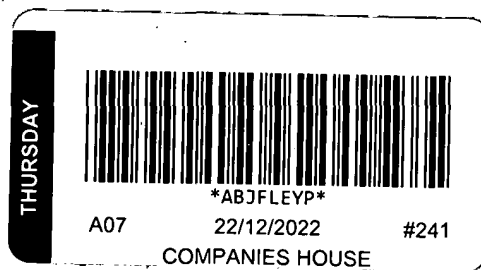


Company Registration No. 10027474 (England and Wales)

MULTIVERSE GROUP LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022



MULTIVERSE GROUP LIMITED

COMPANY INFORMATION

Directors	Mr E A Blair Mr J Cutler Mr J Duggan Mr N Mandan Mr D H Rimer Ms Y Moon
Company number	10027474
Registered office	91-93 Baker Street Marylebone London United Kingdom W1U 6RL
Auditor	RSM UK Audit LLP Chartered Accountants 25 Farringdon Street London EC4A 4AB United Kingdom
Bankers	Silicon Valley Bank Alphabeta 14-18 Finsbury Square London EC2A 1BR

MULTIVERSE GROUP LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Fair review of the business

Multiverse is driven by a mission to build a diverse group of future leaders, through our outstanding alternative to university and corporate training. Our principal activity is the recruitment, training and development of apprentices - both young adults choosing not to go to university and those looking to reskill - while helping organisations embrace digital transformation and build a truly diverse talent pipeline.

This year has seen rapid growth:

- Globally Multiverse now serves over 7,600 apprentices. Multiverse has been operating in the US since February 2021 and strong demand there through the financial year means this continues to be an area of growth and focus.
- We announced the largest UK EdTEch fund raise ever, securing \$100 million in our Series C round in September 2021. This was followed in June 2022 by a Series D round in which we raised \$220m, when Multiverse became the first UK EdTech unicorn (companies with over \$1 billion valuation).
- In August of this financial year Multiverse's UK operation had its first full Ofsted inspection, a hugely significant moment for any education organisation operating in England. Ofsted's inspectors judged our provision to be 'Outstanding' in every category. At the time only 4% of apprenticeship providers received an 'Outstanding' judgement. It followed a February 2021 monitoring visit judged us to have made 'Significant Progress', the highest assessment possible.
- Multiverse obtained the powers to award its own degrees in September 2022, the first apprenticeship provider to pass the Office for Students' rigorous assessment process. Our first cohorts of apprentices are enrolled, and on the path to obtain our Applied Degrees, all while earning a salary and paying no tuition.

We have made significant investments across all teams at Multiverse to set ourselves up for greater scale. Our team has grown from 235 to 518 during the financial year ended 31 March 2022.

Future developments

Following the successful Series C and Series D fund raise pre and post financial year end, the Group, together with the Board and senior leadership team, has developed a strategic plan for the business with the specific focus of continual growth in the UK market and expanding our presence in the US market.

Principal risks and uncertainties

The Directors assess the principal risks and uncertainties facing the Company in both the short and long-term. They are as follows:

People:

Our People are our most important asset. The key risk to Multiverse is maintaining and growing our team, and ensuring we have the right number of skilled coaches to deliver our outstanding training programmes without any compromise on quality.

Our stringent recruitment process seeks to bring exceptional talent into the team and is supported by a carefully curated onboarding and training process for all employees. Our internal culture places strong emphasis on inspiring and developing every team member throughout their time at Multiverse. Of particular note is our Digital Academy which is an in-house training programme for all new Data Coaches.

We also ensure we hire the right talent to our sales and marketing team to ensure strong delivery for our future market growth.

We carefully select our Senior Leadership Team members to drive business growth and operational efficiency in all aspects.

MULTIVERSE GROUP LIMITED

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

Currency risk:

The Company is also exposed to currency risk by virtue of its proportion of its business in the USA. The Company maintains a USD account and generates cash in foreign currencies enabling risk management.

Uncertain global economic environment:

The directors continue to review cash forecasts on a regular basis and ensure costs are kept under control and continue to look ahead and mitigate further risks as they arise.

Key performance indicators

Multiverse monitors and measures its performance using both financial and non-financial metrics.

Non-financial:

	2022	2021
Apprentice population (Including alumni)	7,600	4,007

Financial:

	2022	2021
Received revenue	£27.2M	£10.1M
Cash	£81.3M	£25.6M
Net loss	(£14.2M)	(£10.9M)
Current ratio	8.5	6.2

Received revenue represents the revenue recognised in the profit and loss account. The average programme duration is 15 months. Received revenue has grown by a factor of 2.7 year-on-year.

The year-on-year increase in cash is due to the successful Series C funding round which was concluded in September 2021. Our current ratio is strong at 8.5 as at 31 March 2022. Our cash position has strengthened further post year-end following our Series D funding round in June 2022. The Group currently does not have any external financial debt.

The movement in net loss year-on-year reflects the ongoing investment into the business and our commitment to building support functions that will allow the organisation to scale.

DocuSigned by:

Euan Blair

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Mr E A Blair

Director

Date: 9 December 2022

MULTIVERSE GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The directors present their annual report and financial statements for the year ended 31 March 2022.

Results and dividends

The results for the year are set out on page 9.

The directors do not recommend the payment of a dividend.

Directors

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

Ms S Adelman (Resigned 1 June 2021)

Mr E A Blair

Mr J Cutler

Mr J Duggan

Mr N Mandan

Mr D H Rimer

Ms Y Moon (Appointed 12 May 2022)

Qualifying third party indemnity provisions

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

Employees

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Post reporting date events

Information on post balance sheet events is given in note 24 of the financial statements.

Auditor

RSM UK Tax and Accounting Limited were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of the principal risks and uncertainties and the fair review of the business.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

MULTIVERSE GROUP LIMITED

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

On behalf of the board

DocuSigned by:

Euan Blair

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Mr E A Blair
Director

Date: 9 December 2022

MULTIVERSE GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and company financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing each of the group and company 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;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MULTIVERSE GROUP LIMITED

Opinion

We have audited the financial statements of Multiverse Group Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of comprehensive income, the consolidated statement of financial position, the company statement of financial position, the consolidated statement of changes in equity, the company statement of changes in equity, the consolidated statement of cash flows, the company statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 March 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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

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.

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 or 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.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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 strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MULTIVERSE GROUP LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- 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

As explained more fully in the directors' responsibilities statement set out on page 6, 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.

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses, and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MULTIVERSE GROUP LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from external tax advisors.

The most significant laws and regulations that have an indirect impact on the financial statements are those in relation to General Data Protection Regulations (GDPR) and Ofsted (Education and Inspections Act). We performed audit procedures to inquire of management whether the group is in compliance with these law and regulations and inspected correspondence with Ofsted and educational regulatory authorities.

The audit engagement team identified the risk of management override of controls and revenue recognition as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business and testing a sample of revenue transactions.

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

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.

David Blacher

David Blacher ACCA (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
United Kingdom

12 December 2022

MULTIVERSE GROUP LIMITED**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022 £	2021 £
Turnover	3	27,259,408	10,089,652
Cost of sales		(10,191,051)	(4,603,046)
Gross profit		17,068,357	5,486,606
Administrative expenses		(31,319,843)	(16,536,492)
Other operating income	3	-	100,764
Operating loss	7	(14,251,486)	(10,949,122)
Interest receivable and similar income	9	33,059	27,051
Interest payable and similar expenses	10	(13,537)	-
Loss before taxation		(14,231,964)	(10,922,071)
Tax on loss	11	-	-
Loss for the financial year		(14,231,964)	(10,922,071)
Other comprehensive loss net of taxation			
Currency translation differences		(159,010)	-
Total comprehensive loss for the year		(14,390,974)	(10,922,071)

Loss for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

MULTIVERSE GROUP LIMITED**CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Intangible assets	12		300,640		324,181
Tangible assets	13		418,088		200,480
			<u>718,728</u>		<u>524,661</u>
Current assets					
Debtors	16	10,178,345		4,303,024	
Cash at bank and in hand		81,363,070		25,641,922	
		<u>91,541,415</u>		<u>29,944,946</u>	
Creditors: amounts falling due within one year	17	<u>(10,780,807)</u>		<u>(4,844,551)</u>	
Net current assets			<u>80,760,608</u>		<u>25,100,395</u>
Total assets less current liabilities			<u>81,479,336</u>		<u>25,625,056</u>
Capital and reserves					
Called up share capital	19		224		189
Share premium account	20		91,015,745		43,379,161
Capital redemption reserve	20		34		34
Other reserves	20		-		1,066,351
Profit and loss reserves	20		<u>(9,536,667)</u>		<u>(18,820,679)</u>
Total equity			<u>81,479,336</u>		<u>25,100,395</u>

The financial statements were approved by the board of directors and authorised for issue on 9 December 2022 and are signed on its behalf by:

DocuSigned by:

Euan Blair

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Mr E A Blair
Director

MULTIVERSE GROUP LIMITED**COMPANY STATEMENT OF FINANCIAL POSITION****AS AT 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Intangible assets	12		300,640		324,181
Tangible assets	13		373,154		196,470
Investments	14		8		8
			<u>673,802</u>		<u>520,659</u>
Current assets					
Debtors	16	15,663,556		4,232,734	
Cash at bank and in hand		77,168,955		25,635,350	
		<u>92,832,511</u>		<u>29,868,084</u>	
Creditors: amounts falling due within one year	17	<u>(8,429,020)</u>		<u>(4,763,894)</u>	
Net current assets			<u>84,403,491</u>		<u>25,104,190</u>
Total assets less current liabilities			<u>85,077,293</u>		<u>25,624,849</u>
Capital and reserves					
Called up share capital	19		224		189
Share premium account	20		91,015,745		43,379,161
Capital redemption reserve	20		34		34
Other reserves	20		-		1,066,351
Profit and loss reserves	20		(5,938,710)		(18,820,886)
Total equity			<u>85,077,293</u>		<u>25,624,849</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes as it prepares group accounts. The company's loss for the year was £10,792,810 (2021 - £10,922,278 loss).

The financial statements were approved by the board of directors and authorised for issue on 9 December 2022 and are signed on its behalf by:

DocuSigned by:

Euan Blair

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Mr E A Blair
Director

MULTIVERSE GROUP LIMITED**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Share capital	Share premium account	Capital redemption reserve	Other reserves	Profit and loss reserves	Total
Notes	£	£	£	£	£	£
Balance at 1 April 2020	129	16,369,461	34	1,066,351	(7,898,608)	9,537,367
Year ended 31 March 2021:						
Loss and total comprehensive loss for the year	-	-	-	-	(10,922,071)	(10,922,071)
Issue of share capital	19	27,009,700	-	-	-	27,009,760
Balance at 31 March 2021	189	43,379,161	34	1,066,351	(18,820,679)	25,625,056
Year ended 31 March 2022:						
Loss for the year	-	-	-	-	(14,231,964)	(14,231,964)
Other comprehensive loss net of taxation:						
Currency translation differences	-	-	-	-	(159,010)	(159,010)
Total comprehensive loss for the year	-	-	-	-	(14,390,974)	(14,390,974)
Issue of share capital	19	71,616,591	-	-	-	71,616,626
Transfers	-	(23,980,007)	-	-	23,980,007	-
Other movements	-	-	-	(1,066,351)	(305,021)	(1,371,372)
Balance at 31 March 2022	224	91,015,745	34	-	(9,536,667)	81,479,336

MULTIVERSE GROUP LIMITED**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Share capital	Share premium account	Capital redemption reserve	Other reserves	Profit and loss reserves	Total
Notes	£	£	£	£	£	£
Balance at 1 April 2020	129	16,369,461	34	1,066,351	(7,898,608)	9,537,367
Year ended 31 March 2021:						
Loss and total comprehensive loss for the year	-	-	-	-	(10,922,278)	(10,922,278)
Issue of share capital	19 60	27,009,700	-	-	-	27,009,760
Balance at 31 March 2021	189	43,379,161	34	1,066,351	(18,820,886)	25,624,849
Year ended 31 March 2022:						
Loss and total comprehensive loss for the year	-	-	-	-	(10,792,810)	(10,792,810)
Issue of share capital	19 35	71,616,591	-	-	-	71,616,626
Transfers	-	(23,980,007)	-	-	23,980,007	-
Other movements	-	-	-	(1,066,351)	(305,021)	(1,371,372)
Balance at 31 March 2022	224	91,015,745	34	-	(5,938,710)	85,077,293

MULTIVERSE GROUP LIMITED**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	Notes	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	21	(13,893,754)		(10,426,523)	
Interest paid		(13,537)		-	
Net cash outflow from operating activities		(13,907,291)		(10,426,523)	
Investing activities					
Purchase of intangible assets	12	(120,213)		(149,887)	
Purchase of tangible fixed assets	13	(370,651)		(153,172)	
Interest received	9	33,059		27,051	
Net cash used in investing activities		(457,805)		(276,008)	
Financing activities					
Proceeds from issue of shares		71,616,626		27,009,760	
Repayment of capital contribution		(1,371,372)		-	
Net cash generated from financing activities		70,245,254		27,009,760	
Net increase in cash and cash equivalents		55,880,158		16,307,229	
Cash and cash equivalents at beginning of year		25,641,922		9,334,693	
Effect of foreign exchange rates		(159,010)		-	
Cash and cash equivalents at end of year		81,363,070		25,641,922	

MULTIVERSE GROUP LIMITED

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

1 Company information and accounting policies

1.1 Company information

Multiverse Group Limited ("the company") is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 91-93 Baker Street, Marylebone, London, United Kingdom, W1U 6RL.

The group consists of Multiverse Group Limited and all of its subsidiaries.

The company's and the group's principal activities and nature of its operations are disclosed in the Directors' Report.

1.2 Accounting policies

Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures.

Basis of consolidation

The consolidated financial statements incorporate those of Multiverse Group Limited and all of its subsidiaries (i.e. entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

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

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date.

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Company information and accounting policies (Continued)

Going concern

The directors review their forecasts with specific reference to the ability of the business to meet its liabilities when they fall due and have reasonable expectation that the company is able to manage its business risks successfully. The forecasts cover the twelve months from the date of signing of these financial statements and make allowance for reasonable foreseeable impacts of the current economic environment.

The Group has net assets of £81,479,336 (2021: £25,625,056) and cash balances of £81,363,070 (2021: £25,641,922) at the balance sheet date respectively. The strong asset base was strengthened by the successful Series C fund raise.

Also as set out in our post balance sheet disclosure where a further Series D fund raise occurred post year end, Multiverse forecasts contain sufficient cash projections to enable continued growth and development of the business. The directors have considered various scenarios to stress test this forecasts and as a result, the directors continue to adopt the going concern basis in preparing these accounts.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT, other sales related taxes and discounts.

Interest

Interest payable or receivable is recognised in the statement of comprehensive income over the terms of the debt using the effective interest rate method.

Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Website costs	Straight line over two years
Computer software	Straight line over ten years

Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following basis:

Leasehold land and buildings	Straight line over five years
Plant and equipment	Straight line over three years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

In determining whether there are indicators of impairment of the Group's tangible assets, factors taken into consideration include the economic viability and expected future financial performance of the asset.

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Company information and accounting policies (Continued)

Fixed asset investments

In the separate accounts of the company, interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

Impairment of fixed assets

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

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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

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

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

Financial instruments

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

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include trade and other debtors, amounts owed from fellow group undertakings and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the financial asset is measured at the present value of the future receipts discounted at a market rate of interest.

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Company information and accounting policies (Continued)

Impairment of financial assets

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

Derecognition of financial assets

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

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

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

Classification of financial liabilities

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

Basic financial liabilities

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

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derecognition of financial liabilities

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

Equity instruments

Equity instruments issued by the group are recorded at the fair value of proceeds received, net of transaction costs.

Current and deferred taxation

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Company information and accounting policies (Continued)

Deferred tax is recognised on income and expenses from subsidiaries that will be assessed to or allow for tax in a future period except where the group is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination and the amounts that can be deducted or assessed for tax. The deferred tax recognised is adjusted against goodwill.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Retirement benefits

For defined contribution schemes the amount charged to profit or loss is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

Share-based payments

Equity-settled share-based payments are measured at fair value at the date of grant by reference to the fair value of the equity instruments granted using the Black-Scholes model. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the estimate of shares that will eventually vest. A corresponding adjustment is made to equity.

The expense in relation to options over the parent company's shares granted to employees of a subsidiary is recognised by the company as a capital contribution, and presented as an increase in the company's investment in that subsidiary.

When the terms and conditions of equity-settled share-based payments at the time they were granted are subsequently modified, the fair value of the share-based payment under the original terms and conditions and under the modified terms and conditions are both determined at the date of the modification. Any excess of the modified fair value over the original fair value is recognised over the remaining vesting period in addition to the grant date fair value of the original share-based payment. The share-based payment expense is not adjusted if the modified fair value is less than the original fair value.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Government grants

Grants are accounted for under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible assets are credited to the profit and loss account at the same rate as the depreciation on the asset to which the grant relates. The deferred element of grants is included in creditors as deferred 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"). The group has not directly benefited from any other forms of government assistance.

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

1 Company information and accounting policies (Continued)

Foreign exchange

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 costs 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 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 Consolidated 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"

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

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

3 Turnover and other revenue

Turnover is derived from the rendering of services as a single category of income.

	2022	2021
	£	£
Turnover analysed by geographical market		
United Kingdom	26,001,891	10,089,652
USA	1,257,517	-
	<u>27,259,408</u>	<u>10,089,652</u>
	2022	2021
	£	£
Other revenue		
Interest income	33,059	27,051
Grants received	-	100,764
	<u>33,059</u>	<u>127,815</u>

MULTIVERSE GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022****4 Employees**

The average monthly number of persons (including directors) employed during the year was:

Group 2022 Number	Group 2021 Number	Company 2022 Number	Company 2021 Number
312	181	282	179

Their aggregate remuneration comprised:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	26,504,044	12,357,217	23,192,001	12,193,598
Social security costs	3,303,879	1,425,987	2,771,427	1,425,987
Pension costs	332,758	169,416	332,758	169,416
	<u>30,140,681</u>	<u>13,952,620</u>	<u>26,296,186</u>	<u>13,789,001</u>

5 Directors' remuneration

	2022 £	2021 £
Remuneration for qualifying services	413,799	336,357
Company pension contributions to defined contribution schemes	2,642	2,844
	<u>416,441</u>	<u>339,201</u>

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 £	2021 £
Remuneration for qualifying services	257,033	125,000
Company pension contributions to defined contribution schemes	1,321	1,313

All directors are remunerated through the company.

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Share-based payment transactions

EMI Share Option Plan

The Company operates an Approved EMI Share Option Plan where certain employees are granted options to purchase shares in the company. On exercise of the options by the employees, the Company issues new shares. In 2022: 126,456(2021: 2,901,071) options were granted. All of the options granted in the year have a vesting schedule being 25% of the option shares vesting 12 months from the employee's start date and the remaining 75% in equal monthly tranches for the following 36 months.

Summary of options granted during the year			GBP price	
Ordinary B	Other	46,706	£0.00001	
Ordinary B	Other (US sub-plan)	<u>79,760</u>	\$10.18	£7.61582
		126,466		

The table below illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year under the EMI Share Option Plan.

The Company uses the Black-Scholes method to calculate the value of the options in issue and the charge to make to profit to reflect the fair value of the options during the reporting period. Since all the options are issued at or very close to the fair value at the time of grant, the value of any charge to make is entirely immaterial to the users of the financial statements and as such the Directors have decided not to reflect any charge in the financial statements.

Group and company	Number of share options		Weighted average exercise price	
	2022 Number	2021 Number	2022 £	2021 £
Outstanding at 1 April 2021	3,060,056	2,218,624	0.16	0.09
Granted	-	2,901,071	-	0.14
Forfeited	(6,956)	(207,453)	0.63	0.12
Exercised	(49,179)	(1,852,186)	0.68	0.06
Outstanding at 31 March 2022	<u>3,003,921</u>	<u>3,060,056</u>	<u>0.15</u>	<u>0.45</u>
Exercisable at 31 March 2022	<u>1,320,345</u>	<u>666,601</u>	<u>-</u>	<u>0.41</u>

Unapproved Share Option Plan

The company also operates an unapproved share option scheme where option holders are not eligible for the tax status under the EMI plan. No options were issued under this plan in the year.

At 31 March 2022, there were 173,367 (2021: 46,911) share options under the Unapproved Share Option Plan outstanding with a weighted average exercise prices (WAEP) of £0.00001 (2021: £0.00001). There were 41,691 (2021:29,110) exercisable shares at the year end.

The company uses the Black-Scholes method to calculate the fair value of the options during the reporting period. The Directors have concluded that any charge is immaterial to the users of the financial statements and have not reflected any charge in these financial statements.

MULTIVERSE GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

7	Operating loss	2022	2021
		£	£
	Operating loss for the year is stated after charging/(crediting):		
	Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	(2,406,058)	2,176
	Government grants	-	(100,764)
	Depreciation of owned tangible fixed assets	151,112	63,172
	Amortisation of intangible assets	143,754	187,137
	Operating lease charges	1,851,464	1,274,502
		<u> </u>	<u> </u>
8	Auditor's remuneration	2022	2021
	Fees payable to the company's auditor and associates:	£	£
	For audit services		
	Audit of the financial statements of the group and company	48,000	43,600
		<u> </u>	<u> </u>
9	Interest receivable and similar income	2022	2021
		£	£
	Interest on bank deposits	33,059	27,051
		<u> </u>	<u> </u>
10	Interest payable and similar expenses	2022	2021
		£	£
	Other interest	13,537	-
		<u> </u>	<u> </u>

MULTIVERSE GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022****11 Taxation**

The total tax charge for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2022 £	2021 £
Loss before taxation	(14,231,964)	(10,922,071)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(2,704,073)	(2,075,193)
Tax effect of expenses that are not deductible in determining taxable profit	20,245	22,564
Deferred tax not recognised	2,683,828	2,052,629
Taxation charge	-	-

12 Intangible fixed assets

Group	Other intangible assets £
Cost	
At 1 April 2021	708,005
Additions	120,213
At 31 March 2022	828,218
Amortisation and impairment	
At 1 April 2021	383,824
Amortisation charged for the year	143,754
At 31 March 2022	527,578
Carrying amount	
At 31 March 2022	300,640
At 31 March 2021	324,181

MULTIVERSE GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022****12 Intangible fixed assets (Continued)**

Company	Other intangible assets £
Cost	
At 1 April 2021	708,005
Additions	120,213
At 31 March 2022	<u>828,218</u>
Amortisation and impairment	
At 1 April 2021	383,824
Amortisation charged for the year	143,754
At 31 March 2022	<u>527,578</u>
Carrying amount	
At 31 March 2022	<u>300,640</u>
At 31 March 2021	<u>324,181</u>

Other intangibles assets are made up of Website costs and Computer software.

13 Tangible fixed assets

Group	Leasehold land and buildings £	Plant and equipment £	Total £
Cost			
At 1 April 2021	8,800	296,742	305,542
Additions	-	370,651	370,651
Disposals	-	(1,981)	(1,981)
At 31 March 2022	<u>8,800</u>	<u>665,412</u>	<u>674,212</u>
Depreciation and impairment			
At 1 April 2021	2,053	103,009	105,062
Depreciation charged in the year	1,760	149,352	151,112
Disposals	-	(50)	(50)
At 31 March 2022	<u>3,813</u>	<u>252,311</u>	<u>256,124</u>
Carrying amount			
At 31 March 2022	<u>4,987</u>	<u>413,101</u>	<u>418,088</u>
At 31 March 2021	<u>6,747</u>	<u>193,733</u>	<u>200,480</u>

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

13 Tangible fixed assets (Continued)

Company	Leasehold land and buildings	Plant and equipment	Total
	£	£	£
Cost			
At 1 April 2021	8,800	292,550	301,350
Additions	-	322,330	322,330
Disposals	-	(1,981)	(1,981)
At 31 March 2022	8,800	612,899	621,699
Depreciation and impairment			
At 1 April 2021	2,053	102,827	104,880
Depreciation charged in the year	1,760	141,955	143,715
Disposals	-	(50)	(50)
At 31 March 2022	3,813	244,732	248,545
Carrying amount			
At 31 March 2022	4,987	368,167	373,154
At 31 March 2021	6,747	189,723	196,470

14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	8	8

Movements in fixed asset investments

Company	Shares in group undertakings £
Cost or valuation	
At 1 April 2021 and 31 March 2022	8
Carrying amount	
At 31 March 2022	8
At 31 March 2021	8

15 Subsidiaries

Details of the company's subsidiaries at 31 March 2022 are as follows:

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

15 Subsidiaries (Continued)

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Multiverse US, Inc	99 Wall Street #2570, New York, NY 10005, United States	Delivery of apprenticeship training services and the recruitment of apprentices	Ordinary	100.00

16 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	1,991,050	339,456	624,680	269,166
Amounts owed by group undertakings	-	-	7,495,046	-
Other debtors	804,008	447,191	269,097	447,191
Prepayments and accrued income	7,383,287	3,516,377	7,274,733	3,516,377
	<u>10,178,345</u>	<u>4,303,024</u>	<u>15,663,556</u>	<u>4,232,734</u>

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

17 Creditors: amounts falling due within one year

	Group 2022 £	2021 £	Company 2022 £	2021 £
Trade creditors	2,135,848	1,733,530	2,038,122	1,733,530
Amounts owed to group undertakings	-	-	-	503
Other taxation and social security	1,146,342	387,546	1,146,342	387,546
Other creditors	476,034	64,344	472,178	64,344
Accruals and deferred income	7,022,583	2,659,131	4,772,378	2,577,971
	<u>10,780,807</u>	<u>4,844,551</u>	<u>8,429,020</u>	<u>4,763,894</u>

18 Retirement benefit schemes

	2022 £	2021 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>332,758</u>	<u>169,416</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

Pension contributions of £116,870 (2021: £58,283) were outstanding at year-end and are included in other creditors.

MULTIVERSE GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022****19 Share capital**

	Group and Company			
	2022	2021	2022	2021
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
A Ordinary Shares of 0.001p each	6,065,132	7,000,000	61	70
B Ordinary Shares of 0.001p each	1,017,285	983,572	10	10
C Ordinary Shares of 0.001p each	8,073	-	-	-
G Ordinary Shares of 0.001p each	491,452	-	5	-
	<u>7,581,942</u>	<u>7,983,572</u>	<u>76</u>	<u>80</u>
Preference share capital				
Issued and fully paid				
Seed Preferred of 0.001p each	2,182,417	2,182,417	22	22
Series A Preferred of 0.001p each	3,953,495	3,953,495	40	40
Series B Preferred of 0.001p each	4,702,425	4,702,425	47	47
Series C Preferred of 0.001p each	3,899,531	-	39	-
	<u>14,737,868</u>	<u>10,838,337</u>	<u>148</u>	<u>109</u>
Preference shares classified as equity			<u>148</u>	<u>109</u>
Total equity share capital			<u>224</u>	<u>189</u>

The Ordinary A Shares, Ordinary B shares, Seed Preferred Shares, Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares having following rights.

(a) Any holder of shares who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative shall, on a show of hands, have one vote each, and, on a poll, have one vote for each share of which he is the holder.

(b) on a distribution the surplus assets of the company remaining after payment of its liabilities shall be applied (to the extent that the company is lawfully permitted to do so):

(i) first in paying to each of the preferred shareholders, in priority to any other classes of shares, an amount per preferred share held equal to the preference amount (provided that if there are insufficient surplus assets to pay the amounts per share equal to the preference amount, the remaining surplus assets shall be distributed to the preferred shareholders pro rata to the amount to which they would otherwise be entitled);

(ii) second in paying to the holders of the deferred shares, if any, a total of £1.00 for the entire class of deferred shares (which payment shall be deemed satisfied by payment to any one holder of deferred shares); and

(iii) the balance of the surplus assets (if any) shall be distributed among the holders of ordinary shares pro rata to the number of ordinary shares held.

(c) any available profits which the company may determine, with investor majority consent, to distribute in respect of any financial year will be distributed among the holders of the equity shares (pari passu as if the equity shares constituted one class of share) pro rata to their respective holdings of equity shares.

(d) the shares are not redeemable.

The Ordinary C shares and Ordinary G Shares have attached to them dividend and capital distribution (including on winding up) rights as set out in the articles of association; they do not confer any rights of redemption; they do not confer the right to vote.

MULTIVERSE GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022****19 Share capital (Continued)**

The following fully paid shares were allotted during the year at a premium as shown below:

26,145 Ordinary B shares of £0.00001 each at £1.18999 per share.
 695 Ordinary B shares of £0.00001 each at £1.07999 per share.
 10,000 Ordinary B shares of £0.00001 each at £0.00942 per share.
 4,266 Ordinary B shares of £0.00001 each at £0.09999 per share.
 7,982 Ordinary C shares of £0.00001 each at £0.09999 per share.
 91 Ordinary C shares of £0.00001 each at £0.19999 per share.
 491,452 Ordinary G shares of £0.00001 each at £0.00001 per share.
 2,661,548 Series C Preferred shares of £0.00001 each at \$33.81489 (£24.30614) per share.
 295,722 Series C Preferred shares of £0.00001 each at \$33.81489 (£24.66795) per share.

During the year 83,468 Ordinary A shares of £0.00001 each and 7,393 Ordinary B shares of £0.00001 were redesignated as 90,861 Series C Preferred shares of £0.0001 each.

During the year 851,400 ordinary A shares of £0.00001 were redesignated as 851,400 Series C preferred shares of £0.00001 each.

20 Reserves**Share premium**

The amount received in exchange for shares above their par value.

Capital redemption reserve

Capital redemption reserve represents the nominal value related to the purchase of the company's own shares.

Other reserves

Other reserves represents capital contributions.

Profit and loss reserves

Cumulative profit and loss net of distributions to owners.

21 Cash absorbed by group operations

	2022 £	2021 £
Loss for the year after tax	(14,231,964)	(10,922,071)
Adjustments for:		
Finance costs	13,537	-
Investment income	(33,059)	(27,051)
Amortisation and impairment of intangible assets	143,754	187,137
Depreciation and impairment of tangible fixed assets	151,112	63,172
Movements in working capital:		
Increase in debtors	(5,873,390)	(1,922,099)
Increase in creditors	5,936,256	2,194,389
Cash absorbed by operations	<u>(13,893,754)</u>	<u>(10,426,523)</u>

MULTIVERSE GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

22 Analysis of changes in net funds - group

	1 April 2021	Cash flows	Exchange rate	31 March 2022
		movements		
	£	£	£	£
Cash at bank and in hand	25,641,922	55,880,158	(159,010)	81,363,070

23 Operating lease commitments

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2022	2021	Company 2022	2021
	£	£	£	£
Within one year	1,047,758	1,568,361	1,047,758	1,568,361
Between one and five years	-	1,047,758	-	1,047,758
	<u>1,047,758</u>	<u>2,616,119</u>	<u>1,047,758</u>	<u>2,616,119</u>
Reduction in rent payments recognised in profit or loss arising from the COVID-19 pandemic	-	301,600	-	301,600

24 Events after the reporting date

In June 2022 the Company has successfully completed its Series D round in which it raised \$220m.

25 Related party transactions

During the year an amount of £251,094 (2021: £71,348) was paid by the company to a related party in relation to various expenses.

The company also paid a capital contribution in lieu to redeem a loan of £1,371,372 (2021: £nil) to a related party during the year.

26 Controlling party

There is no ultimate controlling party.