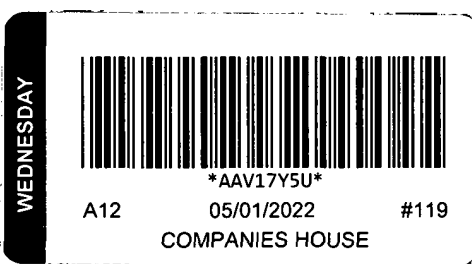


PLU&M LIMITED

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**



PLU&M LIMITED

COMPANY INFORMATION

Directors	Doron Meyassed Zihao Xu Christopher Spray Matus Maar
Registered number	09811319
Registered office	Second floor 69-77 Paul Street London EC2A 4NW
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor 30 Finsbury Square London EC2A 1AG
Bankers	Silcon Valley Bank Alphabeta 14-18 Finsbury Square London EC2A 1BR

PLU&M LIMITED

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PLU&M LIMITED

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

Introduction

The directors present their strategic report for the year ended 31 December 2020.

Business review

As with most businesses in the world (and especially for those in the travel sector), PLU&M Limited's business was fundamentally impacted by the Covid 19 pandemic during 2020. Turnover reduced by 82% and gross profit reduced by 66%.

The business took measures to reduce the impact by significantly reducing variable spend as well as restructuring the team. As a result, our EBITDA loss in 2020 was £10,791,848 vs a loss of £11,276,731 in 2019.

We have seen significant growth in our turnover in 2021 as domestic and international travel increases.

Principal risks and uncertainties

The Company faces operational and financial risks in the normal course of business, with the key risks, and the Company's approach to mitigating those risks, outlined below.

Regulation

The Company faces risks from Government regulation in relation to local and international travel restrictions which would have an impact on the ability for guests to travel and for hosts to accommodate those guests. We mitigate this risk through constant communication with guests and hosts as well as diversifying the location and types of accommodation we have on our Plum Guide platform.

In addition, Government regulations in local short-term rental markets can impact the business. We mitigate this by offering a variety of international city and holiday destinations.

Price risk

The travel industry is highly competitive and comprises a number of companies providing short-term rentals. Competition may reduce fee structures which would put pressure on our profit margins. The highly variable nature of marketing spend enables the Company to react to fee changes.

Credit risk

The Company has a large number of small customers who pay for holidays creating a risk of customers having insufficient credit, but this risk is mitigated through the fact that customers are in the large majority required to pay upfront before the booking is confirmed.

Liquidity risk

As the Company is loss making, it faces the risk of having insufficient cash to meet its obligations as they fall due. The Company addresses this risk through active cash management strategies, including raising additional shareholder funds and use of third-party debt facilities.

PLU&M LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Fraud risk

The Company faces the risk of fraudulent bookings and chargebacks due to fraud. To mitigate this risk we have proprietary fraud prevention software to prevent fraudulent bookings being accepted and to verify customers.

This report was approved by the board on 23/12/2021 and signed on its behalf.

Doron Meyassed

Doron Meyassed
Director

PLU&M LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

Principal activity

The Company's principal activity during the year continued to be the development of an online marketplace for luxury city home rentals.

Results and dividends

The loss for the year, after taxation, amounted to £13,451,256 (2019: loss £11,695,918).

Directors

The directors who served during the year were:

Doron Meyassed
Zihao Xu
Christopher Spray
Matus Maar

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated 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, 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 and of profit or loss of the Group 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 Group 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 the Group 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

PLU&M LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Going concern

After reviewing the Group's forecasts and considering its position at year end, and cash reserves, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities and obligations for a period of not less than 12 months from the date of approval of these financial statements.

The directors also reviewed the potential impact of the recent outbreak of the Coronavirus disease in considering these forecasts, including reviews of significant downside scenario analysis which, while considered highly unlikely, demonstrates that the Group will have sufficient cash resources. This will be the case even in the event of a prolonged lock down, or if there were requirements for phased lockdowns over the next 12 months worldwide affecting different markets at different times. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

Political contributions

There were no political donations in the period.

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Auditor

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

This report was approved by the board on 23/12/2021 and signed on its behalf.

Doron Meyassed

Doron Meyassed
Director



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLU&M LIMITED

Opinion

We have audited the financial statements of Plu&m Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated Statement of cash flows, the Consolidated and Company 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).

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 2020 and of the Group's 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.

Basis for opinion

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

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the parent Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the parent Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the parent Company's financial resources or ability to continue operations over the going concern period.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLU&M LIMITED (CONTINUED)

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

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

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLU&M LIMITED (CONTINUED)

Matter on which we are required to report under the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.

Responsibilities of directors for the financial statements

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 Group's and the 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 the directors 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 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.

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLU&M LIMITED (CONTINUED)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We enquired of management concerning the Group's policies and procedures relating to:
 - the identification, evaluation and compliance with laws and regulations;
 - the detection and response to the risks of fraud; and
 - the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.
- We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- We corroborated the results of our enquires to relevant supporting documentation.
- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Group and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (FRS 102 and the Companies Act 2006).
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur, by evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls.
- Our audit procedures involved:
 - evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;
 - journal entry testing, with a focus on material manual journals, including those with unusual account combinations and those posted directly to the income statement that increased revenue or that reclassified costs from the income statement to the balance sheet;
 - challenging assumptions and judgements made by management in its significant accounting estimates.



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PLU&M LIMITED (CONTINUED)

- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. However, detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as those irregularities that result from fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it. In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the entity's operations, including the nature of its revenue sources and services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.
 - We did not identify any matters relating to non-compliance with laws and regulations relating to fraud.

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.

Grant Thornton UK LLP

Anthony Thomas BSc ACA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London
Date: 23/12/2021

PLU&M LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover	4	726,844	4,461,698
Cost of sales		(2,419,422)	(6,378,682)
Gross loss		(1,692,578)	(1,916,984)
Administrative expenses		(9,750,891)	(9,761,368)
Other operating income	5	526,604	-
Operating loss	6	(10,916,865)	(11,678,352)
Interest receivable and similar income	9	8,828	-
Interest payable and expenses	10	(2,879,872)	(217,648)
Loss before taxation		(13,787,909)	(11,896,000)
Tax on loss	11	336,653	200,082
Loss for the financial year		(13,451,256)	(11,695,918)
Other comprehensive income		(20,815)	(1,173)
Other comprehensive income for the year		(20,815)	(1,173)
Total comprehensive income for the year		(13,472,071)	(11,697,091)
(Loss) for the year attributable to:			
Owners of the parent Company		(13,451,256)	(11,695,918)
		(13,451,256)	(11,695,918)

The notes on pages 18 to 34 form part of these financial statements.

PLU&M LIMITED
REGISTERED NUMBER:09811319

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	268,944	385,400
Other debtors	14	178,391	178,391
		<u>447,335</u>	<u>563,791</u>
Current assets			
Debtors: amounts falling due within one year	14	585,067	1,934,523
Cash at bank and in hand	15	9,428,372	9,959,107
		<u>10,013,439</u>	<u>11,893,630</u>
Creditors: amounts falling due within one year	16	(3,533,096)	(7,120,024)
Net current assets		<u>6,480,343</u>	<u>4,773,606</u>
Total assets less current liabilities		<u>6,927,678</u>	<u>5,337,397</u>
Creditors: amounts falling due after more than one year	17	(16,972,690)	(2,207,143)
Net (liabilities)/assets		<u><u>(10,045,012)</u></u>	<u><u>3,130,254</u></u>
Capital and reserves			
Called up share capital	18	371	367
Share premium account	19	21,808,344	21,804,769
Foreign exchange reserve	19	(23,089)	(2,274)
Other reserves	19	553,065	398,867
Profit and loss account	19	(32,383,703)	(19,071,475)
		<u><u>(10,045,012)</u></u>	<u><u>3,130,254</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23/12/2021

Doron Meyassed

Doron Meyassed
Director

The notes on pages 18 to 34 form part of these financial statements.

PLU&M LIMITED
REGISTERED NUMBER:09811319

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	266,475	385,400
Investments	12	16,617	16,617
Other debtors	14	178,391	178,391
		<u>461,483</u>	<u>580,408</u>
Current assets			
Debtors: amounts falling due within one year	14	584,910	2,220,797
Cash at bank and in hand	15	9,361,252	9,616,044
		<u>9,946,162</u>	<u>11,836,841</u>
Creditors: amounts falling due within one year	16	(3,526,605)	(7,127,827)
Net current assets		<u>6,419,557</u>	<u>4,709,014</u>
Total assets less current liabilities		<u>6,881,040</u>	<u>5,289,422</u>
Creditors: amounts falling due after more than one year	17	(16,972,690)	(2,207,143)
Net (liabilities)/assets		<u><u>(10,091,650)</u></u>	<u><u>3,082,279</u></u>
Capital and reserves			
Called up share capital	18	371	367
Share premium account	19	21,808,344	21,804,769
Other reserves	19	553,065	398,867
Profit and loss account	19	(32,453,430)	(19,121,724)
		<u><u>(10,091,650)</u></u>	<u><u>3,082,279</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23/12/2021

Doron Meyassed

Doron Meyassed
 Director

The notes on pages 18 to 34 form part of these financial statements.

PLU&M LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Foreign exchange reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 January 2020	367	21,804,769	(2,274)	398,867	(19,071,475)	3,130,254
Loss for the year	-	-	-	-	(13,451,256)	(13,451,256)
Foreign exchange movement	-	-	(20,815)	-	-	(20,815)
Shares issued during the year	4	3,575	-	-	-	3,579
Share based compensation	-	-	-	293,226	-	293,226
Employee share options exercised	-	-	-	(139,028)	139,028	-
At 31 December 2020	371	21,808,344	(23,089)	553,065	(32,383,703)	(10,045,012)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Foreign exchange reserve	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£	£
At 1 January 2019	275	7,864,408	(1,101)	-	(7,459,526)	404,056
Loss for the year	-	-	-	-	(11,695,918)	(11,695,918)
Foreign exchange movement	-	-	(1,173)	-	-	(1,173)
Shares issued during the year	90	13,923,993	-	-	-	13,924,083
Share based compensation	-	-	-	482,836	-	482,836
Employee share options exercised	2	16,368	-	(83,969)	83,969	16,370
At 31 December 2019	367	21,804,769	(2,274)	398,867	(19,071,475)	3,130,254

The notes on pages 18 to 34 form part of these financial statements.

PLU&M LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2020	367	21,804,769	398,867	(19,121,724)	3,082,279
Loss for the year	-	-	-	(13,470,734)	(13,470,734)
Shares issued during the year	4	3,575	-	-	3,579
Share based compensation	-	-	293,226	-	293,226
Employee share options exercised	-	-	(139,028)	139,028	-
At 31 December 2020	371	21,808,344	553,065	(32,453,430)	(10,091,650)

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2019	275	7,864,408	-	(7,467,807)	396,876
Loss for the year	-	-	-	(11,737,886)	(11,737,886)
Contributions by and distributions to owners					
Shares issued during the year	90	13,923,993	-	-	13,924,083
Share based compensation	-	-	482,836	-	482,836
Employee share options exercised	2	16,368	(83,969)	83,969	16,370
At 31 December 2019	367	21,804,769	398,867	(19,121,724)	3,082,279

The notes on pages 18 to 34 form part of these financial statements.

PLU&M LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	2019 £
Cash flows from operating activities		
Loss for the financial year	(13,451,256)	(11,695,918)
Adjustments for:		
Depreciation of tangible assets	254,900	107,633
Share based payments	293,226	482,836
Interest paid	2,879,872	217,648
Loss on disposal of tangible assets	14,140	747
Interest received	(8,828)	-
Income tax credit	(336,653)	(200,082)
Foreign Exchange	(215,090)	112,578
Decrease/(increase) in debtors	1,349,456	(645,632)
(Decrease)/increase in creditors	(3,596,399)	1,856,233
Corporation tax received	346,128	58,290
Net cash generated from operating activities	<u>(12,470,504)</u>	<u>(9,705,667)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(169,503)	(441,162)
Sale of tangible fixed assets	16,919	1,449
Interest received	8,828	-
Net cash from investing activities	<u>(143,756)</u>	<u>(439,713)</u>

PLU&M LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020 £	2019 £
Cash flows from financing activities		
Issue of ordinary shares	3,575	13,929,500
New secured loans	13,030,091	3,000,000
Repayment of loans	(842,857)	(935,624)
Interest paid	(301,559)	(217,648)
Net cash used in financing activities	11,889,250	15,776,228
Net (decrease)/increase in cash and cash equivalents	(725,010)	5,630,848
Cash and cash equivalents at beginning of year	9,959,107	4,579,494
Foreign exchange gains and losses	194,275	(251,235)
Cash and cash equivalents at the end of year	9,428,372	9,959,107
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	9,428,372	9,959,107
	9,428,372	9,959,107

The notes on pages 18 to 34 form part of these financial statements.

PLU&M LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	At 1 January 2020 £	Cash flows £	Other non- cash changes £	At 31 December 2020 £
Cash at bank and in hand	9,959,107	(530,735)	-	9,428,372
Debt due after 1 year	(2,207,143)	(12,187,234)	(2,578,313)	(16,972,690)
Debt due within 1 year	(1,685,714)	-	-	(1,685,714)
	<u>6,066,250</u>	<u>(12,717,969)</u>	<u>(2,578,313)</u>	<u>(9,230,032)</u>

The notes on pages 18 to 34 form part of these financial statements.

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

Plu&m Limited is a private company limited by shares, registered and incorporated in England. The company's registered office is Second floor, 69-77 Paul Street, London, EC2A 4NW.

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 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 Statement of comprehensive income in these financial statements.

The functional and presentational currency of the Group and Parent company is in Sterling (£).

The following principal accounting policies have been applied:

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.

2.3 Going concern

After reviewing the Group's forecasts and considering its position at year end, and cash reserves, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence and meet its liabilities and obligations for a period of not less than 12 months from the date of approval of these financial statements.

The Group is in the process of crowdfunding which will provide additional funding to the business to allow the Group to execute on its growth plan. In addition, the Group also expects to carry out a new fundraising round in the next 12 months.

The directors are confident this funding will complete; however, the Group has carried out forecasting and scenario planning for the unlikely event of not successfully completing the Crowdfunding or a fundraise round in the next 12 months which would allow the Group to continue its operational existence for a period of not less than 12 months.

The directors also reviewed the potential impact of new outbreaks of the Coronavirus disease in considering these forecasts, including reviews of significant downside scenario analysis involving cost saving efficiencies which, while considered unlikely, demonstrates that the Group will have sufficient cash resources irrespective of whether new capital raises are carried out.

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.3 Going concern (continued)**

The Group will have sufficient cash reserves even in the event of a prolonged lock down, or if there were requirements for phased lockdowns over the next 12 months worldwide affecting different markets at different times. The Company has scenarios in place in the event of a prolonged lockdown which will ensure the Company will be able to continue its operational existence for a period of not less than 12 months. The Group therefore continues to adopt the going concern basis in preparing its financial statements.

2.4 Turnover

Group turnover comprises of onboarding fees and commissions earned from customer bookings made through the Plum guide platform and made directly with the Matchmaker team. The turnover is recognised at the time the booking is confirmed.

Turnover is recognised at the fair value of the consideration receivable for services provided. Turnover is shown net of Value Added Tax and other sales related taxes. The fair value of consideration takes into account discounts.

2.5 Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Plant and machinery	over 3 years
Leasehold equipment & fittings	over 4 years

2.6 Grant income

Grants of a revenue nature are recognised in "other income" within profit or loss in the same period as the related expenditure. This includes the Government Coronavirus Job Retention Scheme ('Furlough').

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.7 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 Statement of financial position 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 Group 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.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

2.10 Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.11 Financial instruments**

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.

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

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 reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position 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.

2.12 Taxation

A current tax liability is recognised for the tax payable on any taxable profit of the current and past periods. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.13 Foreign currency translation**

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction. At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

2.14 Leased assets

Operating lease payments are recognised as an expense on a straight line basis over the lease term. The aggregate benefit of the lease incentive is recognised as a reduction to the expense recognised over the lease term on a straight line basis.

2.15 Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

3. Judgements in applying accounting policies and key sources of estimation uncertainty**Fair value of loan and warrant options**

The Company has entered into a loan agreement with Silicon Valley Bank ("SVB") which required the Company to also enter into an agreement to issue warrant options to SVB as a part of the arrangement. Management has recognised the loan as a financial liability using the amortised cost method. On initial recognition, the loan is measured at transaction price net of any transaction costs (including the cost of the warrants issued).

Management have reviewed the fair value of the warrant options issued by determining the difference in the net present value of the loan based on the expected cashflows set out within the loan agreement and the cashflows expected for a similar loan instrument without such warrant instruments. Management consider the value attributable to the warrant options to be immaterial for the financial statements and therefore have not recognised the cost of the financial instruments in the financial statements.

Convertible loans

The proceeds received from the issue of convertible debt instruments are measured at fair value as a liability element at the date of issue and remeasured at the balance sheet date. The fair value movement is taken to the Profit and Loss.

Deferred income tax assets

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Management have determined that it is not appropriate to recognise a deferred tax asset at the balance sheet date.

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

3. Judgements in applying accounting policies (continued)**Share based payments**

The Company has used the Black Scholes valuation model to determine the fair value of share based payments. Any changes to the assumptions used (including share price, volatility, risk free rate & dividends) by management will impact the valuation. Due to a lack of available data relating to the value of ordinary shares, there is judgement involved in determining the share price of the ordinary shares for the purposes of calculating the share based payment charge. A discounted price, based on the price of relevant funding round share issues, has been used to determine the share price of ordinary shares for the purposes of the input to the model. Alternative judgements in discounts applied could result in changes to the share based payments charge as calculated.

Allowance for irrecoverable chargebacks

The Company records a provision for potential non-collectability of customer payments in the case where payment institutes claim back payments ("Chargebacks"). The Company provides for an estimate of chargebacks expected on revenue recognised during the financial period based on chargeback claims with the financial institutions.

4. Turnover

The turnover shown in the profit and loss account represents amounts received in respect of fees applicable to a booking at the time it is confirmed, exclusive of Value Added Tax.

5. Other operating income

	2020 £	2019 £
Furlough income	526,604	-

6. Operating loss

The operating loss is stated after charging:

	2020 £	2019 £
Foreign exchange gain/(loss)	133,675	(249,202)
Depreciation of tangible assets	254,900	107,633
Operating lease costs	314,023	353,918
Facilities costs	275,531	340,943
Host acquisition costs	791,007	1,419,901
Professional expenses	238,021	325,423

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

7. Auditor's remuneration

	2020	2019
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	35,000	35,150
Fees payable to the Group's auditor and its associates in respect of:		
Accounts preparation fee	1,900	3,000
Taxation compliance services	3,914	18,371
Other non-audit services	70,114	130,072
	75,928	151,443

8. Directors and employees

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

	Group	Group	Company	Company
	2020	2019	2020	2019
	£	£	£	£
Employment costs				
Wages and salaries	5,961,488	4,730,899	5,638,799	4,543,633
Social security costs	638,010	512,649	593,931	488,680
Other pension costs	129,448	114,133	128,615	93,101
	6,728,946	5,357,681	6,361,345	5,125,414

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

	2020	2019
	No.	No.
Average number of persons employed by the company	98	87
	2020	2019
	£	£
Directors' emoluments	107,333	152,611
Other pension costs	3,220	3,700
	110,553	156,311

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Interest receivable

	2020 £	2019 £
Other interest receivable	8,828	-

10. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	2,879,872	217,648

11. Taxation

	2020 £	2019 £
Corporation tax		
Adjustments in respect of previous periods	(346,128)	(211,679)
Foreign tax		
Foreign tax on income for the year	9,475	11,597
Total current tax	(336,653)	(200,082)

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

11. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019: *lower than*) the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £	2019 £
Loss on ordinary activities before tax	<u>(13,787,909)</u>	<u>(11,896,000)</u>
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(2,619,703)	(2,260,240)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	104,656	112,818
Adjustments to tax charge in respect of prior periods	(346,129)	(211,679)
Deferred tax not recognised	2,515,048	2,147,422
Effects of overseas tax rates	9,475	11,597
Total tax charge for the year	<u><u>(336,653)</u></u>	<u><u>(200,082)</u></u>

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Fixed asset investments**Company**

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	16,617
At 31 December 2020	<u>16,617</u>
Net book value	
At 31 December 2020	<u>16,617</u>
At 31 December 2019	<u>16,617</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
The Plum Guide Limited	2nd Floor, 69-77 Paul Street, London, EC2A 4NW	Dormant	Ordinary	100%
Plu&m France SAS	29 rue du Pont, 92200 Neuilly sur Seine, Paris, France	Operating	Ordinary	100%
Plu&m USA Inc.	1209 Orange Street, Wilmington, New Castle County, Delaware 19801 USA	Operating	Ordinary	100%

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 December 2020 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
The Plum Guide Limited	-	-
Plu&m France SAS	31,072	2,108
Plu&m USA Inc.	32,183	17,370
	<u> </u>	<u> </u>

13. Tangible fixed assets**Group**

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2020	198,780	318,458	517,238
Additions	132,018	37,485	169,503
Disposals	(51,826)	-	(51,826)
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	278,972	355,943	634,915
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1 January 2020	60,059	71,779	131,838
Charge for the year on owned assets	89,544	165,356	254,900
Disposals	(20,767)	-	(20,767)
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2020	128,836	237,135	365,971
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 31 December 2020	150,136	118,808	268,944
	<u> </u>	<u> </u>	<u> </u>
At 31 December 2019	138,721	246,679	385,400
	<u> </u>	<u> </u>	<u> </u>

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Tangible fixed assets (continued)**Company**

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2020	198,780	318,458	517,238
Additions	129,400	37,485	166,885
Disposals	(51,826)	-	(51,826)
At 31 December 2020	<u>276,354</u>	<u>355,943</u>	<u>632,297</u>
Depreciation			
At 1 January 2020	60,059	71,779	131,838
Charge for the year on owned assets	89,395	165,356	254,751
Disposals	(20,767)	-	(20,767)
At 31 December 2020	<u>128,687</u>	<u>237,135</u>	<u>365,822</u>
Net book value			
At 31 December 2020	<u>147,667</u>	<u>118,808</u>	<u>266,475</u>
At 31 December 2019	<u>138,721</u>	<u>246,679</u>	<u>385,400</u>

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

14. Debtors

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Non-current assets				
Other debtors - Rent Deposit	178,391	178,391	178,391	178,391
	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Current assets				
Trade and guest receivables	176,375	1,331,026	176,375	1,331,026
Amounts owed by group undertakings	-	-	-	295,661
Other debtors	93,437	52,739	93,437	43,352
Prepayments and accrued income	315,255	550,758	315,098	550,758
	585,067	1,934,523	584,910	2,220,797

All intercompany loan balances are repayable on demand and are non-interest bearing.

15. Cash and cash equivalents

	Group 2020 £	<i>Group 2019 £</i>	Company 2020 £	<i>Company 2019 £</i>
Cash at bank and in hand	9,428,372	9,959,107	9,361,252	9,616,044

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Creditors: Amounts falling due within one year

	Group 2020	<i>Group 2019</i>	Company 2020	<i>Company 2019</i>
	£	£	£	£
Bank loans	1,685,714	1,685,714	1,685,714	1,685,714
Trade creditors	901,051	4,292,084	898,602	4,290,320
Amounts owed to group undertakings	-	-	31,298	52,591
Other taxation and social security	177,655	253,271	166,966	237,848
Other creditors	182,267	172,366	180,814	165,472
Accruals and deferred income	586,409	716,589	563,211	695,882
	3,533,096	7,120,024	3,526,605	7,127,827

All intercompany loan balances are repayable on demand and are non-interest bearing.

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

	Group 2020	<i>Group 2019</i>	Company 2020	<i>Company 2019</i>
	£	£	£	£
Bank loans	1,364,286	2,207,143	1,364,286	2,207,143
Other loans	15,608,404	-	15,608,404	-
	16,972,690	2,207,143	16,972,690	2,207,143

The Company has 2 debt agreements in place with Silicon Valley Bank, these comprise:

	Principal facility	Interest rate	Term
Term loan 1	£2mil	9.25%+Bank rate	36 months
Term loan 2	£3mil	9.25%+Bank rate	36 months

Contained within both loan agreements are warrant options entered into between the Company and Silicon Valley Bank. The warrants give the holder, the right and not the obligation to acquire a fixed number of shares at fixed price, and thus management have made the judgement to classify these as equity and not as a liability. However, management have calculated the fair value and considered the warrants to be immaterial. As such no amount has been recognised.

The convertible loan notes were entered into between the Company and investors (including the British Business Bank as part of the Future Fund scheme). These have a maturity period of 36 months, and interest is applied at 8%. There is an option for this to be repaid at maturity or for this to convert to a 30% discount on equity at a funding round during the 36 months period. The loan has been converted post year end.

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

18. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1,065,530 (2019: 1,021,641) Ordinary shares of £0.0001 each	106.55	102.16
281,226 (2019: 281,226) Ordinary A1 shares of £0.0001 each	28.12	28.12
682,465 (2019: 682,465) Ordinary A2 shares of £0.0001 each	68.25	68.25
720,467 (2019: 720,467) Ordinary A3 shares of £0.0001 each	72.05	72.05
901,525 (2019: 901,525) B1 Ordinary shares of £0.0001 each	90.15	90.15
62,588 (2019: 62,588) B2 Ordinary shares of £0.0001 each	6.26	6.26
	<hr/>	<hr/>
	371.38	366.99
	<hr/>	<hr/>

The equity shares shall confer on each holder of equity shares the right to receive notice of and to attend and speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.

Except as otherwise provided in the articles, the Equity shares shall rank pari passu in all respects but shall constitute separate classes of shares.

19. Reserves**Share premium account**

Includes only premiums received on issue of share capital. Any transaction costs associated with issuing of shares are deducted from share premium.

Foreign exchange reserve

Includes the unrealised gains and losses from the translation of overseas subsidiaries at the Balance sheet date.

Other reserves

Includes the non-distributable reserve arising from the issue of share options.

Profit and loss account

Includes all current and prior period retained profit and losses.

20. Capital Commitments

The Company has no outstanding capital commitments at 31st December 2020.

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

21. Share based payments

The Company operates an equity-settled share-based compensation plan established under the Enterprise Management Initiative ("EMI") scheme granting shares options to employees in the Company. The fair value of the employee services received in exchange for the options granted is expensed. This has been based on management's estimate of the number of shares that will eventually vest and the fair value of the share options as at the date of granting.

	Weighted average exercise price (pence) 2020	Number 2020	<i>Weighted average exercise price (pence) 2019</i>	<i>Number 2019</i>
Outstanding at the beginning of the year	439	261,477	-	-
Granted during the year	393	397,714	464	299,662
Forfeited during the year	898	(86,568)	993	(16,544)
Exercised during the year	8	(46,474)	132	(21,641)
Outstanding at the end of the year	359	526,149	439	261,477

	2020	2019
Option pricing model used	Black Scholes	<i>Black Scholes</i>
Weighted average share price (£)	£3.30	£4.27
Weighted Exercise price (£)	£3.83	£4.64
Weighted average contractual life (days)	3459	3459
Expected volatility	83%	82%
Expected dividend growth rate	0%	0%
Risk-free interest rate	2.5%	2%

The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions. The fair value of awards granted is measured using a Black Scholes model. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each Statement of financial position date, the entity revises its estimates of the number of options that are expected to vest, with any changes in estimate recognised in the income statement, with a corresponding adjustment in equity as per FRS 102, and is as follows:

	2020	2019
	£	£
Share option expense	293,226	482,836

PLU&M LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

22. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to £120,850 (2019: £114,133). Contributions totalling £26,750 (2019: £38,882) were payable to the fund at the reporting date and are included in creditors.

23. Commitments under operating leases

At 31 December 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £	<i>Group 2019 £</i>
Within 1 year	335,377	384,945
Between 2 - 5 years	-	336,431
	<u>335,377</u>	<u>721,376</u>

24. Related party transactions

Under the provision of Section 33 of Financial Reporting Standard 102 "Related party transactions", the Company has taken advantage of the exemption from disclosing transactions with other wholly owned members of the Group headed by Plu&m Limited.

Key management are considered to be the statutory directors whose remuneration has been disclosed within note 8.

25. Post balance sheet events

The Company raised £6.7M in funding in August and September 2021 from Beringea LLP and existing investors. During November 2021, the Company also ran a crowdfunding campaign. While at the date of signing of the accounts, the crowdfunding campaign is in the legal completion phase and shares have not been issued, the estimated total funding the Company will receive is £2m. The Company also has an agreement in principle to draw down an additional £1m loan with Silicon Valley Bank, with a repayment period of 36 months. This loan carries interest at 10%. At the date of approval of these financial statements, this has not yet been signed.

26. Controlling party

The controlling party is Mr D Meyassed who holds 29% of the issued share capital.