are held separately from those of the company in an independently administered fund.

Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation. Amortisation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases as shown below.

Website development costs	50% straight line
---------------------------	-------------------

Tangible fixed assets and depreciation

Tangible fixed assets are stated at historical cost less accumulated depreciation.

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases as shown below. Assets held under finance leases and hire purchase agreements are depreciated over the term of the lease.

Fixtures & Fittings	33% straight line
Computer equipment	33% straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate.

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income' on the statement of comprehensive income.

Leased assets

Rentals under operating leases are charged to the income statement on a straight line basis over the lease term.

Share Based Payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each balance sheet date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition. The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the company keeping the scheme open or the employee maintaining any contributions required by the scheme). Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Convertible debt

The proceeds received on issue of the group's convertible debt are allocated into their liability and equity components and presented separately in the balance sheet. Transaction costs that relate to the issue of the instrument are allocated to the liability and equity components of the instrument in proportion to the allocation of proceeds.

The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that did not include an option to convert. This is then measured at amortised cost.

The difference between the net proceeds of the convertible debt and the amount allocated to the debt component is credited direct to equity and is not subsequently re-measured. On conversion, the debt and equity elements are credited to share capital and share premium as appropriate, with no gain or loss recognised.

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

Current and deferred taxation

The charge for taxation is based on the profit or loss for the period and takes into account deferred taxation. Current tax is measured at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax is not discounted.

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currency

Foreign currency transactions are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet dates. Any differences are taken to the income statement.

Research and development

Research and development expenditure is written off in the year in which it is incurred.

Grants

Grants are credited to the income statement as the related expenditure is incurred. The deferred element of grants is included in creditors as deferred income.

Holiday pay accrual

A liability is recognised to the extent that any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement accrued at the balance sheet date.

Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less subject to insignificant risk of changes in value.

Financial Assets

Financial assets are recognised at the transaction price and carried at amortised cost. If collection is expected in one year or less, they are classified as current assets, if not, they are presented as

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

non-current assets. Provision against trade receivables is made when there is objective evidence that the Company will not be able to collect all amounts due to it in accordance with the original terms of those receivables. The amount of the write-down is determined as the difference between the assets carrying amount and the present value of estimated future cash flows discounted at the original effective interest rate.

Financial Liabilities

Financial liabilities are recognised at the transaction price and carried at amortised cost. They are classed as current liabilities if the payment is due within one year or less. If not, they are presented as non-current liabilities.

**2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY**

In preparing these financial statements, the directors have had to make the following judgements:

Revenue – Management judgement has been applied in determining the allocation and timing of the recognition of revenue on contracts. Contracts can include both the sale of software subscriptions and the provision of services including integration and development. The Directors consider recognition of their separable components of revenue is appropriate based on the analysis of individual contracts, as this indicates the substance of the transaction as viewed by the customer.

Deferred tax asset - No deferred tax asset has been recognised on the loss as it is uncertain when the asset will be recovered.

Share based payments – A charge has been recognised in the accounts based on management judgements in relation to the option exercise price, market value, vesting period, assessment of non-market vesting conditions and the interest risk free rate. The Black Scholes method was then used to obtain the charge to the profit and loss.

3. EMPLOYEES

	2021 Number	2020 Number
The average number of employees, including directors, during the year were:		
Average number of employees	48	28
Employees at the end of the year	64	31

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

4. OPERATING LOSS

	2021	2020
	£	£
Operating loss is stated after charging:		
Depreciation of tangible fixed assets:		
- Owned by the company	16,138	10,002
Fees payable to the company's auditor for the audit of the company's annual accounts	14,135	12,183
Share based payment charge	127,161	73,933
Pension costs	61,154	83,906

During the year, 14% of turnover (2020 – 19%) was attributable to markets outside the UK.

5. TAX ON LOSS FROM ORDINARY ACTIVITIES

	2021	2020
	£	£
Analysis of tax credit in the year		
Current tax		
UK corporation tax credit on loss for the year	-	-
Adjustment to prior years	-	-
Tax on loss on ordinary activities	-	-

The company has tax losses and other timing difference of approximately £9,305,358 (2020: £5,862,822) available to set against future profit. No deferred tax asset has been recognised on these losses as it is uncertain when the asset will be recovered.

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

6. INTANGIBLE FIXED ASSETS

	Website £
Cost	
At 1 April 2020	15,460
Additions in Year	31,692
At 31 March 2021	<u>47,152</u>
Amortisation	
At 1 April 2020	9,956
Amortisation in Year	3,231
At 31 March 2021	<u>13,187</u>
Net book value	
At 31 March 2021	<u>33,965</u>
At 31 March 2020	<u>5,504</u>

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

7. TANGIBLE FIXED ASSETS

	Fixtures & fittings £	Computer equipment £	Total £
Cost			
At 1 April 2020	13,112	51,383	64,495
Additions	252	62,877	63,129
Disposals	-	(13,822)	(13,822)
At 31 March 2021	13,364	100,438	113,802
Depreciation			
At 1 April 2020	11,469	33,187	44,656
Charge for the year	873	15,264	16,137
On disposals	-	(13,387)	(13,387)
At 31 March 2021	12,342	35,064	47,406
Net book value			
At 31 March 2021	1,022	65,374	66,396
At 31 March 2020	1,643	18,196	19,839

8. DEBTORS

	2021 £	2020 £
Trade receivables	1,146,822	172,631
Other debtors	110,100	87,030
Owed by group companies	-	-
Prepayments and accrued income	132,100	146,499
	1,389,022	406,160

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

9. CREDITORS

	2021	2020
	£	£
Trade payables	267,603	137,085
Taxation and social security	116,635	147,450
Other creditors	40,657	43,884
Accruals and deferred income	1,149,355	305,281
Loans	-	1,628,333
	1,574,250	2,262,033

10. COMMITMENTS UNDER OPERATING LEASES

As at 31 March 2021, the company had total future minimum commitments under non-cancellable operating leases as set out below.

	2021	2020
	£	£
Expiry date:		
Within one year	79,766	12,225
Between 2 and 5 years	90,556	-
Total	170,322	12,225

11. SHARE CAPITAL

	2021	2020
	£	£
Allotted, called up and fully paid		
58,496 (2020: 55,604) Ordinary shares of £0.01 each	585	556
40,441 (2020: 40,441) Series A shares of £0.01 each	404	404
69,154, (2020: nil) Series B shares of £0.01 each	692	
Total	1,681	960

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

During the year, the company issued 69,154 Series B shares at £81.27 per share and 2,942 Ordinary shares at £81.27, raising a total of £7,777,972 before expenses less a set off of £1,855,272 relating to previously issued convertibles and associated interest.

12 SHARE OPTIONS

The company offers its employees an equity-settled share based remuneration scheme as part of a long term incentive plan to retain and reward key staff.

Option scheme:

	Weighted average exercise price (pence) 2021	Number 2021	Weighted average exercise Price (pence) 2020	Number 2020
Outstanding at the beginning of the year	2,377	22,806	1,677	5,978
Granted during the year			2,654	15,208
Lapsed during the year	(467)	(1,396)	(76)	(330)
Exercised during the year			(9)	(50)
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the year	2,375	19,410	2,377	22,806
	<hr/>	<hr/>	<hr/>	<hr/>

The exercise price of options outstanding at the end of the year were between 1,250p and 2,654p (2019 – between 1,250p and 2,654p) and their weighted average remaining contractual life was 7.57 years (2020 – 9.18 years).

None of the total number of options outstanding at the end of the year had vested.

The following information is relevant in the determination of the fair value of options granted during the current and previous years under the equity-settled share based remuneration schemes operated by Eagle Genomics Limited.

EAGLE GENOMICS LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

	2021	2020
Equity-settled		
Option pricing model used	Black-Scholes	Black-Scholes
Weighted average share price at grant date (pence)	5,079p	5,079p
Exercise price (pence)	2,654p	2,654p
Weighted average contractual life (years)	7.57	9.18
Expected volatility	50%	50%
Expected dividend growth rate		-
Risk-free interest rate	0.40%	0.40%

12. SHARE OPTIONS CONTINUED

The share-based remuneration expense comprises:

	2021	2020
	£	£
Equity-settled schemes	127,161	73,933

The company did not enter into any share-based payment transactions with parties other than employees during the current period.

13. RELATED PARTY TRANSACTIONS

During the year, the company traded with the following related parties:

Eagle Genomics Inc, a 100% owned subsidiary of Eagle Genomics Limited invoiced the Company £376,426 for professional services (2020: £nil) and £nil (2020: £nil) was outstanding at the year end.

Eagle Genomics India Pty Ltd, a 100% owned subsidiary of Eagle Genomics Limited invoiced the Company £310,500 for professional services (2020: £nil) and £nil (2020: £nil) was outstanding at the year end.

Eagle Genomics GmbH, a 100% owned subsidiary of Eagle Genomics Limited invoiced the Company £46,089 for professional services (2020: £nil) and £nil (2020: £nil) was outstanding at the year end.

EAGLE GENOMICS LIMITED

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021 (continued)**

14. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the directors of the company.

15. POST BALANCE SHEET EVENTS

Between October 2021 and September 2022, the Company raised a further £7.7m through the issuance of Convertible Loan Notes.

In October 2022, the company raised a further £10m through the issuance of Series C shares. At this time, the £7.7m of Convertible Loan Notes described above were converted into shares.

In December 2022, the company raised a further £2m through the issuance of Series C shares.

In September 2023, the company raised a further £3.2M through the issuance of Series D Shares

As part of the funding conditions, the company has committed to a major restructuring and cost reduction programme. As at the date of these financial statements an estimate of the effects cannot be made.

This event occurred after the reporting period and consequently amounts are not reflected in these financial statements.