

Date: 12 July 2022
On behalf of: Sosandar plc ('Sosandar' or 'the Company')
Embargoed until: 0700hrs

Sosandar plc

Full Year Results

Continued strong momentum drives substantial revenue growth and a profitable second half

Sosandar PLC (AIM: SOS), one of the fastest growing fashion brands in the UK creating quality, trend-led products for women of all ages, is pleased to announce its financial results for the year ended 31 March 2022 and an update on trading for Q1 of the current financial year.

FY22 was a milestone year for the Group as it delivered an exceptionally strong financial performance, exceeding market expectations that were upgraded in April 2022, with nine consecutive months of profitability now delivered (H2 FY22 & Q1 FY23). Alongside this, significant strategic progress has been made resulting in strong growth both on its own site and through third parties with the increased diversity of product mix resonating with customers.

FY2022 Financial Highlights

- Revenue growth of 142% to £29.5m (FY2021: £12.2m), which included three consecutive months of record revenue in September, October and November 2021
- EBITDA improved significantly to a £0.2m loss (FY2021: £2.9m loss) with every month in H2 FY2022 being profitable
- Increase in gross margin to 56% (FY2021: 48%) reflecting a return to normal trading conditions following the impact of the covid pandemic on the prior year
- Net cash of £7.0m as at 31 March 2022 (FY2021: £3.9m) reflecting the equity fundraise in May 2021, subsequent investment in stock and the Group's profitable second half

FY2022 Operational and Strategic Highlights

- The Company continues to deliver increasing levels of customer engagement on Sosandar.com with all KPIs increasing YoY:
 - Total orders increased 84% to 508k
 - Active customers increased 65% to 223k
 - Conversion Rate of 3.87%, up from 3.09% in FY2021, highlighting the effectiveness of the Company's unique creative process and highly effective lifestyle imagery
 - Average order frequency increased by 10% to 2.28 times per annum, a reflection of how the distinct and diverse product range is attracting and retaining customers
- In-house design process driving continued expansion of the product range across all categories offering broader choice, with rapid sell through across all channels
- Trading with third party partners; M&S, Next and John Lewis, continued to be strong, with Sosandar product resonating very well across all types of product category
- Successful launch with The Very Group on a wholesale arrangement in March 2022 with positive early momentum

Post-period Trading Highlights

- Very strong start to Q1 FY2023 with revenue of £10.4m representing a record quarter and an increase of 81% against Q1 FY2022
- Trading in-line with market expectations* with strong performance on both own site and third-parties
- First three months of the current financial year continued to be profitable, resulting in nine consecutive months of profitability
- Product across all categories selling through rapidly with particularly strong sales of workwear, occasion wear and holiday clothes
- Cash at 30 June 2022 of £6.1m, reflecting further investment in inventory and continued strong trading

* Sosandar believes that market expectations for the year ending 31 March 2023 are currently revenue of £42.5 million, an EBITDA of £2.2 million and PBT of £1.9 million.

FY2022 KPIs (Own Site)

	Year ended 31 March 2022	Year ended 31 March 2021	Change
Web Visits	13,141,632	8,922,789	47%
Conversion rate	3.87%	3.09%	+78bps
Number of orders	508,473	276,008	84%
AOV	£90.39	£82.70	9%
Active customers	223,253	135,381	65%
Average Order Frequency	2.28	2.08	10%

Ali Hall and Julie Lavington, Co-CEOs commented:

“We are incredibly proud to be reporting another period of sustained growth for Sosandar. It is thanks to our well-planned approach, together with our entrepreneurial, agile culture that we have delivered a significant increase in revenue, as well as moving into month-on-month profitability. This is an important milestone for us, and having achieved it we are now better positioned than ever for further success.

Notwithstanding the current macro-economic environment, trading in the new financial year has started very well, with a record quarter for sales and three further consecutive months of profitability. With the arrival of spring and summer, we have seen our customers seek out a wide variety of product, in particular smart clothes for work, bright colours for holidays and investment pieces such as leather.

Looking ahead, we are excited for the next stage of our growth. Our winning formula is evident in our results and over the next year we will focus on expanding our product range and continuing to drive growth through our own site and third parties. Return rates are in line with our expectations across the product range and our costs continue to be carefully managed. We continue to expand and diversify our supplier base to support our growth expectations whilst further mitigating risk. As we have done over the past two years, we will continue to use our agility and detailed planning to manage the business effectively, as we move forward on our journey to becoming one of the largest womenswear brands globally.”

Presentations

Sosandar is hosting a webinar for analysts at 0900 hrs BST today. If you would like to register, please contact sosandar@almapr.co.uk

The Company is also hosting a webinar for retail investors at 1130 hrs BST today. If you would like to attend, please register here: https://bit.ly/SOS_FY22_webinar

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This announcement contains inside information for the purposes of the retained UK version of the EU Market Abuse Regulation (EU) 596/2014 ("UK MAR").

About Sosandar plc

Sosandar provide a one-stop online shop for style-conscious women who have graduated from price-led alternatives. The Company offers this underserved audience fashion-forward, affordable, quality clothing to make them feel sexy, feminine, and chic. The business sells predominantly own label exclusive product designed in-house.

Sosandar's offers product across all womenswear categories, ensuring all wardrobe needs can be fulfilled. The Company has brand partnerships in place with Next, John Lewis, Marks & Spencer and The Very Group.

Sosandar's growth strategy is to build brand awareness and expand its customer base through developing exceptional products, providing a seamless customer experience and using impactful, lifestyle marketing activity. This is underpinned by combining innovation with data analysis, which drives successful product development and new customer targeting.

Sosandar was founded in 2016 and listed on AIM in 2017. More information is available at www.sosandar-ir.com

CHAIRMAN'S STATEMENT

Introduction

It is incredibly pleasing to be able to present annual results which reflect another remarkable year of growth for the company, especially against a backdrop of heightened macro-economic and societal challenges. Revenue of £29.5m is 142% up year on year and our EBITDA loss of £0.2m is around 13 times smaller than the previous year. Our loss before tax improved to £0.6m (FY21 £3.1m loss) with

every month in the second half of the year being profitable. These metrics provide great proof of our growing presence in our market.

It is testament to the quality of our products and the strength of our management team that we have been able to deliver such a strong performance despite the backdrop of macro-economic and societal challenges that we have all faced. Mitigating risk has been at the heart of our operation since inception and while we could not claim to have foreseen all of these things coming, we typically build flexibility into everything we do. Fostering strong, long-term relations with a number of manufacturers in different territories, pivoting rapidly between transport methods and responding rapidly to changing consumer sentiment has meant that we have been able to navigate these headwinds and deliver a record performance.

Drivers of growth

As reported last year, in May 2021 we completed a raise of c. £5.8m (via an over-subscribed Placing, Subscription and Primary Bid offer). As planned, these funds enabled investment into our inventory, allowing us to buy both wider and deeper across our categories. The positive results of this strategy started to show in the autumn, and our sales continued to grow across the year as we put more stock into our third-party partners and offered greater range on our own site.

Our growing balance sheet strength reflects the effectiveness of this strategy, with net assets of £10.6m at year end being much healthier than at 31st March 2021. Crucially, that figure included a cash position of £7.0m.

This continued success is down to many factors, but above all, it is down to our product. Led by our inspiring Co-CEOs, we have a growing, talented team who understand our customers inside out and design unique products with them in mind. Everything we do is centred upon delivering good-value, high quality, lasting clothes for women who care about being fashionable and chic. Our customers are not defined by age or any other demographic, rather they relish the stylish aesthetic and regularly refreshed range we offer.

Our team

Over the year, our team has been agile, responsive, and intelligent. As consumers have wrestled with going in and out of lockdown, returning to work, starting to go out socially again, and all against cost-of-living challenges, so our teams have altered our product mix and tailored all of our communications and offers to ensure highest relevance and maximum engagement. Our number of active customers has increased 65% year on year and is more loyal than ever, with repeat customers now shopping 4.0 times per year.

I do want to take a moment to reflect on the whole team at Sosandar, a business which is six years old, and was made up of just over 50 people at March 2022. They have adapted well to a rapid growth environment, dealt with a myriad of challenges and continually exhibited imaginative, enthusiastic, customer-focussed commitment. Sosandar is no longer a start-up, although it retains a few of those healthy facets, such as the ability to react quickly to changing circumstances. Sosandar is a business based on data and planning, with experienced people delivering great results for our customers. I therefore take this moment to recognise all our fantastic team's hard work.

FY22 was the first full year of our third-party partnerships with Next, M&S and John Lewis. While the initial approach from all three was already testament to the appeal of our offering, it has been excellent to see sales grow substantially over time, and it has become clear that each sees Sosandar as a very important partner. Late in the year, we launched our first wholesale partnership with Very.co.uk, which has begun well, and we continue to consider further partnerships, both UK and overseas, in the future.

Committed to effective governance

The last couple of years have presented unprecedented governance challenges for all businesses. The Board of Sosandar has remained committed to maintaining and enhancing our corporate governance framework. Over the last two years we have met far more frequently, via a blend of video call and physical meetings and been effective as a result. We have an agile, balanced board, able to make decisions based upon robust assessment and evaluation, but always in a timely fashion. It was also a pleasure to welcome Jon Wragg as Non-executive Director in April 2022. His substantial experience in the fashion retail sector adds a valuable dimension to our Board.

Responsible business

Running our business with responsibility, in all its forms, remains important to us. This is an evolving challenge, and we look to constantly develop our actions in this area. There is more detail provided later in the report. However, key achievements in the year include beginning the roll-out of recycled packaging across our supply chain (formerly implemented only to consumer-facing packaging), increasing wages for Clipper staff working on Sosandar logistics, and engaging with a charity to support us and our customers in an increased recycling of garments.

Outlook

The current financial year has started strongly and we are trading in line with our expectations for full year growth. As we are well practiced at, we will continue to manage the business carefully, building our partnerships and growing our existing customer base whilst remaining cognisant of the external environment.

Consumers are becoming ever more selective about where they spend and also more demanding of those brands with which they spend. We are confident that Sosandar will continue to benefit from this shift in behaviour as our fashion forward, high quality, responsible value proposition clearly differentiates us from the rest of the sector.

Bill Murray

Date: 11 July 2022

CO-CEO'S STATEMENT

A brilliant year

FY22 has been a brilliant year for Sosandar. We have successfully grown sales by 142% year on year and, importantly, moved into profitability in the second half. A result which is even more remarkable when set against a backdrop of pandemic restrictions as well as the challenges of a worldwide supply chain crisis and substantial inflation. All our KPIs are positive year-on-year, and the forward momentum which can be felt throughout the business gives us cause for great excitement.

It is thanks to our well-planned approach, together with our entrepreneurial, agile culture, that we have improved both the top and bottom line in the period. Our business is underpinned by the continuous collection and analysis of multiple data points, which allows us to track exactly what trends are emerging and where we need to act. Given the current macro-environment, this approach is more important than ever.

As always, everything we achieved has been down to the hard work and creativity of our people and our partners. We take this opportunity to provide our heartfelt thanks.

A clear vision and purpose

Our vision is to become one of the largest womenswear brands globally. Our purpose is to empower women of all ages to feel good in the clothes they wear, catering to the burgeoning 'ageless' generation.

There is a clear ongoing shift in the consumer mindset towards fashion; women are leaving behind dated ideas of what they must wear at what age, and instead embracing clothes that make them feel good, work in their everyday lives, and reflect their individual personalities. Our offering is ideally placed to cater to this trend.

While our products are trend-led, our clothes are designed to be kept and loved for years. This is why we invest so highly in quality and fit, reflected in our price point.

Our strategy and future objectives

Our strategy is central to the ongoing success and scale of our business and is spread over four pillars: product, marketing, sales channels, and supply chain.

1. Expanding our unique product range

Our proven design, buying and merchandising capabilities make up the foundations of our product strategy. We maximise the frequency of best-sellers and ensure our customers receive new styles in line with the latest trends. All our products are sold at a mid-price point and are increasingly designed with sustainable materials – offering our customers on-trend, affordable, long lasting, lifestyle appropriate clothes with high fashion credibility.

Further expansion is paramount for FY23, increasing the number of styles across all categories with specific fast track development of categories such as occasion wear, swim and beach, blazers and suits. To capture an even wider customer base we are developing new shapes and an expansion of length varieties to suit all heights.

2. Constant refinement of our data-driven marketing strategy

Since inception we have been constantly refining our marketing strategy based on data driven learnings. We use aspirational product imagery and content to connect and engage with our customers, building brand awareness through both our own e-commerce site and a variety of channels, including TV, glossy brochures, social media, PR and digital. Using these channels alongside our email marketing, which has industry leading open rates and contributes to over 50% of revenue at no cost, enables us to successfully attract and retain customers. All of these materials are created by our in-house creative team who have a fantastic grasp on how women are feeling at that specific moment.

3. Driving sales through multiple channels

Our multi-channel sales strategy has two core pillars: our own e-commerce site and third-party partnerships. Sosandar.com is the anchor of our success, it is where our customers receive the most diverse choice and constant newness. In addition, we have established very strong relationships with strategically chosen third parties – all large retailers with whom we believed we could grow rapidly and this has proven to be true. As part of our strategy, we will continue to invest in our own site, the bedrock of the Sosandar lifestyle hub whilst also exploring additional third-party partnerships in the UK and abroad.

4. An agile, resilient supply chain

The importance of a diversified, flexible supply base and having partners with expertise in this area, has always been at the heart of our operation. We are an agile, online-only business, allowing us to continually adjust our product offering, warehousing and fulfilment operations in line with the ever-changing needs of our customers. Fostering strong, long-term relations with a number of manufacturers in different territories and pivoting rapidly between transport methods has been the key to our success and is vital to achieving our desired scale.

Record financial performance

We have delivered a very strong revenue performance over the year, with sales up 142% year on year to £29.5m. This was driven by a greater number of active customers and more frequent purchases. A small uptick in average order value also contributed. While we did benefit from a broader range of products being available than in FY21 (49% more new styles in total), our ability to buy deeper and therefore satisfy more customers has also been crucial. As previously communicated, we maintained a relatively low (but highly cost-effective) marketing spend as a proportion of revenues.

With the increase in sales and a continued monitor on costs, we were able to steadily reduce our losses over the first half and were delighted to report profitable monthly trading from October 2021 onwards. Overall, in the year this led to an EBTIDA loss of £0.2m (FY21: £2.9m). Our loss before tax was £0.6m, reflecting a one-off change in accounting treatment in relation to website costs.

Our net cash balance as at 31 March was £7.0m (FY21: £3.9m), which will allow us invest further into FY23.

In-house design led product range continues to attract and retain new customers

The product range that we have created is what truly sets Sosandar apart. Our sexy and chic clothing, made with quality materials and well-designed fit, continues to resonate with fashion forward women. Our in-house design process ensures that our clothes are long-lasting and can be worn for many occasions.

The success of our distinct, flattering styles with bold colours and prints can be seen by the momentum we saw across our KPIs. Total orders increased by 84% to 508,473, repeat orders increased 93% to 366,848, whilst our conversion rate increased to 3.9% from 3.1% and our average order frequency increased by 10% to 2.28 times per annum. This data provides further evidence that we have an ever increasing and loyal customer base.

We believe that we are currently experiencing a widespread cultural shift in how women dress, as they feel confident in their ability to stay at the forefront of fashion no matter what their age. Creating product in line with this shift is very important for our design teams.

Third Party arrangements go from strength to strength

Third party partnerships have become an important part of our ongoing strategy. Trading with our longstanding partners, John Lewis, M&S and Next, has continued to be very strong, with Sosandar product resonating very well across all types of product category. We increased the amount of stock allocated to each partner and this has enabled us to meet the demand that is being generated through these channels.

At the time of our Half Year results announcement, we highlighted that we were exploring new opportunities with other partners where there was a strong strategic fit with the Sosandar brand. So, we were delighted to extend our relationship with Next PLC in the second half, with Sosandar products being sold through Next's 'Platform Plus'.

'Platform Plus' allows Next customers to order items picked from Sosandar's warehouse hosted by Clipper, which are then delivered via Next's distribution network. We launched with Next Platform Plus towards the end of Q1 FY23, and are excited to be sharing even more of our product range with Next's customer.

In addition, following an approach by The Very Group, we were pleased to commence a wholesale agreement in March 2022 and immediately saw strong sales and quick repeat orders being placed.

The arrangements with the third parties further increase the brand's reach amongst its core target demographic and are delivering incremental revenue and profitability. We are confident that significant opportunities for further growth remain with each of our current third parties and continue to consider additional opportunities with a good strategic fit.

Infrastructure in place to scale

To ensure that we remain at the forefront of fashion innovation and remain agile and entrepreneurial, we are constantly evolving our infrastructure and capabilities.

We were delighted to take on more office space in April 2022. This has doubled our space which will provide a positive working environment for our team, allowing us to further attract and retain great people to drive our business in the future.

We have built an incredibly strong team across the whole business with an experienced layer of senior staff leading each department. We have continued to add strength in depth across all departments during the year and continue to be well supported by our external partners.

A confident outlook

To deliver six consecutive months of profitability alongside strong revenue growth shows the trajectory that Sosandar is on. It is evident that our product range is unique and desirable for fashion forward women.

This strong performance has continued into the new financial year. Every month in the new financial year has been profitable and we have seen strong sales of workwear, occasion wear and holiday clothes.

Whilst we are trading well and have not had any material disruption to date, we remain vigilant to the external challenges including inflationary pressures on consumer spending and believe our agile approach and understanding of our customers positions us well.

We believe Sosandar is well on the road to becoming a substantial business and has the infrastructure in place to scale as we continue to grow our customer base.

Ali Hall & Julie Lavington

Date: 11 July 2022

FINANCIAL REVIEW

KPI's

	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000	Change
Revenue	£29,458	£12,163	142%
Gross Profit	£16,496	£5,844	182%
Gross Margin	56.0%	48.0%	800bps
Administrative Expenses	£16,470	£8,729	89%
Profit / (Loss) before tax	£(554)	£(3,098)	82%
EBITDA	£(229)	£(2,925)	92%

	Year ended 31 March 2022	Year ended 31 March 2021	Change
Sessions	13,141,632	8,922,789	47%
Conversion rate	3.87%	3.09%	78bps
Number of orders	508,473	276,008	84%
AOV	£90.39	£82.70	9%
Active customers *	223,253	135,381	65%
Average Order Frequency **	2.28	2.08	10%

* Active customers is the number of individual customers who purchased from Sosandar.com in the last 12 months

** Average Order Frequency is the total number of orders in the last 12 months divided by the number of active customers

The Group has delivered a significant step up in its financial performance, underpinned by continued momentum across all KPI's, resulting in strong growth in revenue and a substantial reduction in losses. The second half of FY2022 was a milestone period with every month profitable which demonstrates the trajectory that the Group is on with the foundations laid to be profitable in FY2023.

The performance is even more pleasing given the challenges in the external environment which have affected all businesses in our sector. Our agility and underlying approach to spreading risk across our business has enabled us to thrive in spite of these challenges including supply chain disruption and inflationary pressures.

The fund raise (£5.8m gross proceeds) in May 2021 enabled the business to invest in greater levels of stock from the autumn which was executed to plan, enabling us to meet the clear and growing consumer demand for Sosandar product, both on Sosandar.com and through each of the third party partners.

Revenue up +142% to £29.5m

The substantial growth in revenue reflects the ever-growing demand for Sosandar product with incredibly strong performance from both Sosandar.com and through third-party web platforms.

Revenue in the first half of FY 2022 was equal to the entirety of the prior year with growth being sustained into the second half. The year included a series of new records being broken for the business including three consecutive record months for revenue in September, October and then again in November. In addition, there were multiple records per day and per week as well as new records for the number of orders and items throughout the second half of the year.

Gross Margin +800bps to 56%

Gross Margin improved significantly compared with the prior year which reflected a more normal year, being much less impacted by the covid pandemic.

As the scale of the business has increased, there are opportunities which result in incremental benefit to the gross margin. In FY2022, this has included ordering much larger quantities of stock including being able to forward book capacity in factories which enables some prices to be agreed for the season knowing that larger volumes will be required.

In addition, there has been an increase in the use of alternative freight methods where applicable and where there was a high level of confidence that stock will arrive on time. During the year, a larger proportion of stock has arrived using rail, road and sea which are at reduced cost compared with air resulting in gains to the gross margin. The proportion of non-air methods will continue to increase whilst balancing the need for margin, on time delivery, cash flow and environmental impact.

The margin in the prior year resulted from a much higher proportion of promotional activity to ensure that inventory sold through, in particular during periods of lockdown. This has not been repeated in FY2022 as the impact of Covid was much less severe and consumers were gradually able to return to some sort of normality including going back to work, going out and taking holidays.

Administrative Expenses

Total administrative expenses increased by 89% to £16.5m (FY 2021 £8.7m) compared to a 142% increase in revenue. As a result, administrative expenses as a percentage of revenue reduced to 56% (FY2021 72%) reflecting the benefit of scale whilst continuing to invest in all areas of the business to drive sustained growth in revenue and all KPI's.

In terms of marketing activity, FY2022 was a normal year in terms of sustaining customer acquisition activity across the whole year, with spending focused on the months where the return on investment was greatest. Spend on marketing increased by 43% year on year with the cost of acquisition remaining at half the level it was pre-pandemic which enabled the cost-effective recruitment of new customers to the brand.

The cost of fulfilment which includes warehousing and customer order delivery costs increased by 96% during the year. Despite there being industry wide wage inflation in the logistics sector, our partner, Clipper Logistics, has done an excellent job managing the situation with minimal disruption to Sosandar. Its retention of staff has been excellent, and it has successfully recruited new staff to support the revenue growth whilst reducing the cost per unit as result of ongoing productivity initiatives in the warehouse. These initiatives are ongoing with further opportunities to maintain or reduce the CPU further in FY2023.

By far the largest increase in administrative expenses is from third party commissions (increased by 779%) given the substantial increase in revenue from a relatively low base in the prior year. The commission is retained by John Lewis, Next or Marks & Spencer and is reported within overheads covering all costs of the operation including warehousing and fulfilment, returns handling, marketing and other operational costs. The revenue and gross profit figures are therefore undiluted when compared with trading through Sosandar.com

Amortisation increased in FY2022 reflecting the reduction in term to fully amortise website costs. These are now fully amortised with zero carry forward balance.

Statement of Financial Position

The statement of financial position is robust. As at 31 March 2022, the Group had net assets of £10.6m (FY2021 £5.0m) and a net current asset position of £10.5m (FY 2021 £4.6m).

During FY2022, the financial position was strengthened following a fund-raise of £5.8m gross which enabled the Group to further accelerate the growth through greater investment in inventory to meet ever-increasing consumer demand. As at 31 March 2022 the cash balance was £7.0m (FY2021 £3.9m).

The movements in the statement of financial position reflects the investment in the business throughout the year, with an increase in inventory to £7.3m (FY2021 £2.9m). This includes stock on hand, stock in transit reflecting the higher proportion of supply coming to the UK via sea and road as well as an increase in the right to return asset which covers post year end returns.

Trade and other payables increased to £6.8m (FY2021 £2.9m) reflecting the step change in scale through FY2022. Creditor payment days have continued to move favourably as the Group has become a more important and trusted customer for our supply partners. Contract liabilities increased to £2.0m (FY2021 £0.7m) which is as expected and reflects the growth in provision required for post year end refunds for orders fulfilled within the year reflecting the significant year on year increase in revenue.

Cashflow

The Group had a net cash position as at 31 March 2022 of £7.0m (FY2021 £3.9m). As highlighted already, the Group's cash position was strengthened with the fund raise in May 2021 with the proceeds being utilised to:

- capitalise on the growth opportunity with its third party retail partners by investing in a greater amount of stock from the Autumn / Winter 2021 season onwards. This included increasing both the number of styles and the number of units per style to be sold through the third party partner websites;
- provide additional funding to engage with other third party partners in the UK and internationally; and

- provide additional working capital and further balance sheet flexibility to support other incremental growth initiatives.

The plan for the Autumn / Winter 2021 season was executed as envisaged, with further investment made ahead of the Spring / Summer 2022 season, resulting in £4.4m increase in inventory during the year.

The Group is in a strong position, with sufficient working capital to take advantage of opportunities in FY2023.

CONSOLIDATED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Revenue		29,458	12,163
Operational costs		(12,962)	(6,319)
Gross profit/(loss)		16,496	5,844
Other operating income	3	-	135
Administrative expenses		(16,470)	(8,729)
Share-based payment	17	(255)	(175)
Depreciation and amortisation	9, 10	(317)	(163)
Operating profit/(loss)		(546)	(3,088)
Finance costs	5	(8)	(10)
Profit/(loss) before taxation		(554)	(3,098)
Income tax credit/(expense)	7	412	-
Group profit/(loss) for the year		(142)	(3,098)
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the period		(142)	(3,098)
Earnings/(loss) per share:			
Earnings/(loss) per share – basic and diluted, attributable to ordinary equity holders of the parent (pence)	8	(0.07)	(1.61)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Notes	As at 31 March 2022 £'000	As at 31 March 2021 £'000
Assets			
Non-current assets			
Intangible assets	9	-	198
Property, plant and equipment	10	446	165
Total non-current assets		446	363
Current assets			
Inventories	12	7,307	2,866
Trade and other receivables	14	2,495	728
Cash and cash equivalents	15	7,048	3,928
Deferred income tax asset	7	412	-
Total current assets		17,262	7,522
Total assets		17,708	7,885
Equity and liabilities			
Equity			
Share capital	17	221	192
Share premium	17	47,089	41,592
Capital Reserves		4,648	4,648
Other reserves		912	657
Reverse acquisition reserve		(19,596)	(19,596)
Retained earnings		(22,654)	(22,512)
Total equity		10,620	4,981
Current liabilities			
Trade and other payables	18	6,761	2,855
Lease liability	19	38	49
Total current liabilities		6,799	2,904
Non current liabilities			
Lease liability	19	289	-
Total non current liabilities		289	-
Total liabilities		7,088	2,904
Total equity and liabilities		17,708	7,885

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Cash flows from operating activities			
Group profit/(loss) before tax		(554)	(3,098)
Share based payments	17	255	175

Depreciation and amortisation	9, 10	317	163
Finance costs		8	10
Working capital adjustments:			
Change in inventories		(4,441)	944
Change in trade and other receivables		(1,768)	273
Change in trade and other payables		3,906	261
Net cash flow from operating activities		(2,277)	(1,272)
Cash flow from investing activities			
Addition of property, plant and equipment	10	(36)	(34)
Addition of intangibles	9	-	(12)
Initial direct costs on right of use asset		(18)	-
Bank interest paid	5	(4)	(5)
Net cash flow from investing activities		(58)	(51)
Cash flow from financing activities			
Net proceeds from issue of equity instruments	16	5,526	-
Lease payment	19	(71)	(82)
Net cash flow from financing activities		5,455	(82)
Net change in cash and cash equivalents		3,120	(1,405)
Cash and cash equivalents at beginning of period	15	3,928	5,333
Cash and cash equivalents at end of period	15	7,048	3,928

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

		Share capital	Share premium	Reverse acquisition reserve	Capital redemption reserve	Retained earnings	Other reserves	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2020		192	41,592	(19,596)	4,648	(19,414)	482	7,904
Loss for the year		-	-	-	-	(3,098)	-	(3,098)
Share-based payments	17	-	-	-	-	-	175	175
Balance at 31 March 2021		192	41,592	(19,596)	4,648	(22,512)	657	4,981
Loss for the year		-	-	-	-	(142)	-	(142)
Share-based payments	17	-	-	-	-	-	255	255
Issue of share capital	16	29	5,784	-	-	-	-	5,813
Costs on issue of share capital	16	-	(287)	-	-	-	-	(287)
Balance at 31 March 2022		221	47,089	(19,596)	4,648	(22,654)	912	10,620

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of those shares net of share issue expenses.

Share based payments reserve relate to the charge for share-based payments in accordance with International Financial Reporting Standard 2.

Retained earnings represent the cumulative loss of the Group attributable to equity shareholders.

Reverse acquisition reserve relates to the effect on equity of the reverse acquisition of Thread 35 Limited.

Capital redemption reserve represents the aggregate nominal value of all the deferred shares repurchased and cancelled by the Company. The reserve is non-distributable.

COMPANY STATEMENT OF FINANCIAL POSITION FOR THE YEAR ENDED 31 MARCH 2022

	Notes	As at 31 March 2022 £'000	As at 31 March 2021 £'000
Assets			
Non-current assets			
Investments	11	6,282	6,282
Loans to subsidiaries	13	-	-
Total non-current assets		6,282	6,282
Current assets			
Trade and other receivables	14	34	38
Cash and cash equivalents	15	3,399	2,952
Total current assets		3,433	2,990
Total assets		9,715	9,272
Equity and liabilities			
Equity			
Share capital	16	221	192
Share premium	16	47,089	41,592
Other reserves		912	657
Capital Reserves		4,648	4,648
Retained earnings		(43,207)	(37,847)
Total equity		9,663	9,242
Current liabilities			
Trade and other payables	18	52	30
Total current liabilities		52	30
Total liabilities		52	30
Total equity and liabilities		9,715	9,272

In accordance with the provisions of the Companies Act 2006, the Company has not presented a statement of profit or loss and other comprehensive income. The Company's loss for the year was £5,360k (2021: £18,851k loss).

COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Year ended 31 March 2022 £'000	Year ended 31 March 2021 £'000
Cash flows from operating activities			
Profit/(loss) before tax		(5,360)	(18,851)
Waiver of intercompany loan	13	4,681	18,366
Share based payments	17	255	175
Working capital adjustments:			
Change in trade and other receivables		4	94
Change in trade and other payables		22	(235)
Net cash flow from operating activities		(398)	(451)
Cash flow from investing activities			
Loans to subsidiaries	13	(4,681)	(1,416)
Net cash flow from investing activities		(4,681)	(1,416)
Cash flow from financing activities			
Net proceeds from issue of equity instruments	16	5,526	-
Net cash flow from financing activities		5,526	-
Net change in cash and cash equivalents		447	(1,867)
Cash and cash equivalents at beginning of period	15	2,952	4,819
Cash and cash equivalents at end of period	15	3,399	2,952

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2022

		Share capital	Share premium	Other reserves	Capital redemption reserve	Retained earnings	Total
	Notes	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 31 March 2020		192	41,592	482	4,648	(18,996)	27,918
Loss for the year		-	-	-	-	(18,851)	(18,851)
Shares based payments		-	-	175	-	-	175
Balance at 31 March 2021		192	41,592	657	4,648	(37,847)	9,242
Loss for the year		-	-	-	-	(5,360)	(5,360)
Share-based payments	17	-	-	255	-	-	255
Issue of share capital	16	29	5,784	-	-	-	5,813
Costs on issue of share capital	16	-	(287)	-	-	-	(287)
Balance at 31 March 2022		221	47,089	912	4,648	(43,207)	9,663

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of those shares net of share issue expenses.

Share-based payments reserve relate to the charge for share-based payments in accordance with International Financial Reporting Standard 2.

Retained earnings represent the cumulative loss of the Company attributable to the equity shareholders.

Capital redemption reserve represents the aggregate nominal value of all the deferred shares repurchased and cancelled by the Company. The reserve is non-distributable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

Sosandar Plc (formerly Orogen Plc) (the 'Company') is a public limited company by shares incorporated in England and Wales. Details of the registered office, the officers and advisers to the Company are presented on the Company Information page at the end of this report. The Company is listed on the AIM market of the London Stock Exchange (ticker: SOS).

The principal activity of the company in the year under review was that of a clothing manufacturer and distributor via internet and mail order.

2 Significant accounting policies

Basis of preparation

The consolidated financial statements consolidate those of the Company and its subsidiaries (together the 'Group' or 'Sosandar'). The consolidated financial statements of the Group and the individual financial statements of the Company are prepared in accordance with applicable UK law and UK adopted international accounting standards (IFRSs) and as applied in accordance with the provisions of the Companies Act 2006. The Directors consider that the financial information presented in these Financial Statements represents fairly the financial position, operations and cash flows for the year, in conformity with IFRS.

These are the first financial statements prepared under UK adopted international accounting standards. On 31 December 2020, IFRS as adopted by the European Union, at that date, was brought into UK law and became UK adopted international accounting standards, with future changes being subject to endorsement by the UK Endorsement Board. Sosandar plc transitioned to UK-adopted International Accounting Standards in its consolidated and Company financial statements on 1 April 2021. This change constitutes a change in accounting framework. However, there is no change on recognition, measurement or disclosure in the financial year reported as a result of the change in framework.

Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position, are set out in Chairman's Statement on pages 2-3. The financial position of the Group, its cash flows and liquidity position are described in the financial statements and associated notes. In addition, note 21 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments; and its exposures to credit risk and liquidity risk.

In order to assess the going concern of the Group, the directors have reviewed the Group's bank balances, cash flows, the annual budgets and forecasts, including assumptions concerning revenue growth, marketing spend, returns and repeat customers and expenditure commitments and their impact on cash flow. These cash flow and profit and loss forecasts show the Group expect an increase in revenue based on the assumptions set out in note 11 of the financial statements. This will have

sufficient headroom over available banking facilities. Management continue to monitor costs and manage cashflows against these forecasts.

In May 2021, the Group's cashflow position was strengthened through raising gross proceeds of £5.8 million via a Placing, Subscription and Primary Bid Offer. At 31 March 2022, the Group had a cash balance of £7.0m and is therefore in a strong position, with sufficient working capital to take advantage of opportunities in FY2023. This substantiates the view that the Group is a going concern.

The directors continue to monitor the Group's going concern basis against the backdrop of significant external events. Whilst Covid 19 still exists, it had significantly less impact on the Group compared with the prior year and the normal course of business resumed. In addition to this, it was concluded the Ukraine war has had no material impact on the consumer behaviour. Therefore, despite these events, the directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due for the foreseeable future.

Should the underlying assumptions of the working capital model prove invalid and the Group be unable to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classifications of recorded asset amounts or liabilities that may be necessary should the Group and Company be unable to continue as a going concern.

After making enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries and associated undertakings. Thread 35 Limited has a reporting date of 31 March.

Subsidiaries are all entities over which Sosandar Plc has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

In November 2017, Sosandar Plc ('Company') acquired the entire issued share capital of Thread 35 Ltd ('legal subsidiary') for a consideration of £6,281,618, satisfied by the issue of shares of £1,603,422 and cash of £4,678,196. As the legal subsidiary is reversed into the Company (the legal parent), which originally was a publicly listed cash shell company, this transaction cannot be considered a business combination, as the Company, the accounting acquiree, does not meet the definition of a business under IFRS 3 'Business Combinations'. However, the accounting for such capital transaction should be treated as a share-based payment transaction and therefore accounted for under IFRS 2 'Share-based payment'. Any difference in the fair value of the shares deemed to have been issued by the Thread 35 Ltd (accounting acquirer) and the fair value of Sosandar Plc's (the accounting acquiree) identifiable net assets represents a service received by the accounting acquirer.

Although the consolidated financial information has been issued in the name of Sosandar Plc, the legal parent, it represents in substance continuation of the financial information of the legal subsidiary.

The assets and liabilities of the legal subsidiary are recognised and measured in the Group financial statements at the pre-combination carrying amounts and not restated at fair value.

The retained earnings and other reserves balances recognised in the Group financial statements reflect the retained earnings and other reserves balances of the legal subsidiary immediately before the business combination and the results of the period from 1 April 2017 to the date of the business combination are those of the legal subsidiary only.

The equity structure (share capital and share premium) appearing in the Group financial statements reflects the equity structure of Sosandar Plc, the legal parent. This includes the shares issued in order to effect the business combination.

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Pounds Sterling (£), which is the Group's presentation currency and the Company's functional currency.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

The results and financial position of all Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- monetary assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Changes in accounting policies and disclosures

The accounting policies adopted are consistent throughout the financial period. Standards and amendments to UK adopted international accounting standards (IFRSs) effective as of 1 April 2021 have been applied by the Group.

There were a number of standards and interpretations which were in issue at 31 March 2022 but were not effective for periods commencing 1 April 2021 and have not been adopted for these Financial Statements.

These include:

- Amendments to IFRS 3 Business Combinations – change in reference to the conceptual framework (applicable on or after 1 January 2022)
- Amendments to IFRS 17 Insurance Contracts – measurement of insurance liabilities (applicable on or after 1 January 2023)
- Amendments to IAS 1 Presentation of Financial Statements – further disclosure requirements including additional detail around accounting policies (applicable on or after 1 January 2023)
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – definition of accounting estimates (applicable on or after 1 January 2023)
- A number of narrow-scope amendments to IFRS 3, IAS 16, IAS 17, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16 (applicable on or after 1 January 2022)

The Directors have assessed the full impact of these accounting changes on the Company. To the extent that they may be applicable, the Directors have concluded that none of these pronouncements will cause material adjustments to the Group's Financial Statements. They may result in consequential changes to the accounting policies and other note disclosures. The new standards will not be early adopted by the Group and will be incorporated in the preparation of the Group Financial Statements from the effective dates noted above.

The directors anticipate that the adoption of these standards and interpretations in future periods will have no material effect on the financial statements of the group.

The Directors have taken advantage of the exemption available under Section 408 of the Companies Act 2006 and not presented an income statement nor a statement of comprehensive income for the Company alone.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of Financial Statements in conformity with IFRS requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the year end and the reported amounts of revenues and expenses during the reporting period. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The key areas identified by the Group are as follows:

Inventories

Inventories are valued at the lower of cost and net realisable value, on a weighted average cost basis. Net realisable value is the estimated selling price in the ordinary course of the business less applicable variable selling expenses. Cost of purchase comprises the purchase price including import duties and other taxes, transport and handling costs and other attributable costs, less trade discounts.

A provision is made to write down any slow-moving or obsolete inventory to net realisable value.

The provision is £761k at 31 March 2022 (2021: £665k). A difference of 1%pt in the provision as a percentage of gross inventory would give rise to a difference of +/- £81k in gross profit (2021: +/- £35k).

Contract liabilities - refund accruals

Accruals for sales returns are estimated on the basis of historical returns and are recorded so as to allocate them to the same period in which the original revenue is recorded. These accruals are reviewed regularly and updated to reflect management's latest best estimates, although actual returns could vary from these estimates. The accrual for refunds totalled £2,029k (2021 refund accrual: £726k) and a right to returned goods asset recognised of £814k (2021: £311k). A performance obligation is deemed for returns and refunds. A 14 days return policy is noted for a full refund through Sosandar.com and up to 30 days on third party retailer websites. A difference of 1%pt in the sales returns rate have an impact of +/- £92k (2021: +/- £53k) on the refund provision, and +/- £38k (2021: +/- £21k) on the right to returned goods asset.

Calculation of share-based payment charges

The charge related to equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date they are granted, using an appropriate valuation model selected according to the terms and conditions of the grant. Judgement is applied in determining the most appropriate valuation model and in determining the inputs to the model. Judgements are also applied in relation to estimations of the number of options which are expected to vest, by reference to historic leaver rates and expected outcomes under relevant performance conditions. Please see note 18.

Depreciation of property, plant and equipment and amortisation of other intangible assets

Depreciation and amortisation are provided to write down assets to their residual values over their estimated useful lives. The determination of these residual values and estimated lives, and any change to the residual values or estimated lives, requires the exercise of management judgement. Please see notes 10 and 11.

Principal accounting policies

The principal accounting policies are summarised below. They have been consistently applied throughout the year covered by the financial statements.

Revenue recognition

Revenue is recognised at the point where legal title in the goods passes from the Group to the customer. This includes the price paid for the goods as well as any delivery charge where applicable. Typically legal title is passed when the goods are despatched from the warehouse and as the invoice is created.

Revenue is reported after making deduction for actual and anticipated returns, relevant vouchers and sales taxes.

No breakdown of revenue can be made in tabular form as all sales are UK and online, with similar risk profiles.

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. In the consolidated financial

statements, acquisition costs incurred are expensed and included in general and administrative expenses.

Intangible assets

Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated. Costs are capitalised where the expenditure will bring future economic benefit to the company.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful economic lives. The estimated useful economic life of intangible assets has been revised to 5 years. For any assets older than this with a net book value at year end, the amortisation has been accelerated to make the net book value nil at the end of the financial year.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less subsequent accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to write off their cost over their estimated useful lives at the following annual rates:

Plant and Machinery	15% Straight line
Computer Equipment	33.33% Straight line
Fixture and Fittings	15% Reducing balance
Office Equipment	25% Reducing balance
Leasehold Improvements	20% Straight line
Right of Use Asset	20% Straight line

On 1 February 2022, the Group entered into a new lease. The corresponding right of use asset is depreciated over the life of the lease at 20% per annum.

Equity

Equity instruments issued by the Company are recorded at the value of the proceeds received, net of direct issue costs, allocated between share capital and share premium.

Government grants

Grants are recognised only when there is reasonable assurance that the Group will comply with the conditions attached to them and that the grants will be received. Any grants that are receivable as compensation for expenses already incurred are recognised in profit or loss in the period in which they become receivable.

Impairment of non-financial assets

At each statement of financial position date, the Company reviews the carrying amounts of its investments 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 the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

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 (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (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 (cash-generating unit) in prior years. A reversal of an impairment loss is recognised as income immediately, 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.

Taxation

Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the same income statement 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 and Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the statement of financial position liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax is reviewed at each statement of financial position 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 realised. Deferred tax is charged or credited to the income statement, 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 when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group and Company intends to settle its current tax assets and liabilities on a net basis.

Share-based compensation

The fair value of the employee and suppliers' services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The fair value of share-based payments recognised in the income statement taking into account conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted; based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on management's best estimate of future share price behaviour and is selected based on past experience, future expectations and benchmarked against peer companies in the industry.

Pension costs

The Group contributes to a defined contribution scheme for employees. The costs of these contributions are charged to the statement of comprehensive income on an accruals basis as they become payable under the scheme rules.

Investments

Investments in subsidiary companies are stated at cost less any provision for impairment. Investments are accounted for at cost unless there is evidence of a permanent diminution in value, in which case they are written down to their estimated realisable value. Any such provision, together with any realised gains and losses, is included in the statement of comprehensive income.

Impairment of investments

The impairment of the carrying value of the investment in subsidiaries is calculated using forward-looking assumptions of profit growth rates, discount rates and timeframe which require management judgement and estimates that cannot be certain.

Provisions

Provisions are recognised when the Group and Company has a present obligation as a result of a past event, and it is probable that the Group and Company will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date and are discounted to present value where the effect is material.

Financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Regular purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Fair values

The carrying amounts of the financial assets and liabilities such as cash and cash equivalents, receivables and payables of the Group and Company at the statement of financial position date approximated their fair values, due to the relatively short-term nature of these financial instruments.

Trade payables and other non-derivative financial liabilities

Trade payables and other creditors are non-interest bearing and are measured at cost.

Cash and cash equivalents

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

Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at their cost when the contractual right to receive cash or other financial assets from another entity is established.

A provision for doubtful debts is made when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that a trade and other receivables are impaired.

Financial assets and liabilities

The Group classifies its financial assets at inception into three measurement categories; 'amortised cost', 'fair value through other comprehensive income' ('FVOCI') and 'fair value through profit and loss' ('FVTPL'). The Group classifies its financial liabilities, other than financial guarantees and loan commitments, as measured at amortised cost. Management determines the classification of its investments at initial recognition. A financial asset or financial liability is measured initially at fair value. At inception transaction cost that are directly attributable to its acquisition or issue, for an item not at fair value through profit or loss, is added to the fair value of the financial asset and deducted from the fair value of the financial liability.

Amortised cost measurement

The amortised cost of a financial asset or financial liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal payments, plus or minus the cumulative

amortisation using the effective interest method of any difference between the initial amount recognised and maturity amount, minus any reduction for impairment.

Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date. The fair value of assets and liabilities in active markets are based on current bid and offer prices respectively. If the market is not active the group establishes fair value by using appropriate valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same for which market observable prices exist, net present value and discounted cash flow analysis.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the group has transferred substantially all of the risks and rewards of ownership. In transaction in which the group neither retains nor transfers substantially all the risks and rewards of ownership of a financial asset and it retains control over the asset, the group continues to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset. There have not been any instances where assets have only been partly derecognised. The group derecognises a financial liability when its contractual obligation are discharge, cancelled or expire.

Impairment losses from contracts with customers

The Group assesses at each financial position date whether there is objective evidence that a financial asset or group of financial assets is impaired. If there is objective experience (such as significant financial difficulty of obligor, breach of contract, or it becomes probable that debtor will enter bankruptcy), the asset is tested for impairment. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future expected credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (that is, the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced through use of an allowance account. The amount of loss is recognised in the Statement of Comprehensive Income.

Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT-equipment and small items of office furniture less than £5k.

3 Other operating income

The Group did not receive any government grants through the Furlough scheme during the year (2021: £135k).

4 Operating loss

	31 March 2022 £'000	31 March 2021 £'000
Operating loss is stated after charging/(crediting):		
Operating lease rentals	24	47
Auditors' remuneration:		
Audit fee – group and company	44	32
Non audit fees	-	4
Legal and other fees	167	105
Foreign currency (gain)/loss	48	(33)
Share based payment	255	175

5 Finance cost

	31 March 2022 £'000	31 March 2021 £'000
Interest on the lease	4	5
Other interest	4	5
Total	8	10

6 Employees

	31 March 2022 £'000	31 March 2021 £'000
Aggregate Directors' emoluments including consulting fees	629	414
Wages and salaries	1,641	1,324
Social security costs	230	175
Pension costs	94	72
Share-based payments	255	175
Total	2,849	2,160

	31 March 2022 £'000	31 March 2021 £'000
Directors	8	7
Staff	45	34
Total	53	41

Directors' remuneration

Details of emoluments received by Directors of the Company for the year ended 31 March 2022 are as follows:

	2022	2022	2022	2021
	Base Salary	Pensions	Total	Total
	£	£	£	£
Alison Hall	172,500	13,800	186,300	145,800
Julie Lavington	172,500	13,800	186,300	145,800
Steve Dilks	119,750	8,382	128,132	63,344
Nicholas Mustoe	28,500	-	28,500	24,000
Bill Murray	39,750	-	39,750	24,000
Adam Reynolds	39,000	-	39,000	48,000
Mark Collingbourne	28,500	-	28,500	24,000
Andrew Booth	28,500	-	28,500	24,000
Total	629,000	35,982	664,982	498,944

7 Income tax

a) Analysis of charge in the period

	31 March 2022 £'000	31 March 2021 £'000
Current tax		
UK corporation tax based on the profit/loss for the period	-	-
Adjustment in respect of prior periods	-	-
Total current tax charge/(credit)	-	-
Deferred tax		
Origination and reversal of timing differences	(412)	-
Total deferred tax charge/(credit)	(412)	-

b) Factors affecting the tax charge for the period

	31 March 2022 £'000	31 March 2021 £'000
Loss on ordinary activities before taxation	(554)	(3,098)
Tax at the UK corporation tax rate of 19% (2021: 19%)	(105)	(589)
Expenses not deductible for tax purposes	60	15
Losses unutilised	-	581
Adjustments to losses	1	-
Fixed asset differences	(2)	(7)
Remeasurement of deferred tax for changes in tax rates	(1,256)	-

Movement in deferred tax not recognised	890	-
Tax on loss on ordinary activities	(412)	-

On 3 March 2021, it was announced that the UK corporation tax rate will increase to 25% from 19%, effective from 1 April 2023. The deferred tax asset recognised in the accounts has been calculated using the current year tax rate of 19% (2021: 19%). The unrecognised deferred tax asset amounts to £4,692,886 (2021: £3,970,000) and has been calculated at the tax rate of 25%.

The deferred tax asset has been recognised due to the expectation that it will be reversed in future years.

8 Earnings/(loss) per share

Basic earnings/(loss) per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the year:

	31 March 2022	31 March 2021
Loss after tax attributable to equity holders of the parent (£'000)	(142)	(3,098)
Weighted average number of ordinary shares in issue	216,844,739	192,268,110
Fully diluted average number of ordinary shares in issue	216,844,739	192,268,110
Basic and diluted earnings/(loss) per share (pence)	(0.07)	(1.61)

Where a loss is incurred the effect of outstanding share options and warrants is considered anti-dilutive and is ignored for the purpose of the loss per share calculation. For the prior year loss per share, the share options outstanding as at 31 March 2021 totalled 20,217,698 and were potentially dilutive.

9 Intangible assets – Group	Website £'000	Trademark £'000	Total £'000
Cost			
At 1 April 2020	218	-	218
Additions	10	2	12
At 31 March 2021	228	2	230
Amortisation			
At 1 April 2020	20	-	20
Charge for the year	11	1	12
At 31 March 2021	31	1	32
Carrying value 31 March 2021	197	1	198
Cost			
At 1 April 2021	228	2	230
Additions	-	-	-
Disposals	-	-	-
At 31 March 2022	228	2	230
Amortisation			
At 1 April 2021	31	1	32
Charge for the year	197	1	198

Disposals	-	-	-
At 31 March 2022	228	2	230
Carrying value 31 March 2022	-	-	-

10 Property, plant and equipment – Group

	Computer Equipment £'000	Fixtures and fittings equipment £'000	Right of use asset £'000	Total £'000
Cost				
At 1 April 2020	86	279	192	557
Additions	7	27	-	34
At 31 March 2021	93	306	192	591
Accumulated depreciation				
At 1 April 2020	33	167	75	275
Charge for year	25	51	75	151
At 31 March 2021	58	218	150	426
Carrying value 31 March 2021	35	88	42	165
Cost				
At 1 April 2021	93	306	192	591
Additions	30	6	364	400
At 31 March 2022	123	312	556	991
Accumulated depreciation				
At 1 April 2021	58	218	150	426
Charge for year	27	38	54	119
At 31 March 2022	85	256	204	545
Carrying value 31 March 2022	38	56	352	446

11 Non-current assets

Investments in subsidiaries and associates:

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Cost at 1 April	-	-	6,282	6,282
Disposals during the year	-	-	-	-
Cost at 31 March	-	-	6,282	6,282
Impairment at 1 April	-	-	-	-
Disposals during the year	-	-	-	-
Impairment at 31 March	-	-	-	-
Carrying value as at 31 March	-	-	6,282	6,282

Investments are tested for impairment at the balance sheet date. The recoverable amount of the investment in Thread 35 Ltd at 31 March 2022 was assessed on the basis of value in use. As this exceeded carrying value no impairment loss was recognised.

The key assumptions in the calculation to access value in use are the future revenues and the ability to generate future cash flows. The most recent financial results and forecast approved by management were for the next 9 years and included terminal value. The projected results were discounted at a rate which is a prudent evaluation of the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the cash-generating unit.

The key assumptions used for the value in use calculation in 2022 were as follows:

	%
Discount rate	11
Returns assumption	45
Compound annual revenue growth rate	20

The Directors have made significant estimates on future revenues and EBITDA growth in future years based on the budgeted investment and expansion of our clothing and footwear ranges, increased stocking levels and continued investment in marketing channels to acquire new customers.

The Directors have performed a sensitivity analysis to assess the impact of downside risk of the key assumptions underpinning the projected results of the Group. The projections and associated headroom used for the Group is sensitive to the EBITDA growth assumptions that have been applied.

The subsidiaries of Sosandar Plc are as follows:

Subsidiary companies	Incorporation	Holding	Type of share held	% Holding 2022	% Holding 2021
Thread 35 Limited	UK	Direct	Ordinary shares	100	100

12 Inventories – Group

	31 March 2022 £'000	31 March 2021 £'000
Stock – finished goods	6,493	2,555
Right to returned stock	814	311
Total	7,307	2,866

The cost of inventories charged in the year as an expense equated to £12,962k (2021: £6,319k). Right to returned stock relates to the cost of products sold in the financial year but expected to be returned after the financial period.

13 Loans to subsidiaries

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Loan to subsidiary	-	-	-	-

The loan made to Thread 35 Limited by Sosandar Plc of £4,681,346 (2021: £18,366,142) was waived at the year end. The interest due on this loan was waived at the start of the year and subsequently, no further amounts are due between the two entities.

14 Trade and other receivables

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade receivables	1,683	305	-	-
VAT recoverable	16	18	16	18
Other receivables and prepayments	796	405	18	20
Trade and other receivables	2,495	728	34	38

The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

15 Cash and cash equivalents

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Cash at bank	7,048	3,928	3,399	2,952

16 Share capital and reserves

Details of ordinary shares issued are in the table below:

Ordinary Shares (£0.01)				
	Number of shares	Issue Price £	Total Share Capital £'000	Total Share Premium £'000
At 31 Mar 2021	192,268,122	0.001	192	41,592
Shares issued: Fundraise May 21	28,840,210	0.001	29	5,739
Shares issued: Warrants exercised Dec 21	300,000	0.001	-	45
Direct costs: Fundraise May 21				(287)
At 31 Mar 2022	221,408,332	0.001	221	47,089

17 Share based payments

Share option plans

The Group has a share ownership compensation scheme for Directors and senior employees of the Group. On 2nd November 2017 share options over ordinary shares of 15.1p were issued with a further issue over ordinary shares of 29.1p issued on 25th February 2019. On 21 June 2021 the Group announced the establishment of a new Long Term Incentive Plan in which it granted new nil cost options totalling 21,431,942 ordinary shares of 0.1 pence each to its executive directors and members of the senior management team. Some of the existing options granted, totalling 13,888,742 ordinary

shares, were modified as part of these arrangements. There was no incremental fair value because of this modification.

The options are settled in equity once exercised. If the options remain unexercised for a period after ten years from the date of grant, the options expire.

Details of the number of share options and the weighted average exercise price ("WAEP") outstanding during the period are as follows:

	31 March 2022		31 March 2021	
	Number ('000)	WAEP £	Number ('000)	WAEP £
Outstanding at 31 March 2021	20,218	0.154	20,400	0.155
Modifications in the year	(13,889)	0.154	-	-
Issuances in the year	11,789	0.000	-	-
Cancellations in the year	-	-	(182)	0.265
Outstanding at 31 March 2022	27,761	0.035	20,218	0.154
Exercisable at 31 March 2022	14,682	0.035	13,502	0.154

The options outstanding at 31 March 2022 had a weighted average exercise price of £0.035 and a weighted average remaining contractual life of 8.59 years.

The fair values of options granted prior to 2021 were calculated using the Black Scholes pricing model. The fair values of the options granted in June 2021 were calculated using the Monte Carlo model. The Group used historical data to estimate expected period to exercise, within the valuation model. Expected volatilities of options outstanding granted prior to the Company's admission to AIM were based on implied volatilities of a sample of listed companies based in similar sectors. The risk-free rate for the expected period to exercise of the option was based on the UK gilt yield curve at the time of the grant.

The Group recognised a charge of £255k (2021: £175k) related to equity-settled share-based payment transactions during the year.

The assumptions used in the valuation of the options at the grant date are as follows. There were no new share issues in the year.

	Share options 2022	Share options 2020	Share options 2018
Exercise price	0.0p	29.1p	15.1p
Share price at date of grant	23.75p	29.1p	15.1p
Risk-free rate	0.25%	0.25%	0.25%
Volatility	42%	25%	25%
Expected Life	5 years	10 years	10 years
Fair Value	0.13	0.07	0.05

18 Trade and other payables

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade payables	2,869	1,110	22	3
Accruals	656	405	30	27
Other payables	269	12	-	-
VAT payable	856	529	-	-
Contract liabilities	2,029	726	-	-
Deferred income	82	73	-	-
Trade and other payables	6,761	2,855	52	30

19 Leases

The Group has a property lease contract which is used in its day to day operations.

	31 March 2022 £'000	31 March 2021 £'000
Lease liability brought forward	49	126
Additions	345	-
Finance cost	4	6
Lease payments	(71)	(83)
Lease liability recognised in statement of financial position	327	49

	31 March 2022 £'000	31 March 2021 £'000
Of which		
Current lease liabilities	38	49
Non-current lease liabilities	289	-
Lease liability recognised in statement of financial position	327	49

The lease has a term of five years with a break clause after three years. On 1 April 2022, the Group entered into a second property lease in Wilmslow, England in order to expand its office space.

20 Related party transactions

During the year to 31 March 2022 the Group was charged £39,000 (2021: £48,000) for services provided by Reyco Limited, a company controlled by A Reynolds. There was no amount outstanding at the balance sheet date (2021: £nil).

During the year to 31 March 2022 the Group was charged £28,500 (2021: £24,000) for services provided by Morrison Kingsley Consultants Limited, a company controlled by M Collingbourne. There was £3,040 outstanding at the balance sheet date (2021: £nil).

During the year to 31 March 2022 the Group was charged £39,750 (2021: £24,000) for services provided by Bill Murray and Associates, a company controlled by B Murray. There was no amount outstanding at the balance sheet date (2021: £nil).

During the year to 31 March 2022 the Group was charged £28,500 (2021: £24,000) for services provided by N Mustoe. There was £10,000 outstanding at the balance sheet date (2021: £nil).

During the year to 31 March 2022 the Group was charged £28,500 (2021: £24,000) for services provided by Skale Limited, a company controlled by A Booth. There was £3,000 outstanding at the balance sheet date (2021: £nil).

During the year to 31 March 2022, a management fee of £166,302 (2021: £157,946) was waived in line with the intercompany loan.

During the year to 31 March 2022, interest of £nil (2021: £nil) was charged to Thread 35 Limited relating to the intercompany loan as a result of the waiving of the loan and interest by the Company.

The Company's intercompany loan receivable balance from Thread 35 Limited at the year-end was £nil (2021: £nil).

21 Financial instruments – risk management

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining responsibility for them it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular updates from the management team through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. The Company's operations expose it to some financial risks arising from its use of financial instruments, the most significant ones being cash flow interest rate risk, foreign exchange risk, liquidity risk and capital risk. Further details regarding these policies are set out below:

Cash flow interest rate risk

The Group is exposed to cash flow interest rate risk from its deposits of cash and cash equivalents with banks. The cash balances maintained by the Group are proactively managed in order to ensure that attractive rates of interest are received for the available funds but without affecting the working capital flexibility the Group requires. The Group is not at present exposed to cash flow interest rate risk on borrowings as it has no debt. No subsidiary company of the Group is permitted to enter into any borrowing facility or lease agreement without the prior consent of the Company.

Foreign exchange risk

Foreign exchange risk may arise because the Group purchases stock in currencies other than the functional currency.

The Group monitors whether there is a requirement for foreign currency on a monthly basis. The Group considers this policy minimises any unnecessary foreign exchange exposure.

Liquidity risk

Liquidity risk arises from the Group's management of working capital; it is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The principal obligations of the Group arise in respect of committed expenditure in respect of its stock purchases and design. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its obligations when they become due. To achieve this aim, it seeks to maintain readily available cash balances (or agreed facilities) to meet expected requirements and to raise new equity finance if required for future development or expansion.

The Board receives cash flow projections on a monthly basis as well as information on cash balances. The Board will not commit to material expenditure in respect of its ongoing commitments prior to being satisfied that sufficient funding is available to the Group to finance the planned programmes. For cash and cash equivalents, the Company only uses recognised banks with medium to high credit ratings.

The maturity of borrowings and other financial liabilities (representing undiscounted contractual cash-flows) is as follows:

	Group		Company	
	Within 1 year	1-2 years	Within 1 year	1-2 years
As at 31 March 2022	£'000	£'000	£'000	£'000
Trade and other payables	6,761	-	52	-
Lease liabilities	38	289	-	-
Total	6,799	289	52	-

	Group		Company	
	Within 1 year	1-2 years	Within 1 year	1-2 years
As at 31 March 2021	£'000	£'000	£'000	£'000
Trade and other payables	2,855	-	29	-
Lease liabilities	49	-	-	-
Total	2,904	-	29	-

Financial assets

At the reporting date, the Group held the following financial assets, all of which were classified as financial assets at amortised cost:

	Group		Company	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£'000	£'000	£'000	£'000

Cash and cash equivalents	7,048	3,928	3,399	2,952
Trade & other receivables	2,027	728	34	38
Total	9,075	4,656	3,433	2,990

Financial liabilities

At the reporting dates, the Group held the following financial liabilities, all of which were classified as other financial liabilities at amortised cost:

	Group		Company	
	31 March 2022 £'000	31 March 2021 £'000	31 March 2022 £'000	31 March 2021 £'000
Trade payables	2,869	1,110	22	3
Accruals	656	405	30	27
Other payables	269	12	-	-
VAT payable	856	529	-	-
Contract liabilities	2,029	726	-	-
Lease liabilities	327	49	-	-
Trade and other payables	7,006	2,831	52	30

Capital risk

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

22 Post balance sheet events

On 1 April 2022, the Group entered into a new lease in Wilmslow, England in order to expand its office space. On 1 April 2022, the lease liability on the new lease totalled £361k.

On 14 April 2022, Jonathan Wragg was appointed as a Director to the Board.

23 Contingent liabilities

The Company and Group has no contingent liabilities.

24 Ultimate controlling party

There is no ultimate controlling party of the Company.