

Registered number: 13453741

BYRD TECHNOLOGIES UK LTD

FINANCIAL STATEMENTS
INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2022



BYRD TECHNOLOGIES UK LTD

COMPANY INFORMATION

| | |
|-----------------------------|--|
| Directors | Ian James Clark Petra Dobrocka Alexander Leichter |
| Registered number | 13453741 |
| Registered office | 3rd Floor Waverley House 7-12 Noel Street London W1F 8GQ |
| Independent auditors | Ecovis Wingrave Yeats LLP Chartered Accountants & Statutory Auditors 3rd Floor Waverley House 7-12 Noel Street London W1F 8GQ |

BYRD TECHNOLOGIES UK LTD

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BYRD TECHNOLOGIES UK LTD
REGISTERED NUMBER: 13453741

BALANCE SHEET
AS AT 31 DECEMBER 2022

| | Note | 2022 £ | Restated (Unaudited) 2021 £ |
|--|------|-----------------------|--------------------------------------|
| Fixed assets | | | |
| Tangible assets | 5 | 8,731 | - |
| | | <u>8,731</u> | <u>-</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | 781,368 | 42,326 |
| Cash at bank and in hand | 7 | 500,499 | 62,432 |
| | | <u>1,281,867</u> | <u>104,758</u> |
| Creditors: amounts falling due within one year | 8 | (647,627) | (116,291) |
| Net current assets/(liabilities) | | <u>634,240</u> | <u>(11,533)</u> |
| Total assets less current liabilities | | <u>642,971</u> | <u>(11,533)</u> |
| Net assets/(liabilities) | | <u><u>642,971</u></u> | <u><u>(11,533)</u></u> |
| Capital and reserves | | | |
| Called up share capital | | 100 | 100 |
| Other reserves | | 1,500,074 | - |
| Profit and loss account | | (857,203) | (11,633) |
| | | <u>642,971</u> | <u>(11,533)</u> |

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

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

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

DocuSigned by:

Alexander Leichter

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Alexander Leichter

Director 13/7/2023 | 11:23 CEST

The notes on pages 2 to 10 form part of these financial statements.

BYRD TECHNOLOGIES UK LTD

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

1. General information

Byrd Technologies UK Ltd is a private company, limited by shares, and incorporated in England and Wales with registration number 13453741. The registered office is 3rd Floor Waverley House, 7-12 Noel Street, London, United Kingdom, W1F 8GQ.

The financial statements that have been prepared for the year ended 31 December 2022 have been audited, whilst the prior period accounts, for the period 14 June 2021 to 31 December 2021, were unaudited.

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 management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The parent company has indicated that it is willing to provide ongoing support to the Company in order to meet its financial obligations as they fall due. The directors are therefore satisfied that the statutory financial statements can be prepared under the going concern assumption.

2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company 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.

BYRD TECHNOLOGIES UK LTD

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

2. Accounting policies (continued)

2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.5 Pensions

Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company 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 Company in independently administered funds.

2.6 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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.

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

BYRD TECHNOLOGIES UK LTD

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

2. Accounting policies (continued)

2.7 Share based payments

Where the Company's parent, Byrd Technologies GmbH, has granted rights to its equity instruments to the employees of the Company, such arrangements are accounted for as share based payment arrangements. The Company takes advantage of alternative treatment allowed under Section 26 of FRS 102. The Company will recognise share based payment expense based on the number of participating employees that are employed and remunerated by the Company in line with the charge recorded by the Company's parent.

No amount has been recognised for this financial year, please refer to note 3. for more details.

2.8 Taxation

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 operates and generates 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

2.9 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.

BYRD TECHNOLOGIES UK LTD

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

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

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 |
|------------------|-----------|

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.

2.10 Financial instruments

The Company 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.

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 Statement of Comprehensive Income.

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.

BYRD TECHNOLOGIES UK LTD

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

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

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following critical judgements have had the most significant effect on amounts recognised in the financial statements.

Non-recognition of deferred tax assets

Management is required to assess whether it is appropriate to recognise a deferred tax asset relating to taxable losses available to the Company. The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of losses and other deductions can be utilised. To determine the future taxable profits, reference is made to the latest available forecasts. Therefore, this involves judgement regarding future financial performance of the Company to justify where a deferred tax asset has been recognised. Management have concluded to not recognise a deferred tax asset and the losses carried forward amount to £161,830 (2021 - £1,967).

Debtor recoverability

The Directors continually use judgement to ascertain whether there are indicators of impairment of the Company's debtors. Factors taken into consideration in reaching such a decision include the economic standing of third-party customers and related parties who owe amounts to the Company and likelihood of settlement being received.

Share based payments

The Company's parent operates an Exit and Dividend Participation Program ("EDPP") under which employees of the Group are issued virtual shares that entitles them to a cash bonus upon two vesting events. The events needed for the employees to be entitled to the bonus are either an exit or a dividend pay-out. An exit is defined as the sale of at least 75% of the share capital of the parent, a merger with a publicly traded company or an IPO. The value of the cash bonus is dependent on the exit or dividend pay-out. Management have concluded to align the accounting treatment to that of the Company's parent. As at the year end, although the virtual shares held under the program do hold value to the employees in the future, given there is a very high level of uncertainty surrounding the probability of the vesting events taking place and the value that would be attributable to the virtual shares no charge has been recorded in the financial statements.

BYRD TECHNOLOGIES UK LTD

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

4. Employees

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

| | Year ended 2022 No. | Period ended (Unaudited) 2021 No. |
|-----------|------------------------------|---|
| Directors | 3 | 3 |
| Staff | 8 | - |
| | <u>11</u> | <u>3</u> |

5. Tangible fixed assets

| | Office equipment £ |
|-------------------------------------|--------------------------|
| Cost or valuation | |
| Additions | 11,561 |
| At 31 December 2022 | <u>11,561</u> |
| Depreciation | |
| Charge for the year on owned assets | 2,830 |
| At 31 December 2022 | <u>2,830</u> |
| Net book value | |
| At 31 December 2022 | <u>8,731</u> |
| At 31 December 2021 (Unaudited) | <u>-</u> |

BYRD TECHNOLOGIES UK LTD

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

6. Debtors

| | 2022 | (Unaudited) Restated 2021 |
|------------------------------------|----------------|---------------------------------|
| | £ | £ |
| Trade debtors | 55,734 | - |
| Amounts owed by group undertakings | 636,709 | 40,237 |
| Other debtors | 45,902 | 38 |
| Called up share capital not paid | - | 100 |
| Prepayments and accrued income | 43,023 | 1,951 |
| | <u>781,368</u> | <u>42,326</u> |

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

7. Cash and cash equivalents

| | 2022 | (Unaudited) Restated 2021 |
|--------------------------|----------------|---------------------------------|
| | £ | £ |
| Cash at bank and in hand | 500,499 | 62,432 |
| | <u>500,499</u> | <u>62,432</u> |

8. Creditors: Amounts falling due within one year

| | 2022 | (Unaudited) Restated 2021 |
|------------------------------------|----------------|---------------------------------|
| | £ | £ |
| Trade creditors | 7,887 | - |
| Amounts owed to group undertakings | 542,266 | 106,079 |
| Other taxation and social security | 14,673 | 5,330 |
| Pension liability | (596) | 1,282 |
| Accruals and deferred income | 83,397 | 3,600 |
| | <u>647,627</u> | <u>116,291</u> |

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

BYRD TECHNOLOGIES UK LTD

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

9. Share capital

| | 2022 | 2021 |
|--|-------------|-------------|
| | £ | £ |
| Allotted, called up and fully paid | | |
| 100 (2021 - 100) Ordinary shares of £1.00 each | 100 | 100 |
| | <u>100</u> | <u>100</u> |

10. Reserves**Other reserves**

Other reserves relate to capital contributions totalling £1,500,074 (2021: £Nil) received from the Company's parent company Byrd Technologies GmbH. The balance reported is not considered to be repayable by the Company.

11. Prior year adjustment

During the year, the Directors identified the need for the Company to recognise a prior period adjustment in respect of its accounting for amounts held with group companies. Specifically, the prior year adjustments identified were:

- a reduction in accrued income and increase in amounts due from group companies totalling £40,237; and
- a reduction in accruals and increase in amounts due to group companies totalling £14,369.
- a reduction in amounts due to group companies held in creditors due in greater than one year and an increase in amounts owed to group companies held in creditors due in less than one year totalling £91,710.

As a result of these restatements, the Company's loss for the prior period and net liabilities remained unchanged.

12. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £28,677 (2021 - £1,791). At the year end, the liability owed by the fund was £596 (2021 - owed to the fund £1,282).

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

13. Commitments under operating leases

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

| | 2022 | (Unaudited) 2021 |
|-----------------------|---------------|---------------------|
| | £ | £ |
| Not later than 1 year | 14,690 | - |
| | <u>14,690</u> | <u>-</u> |

14. Related party transactions

Byrd Technologies UK Ltd have taken the exemption available under FRS 102, Section 33 Related Party Disclosures paragraph 33.1A, whereby the Company is not required to disclose transactions with other companies that are wholly owned within the group.

15. Controlling party**Immediate controlling party**

The Company is wholly owned by its immediate parent company Byrd Technologies GmbH, a company incorporated in Austria. Byrd Technologies GmbH prepares consolidated accounts and these are available from the company's registered office at Mariahilferstrasse 117/2/23, 106 Wien Österreich.

Ultimate controlling party

The Company knows or has reasonable cause to believe that there is no registrable person or registrable relevant legal entity in relation to the Company.

16. Auditors' information

The auditors' report on the financial statements for the year ended 31 December 2022 was unqualified.

The financial statements for the prior period were not audited.

The audit report was signed on 13 JULY 2023 by Jessica Teague (Senior Statutory Auditor) on behalf of Ecovis Wingrave Yeats LLP.