

MOV.AI LTD

Directors: L. Schweitzer
M. Kushnir
Y. Baharav
J.A. Koschier
M.R. Swift

Registered Office: Kemp House
152-160 City Road
EC1V 2NX

Registered No: 09933501 (England & Wales)

Annual report and financial statements For the year ended 31 December 2022

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Statement of financial position as at 31 December 2022

| | | 31.12.2022 | | 31.12.2021 |
|--|-------|--------------------|---------------------------|--------------------------|
| | Notes | £ | £ | £ |
| Fixed assets | | | | |
| Fixed asset investment | 5 | | 66,329 | 79 |
| Current assets | | | | |
| Debtors | 6 | 2,441,739 | | 1,555,14 |
| Cash at bank and in hand | | 5,075,865 | | 2,294,27 |
| | | <u>7,517,604</u> | | <u>3,849,41</u> |
| Creditors: amounts falling due within one year | | | | |
| | 7 | <u>(3,642,600)</u> | | <u>(581,886)</u> |
| Net current assets | | | | |
| | | | 3,875,004 | 3,267,53 |
| Creditors: amounts falling due after more than one year | | | | |
| | 8 | | (416,642) | (617,430) |
| Total assets less liabilities | | | | |
| | | | <u>£ 3,524,691</u> | <u>£ 2,650,89</u> |
| Capital and Reserve | | | | |
| | | | £ | £ |
| Called up share capital | 9 | | 127,388 | 37,16 |
| Share premium | | | 15,834,850 | 9,159,99 |
| Options | | | 143,825 | |
| Profit and loss account | | | <u>(12,581,372)</u> | <u>(6,546,261)</u> |
| Shareholders' funds | | | | |
| | | | <u>£ 3,524,691</u> | <u>£ 2,650,89</u> |

For the year ending 31 December 2022 the company was entitled to exemption from audit under Section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements have been prepared in accordance with special provision of Part 15 of the Companies Act 2006 relating to small companies and with the provisions of FRS 102 Section 1A Small

Entities.

The notes on pages 2 to 5 form an integral part of these financial statements.

The financial statements on pages 1 to 5 were approved by the Board of Directors and were signed on its behalf by:

M. Kushnir

Director

Company number: 09933501

7 February 202

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Notes to the financial statements - 31 December 2022

COMPANY INFORMATION

1. *Company Information*

MOV.AI Ltd is a private limited company incorporated and domiciled in England & Wales. The address of its registered office is Kemp House, 152-160 City Road, London, EC1V 2NX.

2. *Accounting Policies*

2.1 *Basis of accounting*

The financial statements have been prepared on a going concern basis, under historical cost convention and in accordance with the provisions of FRS 102 Section 1A small entities and the Companies Act 2006.

The financial statements are presented in sterling (£).

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2.2 *Financial instruments*

The company has chosen to adapt the sections 11 & 12 of FRS 102 in respect of financial instruments:

(i) *Financial assets*

Basic financial assets including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financial transaction, where the transaction is measured at present value of the future receipts discounted at the market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method and are assessed for objective evidence of impairment at the end of each reporting period.

(ii) *Financial liabilities*

Basic financial liabilities including trade and other payable are initially recognised at transaction price unless arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of future receipts discounted at a market value of interest debt instruments are subsequently carried at amortised costs using the effective interest rate method.

2.3 *Going concern*

As at the date of signing the accounts the company has a cash balance that is sufficient to cover the cash flow requirements for a period of less than 12 months. In order to continue in operational existence the company may require further external funding from its shareholders and the likelihood of this external funding being available is unclear, although discussions are ongoing with a potential investor and they are not yet confirmed.

Therefore a material uncertainty exists that may cast significant doubt on the company's ability to continue as going concern.

Now notwithstanding this uncertainty, the financial statements continue to be prepared under going concern basis.

2.4 *Group Accounts*

The company and its subsidiaries comprise of a small sized group and therefore take the advantages of the exemption provided by Section 398 of the Companies Act 2006 not to prepare group accounts.

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Notes to the financial statements - 31 December 2022

2. *Accounting Policies (continued)*

2.5 *Fixed Assets Investment*

The investment in fixed assets is disclosed at cost and net of impairment losses.

2.6 *Debtors*

Short term debtors that includes amounts due from subsidiary company and other receivables are measured at transaction price, less any impairment.

2.7 *Creditors*

Basic financial liabilities including trade and other payable, bank loans, loans from group companies are measured at transaction price.

2.8 *Current & deferred taxation*

Deferred taxation is provided using the liability method to take into account timing from the inclusion of items of expenditure in taxation computations in periods that differ from those differences arising in which they are included in the financial statements to the extent that it is probably that an or assets will crystallize in the future.

Provision for deferred taxation is set off against debit balance of deferred taxation.

The current income tax charged is calculated on the basis of the tax rate and laws that have been enacted or substantially enacted by the reporting date in the countries where the company operated and generates income.

2.9 *Foreign currencies*

Monetary assets and liabilities in foreign currencies are translated into Sterling at the rate of exchange ruling at the Balance Sheet date. Transactions in Foreign currencies are translated into Sterling at the rate of exchange ruling at the date of the transaction.

3. *Director' emoluments*

No remuneration were paid to the directors.

4. *Employees*

Number of employees

1

1

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Notes to the financial statements - 31 December 2022

5. *Fixed asset investment*

| | £ | £ |
|---------------------|---------------|---------------|
| Cost: | | |
| At 1 December 2022 | 792 | 792 |
| Additions | 65,537 | 65,537 |
| At 31 December 2022 | <u>66,329</u> | <u>66,329</u> |
| At 31 December 2022 | <u>66,329</u> | <u>66,329</u> |
| At 31 December 2021 | <u>792</u> | <u>792</u> |

The fixed asset investment comprises of the cost of investment in the following companies:

| <i>Company name</i> | <i>Country of Incorporation</i> | <i>Percentage of holding</i> | <i>31.12.2022</i> | <i>31.12.2021</i> |
|--------------------------------|---------------------------------|------------------------------|-------------------|-------------------|
| Mov.ai Robotics Unipessoal LDA | Madeira | 100% | 20,720 | 790 |
| Mov.ai - IL Ltd | Israel | 100% | 45,609 | 2 |
| | | | <u>66,329</u> | <u>792</u> |

6. *Debtors*

| | <i>31.12.2022</i> | <i>31.12.2021</i> |
|----------------------|-------------------|-------------------|
| | £ | £ |
| Subsidiary companies | 2,378,916 | 1,309,783 |
| Trade debtors | 10,158 | 0 |
| VAT | 509 | 5,091 |
| Corporation tax | 10,647 | 204,872 |
| Other debtors | 102 | 0 |
| Prepayments | 41,407 | 35,398 |
| | <u>2,441,739</u> | <u>1,555,144</u> |

7. *Creditors: amounts falling due within one year*

| <i>31.12.2022</i> | <i>31.12.2021</i> |
|-------------------|-------------------|
|-------------------|-------------------|

| | £ | £ |
|------------------------------------|------------------|----------------|
| Subsidiary company | 0 | 436,437 |
| Current maturity of long term loan | 275,375 | 123,366 |
| Trade creditors | 11,673 | 0 |
| Accruals | 3,355,552 | 22,083 |
| | <u>3,642,600</u> | <u>581,886</u> |

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Notes to the financial statements - 31 December 2022

8. *Creditors: amounts falling due after more than one year*

| | 31.12.2022 | 31.12.2021 |
|----------------|----------------|----------------|
| | £ | £ |
| Long term loan | <u>416,642</u> | <u>617,430</u> |

The loan was advanced for a period of 3.5 years. Interest is charged at an annual rate of 6%.

The loan is secured by a fixed charge over all present and future assets of the company including intellectual property.

9. *Share capital*

| | 31.12.2022 | 31.12.2021 |
|---|----------------|---------------|
| Allotted, called up and fully paid: | | |
| 8,778,640 Ordinary shares of £0.001 each | 8,778 | 8,762 |
| 5,899,586 Preferred shares of £0.001 each | 5,900 | 5,900 |
| 964,800 Deferred shares of £0.001 each | 965 | 965 |
| 12,027 386 Series A1 Preferred shares of £0.001 | 12,027 | 12,027 |
| 9,509,032 Series A2 Preferred shares of £0.001 | 9,509 | 9,509 |
| 90,209,021 Series A3 Preferred shares of £0.001 | 90,209 | - |
| | <u>127,388</u> | <u>37,163</u> |

10. *Related party transactions*

Control:

The controlling party is Bowe Systec GmbH who holds 52.21% of the company share capital.

Transaction:

The company is exempt from disclosing transactions with related parties that are wholly owned within the same group in accordance with FRS 102 Section 33(1)A.

11. *Commitment*

There is no financial commitment as at 31.12.2022 (2021 nil).

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.