

Company registration number 09530778 (England and Wales)

ADDITIVE MANUFACTURING TECHNOLOGIES LTD
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

COMPANY INFORMATION

Directors J Crabtree
S Grundahl
Mercia Fund Management (Nominees)
Limited
M Rene (Appointed 1 February 2022)
P H Hul (Appointed 8 March 2023)

Company number 09530778

Registered office Unit N Europa House
Sheffield Airport Business Park
Sheffield
S9 1XU

Auditor BHP LLP
2 Rutland Park
Sheffield
S10 2PD

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

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ADDITIVE MANUFACTURING TECHNOLOGIES LTD

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Review of the business

The principal activity of the business is as a manufacturer and seller of machines which specialise in the precision post processing of 3D printed parts, ensuring they meet the highest standards of quality and finish. Through tried and tested technology, AMT refine, enhance, and elevate 3D printed parts.

Additive Manufacturing Technologies Ltd is the parent of a Group of 3 Companies, namely:

- Additive Manufacturing Technologies Ltd (AMT Ltd)
- Additive Manufacturing Technologies Inc (AMT Inc)
- Additive Manufacturing Technologies Kft (AMT Kft)

Additive Manufacturing Technologies Ltd is the Parent Company of the Group and is a UK based company.

AMT Ltd is a UK based company and is both a seller and service provider direct to customers (B2C). The UK company also performs some research and development within its facility.

AMT INC is based in Texas, USA, and is both a seller and service provider direct to customers (B2C).

AMT KFT is an entity based in Hungary and undertakes both manufacturing and research and development of machines. AMT Ltd will purchase machines directly from the Hungarian entity and sell direct to customers through Europe and Asia (the North American market is covered by AMT Inc).

During the financial year the Group earned revenue of £10,015,153 (2021: £3,811,714) which is an increase of 163% compared with the previous year. Loss before taxation was £ (5,501,188) (2021: £ (4,670,510)) an increase of 18%. 2022 was a year of rapid growth and order intake. Despite the value of the loss increasing the margin went from (123%) to (55) % and expectation into future years is that this margin will continue to improve, and the Group will be profitable from 2024.

As at the 31 December 2022 the Group had net assets of £1,108,110 (2021: £6,763,841).

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Principal risks and uncertainties

The Groups activities expose it to several risks as set out below:

Health and Safety Risks and Hazards

The Groups health and safety policies and procedures are aimed at reducing risk to employees and others. However, the manufacturing and R&D sites see employees and others in proximity to large equipment and highly regulated materials which increase risk to health and safety. Failure to implement and follow appropriate safety procedures could result in personal injury, illness, and other damage to the Company's property.

The Group has relevant procedures, policies, and insurances in place to protect itself, it's employees and others against these risks.

Economic Environment

Demand for the Groups products can be impacted by economic factors and events. The 3D Printing environment has been negatively impacted by the growing risk of recession and other economic downturns. This has resulted in fewer industrial sales across the entire market.

However, the Group has mitigated this risk by entering new market segments and will continue to perform market research and development of products to allow them to expand their customer base and spread the risk of such factors.

Geopolitical Risks

The Group is exposed to various geopolitical risks as it operates in an increasingly interconnected global economy. Escalating conflicts and unrest could impact particular regions which could have repercussions in other parts of the world. As such there is a limited risk to the business that it could become adversely affected by such uncertainties.

The Group have established methods to assess and monitor regional conditions in which it operates and has designed and enforced appropriate policies and controls to ensure products are not sold into areas which are below risk tolerance levels.

Availability and Retention of Professional and Qualified Staff

There can be strong competition in the market for qualified technical and management personnel within manufacturing sector. The company's success depends on its continued ability to attract and retain qualified and skilled staff. If the Group is unable to retain key personnel, the roles and responsibilities need to be filled which can cause the Group to devote time and attention to business needs. The inability to do this could limit the Groups ability to successfully compete in the market and therefore it's ability to sustain and increase revenues in future results.

Information Security

To operate properly, ensure adequate product and service delivery to its customers and meet business objectives, the Group relies on information technologies. Within these technologies the Group processes proprietary information relating to its business, customer information and information in relation to third parties. This may include sensitive, confidential, and personal information of customers and employees.

The Group faces threats that are constantly evolving, increasingly sophisticated and difficult to detect and successfully defend against. This includes cyber threats from criminal hackers, ransomware, denial of service and other forms of malicious attacks, phishing, and other social engineering techniques, physical or electronic security breaches, computer viruses, unauthorised access, employee misconduct, human or technological errors or similar events or disruptions. Any of these threats may lead to system interruptions, delays, and loss of critical data which in turn will expose the Group to potential liability, loss of customer confidence, loss of customers, damage to brand a reputation, financial reporting capabilities and other financial loss.

The Groups employees are provided with systems and infrastructure which facilitate secure online access to the Groups network and relevant information, both confidential and sensitive.

The Group relies on generally accepted measures and technical and organisation controls to protects its information and information technology systems. There is however no assurance that the efforts of the Group with prevent all threats into the systems.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Financial instruments

The Groups financial instruments expose it to credit, foreign current, interest rate and liquidity risk:

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a customer contract, leading to financial loss.

Financial instruments which potentially subject the Company to significant credit risk consist principally of cash, trade receivables and other receivables.

The Group's cash is held within financial institutions. The Group therefore considers the associated risk to be minimal.

The Groups credit risk is principally attributable to its trade receivables. The amounts disclosed in the statement of financial position are net of an allowance for expected credit losses, estimated by management, and based in part of the age of the specific receivable balance and the e=current and expected collection trends. The Group does not require collateral or other security from customers for trade receivables. The Group believes that the credit risk of the trade receivables is limited.

Foreign Currency Risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Groups business is conducted across several currencies. As a result, it is subject to risks associated with the foreign exchange movements affecting transaction costs. The Group's broad geographical spread in terms of customer base helps to spread the risk and reduce the impact of profitability of swings in exchange rates as it allowed for netting of exposures.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument with fluctuate because of the changes in market interest rates. The Groups exposure to the risk of changes in market interest rates is deemed relatively low as the loan has a fixed interest rate and there are no other loans.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting its obligations as they fall due.

The Group Finance Director ensures that the company maintains funding flexibility by assessing future cash flow expectations to ensure that the Group will have adequate resources to meet its liabilities when they fall due.

The Group is party to an unsecured credit facility of £3,000,000 with an external bank. The arrangement is subject to covenants and is repayable on demand in the event of a breach.

Research and Development activities

To deliver the highest standard of products and to maintain and grow its market position the Group maintains research and development activities in areas they already serve in the market and opportunities for expansion into new market segments. There are designated employees who work solely in research and development to ensure we remain competitive within the 3D printing industry.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Analysis based on Key Performance Indicators

The Directors utilise various key performance indicators to measure the performance of the business against competitors and previous years:

	2022	2021
Gross Profit Margin %	38%	35%
Operating Loss Margin %	(55) %	(123) %
Earnings before interest, tax, depreciation, and amortisation margin	(4,685,620)	(4,273,059)

Future Developments

2022 saw a year of significant growth in customer base and order intake which is reflected in the top line. Throughout 2023 and beyond the Group has stabilised as the Group begins to mature as well as the 3D printing market slowing down at the industrial level. Despite this the Group foresees a positive future as they continue to enter new market segments and strengthen their brand and reputation within the market. The company was proactive in 2023 in reacting to the downturn of the 3D printing market and restructured the Group to lower its cost base but maintain its operations without disruption. This has proved successful, and the Company is forecasting to be profitable in 2024.

The Group launched a new product into a new market segment in November 2023. This has seen extremely positive order intake to date and is expected to continue.

On behalf of the board

J Crabtree
Director

31 January 2024

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

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

Results and dividends

The results for the year are set out on page 10.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

J Crabtree	
S Grundahl	
D Manley	(Appointed 17 April 2023 and resigned 25 May 2023)
A Bloxam	(Resigned 25 October 2023)
L Kopeikina	(Resigned 8 March 2023)
M Dev	(Resigned 24 March 2023)
Mercia Fund Management (Nominees) Limited	
M Rene	(Appointed 1 February 2022)
P H Hul	(Appointed 8 March 2023)

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- prepare the 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.

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 financial instruments, research & development and future developments.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

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 auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

Medium-sized companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the medium-sized companies exemption.

On behalf of the board

J Crabtree
Director

31 January 2024

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ADDITIVE MANUFACTURING TECHNOLOGIES LTD

Opinion

We have audited the financial statements of Additive Manufacturing Technologies Ltd (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and 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 and 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.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ADDITIVE MANUFACTURING TECHNOLOGIES LTD

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, 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 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 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 our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with management, and from our commercial knowledge and experience of the post processing manufacture and distribution sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environments and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ADDITIVE MANUFACTURING TECHNOLOGIES LTD

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Other matters which we are required to address

Comparative information in the financial statements is derived from prior period financial statements which were not audited.

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.

Paul Winwood (Senior Statutory Auditor)
For and on behalf of BHP LLP

31 January 2024

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Continuing operations £	Discontinued operations £	31 December 2022 £	Continuing operations £	Discontinued operations £	31 December 2021 £
Turnover	3	10,015,153	-	10,015,153	3,811,714	-	3,811,714
Cost of sales		(6,177,168)	-	(6,177,168)	(2,459,778)	-	(2,459,778)
Gross profit		3,837,985	-	3,837,985	1,351,936	-	1,351,936
Administrative expenses		(8,465,255)	-	(8,465,255)	(5,757,061)	(60,246)	(5,817,307)
Other operating income		42,140	-	42,140	206,753	-	206,753
Exceptional items	4	(708,216)	-	(708,215)	(676,396)	370,257	(306,129)
Operating loss	5	(5,293,346)	-	(5,293,346)	(4,874,768)	310,021	(4,564,747)
Interest receivable and similar income	9	33	-	33	-	-	-
Interest payable and similar expenses	10	(207,875)	-	(207,875)	(105,863)	-	(105,863)
Loss before taxation		(5,501,188)	-	(5,501,188)	(4,980,631)	310,021	(4,670,610)
Tax on loss	11	(122,088)	-	(122,088)	36,079	-	36,079
Loss for the financial year		(5,623,276)	-	(5,623,276)	(4,944,552)	310,021	(4,634,531)

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

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 £	2021 £
Loss for the year	(5,623,276)	(4,634,531)
Other comprehensive income		
Currency translation (loss)/gain taken to retained earnings	(32,455)	98,597
Total comprehensive income for the year	<u>(5,655,731)</u>	<u>(4,535,934)</u>

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

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2022

		2022		2021	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		2,200,890		1,932,655
Current assets					
Stocks	16	2,095,015		1,321,343	
Debtors	17	4,245,305		1,634,436	
Cash at bank and in hand		1,101,098		3,299,428	
		<u>7,441,418</u>		<u>6,255,207</u>	
Creditors: amounts falling due within one year	18	<u>(4,819,614)</u>		<u>(1,096,367)</u>	
Net current assets			<u>2,621,804</u>		<u>5,158,840</u>
Total assets less current liabilities			<u>4,822,694</u>		<u>7,091,495</u>
Creditors: amounts falling due after more than one year	19		<u>(3,444,584)</u>		<u>(327,654)</u>
Provisions for liabilities					
Provisions	22	270,000		-	
		<u>(270,000)</u>		<u>-</u>	
Net assets			<u>1,108,110</u>		<u>6,763,841</u>
Capital and reserves					
Called up share capital	25		2,704		2,704
Share premium account			16,887,897		16,887,897
Profit and loss reserves			<u>(15,782,491)</u>		<u>(10,126,760)</u>
Total equity			<u>1,108,110</u>		<u>6,763,841</u>

These financial statements have been prepared in accordance with the provisions relating to medium-sized groups.

The financial statements were approved by the board of directors and authorised for issue on 31 January 2024 and are signed on its behalf by:

J Crabtree
Director

Company registration number 09530778 (England and Wales)

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	13		568,530		705,810
Investments	14		239,129		246,042
			<u>807,659</u>		<u>951,852</u>
Current assets					
Stocks	16	238,911		-	
Debtors	17	8,560,787		3,787,685	
Cash at bank and in hand		810,041		2,902,200	
		<u>9,609,739</u>		<u>6,689,885</u>	
Creditors: amounts falling due within one year	18	<u>(2,565,956)</u>		<u>(697,025)</u>	
Net current assets			<u>7,043,783</u>		<u>5,992,860</u>
Total assets less current liabilities			<u>7,851,442</u>		<u>6,944,712</u>
Creditors: amounts falling due after more than one year	19		<u>(3,273,553)</u>		<u>(327,654)</u>
Provisions for liabilities					
Provisions	22	<u>270,000</u>		<u>-</u>	
			<u>(270,000)</u>		<u>-</u>
Net assets			<u>4,307,889</u>		<u>6,617,058</u>
Capital and reserves					
Called up share capital	25		2,704		2,704
Share premium account			16,887,897		16,887,897
Profit and loss reserves			<u>(12,582,712)</u>		<u>(10,273,543)</u>
Total equity			<u>4,307,889</u>		<u>6,617,058</u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £2,309,170 (2021 - £5,131,927 loss).

These financial statements have been prepared in accordance with the provisions relating to medium-sized companies.

The financial statements were approved by the board of directors and authorised for issue on 31 January 2024 and are signed on its behalf by:

J Crabtree
Director

Company registration number 09530778 (England and Wales)

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 1 January 2021	1,775	6,202,073	(5,590,826)	613,022
Year ended 31 December 2021:				
Loss for the year	-	-	(4,634,531)	(4,634,531)
Other comprehensive income:				
Currency translation differences	-	-	98,597	98,597
Total comprehensive income	-	-	(4,535,934)	(4,535,934)
Issue of share capital	25 929	8,812,639	-	8,813,568
Other movements	-	1,873,185	-	1,873,185
Balance at 31 December 2021	2,704	16,887,897	(10,126,760)	6,763,841
Year ended 31 December 2022:				
Loss for the year	-	-	(5,623,276)	(5,623,276)
Other comprehensive income:				
Currency translation differences	-	-	(32,455)	(32,455)
Total comprehensive income	-	-	(5,655,731)	(5,655,731)
Balance at 31 December 2022	2,704	16,887,897	(15,782,491)	1,108,110

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium account	Profit and loss reserves	Total	
Notes	£	£	£	£	
Balance at 1 January 2021	1,775	6,202,073	(5,141,617)	1,062,231	
Year ended 31 December 2021:					
Loss and total comprehensive income for the year	-	-	(5,131,926)	(5,131,926)	
Issue of share capital	25	929	8,812,639	-	8,813,568
Other movements	-	1,873,185	-	-	1,873,185
Balance at 31 December 2021	2,704	16,887,897	(10,273,543)	6,617,058	
Year ended 31 December 2022:					
Profit and total comprehensive income	-	-	(2,309,169)	(2,309,169)	
Balance at 31 December 2022	2,704	16,887,897	(12,582,712)	4,307,889	

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	29	(3,912,340)		(5,649,244)	
Interest paid		(207,875)		(12,000)	
Income taxes refunded		44,964		35,799	
Net cash outflow from operating activities		(4,075,251)		(5,625,445)	
Investing activities					
Purchase of tangible fixed assets		(877,143)		(1,000,389)	
Interest received		33		-	
Net cash used in investing activities		(877,110)		(1,000,389)	
Financing activities					
Proceeds from issue of shares		-		8,812,890	
Proceeds from new bank loans		3,000,000		-	
Repayment of bank loans		(130,211)		(173,064)	
Payment of finance leases obligations		(84,484)		-	
Net cash generated from financing activities		2,785,305		8,639,826	
Net (decrease)/increase in cash and cash equivalents		(2,167,056)		2,013,992	
Cash and cash equivalents at beginning of year		3,299,428		1,186,839	
Effect of foreign exchange rates		(31,274)		98,597	
Cash and cash equivalents at end of year		1,101,098		3,299,428	

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

Additive Manufacturing Technologies Ltd ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Unit N Europa House, Sheffield Airport Business Park, Sheffield, S9 1XU.

The group consists of Additive Manufacturing Technologies Ltd and all of its subsidiaries.

1.1 Accounting convention

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.

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;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Business combinations

In the parent company financial statements, 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. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies (Continued)

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Additive Manufacturing Technologies Ltd together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 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.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

The financial statements are prepared on a going concern basis. Accounting standards require that directors satisfy themselves that it is reasonable for them to conclude whether it is appropriate to prepare the financial statements on a going concern basis.

The Directors have assessed the viability of the Group and reviewed detailed cash flow forecasts for a period of at least twelve months following the date of approval of the Annual Report. In assessing the going concern of the Group the Directors reviewed the Group's base case plans for the period to 31 January 2025. Further the Directors have assessed the Group's debt and cash positions, including the Group's day-to-day working capital commitments, and forecast cash flow and debt facility repayments. The financial position, liquidity and cash flow commitments of the Group are presented in these financial statements. The Directors have also reviewed their objectives and policies for managing risk and objectives going forward.

The Directors are confident in the Group's outlook with a forecast to have profitable EBITDA in 2024 which is achieved by entering new market segments to mitigate the risks faced from the slowing down of the 3D printing industrial market. Thus the Directors continue to adopt the going concern basis of accounting in preparing the accounts.

1.5 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.6 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.7 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.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

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 bases:

Plant and equipment	1 - 5 years straight line
Fixtures and fittings	5 - 16 years straight line
Computers	3 - 7 years straight line

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 recognised in the profit and loss account.

1.8 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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.

1.9 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible 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.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 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 in the group's balance sheet 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 debtors 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 transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, 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.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Derecognition 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.

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 creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

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

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.13 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Provisions

Provisions are recognised when the group has a legal or constructive present obligation as a result of a past event, it is probable that the group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.17 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.18 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

1.19 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.20 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

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.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Provisions for liabilities

These financial statements include a provision for legal liabilities of £270,000. There is inherent uncertainty in the case of legal provisions as they are dependent on a range of outcomes and possibilities. Management calculate provisions using all relevant information available to them at the time. See note 22 for further details of the provision included in these financial statements.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3	Turnover and other revenue	2022	2021
		£	£
	Turnover analysed by class of business		
	Sales of machines and other associated products	9,743,473	3,654,588
	Sales of maintenance services	257,367	121,262
	Other sales	14,313	35,864
		<u>10,015,153</u>	<u>3,811,714</u>
		2022	2021
		£	£
	Turnover analysed by geographical market		
	UK	647,618	372,946
	Rest of Europe	3,080,583	1,150,906
	North America	5,155,124	1,799,867
	Asia	272,207	208,749
	Rest of World	859,621	279,246
		<u>10,015,153</u>	<u>3,811,714</u>
		2022	2021
		£	£
	Other revenue		
	Interest income	33	-
	Grants received	42,140	206,753
		<u>42,173</u>	<u>206,753</u>
4	Exceptional item	2022	2021
		£	£
	Expenditure		
	Reorganisation costs	262,852	(55,220)
	Fundraising deal fees	138,588	503,184
	Exceptional bad debt write off	136,331	-
	Legal case	170,446	-
	Loans waived	-	(132,475)
	Exceptional grants received	-	(9,360)
		<u>708,216</u>	<u>306,129</u>

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Operating loss

	2022	2021
	£	£
Operating loss for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(46,934)	268,045
Research and development costs	238,669	519,128
Government grants	(42,140)	(206,753)
Depreciation of owned tangible fixed assets	461,303	267,421
Depreciation of tangible fixed assets held under finance leases	146,423	24,267
Operating lease charges	396,370	415,123
	<u> </u>	<u> </u>

6 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	32,500	-
	<u> </u>	<u> </u>
For other services		
Taxation compliance services	2,500	-
	<u> </u>	<u> </u>

7 Employees

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

	Group 2022 Number	2021 Number	Company 2022 Number	2021 Number
Management	5	7	3	3
Production and research staff	59	51	5	2
Sales and administrative staff	23	25	11	10
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	87	83	19	15
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group 2022 £	2021 £	Company 2022 £	2021 £
Wages and salaries	3,523,355	2,780,059	1,146,760	834,802
Social security costs	290,956	81,106	75,183	69,093
Pension costs	9,045	9,136	9,045	9,136
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	3,823,356	2,870,301	1,230,988	913,031
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Directors' remuneration	2022	2021
	£	£
Remuneration for qualifying services	486,016	502,571
Company pension contributions to defined contribution schemes	2,642	4,566
	<u>488,658</u>	<u>507,137</u>
<p>The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2021 - 0).</p> <p>Remuneration disclosed above includes the following amounts paid to the highest paid director:</p>		
	2022	2021
	£	£
Remuneration for qualifying services	122,659	152,000
Company pension contributions to defined contribution schemes	1,321	1,211
	<u>123,980</u>	<u>153,211</u>
9 Interest receivable and similar income	2022	2021
	£	£
Interest income		
Interest on bank deposits	33	-
	<u>33</u>	<u>-</u>
10 Interest payable and similar expenses	2022	2021
	£	£
Interest on bank overdrafts and loans	202,884	6,518
Interest on convertible loan notes	-	93,863
Interest on finance leases and hire purchase contracts	4,991	1,282
Other interest	-	4,200
	<u>207,875</u>	<u>105,863</u>
Total finance costs	<u>207,875</u>	<u>105,863</u>
11 Taxation	2022	2021
	£	£
Current tax		
UK corporation tax on profits for the current period	-	(90,925)
Adjustments in respect of prior periods	13,737	-
	<u>13,737</u>	<u>(90,925)</u>
Total UK current tax	<u>13,737</u>	<u>(90,925)</u>
Foreign current tax on profits for the current period	108,351	54,846
	<u>122,088</u>	<u>(36,079)</u>
Total current tax	<u>122,088</u>	<u>(36,079)</u>

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

11 Taxation

(Continued)

The actual charge/(credit) for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2022	2021
	£	£
Loss before taxation	(5,501,188)	(4,670,610)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	(1,045,226)	(887,416)
Tax effect of expenses that are not deductible in determining taxable profit	60,404	146,724
Change in unrecognised deferred tax assets	497,913	1,216,301
Adjustments in respect of prior years	13,737	(280)
Research and development tax credit	-	(55,657)
Other permanent differences	429,909	-
Fixed asset differences	(2,686)	(21,609)
Remeasurement of deferred tax for changes in tax rates	(119,498)	(488,988)
Foreign tax	287,535	54,846
Taxation charge/(credit)	122,088	(36,079)

As at the year end the company had unused tax losses of £10,162,462 (2021: £8,848,516).

12 Discontinued operations

In May 2021, Additive Manufacturing Technologies BV, a subsidiary incorporated in the Netherlands, ceased to trade and the results of this company have therefore been separated as discontinued operations.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Tangible fixed assets

Group	Plant and equipment £	Fixtures and fittings £	Computers £	Total £
Cost				
At 1 January 2022	1,779,240	448,881	203,352	2,431,473
Additions	705,957	138,605	32,581	877,143
Exchange adjustments	22,573	(11,251)	(3,891)	7,431
At 31 December 2022	2,507,770	576,235	232,042	3,316,047
Depreciation and impairment				
At 1 January 2022	399,428	35,079	64,311	498,818
Depreciation charged in the year	507,421	45,474	54,831	607,726
Exchange adjustments	10,337	(765)	(959)	8,613
At 31 December 2022	917,186	79,788	118,183	1,115,157
Carrying amount				
At 31 December 2022	1,590,584	496,447	113,859	2,200,890
At 31 December 2021	1,379,812	413,802	139,041	1,932,655
Company				
Plant and equipment £		Fixtures and fittings £	Computers £	Total £
Cost				
At 1 January 2022	890,132	8,557	62,082	960,771
Additions	103,042	4,017	2,186	109,245
At 31 December 2022	993,174	12,574	64,268	1,070,016
Depreciation and impairment				
At 1 January 2022	219,350	5,479	30,132	254,961
Depreciation charged in the year	232,767	1,922	11,836	246,525
At 31 December 2022	452,117	7,401	41,968	501,486
Carrying amount				
At 31 December 2022	541,057	5,173	22,300	568,530
At 31 December 2021	670,782	3,078	31,950	705,810

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	Group 2022 £	2021 £	Company 2022 £	2021 £
Plant and equipment	269,603	379,060	-	-

14 Fixed asset investments

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Investments in subsidiaries	15	-	-	239,129	246,042

Movements in fixed asset investments Company

	Shares in subsidiaries £
Cost or valuation	
At 1 January 2022	246,042
Foreign exchange movement	(6,913)
At 31 December 2022	239,129
Carrying amount	
At 31 December 2022	239,129
At 31 December 2021	246,042

15 Subsidiaries

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

Name of undertaking	Registered office	Class of shares held	% Held Direct
Additive Manufacturing Technologies Inc	1200 BMC Drive, Suite 800 Cedar Park, Austin, Texas, 78613, USA	Ordinary shares	100.00
Additive Manufacturing Technologies Kft	Galagorya utca 5, Budapest, 1036, Hungary	Ordinary shares	100.00

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Stocks

	Group 2022 £	2021 £	Company 2022 £	2021 £
Work in progress	109,083	-	109,083	-
Finished goods and goods for resale	1,985,932	1,321,343	129,828	-
	<u>2,095,015</u>	<u>1,321,343</u>	<u>238,911</u>	<u>-</u>

17 Debtors

	Group 2022 £	2021 £	Company 2022 £	2021 £
Amounts falling due within one year:				
Trade debtors	2,275,270	187,783	779,704	136,512
Corporation tax recoverable	-	111,280	-	111,280
Amounts owed by group undertakings	-	-	6,845,496	2,929,981
Other debtors	837,860	759,853	569,089	329,504
Prepayments and accrued income	1,132,175	575,520	366,498	280,408
	<u>4,245,305</u>	<u>1,634,436</u>	<u>8,560,787</u>	<u>3,787,685</u>

18 Creditors: amounts falling due within one year

	Group 2022 £	2021 £	Company 2022 £	2021 £
	Notes			
Bank loans	20	-	27,711	-
Obligations under finance leases	21	151,817	122,812	122,812
Payments received on account		131,583	-	-
Trade creditors		1,948,328	578,603	830,762
Corporation tax payable		55,771	-	-
Other taxation and social security		141,234	218,262	28,476
Deferred income	23	1,770,814	-	1,260,682
Other creditors		168,480	123,008	5,361
Accruals and deferred income		451,587	25,971	317,864
		<u>4,819,614</u>	<u>1,096,367</u>	<u>2,565,956</u>
				<u>697,025</u>

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Creditors: amounts falling due after more than one year

	Notes	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans and overdrafts	20	3,000,000	102,500	3,000,000	102,500
Obligations under finance leases	21	111,665	225,154	102,344	225,154
Deferred income	23	332,919	-	171,209	-
		<u>3,444,584</u>	<u>327,654</u>	<u>3,273,553</u>	<u>327,654</u>

20 Loans and overdrafts

	Group 2022 £	2021 £	Company 2022 £	2021 £
Bank loans	<u>3,000,000</u>	<u>130,211</u>	<u>3,000,000</u>	<u>130,211</u>
Payable within one year	-	27,711	-	27,711
Payable after one year	<u>3,000,000</u>	<u>102,500</u>	<u>3,000,000</u>	<u>102,500</u>

The long-term loans are secured by fixed charges over the assets of Additive Manufacturing Technologies Limited and are covered by a guarantee from Additive Manufacturing Technologies Inc. and Additive Manufacturing Technologies Kft.

Long term loans attract an interest charge of 10% + SONIA (Sterling Overnight Index Average) and is repayable in quarterly instalments due to commence in August 2024 with full repayment due by August 2025.

21 Finance lease obligations

	Group 2022 £	2021 £	Company 2022 £	2021 £
Future minimum lease payments due under finance leases:				
Within one year	132,133	122,812	122,812	122,812
In two to five years	131,349	225,154	102,343	225,154
	<u>263,482</u>	<u>347,966</u>	<u>225,155</u>	<u>347,966</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. No restrictions are placed on the use of the assets and the average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

22 Provisions for liabilities

	Group 2022 £	2021 £	Company 2022 £	2021 £
Provision for legal expenses	270,000	-	270,000	-

Movements on provisions:

	Provision for legal expenses	
Group		£
Additional provisions in the year		270,000
		<u>270,000</u>
		Provision for legal expenses
Company		£
Additional provisions in the year		270,000
		<u>270,000</u>

The legal costs provision relates to outstanding legal claims which may become payable in the future but are still subject to legal proceedings. These are calculated based upon the Directors' best estimate of the amount which may fall due. The recognised provision reflects the Directors' best estimate of the most likely outcome but the total amount payable may be different depending on final settlements. Based on the latest advice a best estimate is that should the courts rule against the Group any resulting obligations will be settled within 24-36 months of the year end.

23 Deferred income

	Group 2022 £	2021 £	Company 2022 £	2021 £
Other deferred income	2,103,733	-	1,431,891	-

Deferred income is included in the financial statements as follows:

Current liabilities	1,770,814	-	1,260,682	-
Non-current liabilities	332,919	-	171,209	-
	<u>2,103,733</u>	<u>-</u>	<u>1,431,891</u>	<u>-</u>

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

24 Retirement benefit schemes		
	2022	2021
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	9,045	9,136
	<u> </u>	<u> </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.

25 Share capital

Group and company	2022	2021	2022	2021
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
A Ordinary of 0.01p each	8,113,000	8,113,000	811	811
B Ordinary of 0.01p each	1,765,000	1,765,000	177	177
C Ordinary of 0.01p each	1,887,000	1,887,000	189	189
D Ordinary of 0.01p each	2,549,088	2,549,088	255	255
	<u>14,314,088</u>	<u>14,314,088</u>	<u>1,432</u>	<u>1,432</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Preference share capital	2022	2021	2022	2021
Issued and fully paid	Number	Number	£	£
Preference A of 0.01p each	3,427,000	3,427,000	343	343
Preference B of 0.01p each	9,291,269	9,291,269	929	929
	<u>12,718,269</u>	<u>12,718,269</u>	<u>1,272</u>	<u>1,272</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Preference shares classified as equity			<u>1,272</u>	<u>1,272</u>
			<u> </u>	<u> </u>
Total equity share capital			<u>2,704</u>	<u>2,704</u>
			<u> </u>	<u> </u>

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

26 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	38,648	325,801	38,648	32,587
Between two and five years	65,239	716,093	65,239	21,725
	<u>103,887</u>	<u>1,041,894</u>	<u>103,887</u>	<u>54,312</u>

27 Events after the reporting date

Following the year end the parent company undertook three fundraising rounds. On 18 April 2023 1,082,222 Ordinary AA shares were issued with a par value of £0.0001 per share and generating share premium of £1,309,380. On 12 May 2023 198,771 Ordinary AA shares were issued with a par value of £0.0001 per share and generating share premium of £240,493. On 7 September 2023 9,458,818 Ordinary X shares were issued with a par value of £0.0001 per share and generating share premium of £2,188,108. Also on 7 September 851,7854 Series A Preference shares were issued with a par value of £0.0001 per share.

28 Directors' transactions

Description	% Rate	Opening balance £	Closing balance £
J Crabtree - Director's loan	-	250,000	250,000
		<u>250,000</u>	<u>250,000</u>

ADDITIVE MANUFACTURING TECHNOLOGIES LTD

NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

29 Cash absorbed by group operations

	2022 £	2021 £
Loss for the year after tax	(5,623,276)	(4,634,531)
Adjustments for:		
Taxation charged/(credited)	122,088	(36,079)
Finance costs	207,875	105,863
Investment income	(33)	-
(Gain)/loss on disposal of tangible fixed assets	-	5,493
Depreciation and impairment of tangible fixed assets	607,726	291,688
Increase in provisions	270,000	-
Movements in working capital:		
Increase in stocks	(773,672)	(291,511)
Increase in debtors	(1,335,683)	(1,154,615)
Increase/(decrease) in creditors	1,895,368	(933,955)
Increase in deferred income	717,267	998,403
Cash absorbed by operations	<u>(3,912,340)</u>	<u>(5,649,244)</u>

30 Analysis of changes in net funds/(debt) - group

	1 January 2022 £	Cash flows £	Exchange rate movements £	31 December 2022 £
Cash at bank and in hand	3,299,428	(2,167,056)	(31,274)	1,101,098
Borrowings excluding overdrafts	(130,211)	(2,869,789)	-	(3,000,000)
Obligations under finance leases	(347,966)	84,484	-	(263,482)
	<u>2,821,251</u>	<u>(4,952,361)</u>	<u>(31,274)</u>	<u>(2,162,384)</u>

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