

Registered number: 09315523

TRACTABLE LTD.

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**



TRACTABLE LTD.

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TRACTABLE LTD.

COMPANY INFORMATION

Directors	A Dalyac R Ranca
Company secretary	M Kuin
Registered number	09315523
Registered office	5th Floor Broadwalk House 5 Appold Street London EC2A 2DA
Independent auditor	KPMG LLP Chartered Accountants Botanic House 100 Hills Road Cambridge CB2 1AR

TRACTABLE LTD.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Introduction

The directors present their Strategic Report for Tractable Ltd. and its subsidiaries ("the Group") for the year ended 31 December 2021.

Business review

Tractable is a Business to Business Software as a Service platform that develops Artificial Intelligence enabled technology to help simplify and accelerate the insurance claims and damage appraisal process with established use cases in the automotive industry. The Group's proprietary AI software augments and automates the damage recovery process that has historically relied on an in-person visual damage appraisal.

The Group has subsidiaries based in Japan, Germany, France and a representation office in Thailand. The operational headquarters are based in London.

The Group's turnover in 2021 has increased by 51%. In addition the Group has continued its investment in Research & Development, Sales & Marketing and other functions to enable and support continued growth going forward.

Financial key performance indicators

The directors use Key Performance Indicators ("KPIs") to monitor and assess Group performance. Management consider the following as their KPI's:

	2021	2020
Turnover	£13,187,477	£8,718,913
Gross margin	70.9%	70.3%

TRACTABLE LTD.

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Principal risks and uncertainties

The Company's activities expose it to the following financial risks:

Foreign exchange risk

The Group actively monitors foreign exchange risk and routinely assesses bank balances per currency to limit the amount of exposure to foreign exchange risk the business has. The Group limits its transactions in foreign currencies where they can in order to reduce this risk.

Credit risk

The Group actively monitors their accounts receivable balances. To date Tractable have not had significant exposure to bad debt and have a strong accounts receivable ageing profile.

Interest rate risk

The Group currently has no external borrowings but do have access to a revolving credit facility agreement.

Brexit

Management have considered the impact of Brexit on the Group and do not consider it to have had a significant impact on the business to date.

Covid-19

In December 2019, a novel strain of coronavirus (Covid-19) emerged in Wuhan, Hubei Province, China. In March 2020, the World Health Organization declared Covid-19 a global pandemic. Efforts to contain the spread of Covid-19 have intensified and authorities, including those where the Group's operations are located have implemented severe travel restrictions, social distancing requirements and stay-at-home orders. There have also been extraordinary and wide-ranging actions taken by federal, state and local governmental authorities to contain and combat the outbreak and spread of the virus. The Group has continued to provide services to its customers during this pandemic and the results of operations have not been significantly impacted. While the COVID-19 pandemic did not significantly impact the Group's business or results of operations during the year ended December 31, 2021, the length and extent of the pandemic, its consequences, and containment efforts will determine the future impact on the Group's operations and financial condition.

Management have reviewed the Group accounting policies and do not believe that the pandemic has impacted any of the Group's accounting policies or key judgements.

This report was approved by the board on 21 November 2022 and signed on its behalf.

R Ranca
Director



TRACTABLE LTD.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the audited financial statements for the year ended 31 December 2021.

Principal activity

The Group is a Business to Business ("B2B") Software as a Service ("SAAS") platform that develops Artificial Intelligence ("AI") enabled technology to help simplify and accelerate the insurance claims and damage appraisal process with established use cases in the automotive industry.

Results and dividends

The loss for the year, after taxation, amounted to £15,659,743 (2020 - loss £6,659,566).

No dividends were paid in the year (2020: £Nil).

Going concern

The directors have reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements. Please refer to note 2.4 for more detail.

Directors

The directors who served during the year and subsequent to the year-end up to signing of this financial statements were:

A Dalyac
R Ranca

Qualifying third party indemnity provisions

There were no qualifying third party indemnity provisions in place during the current or prior year.

Future developments

The directors expect the business to continue to grow in the forthcoming year.

Political donations

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the current or prior year.

TRACTABLE LTD.

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Disclosure of information to auditor

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

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

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

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditor

The auditor, KPMG LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 21 November 2022 and signed on its behalf.

R Ranca
Director



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**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the Group and parent Company 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 they have elected to prepare the Group and parent Company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and parent Company and of the Group's profit or loss for that period. In preparing each of the Group and parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

TRACTABLE LTD.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRACTABLE LTD.

Opinion

We have audited the financial statements of Tractable Limited ("the Company") for the year ended 31 December 2021 which comprise the Consolidated Profit and Loss Account, Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going Concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Group's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRACTABLE LTD.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that Group and component management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Group has only a few customers with a contract each and there is no judgement or complexity with respect to revenue recognition on these contracts.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts and material period-end adjustments.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience through discussion with the directors and other management (as required by auditing standards) and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or license to operate. We identified the following areas as those most likely to have such an effect: health and safety, fire safety, GDPR compliance, anti-bribery, anti-money laundering, employment and social security, consumer rights act, environmental protection and climate change and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRACTABLE LTD.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; assessing the Group and parent 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 they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk.

The purpose of our audit work and to whom we owe our responsibilities

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.

TRACTABLE LTD.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TRACTABLE LTD.

Mark Prince (Senior Statutory Auditor)

for and on behalf of

KPMG LLP, Statutory Auditor

Botanic House
100 Hills Road
Cambridge
CB2 1AR

Date: 21 November 2022

TRACTABLE LTD.

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 £	2020 £
Turnover	4	13,187,477	8,718,913
Cost of sales		(3,838,075)	(2,592,141)
Gross profit		9,349,402	6,126,772
Administrative expenses		(24,936,130)	(12,813,232)
Operating loss	5	(15,586,728)	(6,686,460)
Interest receivable and similar income	9	-	2,764
Interest payable and similar expenses	10	-	(557)
Loss before tax		(15,586,728)	(6,684,253)
Tax on loss	11	(73,015)	24,687
Loss for the financial year		(15,659,743)	(6,659,566)
Loss for the year attributable to:			
Owners of the parent		(15,659,743)	(6,659,566)
		(15,659,743)	(6,659,566)

The notes on pages 19 to 37 form part of these financial statements.

TRACTABLE LTD.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 £	2020 £
Loss for the financial year		(15,659,743)	(6,659,566)
Other comprehensive income			
Currency translation difference on foreign currency net investments		(284,816)	(1,028)
Other comprehensive income for the year		(284,816)	(1,028)
Total comprehensive income for the year		(15,944,559)	(6,660,594)
(Loss) for the year attributable to:			
Owners of the parent Company		(15,659,743)	(6,659,566)
		(15,659,743)	(6,659,566)
Total comprehensive income attributable to:			
Owners of the parent Company		(14,500,880)	(6,660,594)
		(14,500,880)	(6,660,594)

The notes on pages 19 to 37 form part of these financial statements.

TRACTABLE LTD.
REGISTERED NUMBER: 09315523

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	106,352	751
Tangible assets	13	604,090	242,588
		<u>710,442</u>	<u>243,339</u>
Current assets			
Debtors: amounts falling due within one year	15	9,471,593	4,038,686
Cash at bank and in hand		5,708,858	4,805,962
		<u>15,180,451</u>	<u>8,844,648</u>
Creditors: amounts falling due within one year	16	(27,745,136)	(12,736,959)
Net current liabilities		<u>(12,564,685)</u>	<u>(3,892,311)</u>
Total assets less current liabilities		<u>(11,854,243)</u>	<u>(3,648,972)</u>
Creditors: amounts falling due after more than one year	17	(22,227,000)	(14,538,931)
Provisions for liabilities			
Deferred taxation	18	(74,269)	(23,050)
		<u>(74,269)</u>	<u>(23,050)</u>
Net liabilities		<u><u>(34,155,512)</u></u>	<u><u>(18,210,953)</u></u>

TRACTABLE LTD.
REGISTERED NUMBER: 09315523

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Capital and reserves			
Called up share capital	19	90	90
Other reserves		(71,063)	213,753
Profit and loss account		(34,084,539)	(18,424,796)
Equity attributable to owners of the parent Company		<u>(34,155,512)</u>	<u>(18,210,953)</u>

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

21 November 2022

R Ranca
 Director



The notes on pages 19 to 37 form part of these financial statements.

TRACTABLE LTD.
REGISTERED NUMBER: 09315523

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	106,352	751
Tangible assets	13	603,053	241,462
Investments	14	24,135	1,832
		<u>733,540</u>	<u>244,045</u>
Current assets			
Debtors: amounts falling due within one year	15	8,763,770	3,607,228
Bank and cash balances		1,194,845	3,868,590
		<u>9,958,615</u>	<u>7,475,818</u>
Creditors: amounts falling due within one year	16	(22,409,177)	(2,511,947)
Net current (liabilities)/assets		<u>(12,450,562)</u>	<u>4,963,871</u>
Total assets less current liabilities		<u>(11,717,022)</u>	<u>5,207,916</u>
Creditors: amounts falling due after more than one year	17	(22,227,000)	(23,613,170)
Net liabilities		<u>(33,944,022)</u>	<u>(18,405,254)</u>
Capital and reserves			
Called up share capital	19	90	90
Profit and loss account brought forward		(18,405,344)	(11,776,617)
Loss for the year		(15,538,768)	(6,628,727)
Profit and loss account carried forward		<u>(33,944,112)</u>	<u>(18,405,344)</u>
		<u>(33,944,022)</u>	<u>(18,405,254)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
21 November 2022

R Ranca
Director



The notes on pages 19 to 37 form part of these financial statements.

TRACTABLE LTD.

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

	Called up share capital	Other reserves	Profit and loss account	Equity attributable to owners of parent Company	Total equity
	£	£	£	£	£
At 1 January 2020	90	214,781	(11,765,230)	(11,550,359)	(11,550,359)
Loss for the year	-	-	(6,659,566)	(6,659,566)	(6,659,566)
Currency translation difference on foreign currency net investments	-	(1,028)	-	(1,028)	(1,028)
Total comprehensive expense for the year	-	(1,028)	(6,659,566)	(6,660,594)	(6,660,594)
At 1 January 2021	90	213,753	(18,424,796)	(18,210,953)	(18,210,953)
Loss for the year	-	-	(15,659,743)	(15,659,743)	(15,659,743)
Currency translation difference on foreign currency net investments	-	(284,816)	-	(284,816)	(284,816)
Total comprehensive income for the year	-	(284,816)	(15,659,743)	(15,944,559)	(15,944,559)
At 31 December 2021	90	(71,063)	(34,084,539)	(34,155,512)	(34,155,512)

The notes on pages 19 to 37 form part of these financial statements.

TRACTABLE LTD.

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

	Called up share capital £	Profit and loss account £	Total equity £
At 1 January 2020	90	(11,776,617)	(11,776,527)
Loss for the year	-	(6,628,727)	(6,628,727)
Total comprehensive income for the year	-	(6,628,727)	(6,628,727)
At 1 January 2021	90	(18,405,344)	(18,405,254)
Loss for the year	-	(15,538,768)	(15,538,768)
At 31 December 2021	90	(33,944,112)	(33,944,022)

The notes on pages 19 to 37 form part of these financial statements.

TRACTABLE LTD.

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021**

	2021 £	2020 £
Cash flows from operating activities.		
Loss for the financial year	(15,659,743)	(6,659,566)
Adjustments for:		
Depreciation, amortisation and impairment	146,296	83,421
Interest receivable and similar income	(394,102)	(2,763)
Interest payable and similar expenses	-	557
Taxation	73,015	(24,687)
(Increase)/decrease in trade and other debtors	(5,494,756)	(1,556,990)
(Decrease)/increase in trade and other creditors	(98,457)	1,364,874
Net cash from operating activities	(21,427,747)	(6,795,154)
Cash flows from investing activities		
Interest received	-	2,764
Acquisition of tangible fixed assets	(504,537)	(190,480)
Acquisition of other intangible assets	(108,615)	-
Net cash from investing activities	(613,152)	(187,716)
Cash flows from financing activities		
Proceeds from intercompany balances	22,907,770	10,316,422
Net cash from financing activities	22,907,770	10,316,422
Net increase in cash and cash equivalents	866,871	3,333,552
Cash and cash equivalents at beginning of year	4,805,962	1,223,593
Effect of exchange rate fluctuations on cash held	36,025	248,817
Cash and cash equivalents at the end of year	5,708,858	4,805,962
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	5,708,858	4,805,962
	5,708,858	4,805,962

The notes on pages 19 to 37 form part of these financial statements.

TRACTABLE LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****1. General information**

Tractable Ltd (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is 5th Floor, Broadwalk House, 5 Appold Street, London, United Kingdom.

2. Accounting policies**2.1 Basis of preparation of financial statements**

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

The Company's functional and presentational currency is pound sterling.

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

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Profit and Loss Account in these financial statements.

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Profit and Loss Account from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 01 January 2019.

These are the first set of consolidated accounts the group has prepared.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Parent Company disclosure exemptions

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12.

The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included;
- Key Management Personnel compensation has not been included a second time; and
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

TRACTABLE LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.4 Going concern

Notwithstanding net current liabilities of £34,155,512 as at 31 December 2021, a loss for the year then ended of £15,659,743 and operating cash outflows for the year of £21,430,183, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts in order to assess going concern which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds, through funding from its ultimate parent company, Tractable Inc, to meet its liabilities as they fall due during the going concern assessment period.

Those forecasts are dependent on Tractable Inc not seeking repayment of amounts currently due to the group, which at 31 December 2021 amounted to £37,446,701, and providing additional financial support during the going concern assessment period. Tractable Inc has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts due at the balance sheet date, during the going concern assessment period.

The directors of Tractable Inc Group have prepared cash flow forecasts for the consolidated group for the period to 31 December 2023, including a base case and a reasonably possible downside scenario. The downside scenario prepared assumes that the negative earnings before interest, tax and depreciation ('EBITDA') for consolidated group is approximately 20% higher in the 15-month period to 31 December 2023 than in the base case scenario as a result of the group taking longer than expected to convert revenue growth into improved earnings performance. Those forecasts show that in a downside scenario the consolidated group is able to operate within its facilities, which include a \$40 million revolving credit facility which is repayable in November 2024. The revolving credit facility includes restrictions on the ability of the Group to draw down. The limit on the amount that can be drawn down is determined by the cumulative value of the previous three quarters of revenue generated less the higher of the previous quarter's negative EBITDA or \$5 million. When this limit is considered, the forecasts prepared continue to indicate that in a downside scenario the Group is able to operate within the available facility.

The Directors have considered the forecasts prepared for Tractable Inc Group and have concluded that the group and ultimate parent is a going concern, and therefore has the ability to provide the necessary financial support to the company during the going concern assessment period.

As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

TRACTABLE LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is pound sterling.

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 rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.6 Revenue

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

Rendering of services

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

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

2.7 Operating leases: the Group as lessee

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the Profit and Loss Account over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability. Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2.8 Interest income

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

TRACTABLE LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.9 Finance costs

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

2.10 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions 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 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.

2.11 Current and deferred taxation

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

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- 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;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

TRACTABLE LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.12 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Other intangible fixed assets	-	4 years
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The Group's intangible assets represent acquired data that is used to develop its AI technology.

2.13 Tangible fixed assets

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

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

Depreciation is provided on the following basis:

Office equipment	-	4 years
Computer equipment	-	4 years

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.14 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.15 Debtors

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

TRACTABLE LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.16 Cash and cash equivalents

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

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.17 Creditors

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

2.18 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 Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

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

2.19 Financial instruments

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

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Profit and Loss Account if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each

TRACTABLE LTD.**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****2. Accounting policies (continued)****2.19 Financial instruments (continued)**

reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Profit and Loss Account.

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

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

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

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

In the application of the Group's accounting policies, which are described in note 2, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**4. Turnover**

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

	2021 £	2020 £
Service subscriptions	13,187,477	8,718,913
	<u>13,187,477</u>	<u>8,718,913</u>

Analysis of turnover by country of destination:

	2021 £	2020 £
APAC and EMEA	13,187,477	8,718,913
Americas	-	-
	<u>13,187,477</u>	<u>8,718,913</u>

Turnover for the Americas is included in our ultimate parent accounts and not part of the Tractable Ltd Group consolidated accounts.

5. Operating loss

The operating loss is stated after charging:

	2021 £	2020 £
Rent	1,551,492	1,228,560
Software & IT	1,325,280	436,959
Research infrastructure	769,568	405,335
	<u>3,646,340</u>	<u>2,070,854</u>

6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>33,200</u>	<u>21,631</u>

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Employees

Staff costs were as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	16,825,415	9,199,668	13,914,300	8,182,693
Social security costs	1,778,374	1,027,045	1,573,923	929,133
Cost of defined contribution scheme	163,736	96,107	156,952	92,365
	<u>18,767,525</u>	<u>10,322,820</u>	<u>15,645,175</u>	<u>9,204,191</u>

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

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Research and development	127	72	113	66
Sales and marketing	27	7	22	6
Customer success	16	9	9	6
General administration	21	11	20	11
	<u>191</u>	<u>99</u>	<u>164</u>	<u>89</u>

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	120,000	126,193
	<u>120,000</u>	<u>126,193</u>

There are no retirement benefits accruing to the directors under money purchase schemes or defined benefit schemes, or that exercised any share options as there are none.

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

9. Interest receivable

	2021 £	2020 £
Other interest receivable	-	2,764
	<u>-</u>	<u>2,764</u>

10. Interest payable and similar expenses

	2021 £	2020 £
Other loan interest payable	-	557
	<u>-</u>	<u>557</u>

11. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	-	11,908
Adjustments in respect of previous periods	-	18
	<u>-</u>	<u>11,926</u>
Foreign tax		
Foreign tax on income for the year	73,015	-
	<u>73,015</u>	<u>-</u>
Total current tax	<u>73,015</u>	<u>11,926</u>
Deferred tax		
Origination and reversal of timing differences	-	(36,613)
Total deferred tax	<u>-</u>	<u>(36,613)</u>
Taxation on profit/(loss) on ordinary activities	<u>73,015</u>	<u>(24,687)</u>

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Loss on ordinary activities before tax	(15,586,727)	(6,684,253)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(2,961,478)	(1,270,008)
Effects of:		
Expenses not deductible	77,686	16,219
Income not taxable	(567,440)	(324,775)
Effects of overseas tax rates	8,993	-
Adjustments to tax charge in respect of prior periods	261	18
Effect of SME R&D scheme	1,865,754	973,849
Deferred tax not recognised	1,649,239	580,010
Total tax charge for the year	73,015	(24,687)

Factors that may affect future tax charges

Finance Act 2020 enacted provision to increase the UK Corporation tax rate to 19% from 1 April 2020 and accordingly the deferred tax at 31 December 2020 was calculated at this rate.

Finance Act 2021 which was Substantively Enacted on 24 May 2021 included provisions to increase the rate further to 25% effective from 1 April 2023. In valuing the deferred tax balances at the year-end a combination of 19% and 25% have been used based on the expected periods of reversals.

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

12. Intangible assets

Group and Company

	Other intangible assets £
Cost	
At 1 January 2021	11,589
Additions	108,615
At 31 December 2021	120,204
Amortisation	
At 1 January 2021	10,838
Charge for the year on owned assets	3,014
At 31 December 2021	13,852
Net book value	
At 31 December 2021	106,352
At 31 December 2020	751

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tangible fixed assets

Group

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2021	58,088	380,333	438,421
Additions	8,244	496,293	504,537
At 31 December 2021	66,332	876,626	942,958
Depreciation			
At 1 January 2021	50,088	145,745	195,833
Charge for the year on owned assets	6,674	136,361	143,035
At 31 December 2021	56,762	282,106	338,868
Net book value			
At 31 December 2021	9,570	594,520	604,090
At 31 December 2020	8,000	234,588	242,588

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Tangible fixed assets (continued)

Company

	Office equipment £	Computer equipment £	Total £
Cost or valuation			
At 1 January 2021	56,831	378,210	435,041
Additions	8,364	495,113	503,477
At 31 December 2021	65,195	873,323	938,518
Depreciation			
At 1 January 2021	49,250	144,329	193,579
Charge for the year on owned assets	6,376	135,510	141,886
At 31 December 2021	55,626	279,839	335,465
Net book value			
At 31 December 2021	9,569	593,484	603,053
At 31 December 2020	7,581	233,881	241,462

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2021	1,832
Additions	22,303
At 31 December 2021	<u>24,135</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Tractable KK	C/O Mazars Japan K.K., ATT New Tower 11F, 2- 11-7, Aksaka, Minato-ku, Tokyo, 107-0052, Japan	Ordinary	100%
Tractable GmbH	Am Zirkus 2, Berlin, Germany, 10117	Ordinary	100%
Tractable SAS	33 Rue La Fayette, Paris, 75009	Ordinary	100%

15. Debtors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade debtors	179,945	142,829	179,945	142,829
Other debtors	4,008,989	2,503,757	3,859,016	2,501,585
Prepayments and accrued income	5,282,659	1,392,100	4,724,809	962,814
	<u>9,471,593</u>	<u>4,038,686</u>	<u>8,763,770</u>	<u>3,607,228</u>

TRACTABLE LTD.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

16. Creditors: Amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Trade creditors	820,370	176,240	642,351	174,776
Amounts owed to group undertakings	15,219,701	-	19,597,317	-
Other taxation and social security	2,061,397	1,380,468	637,678	418,091
Other creditors	44,670	81,426	42,675	19,579
Accruals and deferred income	9,598,998	11,098,825	1,489,156	1,899,501
	<u>27,745,136</u>	<u>12,736,959</u>	<u>22,409,177</u>	<u>2,511,947</u>

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts owed to parent undertakings	22,227,000	14,538,931	22,227,000	23,613,170
	<u>22,227,000</u>	<u>14,538,931</u>	<u>22,227,000</u>	<u>23,613,170</u>

Amounts owed to group undertakings are unsecured and accrue interest of EURIBOR plus 0.25% (2020: EURIBOR plus 0.25%) per annum and is repayable on 1 January 2030.

18. Deferred taxation

Group

	2021 £	2020 £
At beginning of year	(23,050)	(23,050)
Charged to profit or loss	(51,219)	-
At end of year	<u>(74,269)</u>	<u>(23,050)</u>

TRACTABLE LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

18. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	Group 2021 £	<i>Group 2020 £</i>
Accelerated capital allowances	(74,269)	(23,050)
	<u>(74,269)</u>	<u>(23,050)</u>

Deferred tax assets of £1,374,940 have not been recognised due to uncertainty around timing of future profits.

19. Share capital

	2021 £	<i>2020 £</i>
Allotted, called up and fully paid		
8,200 (2020 - 8,200) Ordinary shares of £0.01 each	82	82
800 (2020 - 800) A Ordinary shares of £0.01 each	8	8
	<u>90</u>	<u>90</u>

20. Pension commitments

The group operates a defined contribution scheme. As at 31 December 2021 the total amount accrued was £41,303 (2020 - £18,236).

21. Commitments under operating leases

At 31 December 2021 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 £	<i>Group 2020 £</i>	Company 2021 £	<i>Company 2020 £</i>
Not later than 1 year	872,925	1,012,080	762,677	956,630
Later than 1 year and not later than 5 years	50,250	434,060	50,250	434,060
	<u>923,175</u>	<u>1,446,140</u>	<u>812,927</u>	<u>1,390,690</u>

TRACTABLE LTD.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

22. Related party transactions

In accordance with FRS 102 Section 33, the Company has not disclosed any related party transactions between wholly owned entities within the Group.

There are no outstanding loans to the directors.

23. Controlling party

There is no ultimate controlling party.

The immediate and ultimate parent company is Tractable Inc, a company incorporated in the United States and registered at 26 Broadway, New York, New York, 10004.