

**Company Registration number 12664320**

**Annual Report and Audited Financial Statements**

**for the year ended 30 September 2023**

**for**

**Intuitive Investments Group Plc**

# Intuitive Investments Group Plc

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# Intuitive Investments Group Plc

## Company Information

<b>Directors:</b>	J Baines R Naylor M Gillies C Kilty (Resigned 31 January 2023) C Willis N Rudd (Appointed 8 August 2023) G Willits (Appointed 28 November 2023)
<b>Secretary:</b>	M Gillies
<b>Registered number:</b>	12664320 (England & Wales)
<b>Registered office:</b>	One, St Peters Square Manchester England M2 3DE
<b>Independent Auditor:</b>	MHA Building 4 Foundation Park Roxborough Way Maidenhead SL6 3UD
<b>Financial adviser:</b>	SP Angel Corporate Finance LLP 35 Maddox Street London W1S 2PP United Kingdom
<b>Website address:</b>	<a href="http://www.iigplc.com">www.iigplc.com</a>

# Intuitive Investments Group Plc

## Highlights

### Strategic highlights

- Capturing a transformational growth opportunity through our investment in Hui10 Inc – a China-based technology company with interests in two operating businesses involved in the digital transformation of the Chinese lottery - at a valuation of \$365 million, post period-end.
- Move from AIM to the Specialist Fund Segment of the London Stock Exchange’s Main Market alongside a broadening of our investment policy to encompass a wider range of industries and geographies, including fast growing and / or high potential technology, life sciences and healthcare businesses operating predominantly in the UK, continental Europe, the US and APAC.
- Strengthening and deepening our Board and leadership team through the appointment of Sir Nigel Rudd as Chairman, to oversee and support our evolved strategy and Giles Willits as Chief Investment Officer post period-end to oversee our investment in Hui10 Inc.
- Follow-on investment in Light Science Technologies Holdings plc of £150,000 and in Yourgene Health plc (“Yourgene”) of £150,407.

### Outlook

- Following the transformational Hui10 transaction and recent progress in relation to the approvals received by Hui10, the Group is well positioned to deliver growth in shareholder value in the coming months.

### Financial highlights

	30 September 2023	30 September 2022	30 September 2021
<b>Net Assets (£)</b>	10.46 million	12.93 million	8.14 million
<b>Investments (£)</b>	8.78 million	11.16 million	5.74 million
<b>Cash (£)</b>	1.74 million	1.55 million	2.57 million
<b>Net Asset Value (“NAV”) per share</b>	12.04p	17.95p	20.14p
<b>% Increase/(decrease) from previous period end</b>	(32.9)%	(10.8)%	

### About Intuitive Investments Group plc

IIG is an investment company seeking to provide investors with exposure to a portfolio concentrating on fast growing and/or high potential Life Sciences and Technology businesses operating predominantly in the UK, continental Europe, the US and APAC, utilising the Board's experience to seek to generate capital growth over the long term for shareholders.

# **Intuitive Investments Group Plc**

## **Strategic Report – Corporate Summary**

### **Introduction**

Intuitive Investments Group Plc is an investment company, the shares of which are admitted to trading on the Specialist Fund Segment of the London Stock Exchange's Main Market.

### **The objective of the Company and investment strategy**

The Company's investment objective is to generate capital growth over the long term through investment in a portfolio concentrating on fast growing and/or high potential Life Sciences and Technology businesses operating predominantly in the UK, continental Europe, the US and APAC. The Company is targeting an average return to shareholders of 20 per cent. capital growth per annum.

### **Company's business**

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and its business is that of an investment company. The principal activity of the Company is to invest in accordance with the Company's investment policy with a view to achieving its investment objective.

### **Key risks**

The key risks relating to the Company and its industry which are known to the Directors are as follows:

- The Company may not achieve its investment objective. Meeting the investment objective is a target, but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.
- The Company's returns to Shareholders will depend on many factors, including the value and performance of its investments and the Company's ability successfully to execute its investment strategy. The value and performance of the Company's investments will be affected by a broad range of factors.
- The Company's NAV, revenues and returns to Shareholders will be dependent on there being no material adverse change in applicable laws (including tax laws) or regulations (or their interpretation) that affects the Company, the portfolio, any instruments issued or held by any of them or the overall structure to be adopted to effect the investment strategy and objective of the Company.

### **AIFMD**

The Company is subject to regulation by the FCA and is registered by the FCA as a small registered UK AIFM pursuant to regulation 10(2) of the AIFM Regulations, whereby the Company has been designated as an internally managed AIF. The Board is therefore responsible for the portfolio management and risk management functions of the Company in accordance with the requirements of the AIFM Directive.

# Intuitive Investments Group Plc

## Strategic Report – Chairman and Chief Executive’s Statement

### Evolving our strategy to drive shareholder returns

2023 was a transformational year for IIG. To support our drive to improve shareholder returns, we made a number of changes. We would like to thank our shareholders for voting to support a significant evolution of our strategy, which is defined by three key developments:

- **Investment policy.** We broadened our investment policy in July 2023, allowing us to invest in a wider range of industries and geographies. Our mandate now covers fast growing and / or high potential technology, life sciences and healthcare businesses operating predominantly in the UK, continental Europe, the US and APAC, targeting an average return to shareholders of 20% capital growth per annum.
- **Board and leadership.** We have added strength and depth to our board and leadership team, to oversee and support our evolved strategy. In August 2023, Sir Nigel Rudd replaced Julian Baines as Chairman of the Company with Julian becoming a non-executive director at that time. In November 2023, Giles Willits joined the board as Chief Investment Officer to oversee our investment in Hui10 Inc (“Hui10”). Sir Nigel and Giles are proven leaders with an exceptional track record of driving growth and a high-performance culture.
- **Investment in China-based technology company, Hui10.** In October 2023, IIG invested in Hui10, a technology company with interests in two operating businesses involved in the digital transformation of the Chinese lottery. Hui10 is forecasting significant growth in the next five years. Going forward, given the relative size and growth opportunity of Hui10 compared to the rest of the portfolio, IIG will focus on the Hui10 investment.

### Background

To enable this significant evolution, IIG sought and received shareholder support for the following proposals in July 2023:

- Change of investment policy, as outlined above;
- Move from AIM to the Specialist Fund Segment of the London Stock Exchange’s Main Market;
- Authority to allot shares and disapply statutory pre-emption rights;
- Tender offer and placing. Shareholder’s holding less than 0.1% of the Company’s issued share capital took the opportunity to tender shares; and
- Removal of the performance fee.

These proposals were overwhelmingly endorsed, at the Company’s general meeting held at the end of July 2023, with all shareholders voting in favour and no votes against.

After the year end, at the end of October 2023, the Company made its first investment under its new investment policy to invest in Hui10 Inc, a China-based technology company, at a valuation of US\$365 million, by the issue of new shares. Hui10 is a technology company with interests in two operating businesses involved in transforming the lottery in China:

- Beijing Huishi Dehua Information Technology Co., Ltd (“Huishi Dehua”): through its Tech Platform As A Solution (‘TPAAS’) which is integrated into UnionPay’s national card settlement system and

# Intuitive Investments Group Plc

## Strategic Report – Chairman and Chief Executive’s Statement

payment platform is enabling the market expansion of the Chinese lottery. Hui10 holds a 33% share in Huishi Dehua.

- Beijing Huishi Chunyuan Technical Development Co., Ltd (“Lucky World”): providing China’s existing lottery shops access to a wider fast-moving consumer goods (“FMCG”) product offering, via an omni-channel technology platform. Hui10 owns 60% of Lucky World.

Giles Willits joined the board as Chief Investment Officer on 28 November 2023 for specific oversight of Hui10. Giles has excellent pedigree with more than 30 years’ experience working in senior finance positions, including over 20 years in executive board positions, most recently as Group CFO at IG Design Group plc, an AIM50 company, and Entertainment One Ltd., a FTSE250 company. Giles was previously Director of Group Finance at J Sainsbury’s plc, a FTSE100 company, and is a qualified Chartered Accountant. It is testament to the opportunity which Hui 10 presents that we can attract such talented people to the Company.

The Company’s share price has responded positively to these developments being 5 pence on 10 July 2023, prior to the announcement of the proposals. The share price, as at 26 January 2024 was 10 pence an increase of 100% and the Company has been able to issue 14,040,862 new shares in aggregate on two occasions post year end at 15.66 pence per share. We recognise that the flotation price was 20 pence per share, however, the benefit of recent developments have begun to return shareholder value toward this level, and we perceive that, in due course, we should return a share price many times that at flotation.

### Hui10 opportunity

Each of the businesses is forecasting significant growth over the next five years.

- Huishi Dehua is aiming to increase the number of lottery enabled terminals to approximately three million in shops and retail outlets across China, targeting to attract over 400 million registered lottery users, with 300 million active players, representing over 30% of the addressable market in China. As a TPAAS the business gets a small share from the sale of each ticket and as such this volume of participation represents a significant opportunity for value growth. If achieved these targets would bring the China lottery participation levels to the lower end of the range of levels that are achieved in most established lottery markets including North America, Europe and the UK. Furthermore, the recent official authorisation from the national issuing body and contracts with UnionPay secured by the business provides for an exciting outlook in the coming year.
- Lucky World is focused on converting the majority of these to the Lucky World format while expanding the range of fast-moving consumer goods stock keeping units they can offer to the established customer base. Each sale generates a margin for the shop owner and Lucky World. As such this rollout programme represents a significant opportunity for shareholder value generation. This was supported by the recent official contracts secured by the business with the issuing bodies enables the roll out of its tech platform for lottery based provincial sales initiatives.

### Financial performance

NAV per share has decreased by 32.9% to 12.04 pence (2023: 17.95 pence). Net Assets were £10.5 million, including investments of £8.8 million and cash of £1.7 million.

There is net deficit income of £2.5 million, comprising unrealised losses of £2.7 million, realisation of publicly traded companies of £47,000, interest from the convertible loan notes in aggregate of

# Intuitive Investments Group Plc

## Strategic Report – Chairman and Chief Executive’s Statement

£103,000 and management fees received of £4,000. The administrative costs of the business were £477,000 for the year.

Given the cash and liquid investments compared to the administrative costs, the Company has adequate working capital for a number of years. The Board does not propose to declare a dividend.

### 2023 financial year investments update

Total investments were £8.8 million, split £7.8 million Unquoted Investments, £0.9 million Listed Investments. With the exception of a follow-on investment of £150,000 in Yourgene Health and Light Science Technologies Holdings plc, the Company has not made any further cash investments in the year. Yourgene was subsequently acquired by Novacyt. Overall, the Company has made a small gain of £47,000 on this investment.

### Listed portfolio at 30 September 2023

	Valuation as at 30 September 2023 £	Valuation as at 30 September 2022 £	Unrealised gain/(loss) £
Evgen Pharma plc	45,938	65,625	(19,687)
Light Science Technologies Holdings plc	735,280	863,200	(127,920)
Microsaic Systems plc	12,480	88,400	(75,920)
Biodexa Pharmaceuticals plc (previously Midatech Pharma plc)	14,300	26,250	(11,950)
Polarean Imaging plc	42,083	175,000	(132,917)
Shield Therapeutics plc	63,705	75,000	(11,295)
Trellus Health plc	32,938	29,750	3,188
Yourgene Health plc	-	71,321	(71,321)
<b>Closing fair value</b>	<b>946,724</b>	<b>1,394,546</b>	<b>(447,822)</b>

The publicly traded portfolio has not performed well. We believe volatility will be a feature in the small cap sector and as quickly as companies de-rated there is the potential to appreciate, particularly with good stock specific news.

We are not proposing to make any further new quoted investments, although we may make follow on investments if there is the potential to suffer dilution.

### Unquoted investments

The unquoted portfolio is held at Investment Team valuation, cost, plus accrued interest if applicable, or the valuation of the most recent investment round. Axol, Momentum, Ocutec and Micrima have raised additional capital.



# Intuitive Investments Group Plc

## Strategic Report – Chairman and Chief Executive’s Statement

Unquoted Investments	Method of fair value valuation	Valuation as at 30 September 2023 £	Valuation as at 30 September 2022 £
<b>Later stage investments</b>			
BioQ Pharma Inc	Cost, interest and FX movement	1,040,130	1,027,438
Touchless Innovations Limited	Investment Team valuation	556,000	2,110,000
Touchless Hygiene Limited	Investment Team valuation	3,880,000	4,254,664
<b>Series A and B investments</b>			
Axol Bioscience Limited	Last investment round	177,923	249,092
CardiNor AS	Last investment round	57,525	122,260
The Electro Spinning Company Limited	Investment Team valuation	496,053	500,000
Micrima Limited	Last investment round	34,557	222,406
Momentum Bioscience Limited	Last investment round	375,000	125,000
Outec Limited	Last investment round	312,500	250,000
PneumoWave Limited	Last investment round	904,124	904,124
<b>Closing fair value</b>		<b>7,833,812</b>	<b>9,764,984</b>

### People

We have an excellent Board and Advisory Panel, which we believe have the necessary skills to substantially grow the Company. We wish to take this opportunity to thank the team for their commitment and hard work during this initial period.

### Outlook

2023 was a transformational year for IIG and lays the foundations for further progress in 2024. The broadening of our investment policy and move to the Specialist Funds Segment; strengthening of our board and leadership; and investment in the China-based technology company (Hui10) support our goal to improve shareholder returns and we look forward to sharing updates through the year.

**Nigel Rudd**

*Chairman*

**Robert Naylor**

*Chief Executive Officer*

30 January 2024

# **Intuitive Investments Group Plc**

## **Strategic Report – Investment Review**

### **Unquoted portfolio review**

#### **Later stage investments**

##### **BioQ Pharma Incorporated ("BioQ")**

Investment of US\$1 million by way of unsecured convertible loan notes and warrants, valued at cost plus accrued interest.

BioQ has raised more than \$30 million in subscription for the unsecured convertible loan notes and is looking to prepare for a fundraising in the Series E ordinary shares.

BioQ is a commercial-stage, medical device and pharmaceutical company, addressing the infusible drugs market. BioQ's proprietary Invenious™ platform comprises a "connect-and-go" drug-device system combination, which can be utilised to improve the delivery of infusible medicines. BioQ's platform includes a bespoke unit-dose delivery solution for infusible drugs, whereby a diluent delivery system and administration line are combined in one self-contained, ready-to-use presentation. The key benefits of the platform include reduced cost and complexity compared to current infusion techniques.

##### **Touchless Innovation Ltd ("Sanondaf")**

Investment of £2.1 million to acquire the entire issued share capital, held at £0.5 million fair value, for which Investment Team valuation is deemed the most appropriate basis of measurement.

Touchless Innovation is an international licensing and franchising business, with master franchise agreements in 10 countries. Sanondaf licenses the brands, know-how and intellectual property of specialist disinfection and decontamination technology.

##### **Touch-Less Hygiene Ltd ("Touch-Less Hygiene")**

Investment of £4.3 million to acquire the entire issued share capital, held at £3.9 million fair value, for which Investment Team valuation is deemed the most appropriate basis of measurement.

Touch-Less Hygiene is a market-leading provider of specialist disinfection and decontamination services and has 25 regional sites in the UK. Treatments are non-corrosive, contain no toxic ingredients and Sanondaf's application methods ensure they are not harmful to people, animals or the environment. It is safe for use in all settings, including operating theatres, critical care units, and is CASA (Civil Aviation Safety Authority) approved. Sanondaf's disinfection formula has proven efficacy against pathogens, including viruses, mould, bacteria and fungi. Customers include the blue-chip life sciences companies, essential infrastructure firms and the NHS. Touchless Hygiene holds a master franchise agreement from Sanondaf International Ltd to operate in the UK.

#### **Series A and B investments**

##### **Axol Bioscience Ltd ("Axol")**

Investment of £249,000 in A ordinary shares, held at £178,000, fair value, for which last investment round is deemed the most appropriate basis of measurement. The company undertook a fundraising in April 2022 at the same valuation as IIG's investment.

Axol produces high quality human cell products, particularly in relation to pluripotent stem cell and critical reagents such as media and growth supplements, which are sold to medical research and drug discovery organisations. Axol also provides contract research for example customising cell lines for

# **Intuitive Investments Group Plc**

## **Strategic Report – Investment Review**

customers, such as reprogramming and differentiation. The Chairman of Axol is Jonathan Milner, who was previously deputy chairman of Abcam plc.

### **CardiNor AS ("CardiNor")**

Investment of £122,000 in ordinary shares, held at £58,000 fair value, for which last investment round is deemed the most appropriate basis of measurement.

CardiNor has made excellent progress particularly with the amount of money raised, which includes:

- Elisa test CE marked with clear route to market in Europe and next generation magnetic test being developed.
- RuO in the US, but distribution deal done with IBL and talking to Labcorp. Going for full FDA approval.

CardiNor is a Norwegian biotech company established in June 2015 to commercialise the development of secretoneurin ("SN"), an important new biomarker for cardiovascular disease ("CVD"). SN is the only biomarker shown to be associated with biological processes linked to cardiomyocyte handling. This unique biological function explains why SN presents as an independent and strong predictor of mortality in all major patient cohorts, including ventricular arrhythmia, acute heart failure, acute respiratory failure patients with CVD and severe sepsis. CardiNor has completed development of a research assay based on immunoassay technology to measure SN in blood and the assay is under further clinical development, allowing it to obtain a CE mark.

### **The Electrospinning Company Ltd ("TECL")**

Investment of £500,000 in ordinary shares, held at £496,000 fair value, for which Investment Team valuation is deemed the most appropriate basis of measurement. This is based on discounted cash flows as well as multiples analysis.

TECL is trading in line with management expectations. TECL has a technology platform built around the process of electrospinning, a technique for production of micro and nano-fibre biomaterials from a variety of natural and synthetic polymers, and a suite of post-processing technologies to convert the biomaterials into medical device components. The core business is the sale of product development and manufacturing services to medical device companies. TECL is also using its know-how to develop proprietary materials for targeted out-licensing opportunities, aiming to capture more of the end-market value created by its innovations and expertise.

### **Micrima Ltd ("Micrima")**

The initial investment of £230,000 was by way of convertible loan note. Post year end the Company undertook a fundraising which triggered the conversion of the convertible loan note, therefore the investment is held at £35,000 fair value, for which last investment round is deemed the most appropriate basis of measurement.

Micrima specialises in radiofrequency technology to improve early diagnosis of breast cancer and measure breast density. Micrima continues to make progress, but has suffered delays in its commercial launch and as a consequence is looking to refocus on breast density measurement.

# Intuitive Investments Group Plc

## Strategic Report – Investment Review

### **Momentum Bioscience Ltd (“Momentum”)**

Investment of £125,000 in preferred A ordinary shares, held at £375,000 fair value, for which last investment round is deemed the most appropriate basis of measurement. Momentum undertook an additional subscription in December 2023.

Momentum is developing a revolutionary rapid diagnostic test for patients suspected of sepsis, an infection of the blood stream resulting in symptoms including a drop in a blood pressure, increase in heart rate and fever. Momentum’s SepsisSTAT® system enables reporting of the presence or absence and ‘pan gram identification’ of viable organisms in just two hours, helping direct the right antimicrobials. The system also provides a pure concentrate of growing organisms for further analysis. Faster testing in suspected sepsis patients can reduce mortality, accelerate hospital discharge, lower hospital costs, and reduce the incidence of antimicrobial resistance. SepsisSTAT® is a diagnostic test that runs from a sample of whole blood before any culturing steps are taken and is currently being studied in clinical practice with highly encouraging early results indicating competitive sensitivity versus the current standard of care. Over 120 million blood tests for sepsis are run annually representing a market potential of over £1 billion.

### **Ocutec Ltd (“Ocutec”)**

Investment of £250,000 in ordinary shares, held at £313,000 fair value, for which last investment round is deemed the most appropriate basis of measurement. Ocutec completed a fundraising in April 2023.

Ocutec has patented technology covering the formulation of novel contact lens products, contact lens comfort solutions and injection moulding technology for rapid manufacturing. Ocutec is based in Glasgow, and has been operating since 2006, having been spun out of the University of Strathclyde.

### **PneumoWave Ltd (“PneumoWave”)**

Investment of £450,000 in new ordinary shares, held at £904,000 fair value, for which last investment round is deemed the most appropriate basis of measurement. IIG invested £100,000 by way of convertible loan notes which converts at a 15% discount to the Series A and £350,000 in the pre-series A funding round. The Series A round has completed leading to an increase in valuation of £454,000.

PneumoWave, which was incorporated in February 2018, is developing an innovative remote respiratory monitoring platform comprising a small, chest-worn biosensor and AI-driven data analysis/alerting software for the early detection, prediction, and prevention of adverse events in respiratory patients, both in hospitals and at home. In 2020, PneumoWave was awarded Breakthrough Medical Device designation from the U.S. Food and Drug Administration for the development of the device, which is designed to monitor breathing in real-time to a clinical standard of care.

The specially designed wireless biosensor is one of the smallest available and transmits data to the cloud using a data hub or smartphone, alerting the patient, their household members, doctor, nurse, or emergency services where life-threatening changes occur. PneumoWave's technology will be able to accurately monitor large numbers of patients in any location at any time.

# Intuitive Investments Group Plc

## Strategic Report – Investment Policy

The Directors present the strategic report of the Company for the year ended 30 September 2023

### Principal activity

The principal activity of the Company is to invest in accordance with the Company's investment policy with a view to achieving its investment objective.

### Objective

The Company's investment objective is to generate capital growth over the long term through investment in a portfolio concentrating on fast growing and/or high potential Technology and Life Sciences businesses operating predominantly in the UK, continental Europe, the US and APAC. The Company is targeting an average return to shareholders of 20 per cent. capital growth per annum.

### Investment policy

The Company's investment policy is to achieve its investment objective, the Company will invest in early and later-stage Technology, Life Sciences and Healthcare businesses.

The Company will follow a high conviction investment strategy. The Company expects to hold a concentrated portfolio of investments and the Company will not seek to reduce concentration risk through diversification. The opportunity set will dictate the number of holdings and the weighting of investments in the Portfolio. The investments with the best return profiles will receive the largest weightings. The Company will therefore have no set diversification policies.

Investments are expected to be mainly in the form of equity and equity-related instruments, including convertible debt instruments. The equity interest in any investment may range from a minority position to 100 per cent. ownership.

The Company's strategy is to invest in unquoted companies and in companies whose Ordinary Shares are publicly traded. The Company may acquire investments directly or by way of holdings in special purpose vehicles, intermediate holding companies or subsidiary entities. The Company might also invest in limited liability partnerships and other forms of legal entity.

The Company will ensure that it has suitable investor protection rights, as determined by the Board. The Company may offer its Ordinary Shares in exchange for Ordinary Shares in investee businesses or may invest cash or a combination of Ordinary Shares and cash investment in such businesses.

The Company, where appropriate and deemed by the Board to be in the Company's best interests, may seek a position on Investee Companies' boards. The Investment Team, where appropriate, will actively assist the board and management of Investee Companies, including helping to scale management teams, informing strategy, driving key performance indicators and assisting with future financing.

The Company intends to realise value through exiting the investments over time and will have no fixed investment period.

### Investment restrictions

The Company will observe the following investment restrictions:

- at least 70 per cent. of NAV will be invested in businesses which are in the Life Sciences and Technology sectors;
- up to 30 per cent. of NAV may be invested in seed investments;

# **Intuitive Investments Group Plc**

## **Strategic Report – Investment Policy**

- at least 70 per cent. of NAV will be invested in businesses which are headquartered in or have their main centre of business in the UK, continental Europe, the US and APAC;
- There will be no cross-financing between the companies forming part of the Portfolio and no operation of a common treasury function between the Company and any of its Investee Companies; and
- no more than 15 per cent. of its total assets in other investment companies whose Ordinary Shares are admitted to the Premium Listing Segment of the Official List.

Each of the restrictions above will be calculated at the time of investment. The Company will not be required to dispose of any investment or to rebalance the portfolio because of a change in the respective valuations of its assets post their acquisition.

### **Hedging and derivatives**

Save for investments made using equity-related instruments as described above, the Company will not employ derivatives of any kind for investment purposes. Derivatives may be used for currency hedging purposes.

### **Borrowing policy**

The Company does not currently intend to borrow money. However, the Company may, in the future, raise debt finance if it believes it will enhance Shareholder returns over the longer term. If, in the future, the Board does decide to introduce gearing, it would seek to maintain this at a conservative level and would intend to limit IIG's borrowings to a maximum of 25 per cent. of Net Asset Value at the time any loan is secured.

### **Cash management**

The Company may hold cash on deposit and may invest in cash equivalent investments, which may include short-term investments in money market type funds and tradeable debt securities.

There is no restriction on the amount of cash or cash equivalent investments that the Company may hold or where it is held. The Board will agree prudent cash management guidelines to ensure an appropriate risk and return profile is maintained. It is expected that the Company will hold between 10 and 20 per cent. of its gross assets in cash or cash equivalent investments, for the purpose of making follow-on investments in accordance with the Company's investing policy and to manage the working capital requirements of the Company.

### **Changes to the investing policy**

No material change will be made to the investing policy without the approval of Shareholders. If such approval is sought, a general meeting will be convened to seek such approval. Non-material changes to the investing policy may be approved by the Board. In the event of a breach of the investing policy set out above and the investment and gearing restrictions set out therein, the Chairman or another member of the Investment Team shall inform the Board upon becoming aware of such breach and if the Board considers the breach to be material, notification will be made to a Regulatory Information Service.

# Intuitive Investments Group Plc

## Strategic Report – Investment Policy

### Competitive advantages

The Directors believe that the Board and the Investment Team have experience in working with, investing in, and providing meaningful exits for Life Science, Healthcare and Technology companies. The Directors believe that the Company has a set of competitive advantages including:

- *Commercialising UK intellectual property in the US and APAC;* the Board will look to facilitate intellectual property commercialisation by leveraging the Board, Investment Team Advisory Panel's expertise, experience and networks in the life sciences and technology sectors. The Board will seek to exploit the differential in valuations of life sciences and technology companies in different territories. There are many examples in which the team have been involved, particularly Sir Nigel Rudd setting up and Chairing the Business Growth Fund Limited and David Evans and Julian Baines, working with companies and partnering with institutions in other jurisdictions, such as taking UK life sciences intellectual property and partnering with US healthcare providers leading to the commercialisation of products.
- *Available investments:* through the Board, Investment Team and Advisory Panel's industry relationships, the Company expects to be able to benefit from access to investment opportunities. It is also envisaged that, due to the demand that currently exists for venture capital in the European, US and APAC Life Sciences, Healthcare and Technology market, potential investee companies available to the Company will continue to increase.
- *The Board and Advisory Panel's extensive experience and networks:* the Company will leverage the Board, Investment Team and Advisory Panel's expertise, experience and networks in the Life Sciences, Healthcare and Technology sectors to drive value creation in its Investee Companies. The Board, Investment Team and Advisory Panel have proven capability in transaction origination as well as the execution of business plans to achieve significant growth and valuation creation.
- Europe, the US and APAC offers a large addressable and attractive Life Sciences, Healthcare and Technology investment opportunity with a funding gap: the Investment Team are seeing innovation throughout Europe, the US and APAC. As well as being a fertile ground for Life Science, Healthcare and Technology businesses to be built.

# Intuitive Investments Group Plc

## Strategic Report

### Review of business

A review of the business of the Company together with comments on future developments is given in the Chairman and Chief Executive's Statements.

### Principal risks and uncertainties

Market Risks	Impact	Mitigation
Performance of its investments	The value and performance of the Company's investments will be affected by a broad range of factors which will in turn impact the returns to Shareholders.	Investment Team regularly obtains updates from unquoted investments and reviews publicly traded investments.
Early-stage investments	The businesses in which the Company will invest may be at an early stage and carry inherent risk.	Before an investment is made the Company conduct due diligence which it deems reasonable and appropriate based on the facts and circumstances applicable to each investment.
Exit value of investment	Investment may exceed exit value.	Investment Team regularly obtains updates from unquoted investments and reviews publicly traded investments.
Macro-economic environment	Volatility of public and private markets with the potential for recession, leading to a loss in confidence, whereby investee companies cannot attract follow-on investment which will ultimately impact the valuation of these companies.	IIG has cash reserves to support investee companies. There is a range of funding strategies in place for access by IIG, including co-investments.  Strong level of experience of Board Members to help the IIG navigate and mitigate market-risks.
Operational Risks	Impact	Mitigation
The Company may not achieve its investment objective	Meeting the investment objective is a target but the existence of such an objective should not be considered as an assurance or guarantee that it can or will be met.	Performance and composition of Investment Team kept under review by Board.
Concentration in a single or small number of investee companies	The Company's investment policy allows the Company to concentrate on a single investment.	Where the Company has concentration risk, it will closely review the investee company(ies) and may appoint a non-executive director or specific person to monitor the investment



# Intuitive Investments Group Plc

## Strategic Report

<b>Financial Risks</b>	<b>Impact</b>	<b>Mitigation</b>
Future funding requirements	Our current funding covers current requirements. Potential, as yet unidentified, opportunities may not be pursued with the existing funding.	The Investment Team will analyse major opportunities and present them in additional business cases when warranted.
<b>Regulatory Risks</b>	<b>Impact</b>	<b>Mitigation</b>
AIFMD	The AIFMD imposes a regime for UK managers of AIFs and in respect of marketing any AIFs in the UK. The AIFMD requires that AIFMs of AIFs are registered or authorised and regulated.	The company is registered with the FCA as a small registered UK AIFM.

### Financial and capital risk management

The Directors constantly monitor the financial risks and uncertainties facing the Company with reference to the exposure of credit risk and liquidity risk. They are confident that suitable policies are in place and that all material financial risks have been considered. The financial risk management objectives and policies can be found within Note 16 of the financial statements.

The Board's objective is to maintain a balance sheet that is both efficient and delivers long term shareholder value.

### Key performance indicators

#### Financial

	<b>Year to 30 September 2023 £'000</b>	<b>Period to 30 September 2022 £'000</b>
(Deficit)/Revenue	(2,521)	(1,073)
(Loss)/Profit for the period	(3,236)	(1,158)
Cash as at 30 September	1,737	1,553
Earnings per share	(4.13p)	(2.01p)

# Intuitive Investments Group Plc

## Strategic Report

Net asset value

	<b>Net asset value</b>	<b>Net asset value per share</b>
	<b>£'000</b>	<b>pence</b>
30 September 2021	8,143	20.14
31 March 2022	12,325	18.73
30 September 2022	12,930	17.95
31 March 2023	9,470	13.07
30 September 2023	10,462	12.04

### Non-financial

The Board recognises the importance of KPIs in driving appropriate behaviour and enabling of Company performance. For the period to 30 September 2023 the primary KPIs were the completion of the move to the Specialised Funds segment of the main market. The Company intends to review the following non-financial KPIs going forward:

1. Investee relationships and communication; and
2. Service quality and brand awareness.

### Future developments

The Chairman's and Chief Executive Statement gives information on the outlook of the Company.

# **Intuitive Investments Group Plc**

## **Strategic Report - Section 172 Statement**

Under Section 172 of the Companies Act 2006, directors are required to promote the success of the Company for the benefit of the stakeholders. In accordance with the requirements of the Companies (Miscellaneous Reporting) Regulations, 2018, the Company has to detail how this duty has been performed with regard to the matters set out in Section 172 (1) (a) to (f).

- The Directors have to consider the likely consequences of their decisions in the long-term taking into account the interests of the various different stakeholders of the Company. Key decisions made by the Board during 2023 were the move to the Specialist Funds Segment of the London Stock Exchange.
- A company's stakeholders are normally considered to comprise of its shareholders, employees, customers and suppliers as well as the wider community in which the company operates. As the Company is an internally managed investment company it does not have any employees. Its customers are its shareholders and details of those owning more than 3 per cent. of the Company's shares are shown on page 29.
- The main stakeholders are therefore the Company's shareholders and a small number of key third party suppliers, accountants, broker and auditor.
- The Board works to promote the long-term success of the Company as effectively and responsibly as possible. Details of the investments can be found on pages 9 to 11.
- The Company has a limited impact on the environment and has no greenhouse gas emissions to report as indicated on this page. Its impact on social, community and human rights issues are detailed on this page and a statement on the Modern Slavery Act is given on page 25.
- The Directors take care to ensure that the Company maintains a reputation for high standards of business conduct.
- The Directors ensure that the Company always acts fairly between members of the Company.
- To summarise, the Directors are fully aware of their duty under Section 172 in all their deliberations, and decisions taken always take into account the interests of the key stakeholders.

### **Shareholder Engagement**

The Company, through its Financial Adviser, SP Angel, has regular contact with its institutional shareholders. The Board supports the principle that the Annual General Meeting be used to communicate with private shareholders and encourages them to participate. The Annual General Meeting is attended by Directors.

### **On behalf of the Board**

**Robert Naylor**

30 January 2024

# Intuitive Investments Group Plc

## Board of Directors and Investment Team

### Board of Directors

#### **Sir Nigel Rudd**, *Non-Executive Chairman*

Sir Nigel is an experienced Chairman of listed businesses and investor in emerging growth companies and SMEs. Over the past 25 years, he has chaired companies such as Pendragon plc, the automotive retailer; Pilkington, a manufacturer of glass and glazing systems; Alliance Boots, a global retail pharmacy; Heathrow, the UK airport; Invensys plc, an engineering firm; Business Growth Fund, an investor in growth companies; Signature Aviation plc, the aviation firm; and Meggitt plc, the aerospace and defence firm. Sir Nigel occupied a seat on the Barclays Bank Board for more than 12 years, latterly as Deputy Chairman, retiring in 2008.

Sir Nigel is currently a Non-Executive Director of Sappi Limited, a renewable resource company. Sir Nigel is best known for his role in the 1980s at Williams plc, which he turned into a FTSE 100 Company. Williams plc remained one of the largest industrial holding companies in the UK until its demerger in 2000 into two separate entities, Chubb and Kidde.

#### **Robert Naylor**, *Chief Executive Officer*

Robert has 25 years' experience in capital markets. Robert previously held roles at Cenkos Securities plc, Panmure Gordon (UK) Ltd and JPMorgan Asset Management Ltd. Robert has advised a number of public Healthcare and Life Science companies. Robert started his career with Ernst & Young LLP in 1996 where he qualified as a chartered accountant in the investment management group.

Robert is non-executive chairman of Hipgnosis Songs Fund Limited, non-executive director of Light Science Technologies Holdings plc and was previously non-executive chairman of RoundHill Music Royalty Fund Limited.

#### **Giles Willits**, *Chief Investment Officer*

Giles has over 30 years' experience working in senior finance positions, including over 20 years in executive board positions, most recently as Group CFO at IG Design Group plc, an AIM50 company, and Entertainment One Ltd., a FTSE250 company. Giles was previously Director of Group Finance at J Sainsbury's plc, a FTSE100 company, and is a qualified Chartered Accountant. Specific to Hui10, Giles invested in Hui10 in 2018 and has been advising the business since his initial investment.

Giles is currently a Non-Executive Director of Shearwater Group plc and Acceler8 Ventures plc. Giles is also Treasurer of the University of Nottingham.

#### **Colin Willis**, *Senior Independent Non-Executive Director*

Colin has 27 years of venture capital experience. He founded Hotspur Capital Partners Ltd in November 2007, which is a private investor group.

Prior to founding Hotspur, he set up the Rising Stars Growth Fund in which he completed 37 early-stage investments and led two successful funding rounds with institutions. Rising Stars has returned greater than five times initial investment to investors.

Colin currently serves on the board of directors of Caspian Learning Ltd, Femeda Ltd, Screenreach Group Ltd, Greengage Lighting Ltd and Hotspur Capital Partners Ltd. Previously, Colin has been involved with companies that floated on public markets or were acquired by large UK or US corporations.

# **Intuitive Investments Group Plc**

## **Board of Directors and Investment Team**

### **Julian Baines, *Non-Executive Director***

Julian was Group CEO of BBI Diagnostics Group plc where he undertook a management buyout in 2000, a flotation on AIM in 2004 and was responsible for selling the business to Alere Inc. (now part of Abbott Laboratories Ltd) in 2008 for circa £85 million. In December 2009, Julian became CEO and is now deputy Chairman, of EKF Diagnostics Holdings plc and has subsequently successfully completed a number of fund raisings and the acquisition and subsequent integration of eight businesses in seven countries. In 2016, he was awarded an MBE for services to the Life Sciences industry. Julian was also Chairman of Renalytix plc, a spin out company from EKF Diagnostics Holdings Plc, which dual listed on Nasdaq Stock Exchange, at which time Julian stepped down. Julian is also Chairman of Verici Dx plc and Trellus Health plc.

### **Malcolm Gillies, *Independent Non-Executive Director***

Malcolm is a director of several private companies involved in the medical and technology sectors, including Recircle Ltd and OhMedics Ltd, Changingday Ltd and previously of AIM-quoted Collagen Solutions plc. Malcolm was a director of Aircraft Medical Ltd. Until November 2015, when it was sold to Medtronic Ltd for US\$110 million. He has previously held positions as a non-executive director in public companies and was Company Secretary at Axis-Shield plc. He has a background as a corporate finance lawyer, where Malcolm was most recently a senior corporate partner with Shepherd and Wedderburn LLP.

### **The Investment Team**

The Investment Team consists of David Evans, Robert Naylor, Giles Willits and Dr Stewart White.

### **David Evans, Chairman of the Investment Team**

David was the founder of the Company and has extensive board experience in the diagnostics and life science industry spanning 27 years, of which the last 18 has been primarily in a role as Chairman of various public and private companies. Over that period, he has enabled 12 companies to go public (directly and indirectly) and has overseen four successful exits. David has served on the Board of a number of quoted life sciences companies, including Collagen Solutions plc, Omega Diagnostics Group plc, Genedrive plc, Premaita Health plc (now Yourgene Health plc), OptiBiotix Health plc, Venn Life Sciences plc (now Open Orphan plc), EKF Diagnostics Holdings plc, Immunodiagnostic Systems Holdings plc and BBI Holdings plc (now BBI Diagnostics Group Limited). David was a key member of the team that floated Shield Diagnostics Group plc in 1993. He became Chief Executive Officer responsible for the merger of Shield Diagnostics with Axis Biochemicals ASA of Norway in 1999 to create Axis-Shield plc. David is a Chartered Accountant, member of ICAS and has a BCom and MBA.

### **Dr Stewart White, Member of the investment Team and Chair of the Advisory Panel**

Stewart has recent and direct board experience of AIM quoted companies, most recently as founding CEO of Collagen Solutions plc. Current positions include Executive Chairman at Novel Technologies Holdings Limited, Chairman of The Electrospinning Company Limited, Non-Executive Director of CuanTec Limited and Visiting Professor (Technology Entrepreneurship – Biomedical Engineering) at the University of Glasgow. Stewart has 20 years' experience in commercialisation, product development and manufacturing of medical devices, advanced biologics and active pharmaceutical ingredients. A graduate of the University of Strathclyde, Stewart holds a first-class BSc (Hons) in Applied Microbiology and a Ph.D. in Bioprocessing and an MBA.

# Intuitive Investments Group Plc

## Corporate Governance

### Introduction from the Chairman

The Disclosure Guidance and Transparency Rules require the Company to: (i) make a corporate governance statement in its annual report and accounts based on the code to which it is subject, or with which it voluntarily complies; and (ii) describe its internal control and risk management arrangements. The Company's website at [www.iigplc.com](http://www.iigplc.com) sets out full details of the Company's corporate governance policies.

The Board has considered the principles and provisions of the AIC Code. The AIC Code addresses the principles and provisions set out in the Corporate Governance Code, as well as setting out additional principles and provisions on issues that are of specific relevance to listed investment companies. The Board considers that reporting against the principles and recommendations of the AIC Code will provide better information to Shareholders.

The Company previously adhered to the QCA Corporate Governance Code. However, the Company will comply with the AIC Code (save as indicated below) which complements the Corporate Governance Code and provides a framework of best practice for listed investment companies.

### Compliance with the AIC's Code of Corporate Governance

The Board has considered the Principles and Provisions of the AIC's Code of Corporate Governance. The AIC Code adapts the Principles set out in the UK Corporate Governance Code issued by the Financial Reporting Council (the "UK Code") to make them more relevant for investment companies, as well as setting out additional principles and recommendations which are better tailored to investment companies.

The Board of Directors considers that reporting against the AIC Code provides more suitable information to shareholders than if it had adopted the UK Code. A copy of the AIC Code can be obtained from the AIC's website ([www.theaic.co.uk](http://www.theaic.co.uk)). It includes an explanation of how the AIC Code adapts the principles and provisions set out in the UK Code to make them relevant for investment companies. It is also worth noting that as the Company is listed on the Specialist Fund Segment it does not have the same corporate governance requirements as companies with a premium listing.

The Company complied throughout the period, and continues to comply with the Principles and Provisions of the AIC Code, except as set out below;

Principle 15: Given the experience of the Directors as a collective, combined with the minimal complexity of the Company's business, size and recent listing, a regular internal and external evaluation of the Board's performance is not considered necessary at this time. There has been no external evaluation of the Board to date.

The UK Corporate Governance Code includes provisions relating to the need for an internal audit function. For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, being a self-managed investment company. In particular, all of the company's day-to-day management and administrative functions are outsourced to third parties. As a result, the company has no executive directors, employees or internal operations. The company has therefore not reported further in respect of these provisions.

# Intuitive Investments Group Plc

## Corporate Governance

### Role of the Board

Brief biographical details of the Directors in office are set out above. The Board consists of six Directors, four of whom are non-executive (Sir Nigel Rudd (Chairman), Julian Baines, Malcolm Gillies, and Colin Willis) and considered by the Board to be independent for the purposes of the Association of Investment Companies Code.

They are all free of any relationship that could materially interfere with the exercise of their independent judgement on issues concerning strategy, performance and standards of conduct. The Board considers that it has the appropriate balance of skills, experience, ages and length of service. Robert Naylor is the Company's Chief Executive and Giles Willits as the Company's Chief Investment Officer are not considered independent. Colin Willis acted as the Company's Senior Independent Director. The Board normally meets at least four times a year and at other times as necessary.

The Chairman and other members of the Board recommend that the Directors standing for re-election be re-elected. The Chairman has confirmed that all Directors have been subject to performance evaluation and following that evaluation, the Chairman confirms that their performance continues to be effective and that they continue to demonstrate commitment to their role and in his view responsibly fulfil their functions.

### Board Meetings

The Board has a schedule of matters reserved to it and sets down matters which require prior approval of the Board. The Chief Executive carries out day-to-day activities which relate to the management of the Company's investment portfolio on a discretionary basis within guidelines that have been set by the Board. These guidelines include, amongst other things, maximum exposure to any one investment and total exposure to unquoted investments. The management of the investment portfolio also includes the monitoring of the performance and activities of the investee companies in the portfolio and detailed research into any prospective investment. In addition to scheduled Board Meetings, the Board may carry out certain urgent matters not requiring debate by way of delegation to a Committee of the Board or by resolution in writing of all Directors.

### Attendance at Board Meetings, Audit and Risks Committees

<i>Total number in year</i>	<i>Board Meetings which the Director was eligible to attend</i>	<i>Board meetings attended</i>	<i>Audit and Risks Committees which the Director was eligible to attend</i>	<i>Audit and Risks Committees Attended</i>
Julian Baines	6	5	2	2
Sir Nigel Rudd	1	1	-	-
Malcolm Gillies	6	6	2	2
Colin Willis	6	6	2	2
Robert Naylor	6	6	-	-

# **Intuitive Investments Group Plc**

## **Corporate Governance**

### **Board Committees**

#### **Remuneration Committee**

The Remuneration Committee is made up of Colin Willis as Chair with Malcom Gillies and Sir Nigel Rudd has access to external expertise should that be required. This Committee is responsible for the scale and structure of the remuneration of the Chief Executive. The recommendations of the Committee must be approved by the Board of Directors. The Remuneration Committee met twice during the year. There was no change to the remuneration the Board Directors.

#### **Audit and Risks Committee**

The Audit Committee is made up of Malcolm Gillies as Chair with Julian Baines and Colin Willis. The Audit and Risk Committee is responsible for monitoring the integrity of the Company's financial statements, reviewing significant financial reporting issues, reviewing the effectiveness of the Company's internal control and risk management systems and overseeing the relationship with the external auditors (including advising on their appointment, agreeing the scope of the audit and reviewing the audit findings). The Audit and Risk Committee will be responsible for compliance with Disclosure Guidance and the Transparency Rules of the Financial Conduct Authority, and other legal requirements. The Audit and Risk Committee will continue to monitor the need for an internal audit function. The Audit and Risk Committee comprises Malcolm Gillies, who acts as chair, and Colin Willis and Julian Baines. The Audit and Risk Committee will meet at least once a year at appropriate times in the reporting and audit cycle and otherwise as required. The Audit and Risk Committee also meets with the Company's external auditors.

#### **Nomination Committee**

The Nominations Committee is made up of Sir Nigel Rudd as Chair with Malcolm Gillies and Colin Willis. The Nominations Committee is responsible for identifying and nominating members of the Board, and in the case of the Board recommending directors to be appointed to each Committee of the Board and the chair of each such committee. The Nominations Committee will also arrange for evaluation of the Board. The Nomination Committee did not meet during the year.

#### **Conflicts of Interest**

The Directors and/or members of Investment Team and/or members of the Advisory Panel may be involved in other financial, investment or professional activities which may, directly or indirectly, on occasion give rise to conflicts of interest, or the perception of conflicts of interest, between any duties carried out on behalf of the Company and their private interests or other duties. Accordingly, the Company has established a Conflicts Policy.

The Company seeks to manage any such conflicts and ensure, in particular, that any transactions are effected on terms which are not materially less favourable to the Company than if the potential conflict had not existed. In particular, the Directors and members of the Investment Team will endeavour to ensure that the Company has the opportunity to participate in potential investments which fall within the Company's investment objective and policy on the best terms reasonably obtainable at the relevant time.

In respect of any investment being considered, each Director must disclose their direct or indirect economic interests or relationships, and that interest must be registered in The Conflicts of Interest Register. In the event that any Director has any potential or perceived conflict of interest in relation



# Intuitive Investments Group Plc

## Corporate Governance

to a specific investment or investment opportunity, they will not be able to participate in any decision relating to that investment. Any investment decision where a conflict exists will require the unanimous approval of those Board members able to vote in advance of entering into final documentation. If the Company is required to issue an RNS, the conflict is noted in the Company's announcement regarding the investment, noting which Board members were conflicted, the reasons for the conflict and that they did not participate in the decision-making process for that investment.

In respect of any listed investment, in the Healthcare, Life Sciences or Technology sectors, in which a Director or member of the Investment Team wishes to execute a transaction on their own account, they must notify the Chairman, or Senior Independent Non-Executive Director prior to any transaction being executed (save for where such investment is made by a fund manager or equivalent on a fully discretionary basis).

Directors can, subject to permission being granted by the Board, participate personally in any (potential) Investee Company investment, but in such circumstances they will not be able to participate in any Board decision relating to that Investment and such participation should not impact the Company's ability to invest or effect the quantum of such investment (due to scaling back or otherwise).

Where a Director is appointed to the board of an Investee Company, such interest is disclosed in the Company's interim and annual financial statements. Where Board or Investment Team members become aware of an investment opportunity in the Healthcare, Life Sciences or Technology sectors, that may be available and of interest to the Company, they shall disclose such opportunity to the Company and, if the Director or Investment Team member is able to do so, afford the Company the opportunity to undertake the transaction on the same terms as those being offered to the relevant member.

The Investment Team are on the boards of the following Investee Companies:

- Robert Naylor, Non-Executive Director of Light Science Technologies Holdings plc; and
- Stewart White, Non-Executive Chairman of Touchless Innovations Limited and The Electrospinning Company Limited and Non-Executive Director Ocutech Limited and PneumoWave Limited.

It is also likely that the Investment Team will also seek to maintain board representation on the boards of future Investee Companies where appropriate. Statutory and fiduciary duties owed to Investee Companies may create conflicts of interest between the duties owed to the Investee Company and the duties owed to the Company by the Investment.

In particular, where representatives of the Investment Team are involved (either as directors or on a more informal basis as advisers) in an Investee Company whose Ordinary Shares are publicly listed or quoted, there is a risk that the Company will be restricted in transacting in, or redeeming, its investment in that Investee Company as a result of, among other things, legal restrictions on transactions by company directors or affiliates or due to the fact the Investment Team will be deemed to be in receipt of inside information for the purposes of MAR. Full details of such interest will be disclosed in the Company's interim and annual financial statements.

The Directors do not believe there are currently any material conflicts of interest, including there being no material potential conflicts of interest which any of the service provider to the Company may have between their duty to the Company and the duties owed to third parties and their other interests.

# **Intuitive Investments Group Plc**

## **Corporate Governance**

### **Suppliers and Contractors**

The Company recognises that the goodwill of its contractors, consultants and suppliers is crucial to the success of its business and seeks to build and maintain this goodwill through fair and transparent business practices. The Company aims to settle genuine liabilities in accordance with contractual obligations.

### **Health and Safety**

The Board recognises that it has a responsibility to provide strategic leadership and direction in the development and maintenance of the Company's health and safety strategy, in order to protect all of its stakeholders.

### **Greenhouse Gas Emissions**

The Company has no physical assets, operations, premises or employees of its own. Consequently, it consumed less than 40,000 kWh of energy during the year so has no greenhouse gas emissions to report.

### **Social, Community and Human Rights Issues**

As an investment company with no employees other than Directors, the Company has no direct social or community responsibilities or impact on the environment. The Company, however, takes into account the impact of environmental, social and governance factors when selecting and managing its investments within the context of its obligation to manage investments in the financial interests of its shareholders.

### **Modern Slavery Act**

As an investment vehicle the Company does not provide goods or services in the normal course of business. Accordingly, the Directors consider that the Company is not required to make any slavery or human trafficking statement under the Modern Slavery Act 2015.

### **Diversity**

Due to the size of the Board and the fact that there are no employees, the Company does not have a diversity policy.

### **On behalf of the Board**

**Robert Naylor**

30 January 2024

# Intuitive Investments Group Plc

## Directors' Report

The Directors present their report and the audited financial statements of the Company for the year to 30 September 2023.

### Issued share capital

The issued share capital of the Company at the date of this document is as follows:

	<i>Issued (fully paid) Number</i>	<i>Aggregate nominal value</i>
Existing Ordinary Shares of 1 penny each	2,001,076,279	£20,010,763
Deferred Ordinary Shares	250,000	£47,500

The Deferred Ordinary Shares are Ordinary Shares of £0.19 each in the capital of the Company, issued in British Pound Sterling. The Deferred Ordinary Shares do not confer any right or rights to:

- transmit or transfer the deferred Ordinary Shares to any person (other than with the prior written consent of the directors of the Company);
- receive notice of, attend or vote at any general meeting of the Company;
- dividends or distributions of the Company; or
- participate in any pre-emptive offer of Ordinary Shares.
- On a winding up or other return of capital, the holders of deferred Ordinary Shares are entitled to receive only the amount paid up or credited on their deferred Ordinary Shares and are entitled to receive such amount only when the holders of the Ordinary Shares shall have been paid in respect of each ordinary share the amount paid up or credited as paid thereon plus £25,000,000.

### Directors

The Directors who served the company during the period and up to the date of this report were as follows:

#### *Executive Directors*

R Naylor            Chief Executive Officer  
G Willits            Chief Investment Officer (Appointed 28 November 2023)

#### *Non-Executive Directors*

N Rudd            Chairman (Appointed 8 August 2023)  
C Willis            Senior Independent non-executive director  
M Gillies  
C Kilty            (Resigned 31 January 2023)  
J Baines

# Intuitive Investments Group Plc

## Directors' Report

### Dividends

The Company made a loss for the year of £3.236 million. No dividends can be distributed for the year to 30 September 2023.

### Substantial shareholdings

Substantial shareholdings greater than 3% from the Company's share register as at 29 January 2024 were as follows:

	Issued Share Capital	
	Ordinary shares of £0.01 each	Percentage Held
HSBC GLOBAL CUSTODY NOMINEE (UK) LIMITED Des:897467	636,724,710	31.82%
THE BANK OF NEW YORK (NOMINEES) LIMITED	452,789,094	22.63%
Coral Group Trading Limited	216,448,245	10.82%
Hingap Limited	189,762,845	9.48%
AURORA NOMINEES LIMITED Des:2288700	65,951,671	3.3%

### Financial instruments

The Company's exposure to financial risk is set out in Note 16 to the financial statements.

### Research and development

The Company does not engage in research and development activities.

### Events after the reporting period

Refer to Note 18 to the financial statements for further details.

### Going concern

The financial statements have been prepared on the assumption that the Company is a going concern. When assessing the foreseeable future, the Directors have looked at the budget for the next 12 months from the date of this report, the cash at bank available as at the date of approval of this report and are satisfied that the Company should be able to cover its quoted maintenance cost and other administrative expenses.

The Directors have considered its forecast of the Company's cash requirements reflecting contracted and anticipated future revenue and the resulting net cash outflows.

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

# **Intuitive Investments Group Plc**

## **Directors' Report**

### **Auditor**

Gravita Audit Limited resigned as auditors for the Company as they are unable to provide audit services for Public Interest Entity (PIE) companies. MHA have been appointed as auditors. A resolution to reappoint MHA as the Company's Auditor will be proposed at the Annual General Meeting.

### **On behalf of the Board**

**Robert Naylor**

30 January 2024

# Intuitive Investments Group Plc

## Directors' Responsibility Statement

The Directors are responsible for preparing the Report for the year ended 30 September 2023 and the financial statements in accordance with applicable law and regulation. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK-adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether they have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- Assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- Use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations or have no realistic alternative but to do so.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors each confirm to the best of their knowledge that:

- The Financial Statements, prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and return of the Company; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company, along with a description of the principal risks and uncertainties that the Company faces.

The Directors confirm that the Audited Report and Financial Statements, taken as a whole are fair, balanced and understandable and provide the information necessary to assess the Company's position and performance, business model and strategy.

### Publication of accounts on company website

Financial statements are published on the Company's website. The maintenance and integrity of the website is the responsibility of the Directors. The Directors' responsibilities also extend to the financial statements contained therein.

### Statement as to disclosure of information to auditors

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all

## **Intuitive Investments Group Plc**

### **Directors' Responsibility Statement**

the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of the information.

**On behalf of the Board**

**Robert Naylor**

30 January 2024

# Intuitive Investments Group Plc

## Directors' Remuneration Report

### Directors' remuneration report for the year ended 30 September 2023

This Report has been prepared in accordance with the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008, Schedule 8. The Directors' Remuneration Report will be put to an advisory shareholder vote at this year's annual general meeting. The law requires the Company's Auditor to audit certain of the disclosures provided and to state whether, in their opinion, those parts of the report have been properly prepared in accordance with the Accounting Regulations. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in their report.

### Role and Composition

The Remuneration Committee consists of Colin Willis as Chair with Malcom Gillies and Sir Nigel Rudd. Sir Nigel Rudd was appointed to the Remuneration Committee on 7 July 2023. Robert Naylor, the Company's Chief Executive, and Giles Willits, the Company's Chief Investment Officer, do not attend meetings of the Remuneration Committee. The Remuneration Committee is responsible for determining all aspects of Directors' remuneration. No Director participates in discussions on their own remuneration. The Committee takes independent professional advice where it considers this is appropriate. No such advice has been received in the year.

The Remuneration Committee will normally meet at least once a year to consider its policy on Directors' Remuneration. The Remuneration Committee met twice this year.

### Directors' remuneration (audited)

Details of emoluments received by Directors of the Company for the year ended 30 September 2023 are as follows:

	Remuneration and fees	Total
	£'000	£'000
R Naylor	76	76
M Gillies	20	20
C Willis	20	20
C Kilty	7	7
J Baines	28	28
N Rudd	5	5
Total	156	156



# Intuitive Investments Group Plc

## Directors' Remuneration Report

Details of emoluments received by Directors of the Company for the year ended 30 September 2022 are as follows:

	Remuneration and fees	Total
	£'000	£'000
R Naylor	71	71
M Gillies	20	20
C Willis	20	20
C Kilty	20	20
J Baines	17	17
Total	148	148

### Directors and their interests (audited)

The Directors held the following beneficial interests in the shares of the Company Intuitive at the date of this report:

	Issued Share Capital	
	Ordinary shares of £0.01 each	Percentage Held
Sir Nigel Rudd	17,790,271	0.90%
J Baines	249,896	0.01%
M Gillies	1,452,380	0.07%
R Naylor	2,468,366	0.12%
Giles Willits	1,939,997	0.10%

### Policy on Directors' Remuneration

The Company's Articles of Association allow for the aggregate total of Directors' fees that can be paid during each year is £250,000 or such other sum as the Company may determine.

The Remuneration Committee's policy is to determine the level of Directors' fees having regard to the level of fees payable to the executive and non-executive directors in other investment trusts, the rate of inflation and the increasing amount of time that individual Directors must commit to the Company's affairs. The Committee is also concerned that the remuneration of the executive and non-executive Directors should reflect the experience of those Directors and believes that the level of remuneration should be sufficient to attract and retain executive and non-executive Directors to oversee the Company.

The Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties and attendance at meetings. Non-executive Directors are not eligible for bonuses, pension benefits, share options or any other incentives or benefits. There are no agreements between the Company and its Directors concerning compensation for loss of office.

# Intuitive Investments Group Plc

## Directors' Remuneration Report

The Board will consider, where raised, shareholders' views on Directors' remuneration.

An explanation of the Company's performance is given in the Chairman's and Chief Executive Statement.

The policy is to review Directors' fees from time to time, but reviews will not necessarily result in the level of Directors' fees changing.

As set out in the Company's AIM admission document dated 8 December 2020, the Company had a performance fee, payable to the Investment Team, based on 20 per cent. of realised profits calculated on an annual basis once the initial flotation proceeds of £7.85 million have been doubled by way of cash realisations. In agreement with members of the Investment Team, the Remuneration Committee has cancelled the performance fee on 11 Jul 2023.

During the year ended 30 September 2023 there were no other shares options or long term incentive schemes in place.

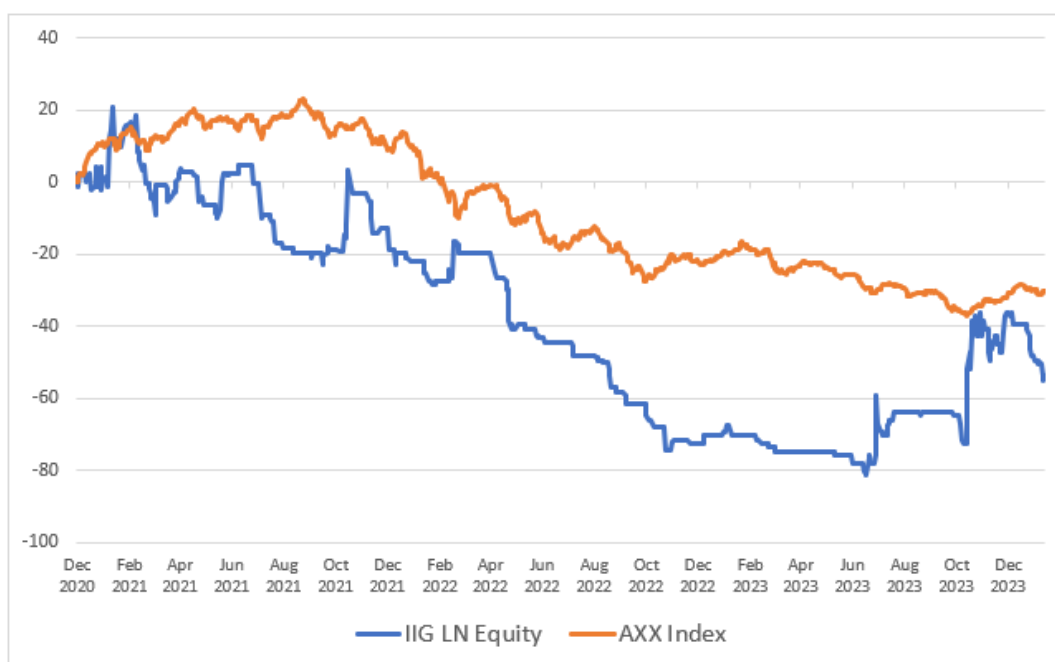
### Relative importance of spend on pay

In the current or prior year financial year;

- the Company had no employees and therefore has no policy on the remuneration of employees. No remuneration was paid to employees;
- there were no distributions to shareholders by way of dividend or share buyback; and
- there are no other significant distribution or payments.

### Company's performance

The performance graph below measures the Company's share price performance against the AIM Small Cap Index from flotation in December 2020.



# **Intuitive Investments Group Plc**

## **Directors' Remuneration Report**

### **Service contracts**

The non-executive directors are engaged by letters of appointment.

The only service contract in place during the year ended 30 September 2023 was with the Chief Executive Officer a summary of which is below.

On 8 December 2020, Robert Naylor entered into a rolling service agreement pursuant to which he was appointed to act as the chief executive officer of the Company, effective from 22 February 2020. It will be terminable at any time by either party on no less than 3 months' prior written notice. Mr Naylor shall not engage or otherwise be interested in any business, or contact any employee officer, contractor, consultant, client, customer, shareholder, funder, supplier, agent, distributor, professional advisor, broker of the Company without prior written permission from the Company. Mr Naylor shall continue to comply with such instructions or requirements as the Company may specify.

### **On behalf of the Board**

**Robert Naylor**

30 January 2024

# **Intuitive Investments Group Plc**

## **Independent Auditor's Report For the year ended 30 September 2023**

### **Independent Auditor's Report to the members of Intuitive Investments Group Plc**

For the purpose of this report, the terms “we” and “our” denote MHA in relation to UK legal, professional and regulatory responsibilities and reporting obligations to the members of Intuitive Investments Group Plc. For the purposes of the table on pages 36 to 37 that sets out the key audit matters and how our audit addressed the key audit matters, the terms “we” and “our” refer to MHA. The “Company” is defined as Intuitive Investments Group Plc. The relevant legislation governing the Company is the United Kingdom Companies Act 2006 (“Companies Act 2006”).

#### **Opinion**

We have audited the financial statements of Intuitive Investments Group Plc for the year ended 30 September 2023. The financial statements that we have audited comprise:

- the Statement of Comprehensive Income
- the Statement of Financial Position
- the Statement of Changes in Equity
- the Statement of Cash Flows, and
- Notes 1 to 18 of the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the company's financial statements is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2023 and of the Company's loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Our opinion is consistent with our reporting to the Audit and Risks Committee.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our ethical responsibilities in accordance with those requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the Directors' use of the going basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

# Intuitive Investments Group Plc

## Independent Auditor's Report For the year ended 30 September 2023

- The consideration of inherent risks to the Company's operations and specifically its business model.
- The evaluation of how those risks might impact on the Company's available financial resources.
- Where additional resources may be required, the reasonableness and practicality of the assumptions made by the Directors when assessing the probability and likelihood of those resources becoming available.
- Liquidity considerations including examination of the Company's cash flow projections.
- The evaluation of the base case scenario and stress scenario and the respective sensitivities and rationale.
- Viability assessment including consideration of reserve levels and business plans.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Overview of our audit approach

<b>Scope</b>	Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the directors that may have represented a risk of material misstatement.		
<b>Materiality</b>	<b>2023</b>	<b>2022</b>	
<b>Company</b>	£158k	£130k	1.5% (2022: 1%) of gross assets
<b>Key audit matters</b>			
<b>Recurring</b>	• Valuation of investments in unquoted companies		

### Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those matters which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Valuation of investments in unquoted companies

<b>Key audit matter description</b>	<i>Refer to Note 8 – Investments at fair value through profit and loss.</i>
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# Intuitive Investments Group Plc

## Independent Auditor's Report For the year ended 30 September 2023

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As at 30 September 2023, the Group held investments in ten unquoted companies. These investments make up 74.9% of the Group's net assets, by value, as at that date.

Unquoted investments are measured at fair value, which involves judgement as there is a lack of observable inputs. Due to the level of judgement involved in quantifying the value of unquoted investments, we determined this to be a key audit matter.

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### How the scope of our audit responded to the key audit matter

Our audit work included, but was not restricted to the following:

- We assessed the appropriateness of the directors' accounting policy in respect of unquoted investments, in line with the requirements of the applicable accounting standards.
- We reconciled management's valuation methodology to the accounting policies and to the requirements of IFRS 13 'Fair Value Measurement'.
- We involved third party valuation experts to critically assess management's valuation methodology.
- We audited management's valuation assessment, interrogating both assumptions used, the valuation methodology and the mechanics of the model, including the source of these inputs.
- We re-performed calculations to ensure numerical accuracy.
- We performed a review of the valuations sensitivity to the discount rates and other key areas of estimation and reviewed the sensitivity disclosure calculations.
- We reviewed documentation related to the raising of capital of the relevant investment entities, to ascertain existence of any observable transactions and understand their relevance to the valuations.
- We reconciled the fair value movements to the financial statements.
- We reviewed the appropriateness of the Group's disclosures within the financial statements in relation to critical accounting judgements, valuation methodology, key valuation inputs and valuation uncertainty.

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### Key observations communicated to the Company's Audit Committee

- Based on our audit work detailed above, we confirm that we have nothing material to report, and or draw attention to, in respect of these matters. The results are consistent with the requirements of the accounting standards applicable.

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### Our application of materiality

Our definition of materiality considers the value of error or omission on the financial statements that, individually or in aggregate, would change or influence the economic decision of a reasonably knowledgeable user of those financial statements. Misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified

# **Intuitive Investments Group Plc**

## **Independent Auditor's Report For the year ended 30 September 2023**

misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole. Materiality is used in planning the scope of our work, executing that work and evaluating the results.

Materiality in respect of the Company was set at £158,400 (2022: £130,000) which was determined on the basis of 1.5% (2022: 1%) of the Company's gross assets. This was deemed to be the appropriate benchmark for the calculation of materiality as this is a key area of the financial statements with which the users of the financial statements are principally concerned.

Performance materiality is the application of materiality at the individual account or balance level, set at an amount to reduce, to an appropriately low level, the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Performance materiality for the Company was set at £110,880 (2022: £97,500) which represents 70% (2022: 75%) of the above materiality levels.

The determination of performance materiality reflects our assessment of the risk of undetected errors existing, the nature of the systems and controls and the level of misstatements arising in previous audits.

We agreed to report any corrected or uncorrected adjustments exceeding £8,290 to the Board of Directors as well as differences below this threshold that in our view warranted reporting on qualitative grounds.

### **The control environment**

We evaluated the design and implementation of those internal controls of the company which are relevant to our audit, such as those relating to the financial reporting cycle. We also tested operating effectiveness but did not place reliance on this work.

### **Climate-related risks**

In planning our audit and gaining an understanding of the company, we considered the potential impact of climate-related risks on the business and its financial statements. We obtained management's climate-related risk assessment, along with relevant documentation relating to management's assessment and held discussions with management to understand their process for identifying and assessing those risks.

We have agreed with managements' assessment that climate-related risks are not material to these financial statements.

We critically reviewed management's assessment and challenged the assumptions underlying their assessment. We also designed our audit procedures to specifically consider those assets and liabilities where we anticipated, based on the work performed, that the highest impact arising from climate change might fall.

### **Reporting on other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not

# **Intuitive Investments Group Plc**

## **Independent Auditor's Report For the year ended 30 September 2023**

cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Strategic report and directors report**

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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

### **Directors' remuneration report**

Those aspects of the directors' remuneration report which are required to be audited have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received by branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using



# Intuitive Investments Group Plc

## Independent Auditor's Report For the year ended 30 September 2023

the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

### **Identifying and assessing potential risks arising from irregularities, including fraud**

The extent of the procedures undertaken to identify and assess the risks of material misstatement in respect of irregularities, including fraud, included the following:

- We considered the nature of the industry and sector, the control environment, business performance including remuneration policies and the Company's own risk assessment that irregularities might occur as a result of fraud or error. From our sector experience and through discussion with the directors, we obtained an understanding of the legal and regulatory frameworks applicable to the Company focusing on laws and regulations that could reasonably be expected to have a direct material effect on the financial statements, such as provisions of the Companies Act 2006, listing rules and tax legislation.
- We enquired of the directors and management concerning the Company's policies and procedures relating to:
  - identifying, evaluating and complying with the laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they had any knowledge of actual or suspected fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.

# Intuitive Investments Group Plc

## Independent Auditor's Report

For the year ended 30 September 2023

- We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur by evaluating management's incentives and opportunities for manipulation of the financial statements. This included utilising the spectrum of inherent risk and an evaluation of the risk of management override of controls. We determined that the principal risks related to management bias in accounting estimates, particularly those used in determining the valuation of investments in unquoted companies, or posting inappropriate journal entries to increase revenue or reduce costs.

### Audit response to risks identified

In respect of the above procedures:

- we corroborated the results of our enquiries through our review of the minutes of the Company's committee meetings;
- audit procedures performed by the engagement team in connection with the risks identified included:
  - reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations expected to have a direct impact on the financial statements.
  - testing journal entries, including those processed late for financial statements preparation, those posted by infrequent or unexpected users, those posted to unusual account combinations;
  - evaluating the business rationale of significant transactions outside the normal course of business, and reviewing accounting estimates for bias;
  - enquiry of management around actual and potential litigation and claims.
  - challenging the assumptions and judgements made by management in its significant accounting estimates, in particular those underpinning the valuation of investments in unquoted companies as reported in the key audit matter section of our report; and
  - obtaining confirmations from third parties to confirm existence of a sample of transactions and balances.
- the Senior Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities; and
- we communicated relevant laws and regulations and potential fraud risks to all engagement team members, including experts, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

### Other requirements

We were appointed by the Directors on 14 December 2023 and the current period is the first year of our engagement.

We did not provide any non-audit services which are prohibited by the FRC's Ethical Standard to the Company, and we remain independent of the company in conducting our audit.

### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to

## **Intuitive Investments Group Plc**

### **Independent Auditor's Report For the year ended 30 September 2023**

anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.14R, these financial statements form part of the European Single Electronic Format (ESEF) prepared Annual Financial Report filed on the National Storage Mechanism of the UK FCA in accordance with the ESEF Regulatory Technical Standard (('ESEF RTS'). This auditor's report provides no assurance over whether the annual financial report has been prepared using the single electronic format specified in the ESEF RTS.

**Jason Mitchell MBA BSC FCA**  
(Senior Statutory Auditor)  
for and on behalf of MHA, Statutory Auditor  
Maidenhead, United Kingdom  
30 January 2024

***MHA is the trading name of MacIntyre Hudson LLP, a limited liability partnership in England and Wales (registered number OC312313)***

# Intuitive Investments Group Plc

## Statement of Comprehensive Income

For the year ended 30 September 2023

	Notes	Year ended 30 September 2023 £'000	Year ended 30 September 2022 £'000
<b>Investment income</b>			
Interest Income realised		-	55
Interest income unrealised		103	93
Unrealised gains/(losses) due to FX		(76)	166
Gains on realised investments		47	76
Gains/(losses) on Investments at fair value		(2,599)	(1,493)
Management Fees		4	31
		<u>(2,521)</u>	<u>(1,073)</u>
Total administrative expenses	4	(477)	(494)
<b>Loss before tax</b>		<b>(2,998)</b>	<b>(1,567)</b>
Corporation tax	5	(238)	409
<b>Loss for the year</b>		<b>(3,236)</b>	<b>(1,158)</b>
Other comprehensive income		-	-
<b>Total comprehensive loss for the year attributable to owners of the company</b>		<b>(3,236)</b>	<b>(1,158)</b>
<b>Earnings per share from continued operations</b>			
Basic loss per share - pence	7	(4.31)p	(2.01)p
Diluted loss per share - pence		(4.31)p	(2.01)p

All activities relate to continuing operations

The notes on pages 47 to 74 form part of these financial statements

# Intuitive Investments Group Plc

## Statement of Financial Position

As at 30 September 2023

	Notes	As at 30 September 2023 £'000	As at 30 September 2022 £'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments	8	8,781	11,160
Deferred tax asset	6	-	238
		<u>8,781</u>	<u>11,398</u>
<b>CURRENT ASSETS</b>			
Trade and other receivables	9	44	24
Cash and cash equivalents	10	1,737	1,553
		<u>1,781</u>	<u>1,577</u>
<b>TOTAL ASSETS</b>		<b><u>10,562</u></b>	<b><u>12,975</u></b>
<b>EQUITY</b>			
<b>Shareholders' Equity</b>			
Called up share capital	11	869	721
Deferred shares	11	48	48
Share premium	11	13,234	12,619
Other reserves	11	144	144
Retained Earnings		(3,833)	(597)
<b>Total Equity</b>		<b><u>10,462</u></b>	<b><u>12,935</u></b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables	13	100	40
		<u>100</u>	<u>40</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>10,562</u></b>	<b><u>12,975</u></b>
Net asset value per share		0.1204	0.1795

These financial statements were approved and authorised for issue by the Board of Directors on 30 January 2024 and were signed on its behalf by:

**Robert Naylor**

**Chief Executive Officer**

**Company Registration no. 12664320**

The notes on pages 47 to 74 form part of these financial statements

# Intuitive Investments Group Plc

## Statement of Changes in Equity

As at 30 September 2023

	Called up Share capital	Deferred Shares	Share Premium	Other reserves	Retained Earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 30 September 2021	405	48	6,985	144	561	8,143
Loss for the period	-	-	-	-	(1,158)	(1,158)
Issue of shares during the period	316	-	5,634	-	-	5,950
Balance at 30 September 2022	721	48	12,619	144	(597)	12,935
Loss for the year	-	-	-	-	(3,236)	(3,236)
Issue of shares during the year	148	-	615	-	-	763
Balance at 30 September 2023	869	48	13,234	144	(3,833)	10,462

The notes on pages 47 to 74 form part of these financial statements

# Intuitive Investments Group Plc

## Statement of Cash Flows

For the year ended 30 September 2023

	Notes	Year ended 30 September 2023 £'000	Year ended 30 September 2022 £'000
<b>(Loss)/Profit before tax from continuing operations</b>		(2,998)	(1,567)
Adjusted by:			
Unrealised interest income		(103)	(93)
Gain on disposal		(47)	(74)
Fair value movement		2,675	1,326
		<u>(473)</u>	<u>(408)</u>
Changes in working capital			
(Increase)/decrease in trade and other receivables		(20)	18
Increase/(decrease) in trade and other payables		60	7
		<u>(433)</u>	<u>(383)</u>
<b>Cash generated from continuing operations</b>		(433)	(383)
		<u>(433)</u>	<u>(383)</u>
<b>Net cashflow from operating activities</b>		(433)	(383)
<b>Cash flows from investing activities</b>			
Purchase of investments	8	(300)	(1,450)
Proceeds from sale of investments		269	212
		<u>(31)</u>	<u>(1,238)</u>
Net cash flows from investing activities		(31)	(1,238)
<b>Cash flows from financing activities</b>			
Net proceeds from share issues		648	607
		<u>648</u>	<u>607</u>
<b>Net cash inflow from financing activities</b>		648	607
		<u>184</u>	<u>(1,014)</u>
<b>Net increase/(decrease) in cash and equivalents</b>		184	(1,014)
Cash and cash equivalents at beginning of period		1,553	2,567
		<u>1,737</u>	<u>1,553</u>
Cash and cash equivalents at end of period	10	<u>1,737</u>	<u>1,553</u>

The notes on pages 47 to 74 form part of these financial statements

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 1. General Information

Intuitive Investments Group plc is a Public Limited Company incorporated in England and Wales. registration number 12664320 and domiciled in the United Kingdom. Details of the registered office, the officers and advisers to the Company are presented on the company information page at the start of this report. The Company's offices are at 1 St Peters Square, Manchester England, M2 3DE.

The Company's principal activity is to generate capital growth over the long term through investment in a focused portfolio of fast growing and/or high potential life sciences businesses based predominantly in the UK, wider Europe and the US.

### 2. Accounting Policies

#### Statement of compliance

The financial statements of Intuitive Investments Group plc have been prepared in accordance with applicable UK law and UK adopted International Accounting Standards (IFRSs), and as applied in accordance to the provision 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.

#### Basis of preparation

The financial statements have been prepared under the historical cost convention except for investments which are measured at fair value at the end of each reporting period. The functional currency of the Company is Pounds Sterling because this is the currency of the primary economic environment in which the company operates.

The principal accounting policies are summarised below. They have all been applied consistently throughout the period under review.

#### Going concern

The financial statements have been prepared on a going concern basis.

The directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the company has adequate resources to continue in operational existence for a period of 12 months from the date these financial statements were approved.

In making the assessment, the Directors have considered in particular the likely economic effects and the effects on the Company's operations of the downturn in the markets following the global downturn.

The longer-term economic effects are very difficult to predict but in considering preparing the accounts on a going concern basis the Directors noted the company holds a portfolio of liquid investments whose value is a multiple of liabilities. The directors are of the view the Company can meet its obligations as and when they fall due, the cash available enables the Company to meet any funding requirements and finance future additional investments.



# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 2. Accounting Policies (continued)

#### Segmental Reporting

In the opinion of the Directors, the Company has one operating segment being that of long-term investment in a focused portfolio of fast growing and/or high potential life sciences businesses based predominantly in the UK, wider Europe, and the US.

#### New and amended standards adopted by the Company

There are no IFRS or IFRIC interpretations that are effective for the first time in this financial period that would be expected to have a material impact on the Company.

The following new standards, amendments to standards, and interpretations have been issued, but are not effective for the financial period beginning 01 October 2023 and have not been early adopted:

IFRS 16 Lease liability in a sale and leaseback transaction	1 January 2024
IAS 1 Classification of Liabilities as Current or Non-current	1 January 2024
IAS 1 Non-Current Liabilities with Covenants	1 January 2024
IAS and IFRS 7 Supplier Finance Arrangements	1 January 2024
IAS 21 Lack of Exchangeability	1 January 2025
IAS 1 amendments - Presentation of Financial Statements	1 January 2023
IFRS 17 amendments - Insurance Contracts	1 January 2023
IAS 8 amendments - Definition of accounting estimates	1 January 2023

The Directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the Company.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 2. Accounting Policies (continued)

#### Income recognition

##### (i) Gains on realised investments

All purchases and sales of quoted investments are accounted for on the trade date basis. All purchases and sales of unquoted investments are accounted for on the date that the sale and purchase agreement becomes unconditional.

##### (ii) Interest income

Interest income is recognised using the effective interest method. Interest income is interest earned on bank deposit accounts and loan notes and is included within the statement of comprehensive income.

##### (iii) Management fees

The Company earns fee income from the monitoring fees from Investee Companies. Revenue is recognised at the fair value of the consideration received or receivable, excluding rebates. Fees earned for the provision of an ongoing service are recognised as that service is provided.

#### Taxation

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

##### (i) Current tax

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules using tax rates enacted or substantially enacted by the statement of financial position date.

Income tax is recognised in the income statement or in equity if it relates to items that are recognised in the same or a different period, directly in equity.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities.

##### (ii) Deferred tax

Deferred tax is provided, using the liability method, on temporary differences at the statement of financial position date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carrying forward or unused tax assets and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Conversely, previously unrecognised deferred tax assets are recognised to the extent that it is probable that sufficient taxable profit that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 2. Accounting Policies (continued)

#### Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

#### Investments

All investments are designated upon initial recognition as held at fair value through the profit and loss and are measured at subsequent reporting dates at fair value in accordance with IFRS 9.

Publicly traded securities will be valued by reference to their bid price or last traded price, if applicable, on the relevant exchange in accordance with the Association of Investment Companies' valuation guidelines and applicable accounting standards. Where trading in the securities of an Investee Company is suspended, the investment in those securities will be valued at the Chairman's estimate of its net realisable value. In preparing these valuations, the Company will take into account, where appropriate, latest dealing prices, valuations from reliable sources, comparable asset values and other relevant factors.

Fair values for unquoted investments including convertible loan notes, or investments for which the market is inactive, are established by using various valuation techniques in accordance with the International Private Equity and Venture Capital Valuation (the "IPEV") guidelines. These may include recent arm's length market transactions, the current fair value of another instrument which is substantially the same, discounted cash flow analysis and option pricing models. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised.

Where an investment has been made recently, the Company may use cost as the best indicator of fair value. In such cases, any changes or events subsequent to the relevant transaction date would be assessed to ascertain if they imply a change in the investment's fair value. Such valuations prepared by the Investment Team will be approved by the Audit and Risk Committee at least twice a year. If the Board considers that any of the above bases of valuation are inappropriate in any case, or generally, it may adopt such other valuation procedures as it considers reasonable in the circumstances.

In accordance with IFRS10, paragraph 4B, investments are recognised at FVTPL in line with guidance set out in IFRS9. Changes in foreign exchange rates impact investments valued in a foreign currency'

All investments for which a fair value is measured or disclosed in the financial statements are categorised within note 16.

#### Assets carried at Fair value through profit or loss (FVTPL)

Under IFRS no impairment testing is required for equity investments which are measured at FVTPL

#### Other receivables and payables

Trade receivables and trade payables are measured at amortised cost.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held on call, together with other short term highly liquid investments which are not subject to significant changes in value and have original maturities of less than three months.

### Share Capital and Reserves

Share Capital: Represents the nominal value of equity shares.

Share Premium: The account represents the accumulated premium paid for shares issued in previous periods above their nominal value less issue expenses.

Retained Earnings: Represents the accumulated profits being the excess of income derived from holding investments less the costs associated with running the Company. This reserve may be distributed by way of dividends.

### Share based payments

All share-based payments are accounted for in accordance with IFRS 2 – “Share based payments”, the company issues equity-settled share-based payments in the form of warrants to advisors. Equity settled share-based payments are measured at fair value at the date of grant. The fair value determined at the date of grant of equity-settled share-based payments is expensed on a straight line basis over the vesting period, with a corresponding adjustment to retained earnings, based on the Company’s estimate of the shares that will eventually vest.

Fair value is estimated using the Black-Scholes model as relevant for the terms and conditions of options. The expected life used in the model has been adjusted, on the basis of management’s best estimate for the effects of non-transferability, exercise restrictions and behaviour considerations.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 3. Employees and Directors

	Year ended 30 September 2023 £'000	Year ended 30 September 2022 £'000
Directors' remuneration	156	148
Social security costs	15	14
Pension costs	-	-
	<u>171</u>	<u>162</u>

	Year ended 30 September 2023 No.	Year ended 30 September 2022 No.
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The average monthly number of employees during the period was as follows:

Directors	<u>5</u>	<u>5</u>
	<u>5</u>	<u>5</u>

	£'000	£'000
Directors' remuneration	156	148
Pension	-	-
Total emoluments	<u>156</u>	<u>148</u>

Emoluments paid to the highest paid director	<u>76</u>	<u>71</u>
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# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 3. Employees and Directors (continued)

#### Directors' remuneration

Details of emoluments received by Directors of the Company for the year ended 30 September 2023 are as follows:

	<b>Remuneration and fees</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
R Naylor	76	76
M Gillies	20	20
C Willis	20	20
C Kilty	7	7
J Baines	28	28
N Rudd	5	5
<b>Total</b>	<b>156</b>	<b>156</b>

Details of emoluments received by Directors of the Company for the year ended 30 September 2022 are as follows:

	<b>Remuneration and fees</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>
R Naylor	71	71
M Gillies	20	20
C Willis	20	20
C Kilty	20	20
J Baines	17	17
<b>Total</b>	<b>148</b>	<b>148</b>

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 4. Expenses – analysis by nature

	Year ended 30 September 2023 £'000	Year ended 30 September 2022 £'000
Directors' fees & remuneration (Note 3)	171	162
Auditor remuneration - audit fees	40	12
Auditor remuneration – non audit fees (tax compliance)	-	-
Consultancy fees	69	88
Legal and professional fees	157	98
Legal costs re acquisition of Touchless Innovations Ltd	-	94
Public Relations costs	14	13
Travel costs	8	1
Other expenses	18	26
	<hr/>	<hr/>
Total administrative expenses	477	494
	<hr/> <hr/>	<hr/> <hr/>

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 5. Corporation Tax

Analysis of tax expense

No liability to UK corporation tax arose on ordinary activities for the period ended 30 September 2023

	Year ended 30 September 2023	Year ended 30 September 2022
	£'000	£'000
<b>Current Tax</b>		
Total current tax charge for the period	-	-
<b>Deferred Tax</b>		
Origination and reversal of temporary differences	-	(409)
Derecognition of deferred tax asset	238	-
Total deferred tax charge / (credit) for the period	238	(409)
Total tax charge / (credit) in the period	238	(409)

#### Factors affecting current tax expense

The tax assessed on the loss for the period is different to the standard rate of corporation tax in the UK. The differences are explained below

	Year ended 30 September 2023 £'000	Year ended 30 September 2022 £'000
Loss on ordinary activities before income tax	(2,998)	(1,567)
Loss on ordinary activities multiplied by the standard rate of corporation tax in UK of 22% (2022 19%)	(659)	(298)
Effects of:		
Expenses not deductible for tax purposes	13	18
Deferred tax recognised at higher rate	-	(98)
Derecognition of deferred tax asset previously recognised	238	-
Tax effect of temporary differences where deferred tax not recognised	646	(31)
Total tax charge / (credit)	238	(409)



# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 5. Corporation Tax (continued)

The tax rate used for the above reconciliation is the effective domestic rate of tax in the United Kingdom, being the country in which the company is domiciled. The UK tax rate increased from 19% to 25% on 1 April 2023.

### 6. Deferred tax

	Year ended 30 September 2023 £'000
<b>Deferred tax assets</b>	
At 30 September 2021	10
Credit to income statement	228
	<hr/>
At 30 September 2022	238
Charge to income statement - derecognition	(238)
	<hr/>
At 30 September 2023	-
	<hr/> <hr/>
<b>Deferred Tax liabilities</b>	
At 30 September 2021	181
Charge to income statement	(181)
	<hr/>
At 30 September 2022	-
Charge to income statement	-
	<hr/>
At 30 September 2023	-
	<hr/> <hr/>

At the year end, the Company had unrelieved gross tax losses with no expiry date of £553,000 (2022: £210,000), resulting in a potential deferred tax asset of £138,000 (2022: £53,000). The deferred tax asset has not been recognised in the accounts at the period end as the timing of future profits is uncertain.

At the year end, the Company had incurred net unrealised losses on investments of £2,696,000 (2022: £1,707,247) resulting in a potential deferred tax asset of £674,000 (2022: £207,000). The deferred tax asset has not been recognised in the accounts at the period end as the timing of future profits is uncertain.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 7. Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable shareholders by the weighted average number of ordinary shares outstanding during the period.

Reconciliations are set out below:

Basic and diluted EPS	Earnings/ (Loss) £'000	2023	
		Weighted average Number of shares No.	per-share Pence
Basic EPS	(3,236)	75,014,923	(4.31)
Diluted EPS	(3,236)	75,014,923	(4.31)
	<u>                    </u>	<u>                    </u>	<u>                    </u>

Basic and diluted EPS	Earnings/ (Loss) £'000	2022	
		Weighted average Number of shares No.	per-share Pence
Basic EPS	(1,158)	57,724,661	(2.01)
Diluted EPS	(1,158)	57,724,661	(2.01)
	<u>                    </u>	<u>                    </u>	<u>                    </u>

The diluted profit per Ordinary Share is calculated by adjusting the weighted average number of Ordinary shares outstanding to consider the impact of options, warrants and other dilutive securities.

As the share price at 30 September 2023 is below the warrant price the warrants are not considered to be dilutive.

At 30 September 2023 there were 2,212,500 outstanding warrants.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 8. Investments at fair value through profit or loss

	Equity investments in quoted companies	Equity investments in unquoted companies	Debt investments in unquoted companies	Total
	£'000	£'000	£'000	£'000
At 30 September 2021	2,069	1,349	2,319	5,737
Additions at cost	78	6,615	100	6,793
Loan note conversion	1,328	-	(1,328)	-
Disposal	(138)	-	-	(138)
Change in fair value	(1,942)	454	-	(1,488)
Exchange rate adjustments	-	(3)	166	163
Accrued Interest	-	-	93	93
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 30 September 2022	1,395	8,415	1,350	11,160
Additions at cost	300	115	-	415
Loan note conversion	-	100	(100)	-
Disposal	(222)	-	-	(222)
Change in fair value	(526)	(1,871)	(202)	(2,599)
Exchange rate adjustments	-	-	(76)	(76)
Accrued Interest	-	-	103	103
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	<u>947</u>	<u>6,759</u>	<u>1,075</u>	<u>8,781</u>

#### Analysis of Additions at Cost

	30 September 2023 £'000	30 September 2022 £'000
<b>Current</b>		
Cash – non listed	150	1,372
Cash - listed	150	78
Equity – non listed	115	5,343
	<u>          </u>	<u>          </u>
	<u>415</u>	<u>6,793</u>

# **Intuitive Investments Group Plc**

## **Notes to the Consolidated Financial Statements**

The fair value of quoted investments is determined by reference to bid prices at the close of business on the reporting date.

Where an unquoted investment has been made recently, the Company may use cost as the best indicator of fair value. In such cases, any changes or events subsequent to the relevant transaction date would be assessed to ascertain if they imply a change in the investment's fair value. Such valuations prepared by the Investment Team will be approved by the Audit and Risk Committee at least twice a year. If the Board considers that any of the above bases of valuation are inappropriate in any case, or generally, it may adopt such other valuation procedures as it considers reasonable in the circumstances.

The fair value of debt instruments is taken as cost-plus accrued interest to the balance sheet date.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 9. Trade and other Receivables

	30 September 2023 £'000	30 September 2022 £'000
<b>Current</b>		
Accounts receivable	-	-
Other receivables	11	19
Prepayments and accrued income	33	5
	<u>44</u>	<u>24</u>

Directors consider that the carrying amount of trade receivables is a reasonable approximation of its fair value. There is not provision for bad debt. Other classes within trade and other receivables do not contain impaired assets.

### 10. Cash and Cash Equivalents

	30 September 2023 £'000	30 September 2022 £'000
<b>Current</b>		
Cash and bank balances	1,468	1,553
Cash equivalent	269	-
	<u>1,737</u>	<u>1,553</u>

Directors consider that the carrying amount of cash at bank is a reasonable approximation of its fair value.

Cash equivalents are liquid balances held within third-party broker accounts, receivable on demand.

### 11. Called up share capital

	30 September 2023 £'000	30 September 2022 £'000
Issued and fully paid		
<b>Deferred Shares</b>		
250,000 deferred shares	48	48
<b>Ordinary Shares</b>		
86,859,644 ordinary shares @ £0.01	869	721
	<u>917</u>	<u>769</u>

Ordinary shares have full voting, dividend and capital distribution (including winding up) rights; they do not confer any rights of redemption.

Deferred shares do not entitle the holder to receive any dividend or other distribution; or receive a share certificate of the relevant holding; or to receive notice of; nor to attend, speak or vote at, any general meeting

# **Intuitive Investments Group Plc**

## **Notes to the Consolidated Financial Statements**

of the Company. The deferred shares shall not be capable of transfer at any time other than with the prior written notice consent of the Directors of the Company

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 11. Called up share capital (continued)

	Deferred Shares	Ordinary Shares	Share Capital	Deferred Shares	Share Premium	Total
			£'000	£'000	£'000	£'000
At 30 September 2021	250,000	40,441,824	404	48	6,986	7,438
Allotment of shares @ £0.22	-	2,759,091	28	-	579	607
Allotment of shares @ £0.19	-	22,589,352	226	-	4,066	4,292
Allotment of shares @ £0.1675	-	6,274,284	63	-	988	1,051
At 30 September 2022	250,000	72,064,551	721	48	12,619	13,388
Allotment of shares @ £0.0575	-	2,000,000	20	-	95	115
Allotment of shares @ £0.0525	-	12,857,142	129	-	547	676
Purchase of shares via tender offer @ £0.0525	-	(62,049)	(1)	-	(3)	(4)
Fund raising costs	-	-	-	-	(24)	(24)
At 30 September 2023	250,000	86,859,644	869	48	13,234	14,515

The Company issued 22,589,352 shares at £0.19 per shares on 4th March 2022 which together with the 6,274,284 shares issued on 26<sup>th</sup> April 2022 at £0.1675 per share formed part of the consideration for the acquisition of shares in Touchless Innovation Ltd. The total value of the shares issued being £5,343,000 as outlined in note 8 above.

On 24 May 2023 the Company issued 2,000,000 shares at £0.0575 per share as part of the deferred consideration for the acquisition of shares in Touchless Innovation Ltd. The total value of the consideration being £115,000 as outlined in note 8 above.

On 28 July 2023 the Company issued 12,857,142 shares at £0.0525 per share by way of a placing.

On 28 July 2023 the Company purchased 62,049 shares at £0.0525 per share by way of a tender offer.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 12. Reserves

Share capital is the amount subscribed for shares at nominal value. Share premium represents amounts subscribed for share capital in excess of nominal value, net of expenses.

Retained earnings represents the cumulative profits and losses of the Company attributable to the owners of the company.

#### Share based payments

The Company operates one option schemes, namely an unapproved option scheme. The unapproved option scheme is for consultants involved in the raising of finance equity.

#### Warrants

Warrant based payments charged to the Share premium in the year as direct costs attributable to the share issue follows:

	2023	2022
	£	£
Warrant issued to consultants with regard raising of equity	-	-
Total share-based payments	-	-

The fair value of options granted by the Company has been arrived at using the Black-Scholes model. The assumptions inherent in the use of this model are as follows

	2022 Average
Volatility	48%
Dividend yield	0%
Risk free rate	0.25%
Discount factors	30%

- The option life is assumed to be at the end of the allowed period of exercise.
- All options relating to the warrants issued vested immediately.
- No variables change during the life of the options (e.g. dividend yield).
- Volatility has been estimated after reviewed the history of the Company's share price.



# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

At the year end, the group had the following options at the weighted average exercise price (WAEP) shown below

	Number	WAEP (£)
At 30 September 2021 and 30 September 2022	2,212,500	0.20
Issued during the period	-	-
Lapsed	-	-
At 30 September 2023	2,212,500	0.20

	2023	2022
Weighted average remaining contractual life (years)	2	3

At 30 September 2023, the following warrants were outstanding in respect of 2,212,500 ordinary shares and all are exercisable by expiry date:

Grant date	Number	Exercise price	Expiry date
8 December 2020	2,212,500	0.20	7 December 2025
Outstanding at 30 September 2023	<u>2,212,500</u>		

### 13. Trade and other payables

	30 September 2023 £'000	30 September 2022 £'000
Accounts payable	42	19
Accrued expenses	58	16
Other Creditors	-	5
	<u>100</u>	<u>40</u>

The Directors consider that the carrying amount of trade payables approximates to its fair value.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 14. Related Party Disclosures

During the year to 30 September 2023 the Company was charged £20,667 (2022: £22,180) for services provided by Morrison Kingsley Consultants Ltd, a company controlled by Mark Collingbourne, Chief Financial Officer.

During the year to 30 September 2023 the Company was charged £48,333 (2022: £50,000) for services provided by White Bio Consulting Ltd, a company controlled by Dr Stewart White, Chair Advisory Panel. At 30 September 2023 £6,265 was due to White bio Consulting Ltd (2022: £15,000)

Fees paid to Directors have been disclosed in note 3

### 15. Financial Instruments

The Company uses financial instruments, other than derivatives, comprising cash to provide funding for the Company's operations.

#### Categories of financial instruments

The IFRS 9 categories of financial asset and financial liabilities included in the Statement of Financial Position and the headings in which they are included are as follows:

	<b>2023</b>	<b>2022</b>
	<b>£'000</b>	<b>£'000</b>
<b>Financial assets</b>		
Cash at bank	1,737	1,553
<i>Amortised cost</i>		
Accounts receivable	44	24
<i>Fair value through profit or loss (FVTPL)</i>		
Investments	8,781	11,160
<b>Financial liabilities</b>		
<i>Amortised cost</i>		
Accounts payable	43	19
Accrued expenses	57	16
Other Creditors	-	5

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 16. Financial Risk Management Objectives and Policies

The Company's financial instruments comprise its investment portfolio, cash balances, and trade receivables and trade payables that arise directly from its operations.

The main risks arising from the Company's financial instruments are:

- (i) Market price risk, including currency risk, interest rate risk and other price risk;
- (ii) Liquidity risk; and
- (iii) Credit risk

The Board consider and review the risks inherent in managing the Company's assets which are detailed below.

#### (i) Market price risk

The fair value of future cash flows of a financial instrument held by the company may fluctuate because of changes in market prices. This market risk comprises currency risk, interest rate risk and other price risk. The Board of Directors reviews and agrees policies for managing these risks through continuing analysis. The Board assess the exposure to market risk when making each investment decision and monitors the overall level of market risk on the whole of the portfolio on an ongoing basis.

##### (a) Currency risk

The company's total return and net assets can be affected by currency translation movements. It is not the company's policy to hedge this risk on a continuing basis.

Foreign currency exposure is the exposure of the principals of the investments.

	<b>30 September 2023 Overseas investments</b>	<b>30 September 2022 Overseas investments</b>
	<b>£'000</b>	<b>£'000</b>
USD	1,040	904
NOK	58	122
Total	1,098	1,026

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 16. Financial Risk Management Objectives and Policies (continued)

Sensitivity analysis is based on the company's monetary foreign currency financial statements held at each balance sheet date. If Sterling had moved by 10% against all other variables constant, the net assets would have moved by the amounts shown below.

	30 September 2023		30 September 2022	
	10% Weakening	10% Strengthening	10% Weakening	10% Strengthening
	£'000	£'000	£'000	£'000
US Dollar	(75)	91	(82)	100
Norway Kroner	(5)	6	(11)	14
<b>Total</b>	<b>(80)</b>	<b>97</b>	<b>(93)</b>	<b>114</b>

In the opinion of the Directors, the above sensitivity analyses are not representative of the period as a whole, since the level of exposure changes frequently as part of the currency risk management process used to meet the company's objectives.

#### (b) Interest rate risk

Interest rate movements may affect.

- The fair value of the investments in fixed interest rate securities (including unquoted loans); or
- The level of income receivable on cash deposits.

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions.

The Board reviews on a regular basis the values of the fixed interest rate securities and the unquoted loans to companies in which private equity investment is made.

Movements in interest rates would not significantly affect net assets attributable to the Company's shareholders and total profit.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 16. Financial Risk Management Objectives and Policies (continued)

#### (c) Other price risk

Other price risk (i.e. changes in market prices other than those arising from currency risk or interest rate risk) may affect the value of the quoted and unquoted investments.

The Company's exposure to price risk comprises mainly movements in the value of the company investments. As at period end the spread of the Company's investment portfolio is set out on pages 9 to 11

The Board of Directors manages the market price risks inherent in the investment portfolio by ensuring full and timely access to relevant investment information from the Investment Team. The Board meets regularly and at each meeting reviews investment performance. The Board is directly responsible for investment strategy and asset allocation.

The Company's exposure to other changes in market prices at 30 September 2023 on its quoted and unquoted investments were as follows:

	30 September 2023	30 September 2022
	£'000	£'000
Financial assets at fair value through profit or loss		
Non-current investments	8,781	11,160
<b>Total</b>	<b>8,781</b>	<b>11,160</b>

As detailed in the accounting policies note, the unquoted equity investments have been valued following the IPEV Valuation guidelines.

Methods applied include cost of investment, price of recent investments, net assets and earnings multiples. Any valuations in local currency are converted into sterling at the prevailing exchange rate on the valuation date.

Although the Board believes that the estimates are appropriate, the use of different methodologies or assumptions could lead to different measures of fair values.

The table below shows how the unquoted investments have been valued as at 30 September 2023.

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### 16. Financial Risk Management Objectives and Policies (continued)

	Method of fair value valuation	30 September 2023 fair value	30 September 2022 fair value
		£'000	£'000
BioQ Pharma Inc	Cost, interest and FX movement	1,040	1,028
Light Science Technologies Holdings plc	Bid price at period end	735	863
Micrima Ltd	Management valuation	35	223
PneumoWave Ltd	Last investment round	904	904
Axol Bioscience Ltd	Last investment round	178	249
CardiNor AS	Last investment round	58	122
The Electro Spinning Company Ltd	Management valuation	496	500
Momentum Bioscience Ltd	Last investment round	375	125
Evgen Pharma plc	Bid price at period end	46	66
Microsaic Systems plc	Bid price at period end	13	88
BioDexa Pharmaceuticals PLC	Bid price at period end	14	26
Polarean Imaging plc	Bid price at period end	42	175
Shield Therapeutics plc	Bid price at period end	64	75
Trellus Health plc	Bid price at period end	33	30
Yourgene Health plc	Bid price at period end	-	71
Ocutec Ltd	Last investment round	312	250
Touchless Hygiene Ltd	Management valuation	3,880	4,255
Touchless Innovations Ltd	Management valuation	556	2,110
<b>Total</b>		<b>8,781</b>	<b>11,160</b>

#### The valuation techniques applied are based on the following assumptions:

Publicly traded securities will be valued by reference to their bid price or last traded price, if applicable, on the relevant exchange in accordance with the Association of Investment Companies' valuation guidelines and applicable accounting standards. Where trading in the securities of an Investee Company is suspended, the investment in those securities will be valued at the Chairman's estimate of its net realisable value. In preparing these valuations, the Company will take into account, where appropriate, latest dealing prices, valuations from reliable sources, comparable asset values and other relevant factors

Fair values for unquoted investments including convertible loan notes, or investments for which the market is inactive, are established by using various valuation techniques in accordance with the International Private Equity and Venture Capital Valuation (the "IPEV") guidelines. These may include recent arm's length market transactions, the current fair value of another instrument which is substantially the same, discounted cash flow analysis and option pricing models. Where there is a valuation technique commonly used by market participants to price the instrument and that technique has been demonstrated to provide reliable estimates of prices obtained in actual market transactions, that technique is utilised.

Where an investment has been made recently, the Company may use cost as the best indicator of fair value. In such cases, any changes or events subsequent to the relevant transaction date would be assessed to ascertain if they imply a change in the investment's fair value. Such valuations prepared by the Investment

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

Team will be approved by the Audit and Risk Committee at least twice a year. If the Board considers that any of the above bases of valuation are inappropriate in any case, or generally, it may adopt such other valuation procedures as it considers reasonable in the circumstances.

Further detail on the valuation of significant investments, are detailed below:

### *Touchless Hygiene*

The enterprise value is calculated by reference to the averages Sales and EBITDA multiples of comparable companies (Sales 3X EBITDA 20X) An increase in the average multiples of 1X would add £1.2million to the valuation, a decrease of 1X would lower the valuation by £600,000.

### *Bio Q Pharma 10% USD Loan notes*

The loan is held at par plus accrued interest and movement on USD/GBP exchange rate from previous year. If the exchange rate were to move by 10% in either direction the valuation of the investment would move by approximately £100,000.

### *PneumoWave Unlisted Ordinary shares*

The shares are valued at the share price which was used for the last funding round in October 2022. An increase or reduction of 10% in the share value would result in an increase or decrease of £90,000 in the value of the investment.

The following table illustrates the sensitivity of the profit after taxation and net assets to an increase or decrease of 10% in the fair values of the Company's investments. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Company's equities at the period end, with all other variables held constant.

	30 September 2023		30 September 2022	
	Increase in fair value	Decrease in fair value	Increase in fair value	Decrease in fair value
	£'000	£'000	£'000	£'000
Increase/(Decrease) in net assets	878	(878)	1,116	(1,116)
Total	878	(878)	1,116	(1,116)

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## Notes to the Consolidated Financial Statements

### 16. Financial Risk Management Objectives and Policies (continued)

#### (ii) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

The Company invests in equities and other investments that are readily realisable. It also invests in unquoted securities, which are less readily marketable than equities. These investments are monitored by the Board on a regular basis.

As at 30 September 2023 the Company's cash is held in a current account with Clydesdale Bank as a result the company could access £1.46 million within one week.

#### (iii) Credit risk

The company does not have any significant exposure to credit risk arising from one individual party. Credit risk is spread across a number of counterparties, each having an immaterial effect on the Company's cash flows, should a default happen. The company assesses the credit worthiness of its debtors from time to time to ensure they are neither past due or impaired.

The maximum exposure of the financial assets to credit risk at the year-end was as follows:

	30 September 2023	30 September 2022
	£'000	£'000
Financial assets neither past due or impaired		
Convertible Loan note Investments	1,074	1,250
Trade and other receivables	44	24
Cash and cash equivalents	1,737	1,553
<b>Total</b>	<b>2,855</b>	<b>2,827</b>

The maximum credit exposure of financial assets represents the carrying amount.

There are no financial assets that are past due or impaired.

There are no commitments giving rise to credit risk as at 30 September 2023.



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## Notes to the Consolidated Financial Statements

### 16. Financial Risk Management Objectives and Policies (continued)

#### Fair value of financial assets

The Company measures fair value using the fair value hierarchy that reflects the significance of the inputs used in making the measures of the relevant assets as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets of liabilities.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset of liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs). See note 2 - Critical accounting judgments and key sources of estimation uncertainty, for how the value of level 3 investments are calculated.

The Company's main unobservable inputs are earnings multiples, recent transactions and net asset basis. The market value would be sensitive to movements in these unobservable inputs. Movements in these inputs, individually or in aggregate could have a significant effect on the market value.

The following table illustrates the sensitivity of the profit after taxation and net assets to an increase or decrease of 10% in the discounted cashflow used for valuation. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Company's equities at the period end, with all other variables held constant. There are no comparatives for the previous year as most investments were held at cost.

	30 September 2023	
	Increase in DCF	Decrease in DCF
	%	%
	£'000	£'000
Increase/(Decrease) in net assets	(1,160)	(4,335)
Total	(1,160)	(4,335)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The Company considers observable data from investments actively traded in organised financial markets, fair value is generally determined by reference to Stock Exchange quoted market bid prices at the close of business on the Period end date, without adjustment for transaction costs necessary to realise the asset.

The table below sets out fair value measurements of financial assets in accordance with the IFRS 13 fair value hierarchy system:

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

### Financial assets at fair value through profit and loss At 30 September 2023

	Total	Level 1	Level 2	Level 3
	£'000	£'000	£'000	£'000
Equity Investments	7,707	948	-	6,759
Fixed interest investments	1,074	-	-	1,074
<b>Total</b>	<b>8,781</b>	<b>948</b>	<b>-</b>	<b>7,833</b>

A reconciliation of fair value measurements in Level 3 is set out below.

### 16. Financial Risk Management Objectives and Policies (continued)

#### Level 3 financial assets as fair value through profit or loss

	Total	Equity Investments	Fixed Interest investments
	£'000	£'000	£'000
Opening fair value	9,638	8,388	1,250
Purchases	315	215	100
Loan note conversion	(100)	-	(100)
Total gains/(losses) included in gains on investments in the Statement of Comprehensive income:			
- Revaluation of assets at period end	(2,047)	(1,844)	(203)
- FX revaluations	(76)	-	(76)
- Interest	103	-	103
<b>Closing fair value</b>	<b>7,833</b>	<b>6,759</b>	<b>1,074</b>

#### Capital risk

The Company'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.

The Company's capital at 30 September 2023 comprises:

# Intuitive Investments Group Plc

## Notes to the Consolidated Financial Statements

	Fixed Interest investments 30 September 2023 £'000	Fixed Interest investments 30 September 2022 £'000
Equity share capital	869	721
Retained earnings and other reserves	9,933	12,214
Closing fair value	10,802	12,935

### 17. Ultimate Controlling Party

No one shareholder has control of the Company.

### 18. Post Balance Sheet Events

On 27 October 2023 the company acquired the entire share capital of Hui10 for a consideration of \$365m. Consideration was settled by the issue of 1,911,529,540 new Ordinary Shares in the Company.

On 13 December 2023, the Company issued 2,687,095 Ordinary Shares, fully paid for cash at a price of 15.66 pence per share.

On 5 January 2024, the Company issued 11,353,767 Ordinary Shares, fully paid for cash at a price of 15.66 pence per share.