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Equipmake Holdings PLC
15 February 2023

This announcement contains inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR").

("Equipmake" or the "Company")

RESULTS FOR THE SIX MONTHS ENDED 30 NOVEMBER 2022

Equipmake, the UK developer and manufacturer of best-in-class electrification products for the provision of electric vehicle ("EV") drivetrains, globally, is pleased to announce its unaudited results for the six-month period ended 30 November 2022.

Financial highlights

- On track to meet market expectations for the current financial year; contracted order book* of £9.1m, as of 6th February 2023
- Increase in commercial and production contracts to now represent 95.6% of total revenue (HY 22: 60.3%), reflecting rising commercial demand and associated shift away from grant income
- IPO and admission to the Aquis Growth Market (AQSE), raising net proceeds of £9m, to scale operations and meet future customer demand
- Subsequent placing of new ordinary shares (post-period end), raising gross funds of £6.2m to capitalise on pipeline of opportunities
- Move to the Apex segment of AQSE, after successfully fulfilling additional eligibility criteria

***** Orders that have been contracted but where revenue has not been recognised.

Operational highlights

- Momentum in bus repower business continues to build:
    - o Successful delivery of the first (of 12) repowers of First Bus' Optare Versa fleet
    - o Secured a second order from First Group for the repower of a double-deck bus with a signed LOI for a significant number of additional vehicles
    - o Launch of customer trials of an Equipmake-converted fully-electric London Routemaster
    - o Strategic entry underway into international markets, initially South America and Indonesia
- Market penetration for our own range of Equipmake EV products is progressing at pace:
    - o Supplied our bespoke motors and inverters to leading EVTOL company Vertical Aerospace, for prototype; order for further development work now received
    - o Supply contract for high performance EV products secured with a leading European electric aerospace propulsions solutions specialist
    - o Further orders from Emergency One to supply our EV products and systems for fire trucks into the US and UK markets
    - o Continued supply of our high performance, ASIL D rated inverters to European electric hypercar programme
- In final stages of securing a flexible lease on an existing 50,000 sq. ft unit, to provide further capacity

Commenting on the results, Ian Foley, CEO of Equipmake said:

"Equipmake continues to go from strength to strength as momentum builds in our core bus repower and EV products businesses, and we continue to grow our presence in exciting adjacent markets such as aerospace. The

strength of the commercial relationships we have built are leading to more repeat orders, as well as new partnerships.

"In July, we were delighted to join AQSE, at the same time raising funds to grow our business, and I am particularly pleased that we were able to raise further funds at the start of this year, a strong endorsement of our business and its potential. We are now even better placed to convert our pipeline of opportunities as demand for our products and services continues to be strong both at home, and internationally.

"While we recognise the potential headwinds posed by supply chain issues, inflation and macroeconomic uncertainty, we are confident that Equipmake's in-house engineering expertise, range of strong EV products and solutions, and our increasingly diversified customer base will allow us to overcome any such challenges."

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About Equipmake

Equipmake is a UK-based technology company which has developed a range of electrification products for the provision of EV drivetrains to meet the needs of the automotive, aerospace and other sectors in support of the transition from fossil-fuelled to zero-emission powertrains.

Equipmake a leading developer and integrator of ultra-high performance electric motors, complete EV drivetrains and ultra-fast power electronic systems. As well as developing proprietary technology - such as an ultra-compact, lightweight high-performance spoke motor - the Company also offers industry-leading EV consultancy.

Equipmake believes that its vertically-integrated repowering solutions enables it to offer more competitive pricing and deliver higher margins than rivals who are integrating bought-in system components. Following a number of years of engagement with potential customers, the Company now has a significant pipeline of opportunities, as demand for electric vehicles increases as part of the global decarbonisation movement.

Equipmake has built up a significant product and IP portfolio comprising leading motor and power electronic inverter technology, and control software for safety critical applications which it will seek to leverage via licencing agreements, in addition to selling its own products.

Equipmake listed on the Aquis Stock Exchange Growth Market in July 2022 and the c. £16 million raised to date is being used to scale up the business to meet its pipeline of opportunities.

Chief Executive's Review

We delivered a robust performance in the six months ended 30 November 2022, following our successful IPO and admission to the Aquis Growth Market (AQSE) in July 2022.

Commercial and production contracts contributed 95.6% of total revenue during the period, compared to 60.3% for the same period last year. Revenue declined in the first half versus the previous year, reflecting the shift away from grant income and a second half weighting driven by current production and delivery schedules.

The Company is on track to deliver contracted orders as expected in the second half of this financial year and as such, we anticipate full-year revenue to be in line with expectations.

Business Overview

Bus

During the Period, Equipmake delivered the first vehicle under its contract with First Group to repower its York fleet of twelve Optare Versa buses, meeting all criteria from the original scoping document. Work has begun on the delivery of the remaining vehicles, with a further five planned for delivery in the second half of this financial year, and the remaining six now expected to be delivered in the next financial year.

Following the success of the Versa project, First Group has awarded Equipmake a follow-on contract for the repower of a Double-Deck diesel vehicle. Under this agreement, First Group has entered into a letter of intent declaring that, following a successful trial period, it may engage the Company for the conversion of several hundred further vehicles. The trial period is expected to be completed in the third quarter of the calendar year 2023. If the trial period is successful, the Company anticipates initial production on this project starting before the end of the calendar year.

In August 2022, the Company a signed non-binding MOU with PT Transportasi Jakarta and PT Vktr Teknologi Mobilitas for an implementation plan for an electric bus retrofit trial in Jakarta, Indonesia. Development of the first trial vehicle is under way, with trials in Jakarta expected to start during calendar year 2023.
In the same month, the Company delivered a fully electric bus to Buenos Aires, developed in partnership with Brazilian bus manufacturer Agrale and Argentinian coachbuilder Todo Bus. Agrale launched the vehicle to the South American press during the C40 World Mayors Summit in Buenos Aires in October last year. The vehicle has completed more than 25,000 kilometres of testing without any technical problems and will commence in-service trials (carrying passengers) once homologation has been finalised. Agrale is now marketing the vehicle to potential customers within South America.

In November 2022, we showcased our latest pure-electric bus technology at the Euro Bus Expo in Birmingham, the UK's leading bus event, unveiling a fully-electric version of the iconic London Routemaster. As part of this project, Equipmake replaced the vehicle's existing hybrid powertrain with our Zero Emission Drivetrain (ZED), which contains 95% British-made components. Our presence at the expo included outdoor vehicle demonstrations, with First Group also showcasing a co-branded Versa repower.

Other advanced electric motor technology markets

While the bus market remains a key focus for Equipmake, with good momentum in repower projects during the period, we continued to explore opportunities and gain traction in adjacent markets across the globe undergoing electrification, including aerospace and automotive, among others. These opportunities are for both the repowering of existing fleets, as well as the provision of our products into new vehicle builds.

Aerospace
Equipmake supplied bespoke motors and inverters to leading EVTOL company Vertical Aerospace ("VA") for use on their VX4 prototype aircraft. VA successfully performed its first test flight in October 2022 and Equipmake has subsequently received a follow-on order to commence the development and supply of motors and inverters for its second prototype. The order includes an R&D element which will commence in the current financial year.

During the period, Equipmake delivered a lightweight, high-energy-density electric motor and inverter unit to leading Australian space company, Gilmour Space. The Company utilised its experience in weight-reducing technology to meet Gilmour's stringent requirements for power and weight to facilitate performance in the vacuum of space. The partnership is ongoing, with further discussions due to take place following the launch of Gilmour's first commercial rocket, Eris, using Equipmake's product. Discussions are ongoing for initial production supply in 2024.

We also signed a contract with a leading electric aerospace propulsions solutions specialist in Europe to supply motors for an electric aircraft. Equipmake will supply bespoke, high-performance, electric prototype motors, designed and manufactured at the Company's base in Snetterton, UK, for use in an electric aircraft, to be delivered during 2023.

Emergency Vehicles
The Company has continued to receive orders from Emergency One to supply electric powertrains to a large US fire truck manufacturer and other clients. Four systems are expected to be delivered to the customer this financial year, ahead of plan.

Automotive
Supply chain challenges in the first half have resulted in the volume of deliveries of ASIL-D rated traction inverters for a leading European electric hypercar manufacturer being lower than originally expected. With these challenges now resolved, delivery of the remaining contracted units are now on track for delivery within the second half of the financial year.

Other developments

Equipmake's progress in demonstrating our best-in-class capabilities in motor, inverter, and control software development across multiple transport sectors has led to numerous approaches by global Tier 1 suppliers seeking access to our technology. This market pull has led the Company to accelerate its evaluation of the opportunities for product licencing, including early discussions with potential strategic partners.

We continued to invest in capacity expansion during the period and are currently in the final stages of securing a flexible lease on an existing 50,000 sq. ft unit, primarily to facilitate the production of the growing bus repowering business. Once complete, this will add significant capacity to our Snetterton facility, allowing us to scale the business and deliver on our medium-term pipeline. Throughout the period we have also continued to invest in R&D, and ongoing training and development initiatives.

On 12 December 2022, Equipmake advanced to the Apex segment of the AQSE growth market, for larger, more established businesses, successfully fulfilling additional eligibility criteria to encourage greater transparency and liquidity.

On 27 January 2023, the Company raised an additional £6.2m of gross funds (£5.9m net of expenses) via a placing of new ordinary shares. The net proceeds will be deployed to convert a strong pipeline of opportunities driven by continued strong interest for Equipmake products and services.

In February 2023, the Company secured its first order to repower a coach for a premium London-based operator with the long-term ambition to operate a fully electric fleet. There are over 10,000 coaches operating in the UK alone and this is an exciting first step into another significant market undergoing electrification, well-suited to Equipmake's repowering solution.

Current trading and outlook

The business is trading in line with full year expectations, with anticipated revenue for the second half of the current financial year fully contracted. Previous forecasts assumed that all Versa vehicles, under the contract with First Group, would be delivered in the current financial year, however, shifts in the production schedule have resulted in delivery of six of these vehicles moving to FY24. The impact of this will be offset however, by deliveries of other vehicle repowers and EV product shipments.

Looking further ahead, Equipmake currently has a good early pipeline of vehicles under-contact for delivery in FY24 and is in advanced negotiations to secure a significant proportion of the whole forecast volume for FY24. Management is confident a significant proportion will be contracted prior to the year end.

Equipmake remains mindful of challenges posed by ongoing supply chain pressures and macroeconomic uncertainty. To date, the Company has been able to partially mitigate the impact of supply issues through a combination of agile supplier relationships and its ability to pivot to the development and manufacture of replacement components in-house. We continue to monitor the situation closely.

Demand for our products and services is strong, and our medium-term pipeline, which is increasingly diversified both in terms of markets and geographies, remains healthy. Equipmake continues to be well-positioned in highly favourable markets, with strong EV market growth expected in line with the ongoing global decarbonisation movement.

The Board expects full-year revenue to meet current forecasts**.**

CFO statement

In July, the Company successfully raised £10m of gross proceeds (£9m net of expenses) as part of its IPO and listing on the Aquis Access Growth Market (ticker: EQIP). Post balance-sheet date, the Company secured a further £6.2m of gross investment (£5.9m net of expenses). The Company has strengthened its Board, processes and operating policies during the year, including the establishment of an Audit Committee and a Renumeration Committee, each chaired by independent members of our Board.

Equipmake has continued to increase revenue from production contracts, with £0.7m delivered during the first half of this year (£0.03 H123). Total revenue has decreased since last year (£1.05m H123, £2.3m H122) predominantly a result of the transition away from government grants to commercial and production contracts. Grant revenue has decreased by £0.9m when compared to the same period the previous financial year. Commercial and Production contracts now make up 95.6% of the total revenue for the current financial year (60.3% H122).

R&D costs have historically been expensed within gross margin, as in previous periods, R&D work was linked to revenue from partially-funded grant projects. R&D costs are now reported in administrative expenses, providing a clearer view of the financial performance of Equipmake's production and commercial projects.

The reported gross margin of 21.9%, which is expected to improve in the second half, reflects the following -

- learnings associated with repowering the first vehicle for First York
- increases in the unit price of electrical components and staff wages
- Delays in inverter production. Inverter units delivered was below forecast impacting revenue by £0.5m and reducing the overall blended margin rate by nine percentage points.

EBITDA (adjusted for share-based payments and IPO fees) was a loss of £2.1m (£1.4m loss H1 2021/22). This is driven by lower revenue and the increase in overheads over the past 12 months. Total headcount at the end of November 2022 has increased to 81, from 68 a year earlier.

£460k of internally generated development costs have been capitalised over the period. These relate to the in-house development of our own products for use in our bus and other vehicle electric powertrains and for sale as discrete EV products.

During the first half of the financial year, total share capital (called up share capital and share premium) has increased by £13.25m from £50,000. This reflects the £10m raised at the IPO, less £0.5m of fees (£0.5m also charged to administrative expenses), and the conversion of a £3.75m convertible loan into equity. This has contributed to a strengthening of the balance sheet with net assets increasing to £9.49m over the same period.

Cash has increased by £5.5m during the period and stood at £7.4m as at 30th November 22. This is a function of the IPO proceeds less the year-to-date loss and working capital investment.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2022

	Note	Period Ended 30 November 2022 (Unaudited) £	Period Ended 30 November 2021 (Unaudited) £	Year Ended 31 May 2022 (Audited) £
Turnover	2	1,054,857	2,319,240	3,706,785
Cost of sales		(823,889)	(3,052,155)	(6,087,868)
Gross profit/ (loss)		230,968	(732,915)	(2,381,083)
Administrative expenses		(2,983,104)	(1,138,147)	(1,919,378)
Other operating income		152,968	326,887	565,132
Share based payment charge		(40,749)	(4,838)	(574,227)
Warranty provision		(55,023)		
Fair value adjustment convertible loan note				(750,000)
Operating loss		(2,694,940)	(1,549,013)	(5,059,556)
Interest receivable and similar income		13	(1,458)	(1,182)
Interest payable and similar expenses		(66,346)	(17,411)	(144,944)
Loss before taxation		(2,761,273)	(1,567,882)	(5,205,732)
Tax on loss	3	(24,775)	(59,839)	(104,499)
Loss for the financial year		(2,786,048)	(1,627,721)	(5,310,231)
Total comprehensive income for the year		(2,786,048)	(1,627,721)	(5,310,231)
(Loss) for the year attributable to:				
Non controlling interests			(405,712)	(692,772)
Owners of the parent Company		(2,786,048)	(1,222,009)	(4,617,459)
		(2,786,048)	(1,627,721)	(5,310,231)
Basic loss per share in pence	5	(0.4)	(1.5)	(22.6)

INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 NOVEMBER 2022

	Note	30 November 2022 (Unaudited) £	30 November 2021 (Unaudited) £	31 May 2022 (Audited) £
Fixed assets				
Intangible assets		460,418	-	-
Tangible assets		604,516	513,340	527,139

		1,064,934	513,340	527,139
Current assets				
Stocks		1,638,213	70,356	807,973
Debtors: amounts falling due within one year		1,820,115	1,673,112	1,920,728
Cash at bank and in hand		7,442,678	1,557,925	1,876,083
		10,901,006	3,301,393	4,604,784
Creditors: amounts falling due within one year		(2,047,254)	(909,707)	(5,794,645)
Net current (liabilities)/assets		8,853,752	2,391,686	(1,189,861)
Total assets less current liabilities		9,918,686	2,905,026	(662,722)
Creditors: amounts falling due after more than one year		(328,853)	(377,083)	(307,169)
Provisions for liabilities				
Other provisions		(99,080)		(44,057)
Net (liabilities)/assets		9,490,753	2,527,943	(1,013,948)
Capital and reserves				
Called up share capital	4	82,353	83	50,000
Share premium		13,217,647	-	-
Other reserves		5,748,311	5,835,579	5,748,311
Profit and loss account		(10,172,534)	(4,209,484)	(7,386,486)
Share-based payments reserve		614,976	4,838	574,227
Equity attributable to owners of the parent Company		9,490,753	1,631,016	(1,013,948)
Non controlling interests		-	896,927	-
		9,490,753	2,527,943	(1,013,948)

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2022

	Called up share capital	Share premium	Other reserves	Profit and loss account	Share-based payments reserve	Equity attributable to owners of parent Company	Non controlling interests	Total equity
	£	£	£	£	£	£	£	£
At 1 June 2022 (Audited)	50,000	-	5,748,311	(7,386,486)	574,227	(1,013,948)	-	(1,013,948)
Total comprehensive income for the year								

Loss for the period		-		(2,786,048)	-	(2,786,048)	-	(2,786,048)
Loan conversion	8,824	3,741,176	-			3,750,000	-	3,750,000
Issue of shares	23,529	9,976,471	-			10,000,000	-	10,000,000
Share issue costs		(500,000)	-			(500,000)	-	(500,000)
Share-based payments movement		-			40,749	40,749	-	40,749
At 30 November 2022 (Unaudited)	82,353	13,217,647	5,748,311	(10,172,534)	614,976	9,490,753	-	9,490,753

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 NOVEMBER 2021

	Called up share capital	Share premium	Other reserves	Profit and loss account	Share-based payments reserve	Equity attributable to owners of parent Company	Non controlling interests	Total equity
	£	£	£	£	£	£	£	£
At 1 June 2021 (Audited)	2	-	5,835,579	(2,987,394)	-	2,848,187	1,302,639	4,150,826
Total comprehensive income for the year								
Loss for the period		-		(1,222,009)	-	(1,222,009)	(405,712)	(1,627,721)
Issue of shares	81	-	-	(81)		-	-	-
Share-based payments movement		-			4,838	4,838	-	4,838
At 30 November 2021 (Unaudited)	83	-	5,835,579	(4,209,484)	4,838	1,631,016	896,927	2,527,943

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2022

	Called up share capital	Share premium	Other reserves	Profit and loss account	Share-based payments reserve	Equity attributable to owners of parent Company	Non controlling interests	Total equity
	£	£	£	£	£	£	£	£
At 1 June 2021 (Audited)	2	-	5,835,579	(2,987,394)	-	2,848,187	1,302,639	4,150,826
Total comprehensive income for the year								
Loss for the year	-	-	-	(4,617,459)	-	(4,617,459)	(692,772)	(5,310,231)

Total transactions with owners								
Reclassify non-controlling interest following share-for-share exchange	-	-	-	609,867	-	609,867	(609,867)	-
Dividends: Equity capital	-	-	-	(395,000)	-	(395,000)	-	(395,000)
Share-based payments movement	-	-	-	-	574,227	574,227	-	574,227
Share for share exchange	16,000	-	(49,770)	-	-	(33,770)	-	(33,770)
Issue of B shares	5,000,000	-	(5,000,000)	-	-	-	-	-
Cancellation of B shares	(5,000,000)	-	5,000,000	-	-	-	-	-
Purchase of own shares	(3,500)	-	-	3,500	-	-	-	-
Bonus issue of shares	37,498	-	(37,498)	-	-	-	-	-
At 31 May 2022 (Audited)	50,000	-	5,748,311	(7,386,486)	574,227	(1,013,948)	-	(1,013,948)

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 NOVEMBER 2022

	Period Ended 30 November 2022	Period Ended 30 November 2021	Year Ended 31 May 2022
	(Unaudited)	(Unaudited)	(Audited)
	£	£	£
Cash flows from operating activities			
Loss for the financial year	(2,786,048)	(1,627,721)	(5,310,231)
Adjustments for:			
Depreciation of tangible assets	83,436	147,010	220,668
Loss on disposal of tangible assets	(15,617)	-	-
Interest paid	66,346	17,411	144,994
Interest received	(13)	1,458	1,182
RDEC Taxation credit (net)	(105,619)	(255,102)	(445,496)
(Increase) in stocks	(830,238)	(25,909)	(763,526)
(Increase)/decrease in debtors	206,230	(33,241)	(443,613)
Increase/(decrease) in creditors	(62,609)	(412,035)	598,558
Increase in provisions	55,023	-	44,057
Corporation tax received	-	-	353,149
Share based payments charge	40,749	4,838	574,227
	-	-	750,000

Fair value losses convertible loan			
Stamp duty paid on share for share exchange	-	-	(33,770)
Net cash generated from operating activities	**(3,348,360)**	**(2,183,291)**	**(4,309,801)**
Cash flows from investing activities			
Purchase of tangible fixed assets	(170,696)	(47,790)	(135,248)
Sale of tangible fixed assets	25,500	-	-
Intangible assets - capitalisation of development costs	(460,418)		
Net cash from investing activities	**(605,614)**	**(47,790)**	**(135,248)**
Cash flows from financing activities			
New finance leases and hire purchase contracts	106,779	-	-
Repayment of obligations under finance leases and hire purchase contracts	(68,370)	(34,882)	(89,488)
Dividends paid	-	-	(395,000)
Interest paid	(17,853)	(17,411)	(35,679)
Interest received	13	-	-
New convertible loan	-	-	3,000,000
Issue of ordinary shares	13,750,000	-	-
Conversion of convertible loan	(3,750,000)	-	-
Commission on raise	(500,000)	-	-
Net cash from financing activities	**9,520,569**	**(52,293)**	**2,479,833**
Net increase/(decrease) in cash and cash equivalents	**5,566,595**	**(2,283,374)**	**(1,965,216)**
Cash and cash equivalents at beginning of year	1,876,083	3,841,299	3,841,299
Cash and cash equivalents at the end of period	**7,422,678**	**1,557,925**	**1,876,083**
Cash and cash equivalents at the end of period comprise:			
Cash at bank and in hand	7,422,678	1,557,925	1,876,083
	7,422,678	**1,557,925**	**1,876,083**

1. Basis of preparation

The group consists of the parent Equipmake Holdings PLC and subsidiary Equipmake Limited. All group entities are included within the consolidation.

These interim consolidated financial statements are for the six months to 30 November 2022. The interim results are not audited and are not the statutory accounts of the group as defined in section 434 of the Companies Act 2006.

The accounting policies and presentation that have been applied in preparing the interim consolidated financial statements are consistent with those applied in the preparation of the group's annual report and financial statements for the year ended 31 May 2022, which were prepared under FRS 102. These interim consolidated financial statements should be read in conjunction with the annual report.

Going concern

The directors have prepared detailed forecasts, models and cash flows which demonstrate that the group has adequate resources to continue in business for a period in excess of twelve months from the date of approval of these financial statements. Consequently, the financial statements have been prepared on a going concern basis.

2. Turnover

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

	30 November 2022 (Unaudited) £	30 November 2021 (Unaudited) £	31 May 2022 (Audited) £
Commercial contracts	331,283	1,371,850	2,254,443
Production contracts	677,584	27,516	416,946
Grants receivable	45,990	919,874	1,035,396
	1,054,857	2,319,240	3,706,785

Analysis of turnover by country of destination:

	30 November 2022 (Unaudited) £	30 November 2021 (Unaudited) £	31 May 2022 (Audited) £
United Kingdom	361,288	1,889,593	2,588,683
Rest of Europe	352,904	28,216	391,646
Rest of world	340,665	347,249	649,816
Far East	-	54,182	76,640
	1,054,857	2,319,240	3,705,785

3. Taxation

The tax charge has been estimated for the six months to 30 November 2022 based on the anticipated tax rate and estimates of eligible R&D expenditure against which a research and development expenditure credit (RDEC) can be claimed for the period. The gross RDEC claim is included within other operating income.

4. Share Capital

	30 November 2022 (Unaudited) £	30 November 2021 (Unaudited) £	31 May 2022 (Audited) £
Allotted, called up and fully paid			
823,529,409 Ordinary shares (Nov 2021 - 2) of £0.0001 (Nov 2021: £1) each	82,353	83	50,000

The following amendments to Share Capital took place in the period:	
At 30 November 2021 - Ordinary shares of £1 each	83
Sub division of £1 ordinary shares into £0.0001 ordinary shares	830,000
Bonus issue Ordinary shares of £0.0001 each	374,170,000
Share for share exchange Ordinary shares of £0.0001 each	125,000,000
At 31 May 2022 - Ordinary shares of £0.0001 each	500,000,000
Conversion of convertible loan - Ordinary shares of £0.0001 each	88,235,294
Share issue - Ordinary shares of £0.0001 each	235,294,115
At 30 November 2022 Ordinary shares of £0.0001 each	823,529,409

5. Earnings per share

The calculation of basic loss per share of 0.4 pence for the six months ended 30 November 2022 is based on the loss for the period of £2,786,0498 and the weighted average number of shares in issue during the period of 715,686,273.

The group was loss-making for all periods presented in these statements; therefore, the dilutive effect of share options has not been taken into account in the calculation of diluted earnings per share, since this would decrease the loss per share for each reporting period.

6. Share-based Payments

The company operates a share-based remuneration scheme for employees, directors and stakeholders. A charge has been recognised in respect of employee share options in the period based on the fair value of the options at the grant date, estimated using the Black Scholes model.

A summary of options granted to date are as follows:

- 26 November 2021: Options in respect of A Ordinary shares of £0.0001 each, which would convert to a total of 35,681,446 Ordinary shares on exercise.
- 19 July 2022: Share options over 32,825,283 Ordinary shares of £0.0001 each.

	30 November 2022 (Unaudited) £	30 November 2021 (Unaudited) £	31 May 2022 (Audited) £
Equity settled schemes recognised in the profit or loss for the period - A Ordinary Shares	-	4,838	574,227
Equity settled schemes recognised in the profit or loss for the period - Ordinary Shares	40,749	-	-
	40,749	4,838	574,227

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