Modernise.
Accelerate.
Drive.
Enable.

Made Tech

Annual Report 2022

Made Tech is a provider of digital, data and technology services to the UK public sector

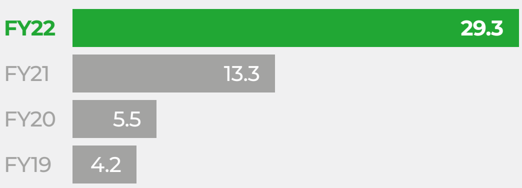
Highlights and KPIs

Operational highlights

- **Delivering our strategy** – successful IPO on AIM in September 2021. £15m gross proceeds (excluding costs related to new shares issued) retained by Made Tech
- **De-risking and underpinning future growth** – existing clients continue to grow and strong momentum of new client wins
- **High growth and repeating revenue** – revenue increased by 120% and gross margin of 38%
- **Strong balance sheet** – to support organic growth and investments
- **Current trading and outlook** – strong sales pipeline from new and existing clients underpins confidence for 2023

Financial highlights

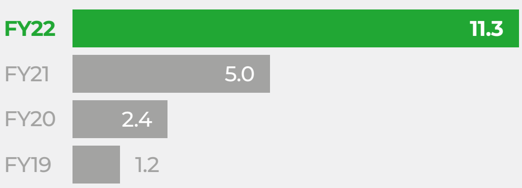
Revenue (£'000)



£29.3m

+120%

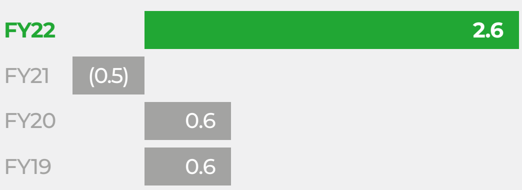
Gross profit (£'000)



£11.3m

+125%

Adjusted EBITDA[1] (£'000)



£2.6m

+618%

Notes

1. Adjusted EBITDA is a non-IFRS measure that the Group uses to measure its performance and is defined as earnings before interest, taxation and amortisation and after add-back of one-off exceptional costs and share-based payment charge. See page 58.

Contents

Strategic report

Highlights and KPIs	01
At a glance	02
Investment case	04
Chair's report	06
Chief Executive's review	09
Strategy	12
Stakeholder engagement	14
Sustainability	16
Financial review	22
Risks and uncertainties	27

Governance

Board of Directors	34
Corporate governance statement	36
Remuneration report	42
Remuneration policy report	44
Annual report on remuneration	46
Audit Committee report	48
Report of the Directors	51

Financial statements

Independent auditors' report	54
Consolidated statement of profit and loss and other comprehensive income	58
Consolidated statement of financial position	59
Company statement of financial position	60
Consolidated statement of changes in equity	61
Company statement of changes in equity	62
Consolidated cash flow statement	63
Company cash flow statement	64
Notes to the financial statements	65

Experienced, motivated and ambitious

Our purpose

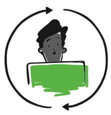
We want to positively impact the future of the country by using **technology** to improve **society,** for **everyone.**

Our vision

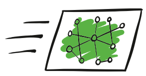
We want to **empower** the public sector to deliver and continuously improve **digital services** that are user centric, data driven and free from legacy technology.

Our missions

We empower public sector organisations by helping them to become **digital by default.**

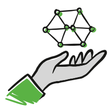


Modernise
legacy technology
and working practices



Accelerate
digital service
and technology delivery

Drive
better decisions through
data and automation



Enable
technology and delivery
skills to build better systems

Our people and locations

478
Headcount at 31 May (including contractors)

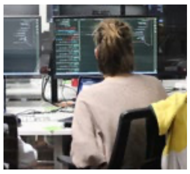
83%
recommended Made Tech to a friend on Glassdoor

Our services

Digital service delivery
We support you at every point along the delivery life cycle, from discovery all the way through to running live services.

Embedded capabilities
We modernise the skills and working practices within your IT and technology teams, enabling you to move fast.

Data infrastructure and insights
We leverage your organisation's data assets to gain strategic insights and make more effective decisions.



Legacy application transformation
We transform mission-critical legacy applications so you can provide services that meet your users' needs.

Our clients

Government Digital Service
Legal Aid Agency
Department for Education
Ministry of Justice
Department for Levelling Up, Housing & Communities
HM Revenue & Customs
Essex County Council
Driver & Vehicle Licensing Agency
Home Office
Maritime and Coastguard Agency
Department for International Trade
ofgem
ofqual
citizens advice
UKRI
One Gloucestershire
Hackney
City of Lincoln Council
Newark & Sherwood District Council
Southwark Council
The Royal Borough of Kensington and Chelsea
h&f hammersmith & fulham
LGSS
City of Westminster
Sedgemoor District Council
NHSX
NHS Business Services Authority
NHS Blood and Transplant
NHS London North West University Healthcare NHS Trust
The Hillingdon Hospitals NHS Foundation Trust
Kettering General Hospital NHS Foundation Trust
NHS Digital
Met Office
skills for care
Llywodraeth Cymru Welsh Government
Royal Air Force
Camden
London Borough of Redbridge
Dorset Council
Borough of Rugby Council
GIG Cymru NHS Wales

A solid platform for expansion

Holding a strong position in a growing market, supported by an experienced and engaged team.

Rapid revenue growth

Organic growth delivered consistently, achieving revenue CAGR from £1.9m in 2018 to £29.3m in 2022.

97% CAGR

over the last 4 years

Long-term revenue visibility

Sticky, repeatable revenues with significant client value which grows over contract life.

until 2025

Focused mission to digitise Public Services

Differentiated by pure public sector focus and strong relationships.

- **Increased our digital service offering**
- **Developed new services around:**
  - User centred design
  - Data
  - Cybersecurity
  - Managed service
  - Transformation advisory

Fast expanding client base

Seven out of the top ten highest spending government organisations are clients.

Driver & Vehicle Licensing Agency

HM Revenue & Customs

NHS Digital

Operationally geared

Significantly invested in core operations, now expanding into new regions, industries and capabilities.

478 headcount

at 31 May (31 May 2021: 235)

Favourable market dynamics

Growth in government spend continuing and favouring smaller agile providers.

£3.5bn

central government spending on digital transformation in 2021

Strong track record of organic growth

"Our strategy for growth is primarily focused on driving organic growth in the multi-billion-pound digital transformation market, specialising in the UK public sector as our unique selling point."

Joanne Lake
Non-Executive Chair

I am pleased to present the Group's first set of full year results as a quoted company for Made Tech, which show a year of exceptional and accelerating growth, delivered by a dedicated and rapidly expanding team, as we continue to build on our success and structure the Group to meet the significant and long-term market opportunity ahead.

We have increased revenues by an impressive 120% to £29.3m (FY21: £13.3m), doubled our year-end headcount with high quality recruits to 478 (FY21: 235), secured 12 new clients (FY21: 11 new clients), increased sales bookings and contracted backlog by 181% and 133% respectively. The Group has moved ahead significantly during the period and is well set and in a strong position to continue to deliver further growth.

Our stock market admission in 2021 was a key milestone for the Group, with our quoted status and new capital structure enhancing our profile, incentivising our people and enabling us to invest in our ambitious growth plans. The management team remains well invested in the business' success, having retained circa 51% of the Company's total issued share capital at IPO, and I am confident that Made Tech will continue to grow rapidly and deliver value for shareholders over the longer term.

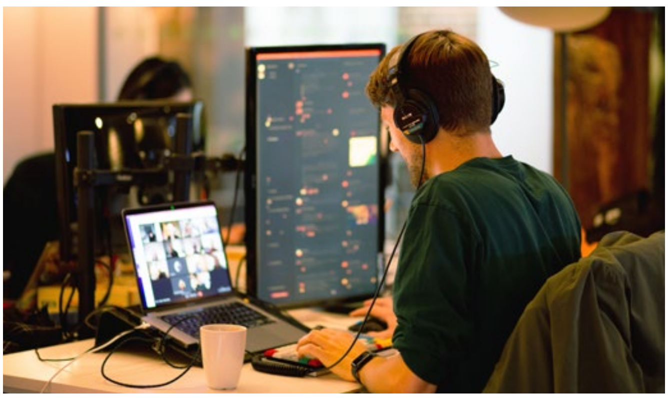
Culture
Our people are central to the Group's success and to delivering on the Board's growth ambitions. We have made significant investment to establish a structure that supports an inclusive culture, based on wellbeing and fostering an environment that is welcoming, social and supportive.

We have a dedicated People team, which conducts a quarterly "happiness survey" to help us ensure we are meeting the needs of our people.

Decentralised community groups are encouraged and supported. These have been particularly important following the changes to working practices resulting from the pandemic. They develop organically, without interference, to best benefit their communities. With no measures, expectations or targets, these groups have led to the development of social spaces online, in-person events, guest speaker events and Company-wide showcases.

Our people are encouraged to socialise, either remotely or in person. During the pandemic, we initiated the use of an application to pair colleagues for a catch-up. This is now being extended to introduce new colleagues to the wider team, facilitating and accelerating integration, both of which are extremely important during the rapid expansion of the business.

Made Tech believes that in order to deliver its mission, to transform public services and create a fairer, more equitable society, a diverse team is needed and this is welcomed by our clients. We have established an ESG Committee with enthusiastic representatives from across the organisation, to drive this agenda in a meaningful way. Made Tech values transparency and has taken the initiative to begin publishing gender and racial pay reports before reaching the threshold for mandatory reporting. The Group produces a Diversity, Equity and Inclusion report and, in our latest report published in June 2022, we have successfully improved diversity and inclusivity throughout the business. Since we last reported in 2021 we have increased ethnic diversity to 20.4%, which is 7.6% higher than the UK population, and 14.3% of the team identifies as LGBTQ+. We have increased the women in leadership positions from 28.6% to 38.6% and have increased the leadership representation of all ethnic groups other than White from 10.7% to 12.3%.



Learning and mentoring are core values. Ongoing training, to support career development, and a knowledge-sharing and mentoring mindset helps to provide continuous learning.

As the business grows, we will continue to resource our People team to support the expanding Group.

Strategy and growth
On admission to AIM, the Group raised £13.5m net to provide growth capital and repay a bank loan of £1.25m. Our strategy for growth is primarily focused on driving organic growth in the multi-billion-pound digital transformation market, specialising in the UK public sector as our unique selling point. However, the Group will also consider relevant bolt-on acquisitions should suitable opportunities arise to complement its organic expansion and to accelerate overall growth.

Our organic growth is driven by four initiatives:

- maintaining our exclusive focus on government services, which we believe delivers competitive advantage through our deep understanding of and close alignment with our public sector clients' needs. This was endorsed in the year as we won several significant contracts, including NHS Digital;
- expanding our UK regional coverage in line with the government's levelling-up agenda – we recruited new employees in Scotland, the North East and the Midlands during the year and increased our headcount from 235 to 478 in FY22;
- growing our market share within the health, local government and central government sectors – we added 12 major new clients in the year; and
- extending our services and solutions in support of our clients' needs – we expanded our capabilities in the period, to cover data engineering and data science, cybersecurity, managed services, and research and development.

Environmental, social and governance
As an important partner of our UK public sector customers, we understand the importance of not only working efficiently and collaboratively, but also in a manner which reduces our impact on the environment. With the UK being the first major global economy to commit to carbon net zero by 2050, Made Tech is also committed to being carbon net zero by that date.

While our direct impact on the environment is low, we take responsibility for monitoring and reducing energy use and emissions. Within the current financial year, the Group is progressing to achieve validated Carbon Neutral Company status, as assessed by independent experts against ISO 14064 and the GHG Protocol Emissions Standard. This important activity, which progressively moves Made Tech closer to its carbon net zero target by 2050, is delivered in three stages: calculate, offset and certify. Our ESG committee was formed in FY22, and we will continue to deepen the measurement of, and action on all of our emissions in the next financial year.

> "Our aspiration is digital services that are user centric, data driven and free from legacy technology."
>
> **Joanne Lake**
> Non-Executive Chair

Board and governance
I was appointed to the Board as Chair on Admission to AIM in September 2021, and I am joined by Helen Gilder and Phil Pavitt as Independent Non-Executive Directors, who also joined at Admission. Together, the Board has extensive experience in dealing with a broad range of market conditions and rapid strategic growth. I am pleased to have such diverse knowledge and expertise around the Board table.

As Chair, it is my responsibility to ensure that Made Tech has both sound corporate governance and an effective Board. Since the Company was admitted to AIM, we have chosen to adopt the Quoted Companies Alliance's Corporate Governance Code for Small and Mid-Size Quoted Companies (the "QCA Code"), to the extent it is appropriate, having regard to the Company's size, Board structure, stage of development and resources.

To meet the requirements of the QCA Code, the Board has worked to introduce new structures and processes to improve corporate governance across the Group. We are committed to continuing to evolve and develop these in line with corporate governance best practices.

Outlook
We are mindful of the recent changes within government and the potential impact this may have on our public sector clients. However, our high level of order bookings, significant proportion of contracted revenues and the embedded and long-term nature of our client relationships and contracts give us confidence in our prospects for the coming year and beyond.

We will maintain our exclusive focus on government services and continue to build on our competitive advantage as a purely public sector focused provider. We see clear opportunities to grow our market share further within the health, local government and central government sectors, as well as to extend into new areas, as illustrated by our recent engagement by the Met Office. We have expanded our UK regional coverage in line with the government's levelling-up agenda, by recruitment in the North of England and Scotland. As the UK moves to a new hybrid working model, we intend to support this investment by adding regional hubs in Newcastle and Glasgow. We have also extended our capability coverage and are developing new sought-after capabilities, including cybersecurity and managed services.

It is our firm intention to achieve sustained revenue, profit and cash flow growth, by delivering these initiatives though the current financial year and into 2024. Made Tech works closely with its public sector clients to help them provide a better experience and better outcomes for citizens. We see government increasing digitisation spend and believe this is a major and long-term trend. With the funds from the IPO, we have significantly invested into our core operations and are now well positioned to support this ambition, as we expand into new regions, industries and capabilities.

FY22 was a successful year for the Group, despite the challenges. On behalf of the Board, I would like to thank everyone who has contributed to delivering services and solutions to our clients and also those who have supported them.

Our aspiration is digital services that are user centric, data driven and free from legacy technology. The market opportunity is huge and we look forward to reporting on further progress over the coming year.

JC Lake

Joanne Lake
Non-Executive Chair
9 September 2022

Chief Executive's review

Delivering on our mission to improve public services

"Our stock market listing in 2021 was a key milestone for the Group, with the new capital structure enhancing our profile, incentivising our people and enabling us to invest in delivering our ambitious growth plans."

Rory MacDonald
Chief Executive Officer

Following our Admission to AIM in September 2021, I am pleased to report the Group's full year results for the year ended 31 May 2022, demonstrating a further year of strong growth.

Revenue for the period grew by 120% to £29.3m (FY21: £13.3m). Adjusted EBITDA increased by 618% to £2.6m (FY21: loss of £0.5m). Sales bookings during the year more than doubled to £51.1m (FY21: £23.8m), with the overall contracted backlog increasing by 133% to £38.2m (FY21: £16.4m). We finished the period with a cash balance of £12.3m (FY21: £0.9m).

Our stock market listing in 2021 was a key milestone for the Group, with the new capital structure enhancing our profile, incentivising our people and enabling us to invest in delivering our ambitious growth plans. The management team remains invested in the business' success, having retained approximately 51% of the Company's total issued share capital at IPO.

The Group's client base and depth of client relationships continue to strengthen. In the period to 31 May 2022, the Group acquired 12 new clients and won new mandates with existing clients, including the DVLA, the Ministry of Justice, HMRC, the Department for International Trade, the Department for Education and the Department for Levelling Up, Housing and Communities. The Group has 28 active clients, with nine of those being strategic client accounts, contributing between £1m and £10m a year on an annualised run-rate basis. Across our industry verticals, 63% of revenue is derived from central government (FY21: 62%), 25% from local government (FY21: 20%) and 12% from healthcare (FY21: 18%).

People

Made Tech has 478 people operating across the UK, a headcount increase of 243 since May 2021. Our people are central to everything the Group achieves and we value them highly. We are committed to building a culture of positive engagement throughout the business, encouraging strong career development opportunities and recognition of people's contribution to the business. As well as raising the profile of the Group, the IPO provided a new capital structure which we can now use to incentivise our people. We launched our Group Restricted Share Plan on 30 September 2021 to provide the opportunity for our teams to share in the value of the Group that they have helped to create.

We are committed to promoting diversity in all its forms and to attracting, developing and retaining the strongest talent to work in an environment in which individual differences are embraced. We continually seek feedback from employees across all areas and levels of the business and use it to drive improvements in how our colleagues are rewarded, motivated and nurtured.

FY22 was a very challenging year to recruit and retain talent, with well-reported wage inflation, the Great Resignation and a global shortage of digital skills. Despite these challenges, we delivered exceptionally, increasing our headcount by 243 (an increase of 103%) and achieving an employee retention rate of 73% (FY21: 86%). The increase in billable staff costs was offset through increased utilisation and a rise of 12% in our average billable day rate. As a result, our gross margin for FY22 increased to 38.4% (FY21: 37.6%).

Our academy, which has been set up to attract, recruit and train new entrants, ran two academy programmes in FY22 and is planning to run three in FY23. Broadening capability and geographic coverage is key to Made Tech's strategy to diversify revenue and deliver further organic growth. To support its growth, the Group expanded the academy's capabilities in May 2022 to include user centred design, and we are planning to expand the programme further in FY23 to include data and delivery.

Our people are our most important asset, and talent acquisition is essential to the Group's future growth. We expect to increase our permanent headcount in FY23 significantly and have built an in-house recruitment team (which now has a proven track record of hiring at pace), so we are confident in our ability to bring talent into the business as required.

Products and services

The Group has made significant progress in expanding its service offering, which is a critical part of our strategy to provide a comprehensive and integrated set of digital transformation services to government and public service organisations.

Within the period, we enhanced our digital service offering and developed new offerings around user centred design, data, cybersecurity, managed services and transformation advisory. We also started to develop IP solutions tailored to the industries we serve. We expect to continue investing in these new service lines and for them to unlock new revenue streams from FY24 onwards.

Market

The Group operates within the digital transformation market, which has grown steadily for 10 years and is expected to continue growing at 22% CAGR through to 2030. The UK public sector, which is the Group's chosen market, increased spending to £12.9bn in 2020, with central government spending at £5bn, health spending at £2.1bn, local government spending at £2.13bn and defence spending at £2.0bn.

In June 2022, the UK government launched a new Digital Strategy, setting out a bold new vision and set of commitments on how the government will use digital, data and technology to improve public services. The new strategy, increasing digital transformation market, and UK public sector spending on digital highlight the significant opportunity ahead, both within the UK and in international markets.

Board and governance

On Admission to AIM, the Group welcomed Joanne Lake as Chair, and Helen Gilder and Phil Pavitt as Independent Non-Executive Directors. The Board has extensive experience in dealing with a broad range of market conditions and rapid strategic growth. I am very pleased to have such diverse knowledge and expertise around the Board table.

Since becoming a listed company, we have worked with the Board to introduce new structures and processes to improve our corporate governance. We have set out the details later in our Annual Report 2022 and are committed to continuing to evolve and develop these in line with corporate governance best practices.

Outlook and current trading

The Group made substantial progress in FY22, delivering a strong set of financial results, whilst enhancing the business fundamentals and investing in new products and services which will drive future growth. Our profile within the public sector market has enhanced, and we continue to be trusted as a key partner to many public sector organisations, which has led to a significant number of new contracts, a strong order backlog and a robust sales pipeline for the months ahead.

> "The Group has made significant progress in expanding its service offering, which is a critical part of the Group's strategy to provide a comprehensive and integrated set of digital transformation services to government and public service organisations."
>
> **Rory MacDonald**
> Chief Executive Officer

The Group has had a strong start to FY23, signing £17m of new contracts, and achieving an annualised revenue run-rate of £40m, in the first two months of the year. Our balance sheet remains strong, and we're confident the Group's exceptional organic growth is set to continue in FY23 and into FY24.

Whilst our outlook is strong, the macroeconomic climate has evolved and has the potential to create headwinds later in the year. Although this is a risk, we have a dynamic and motivated management team which is focused on the delivery of our plans. We are confident in both the short-term and long-term prospects for the Group.

As a final point, I would like to personally thank our employees, partners and clients for their contribution and ongoing support.

Rory MacDonald
Chief Executive Officer
9 September 2022

Our growth strategy

To achieve sustained revenue, profit and cash flow growth through the following initiatives.

	What we did in 2022
1 **Maintain exclusive focus on government services**	Revenue has grown by 120% in the year with 12 new clients added. We grew our market share with our key clients, and overall spending from existing clients grew year on year.
2 **Expand UK regional coverage in line with government's levelling-up agenda**	We have successfully recruited new employees in Scotland, Newcastle and the Midlands. Headcount increased from 235 in May 2021 to 478 in May 2022 through a focus on recruitment and our academy. We ran our first user centred design academy in FY22, with 12 delegates being trained in this capability.
3 **Grow market share within the health, local government and central government sectors**	The Group has successfully won several significant contracts during the year, including our largest ever contract win to date with the Health and Social Care Information Centre ("NHS Digital"). See case study on page 13. The majority of these contracts started in FY22 and are expected to have a material impact on FY23 revenues.
4 **Extend service and solution offering**	Bolstered our capabilities covering the following: • data engineering and data science; • cybersecurity; and • advisory.

Our priorities for 2023

Continue to win significant new client contracts.

Continue the organic growth trajectory and evolve the services provided to our existing clients.

Identify new strategic partners.

Continue to build reputation and references in the sector to maintain our accelerated growth.

Continue recruitment and manage attrition rates through employee engagement.

Maintain our Best Companies and Glassdoor ratings.

Continue to invest in developing our employees' skills and strive to be an employer of choice.

Continue to grow within the public sector and be engaged in ambitious transformation projects across the UK government.

Continue to ensure that we have a well-balanced business that is not overly reliant on any client.

Ensure consistent, high quality service to new clients.

Continue to invest in our new capabilities and welcome new colleagues to enhance our client offering.

Accelerate the growth through the development of own IP.

Continue to bolster our academy programme by adding new capabilities.

Strategy in action

Technology expertise for better patient care with NHS Digital

We technologists love a three-letter acronym – like API. It stands for Application Programming Interface. It's a way for a person or a machine in one place to get a machine somewhere else to do something useful – like share important data.

APIs are at the heart of our work with NHS Digital. By implementing Direct Care APIs, we're unlocking patient data so that health and care workers anywhere can easily access patient data, practically instantaneously. This means GP practices and other healthcare providers like dentists, pharmacies and care homes will always have immediate access to the latest patient information. And that means faster and better insights, treatments and overall care.

But it's not just about opening up data. We're making sure things are robust and flexible enough to continue to work as new kinds of data are added. This way, we're working to help health and care providers give the best and safest patient care now, and as we journey into an ever changing future.

Building strong partnerships

Section 172 statement

The Directors are aware of the need to have had regard for the matters set out in section 172(1)(a)–(f) of the Companies Act 2006 when performing their duty under section 172. The Directors consider that they have acted in good faith in the way that would be most likely to promote the success of the Company for the benefit of its members as a whole.

The table below indicates where the relevant information is in this Annual Report and Accounts that demonstrates how we act in accordance with the requirements of section 172.

S172 reference	More information
a) The likely consequences of any decision in the long term	Chief Executive's Review **p.9** Strategy **p.12**
b) The interests of the Company's employees	Our people **p.15**
c) The need to foster the Company's business relationships with suppliers, customers and others	Our customers **p.15**
d) The impact of the Company's operations on the community and the environment	Our communities **p.19** Environment **p.20**
e) The desirability of the Company maintaining a reputation for high standards of business conduct	Our culture **p.16** Modern slavery **madetech.com**
f) The need to act fairly as between members of the Company	Governance **p.36**

Our people

Our people are fundamental to the success and sustainability of Made Tech. We rely on their skills, talent, motivation and commitment to deliver services and solutions to our clients.

People underpin the growth of the business so recruiting and retaining the best talent is a key focus for management. We work hard to ensure our people are engaged, motivated and rewarded and supported to succeed.

We aim to provide an environment that puts employee wellbeing at its centre. We are building a culture based on transparency, integrity, respect and inclusion.

Clients and partners

Our clients are public sector leaders which play a critical role in society. They trust us to deliver high quality work that improves their services and in turn positively impacts society. Every client is different, but all focus on the quality and flexibility of our services. We are dedicated to being part of the solution. We have built strong relationships with our clients, working alongside them for better collaboration, communication and teamwork.

Our partners are important; they enable us to provide a high quality service to our clients. We work with a number of organisations and individuals to support and supplement our in-house resources.

Shareholders

The Group values the support of its shareholders, and aims to work responsibly and fairly with all its stakeholders so they may benefit from our continued growth and success.

The Board meets on a monthly basis, and the CEO and CFO hold meetings with analysts and institutional shareholders throughout the year to provide detailed updates, giving them greater details around our operations, financial performance and progress against our growth strategy.

Financial and other information is available through the RNS service and the Annual Report and on our website (www.madetech.com), which is updated regularly.

The environment

There is increasing interest from all stakeholder groups on the environmental impact of businesses and we understand the increasing importance that sustainable business practices will play in our ability to grow successfully and maintain profitability over the long term.

While our activities are largely office based and do not involve any energy-intensive processes or generate significant waste, the business can take, and is taking, actions to reduce its environmental impact. Our first energy and carbon report appears on page 20, along with the actions we intend to take to reduce the Group's carbon footprint.

Our people

Why we engage

- The sustainable success of our business depends upon our engagement with our people
- We engage to promote the Group's corporate culture and cascade our ethical values, behaviours and expectations
- We aim to create a positive and inclusive culture, sensitive to the issues that affect our people, so they can thrive and grow
- We engage to ensure that we continue to develop and invest in our highly talented and dedicated people in the right way

How we engage

- Encourage feedback, including via team surveys, employee forums and one-to-one discussions
- Enhancing training opportunities via Learning Fund and 12 learning days per annum
- Regular business performance and strategy updates directly from our CEO, CFO and senior team
- Access to anonymous whistleblowing service

Key topics of engagement

- Company vision: one, three, and five year strategic plans including opportunities for departmental growth and advancement
- Need for a flexible working environment with support for team health and wellbeing
- Opportunities for growth and development and support in reaching full personal potential
- Embracing diversity and inclusion
- Environmental impact of our organisation: our work on ESG and commitments to sustainability

Impact of engagement

- Teams are informed and therefore engaged
- Increased and improved flexibility in working patterns
- Improved decision making on team structure and recruitment
- Improved focus on talent pipeline and development of succession planning
- Promotion of leaders from within our businesses, alongside new talent sourced externally
- Implementation of ESG initiatives

Our clients and partners

Why we engage

- Effective engagement is key to attracting, and retaining, a quality client and partner base from which we can nurture strong and long-term relationships, trust and credibility, and ethics (including anti-corruption and bribery, human rights and modern slavery)
- Our clients' and partners' success is driven by the quality of our products and services. We ensure continued investment in the right technology, services and teams to enhance our relationships and create long-term value on both sides

How we engage

- Via regular one-to-one feedback discussions across multiple client touch points
- In-person and virtual meetings/events to provide opportunities for shared learning
- Hosting regular in-person small group events

Key topics of engagement

- Ongoing development and improvement of our technology, services and client support
- Training to enhance the benefits of using our technology with a focus on ensuring engagement

Impact of engagement

- Client retention: clients and partners have shown they value long-term relationships

Investors and shareholders

Why we engage

- We strive to develop our investors' understanding of our business model, strategic objectives and culture
- Through open and transparent engagement with the investor community, we aim to ensure the Group's operations and financial performance are clear and understood, and to provide the necessary information to ensure investors can make informed judgements about the Group
- Investors and analysts require our engagement on ESG to guide their investment stewardship activities

How we engage

- Publication of Annual Report and Accounts and annual ESG Report
- Regular and detailed trading updates to the market
- Availability of CEO and CFO to answer questions around trading updates throughout the year
- One-to-one and open online investor meetings or calls with the CEO/CFO at the full year and interim results
- Detailed "Investor" section on the Company's website
- Annual General Meetings and availability of Chair of the Group Board and Chair of each Board Committee to answer questions
- Ad-hoc meetings or written responses as requested by existing and potential shareholders and analysts

Key topics of engagement

- Group approach to ESG and corporate governance
- Group approach to diversity, equity and inclusion
- Financial performance

Impact of engagement

- Improved investor knowledge and understanding of the Group, its operations and activities
- Investor relations activity and feedback discussed regularly at Board meetings and factored into decision making by the Group Board
- Improved transparency of Group information with open access investor relations content available on the Company's website

Committed to making a difference

We're passionate about what we do and the positive effect it has on our clients and society.

Our culture
Every single colleague contributes to the success of our business and is committed to making a difference. We all do our jobs to the highest standard. We are committed to conducting our business with honesty and integrity. Our culture is one of openness and transparency. We are focused on creating an inclusive culture that ensures that everyone has an equal opportunity to be rewarded and be recognised for their contribution.

Communication and engagement
We deem communication and engagement across all levels throughout the business as essential to achieving our strategic and operational goals.

We ensure that communications are honest, and timely, driving involvement and improved knowledge, and fostering ownership and belonging. Regular communications include a weekly CEO update on business progress, strategic objectives, people news, and celebrating successes.

We pride ourselves on promoting a feedback culture across the business. We want to ensure that all colleagues can have their say, are engaged and able to contribute their experiences, expertise and ideas to support improvements at work.

Performance and Development
Our aim is to create a high-performance culture of continuous improvement based on individual and collaborative performances linked to business objectives. During the year, we have focused on talent assessment, and rolled out a performance management programme. We will be developing these programmes in FY23 to formalise our commitment to providing colleagues with the skills required to be the best managers and leaders they can be. We take pride in providing our colleagues with the opportunity to develop and grow, reaching their full potential within the business.

Reward
We are committed to rewarding and recognising excellent contribution, ensuring that reward structures are competitive to retain and attract talent.

#40
in best mid sized companies to work for in the Best Companies Awards

83%
recommended Made Tech to a friend on Glassdoor

73%
managed retention in FY22

Diversity, equity and inclusion ("DE&I")

Creating a diverse workforce and an inclusive culture enables us to attract and retain the best talent and empower colleagues to achieve their full potential, irrespective of individual differences.

For Made Tech to deliver its mission of transforming public services to create a fairer and more equitable society, a diverse team is required to deliver this change. This is welcomed by our clients. It is not only our moral imperative to create an inclusive place to work with equitable access to career progression, but is also essential to retaining our top talent.

Made Tech has always valued transparency, publishing both gender and racial pay reports ahead of reaching the threshold for mandatory publication. By doing so, the Group has been able to proactively work towards reducing pay gaps, ensuring fairness for all team members.

Significant progress has been made since the publication of Made Tech's 2021 DE&I Report. Over the last six months, our team has grown from 235 to 478 people, and we have successfully improved diversity and inclusivity throughout the business, as evidenced by the following statistics:

Employee engagement and wellbeing

Made Tech employees care about each other, our clients, our communities, and the environment. Sustainability is at the heart of everything we do.

Our people underpin Made Tech's growth ambitions, and they are supported through a culture based on the values of transparency, integrity, respect and inclusion – with wellbeing at the centre. We are committed to promoting a positive work-life balance and support the health and wellbeing of all employees.

Made Tech actively supports the wellbeing of all its colleagues, including physical, emotional, financial, cultural, social and occupational wellbeing.

All Made Tech team personnel have free access to assistance programmes on a range of life and work issues (e.g. financial, legal, family concerns) available 24 hours a day. Made Tech recognises the importance of easily accessible mental health support, particularly in times of economic, security, environmental and political unrest, and has trained mental health first aiders working across the business. All team members can access free counselling sessions via their medical benefits package, which also delivers other wellbeing services such as physiotherapy and remote GP appointments.

38%
of our leaders are female, up from **28%**

14%
of our team are LGBTQ+, which is well ahead of the **3%** of the UK population

30%
of our highest paid team members are women

20%
Increased ethnic diversity to 20% which is **7%** higher than UK population

6%
reduction in gender pay gap

33%
of our team are parents and **7%** are caregivers

15%
of our team are neurodivergent

25%
of our team have long-term physical or mental health conditions or illnesses

9/10
average eNPS score for more than 50% of our team, and **93% scoring 7+** out of 10

Employee engagement and wellbeing continued
Physical wellbeing has received a strong focus in FY22, given the increase in remote working following COVID-19 working restrictions. This has been supported via a range of community groups such as "Monday Run Day", active events such as our walking challenge, and schemes such as Cycle to Work.

Made Tech collects feedback from the entire team to ensure we are exceeding expectations, and to identify areas where we can improve. Our People team conducts a quarterly "happiness survey" to measure happiness and identify any concerns employees may have. The most recent survey highlighted that the business' efforts towards DE&I were well received, that there was Company-wide buy-in to Made Tech's mission and values, and that employees felt supported by their line managers.

Made Tech also carries out a regular Employer Net Promoter Score ("eNPS") exercise. The most recent survey, in which more than half of all employees participated, reported that:

- an eNPS score of +44 was achieved, of which Made Tech is very proud (a score between +30 and +70 is classified by NPS as "great");
- 30% of respondents scored Made Tech as 10/10;
- 93% of respondents assessed it as being 7/10 or above; and
- clear evidence of improvement actions from the previous survey were identified.

Professional development and sector training

> We respect, celebrate and harness individual differences while working as a team. We encourage everyone to develop their skills and provide support to help fulfil both individual and team potential.

Learning and mentoring are core values for Made Tech, with all colleagues encouraged to continue learning and development activities, sharing knowledge and mentoring by default. All team members can take up to 12 days each year for personal learning time, supported by an annual learning budget which can be used flexibly.

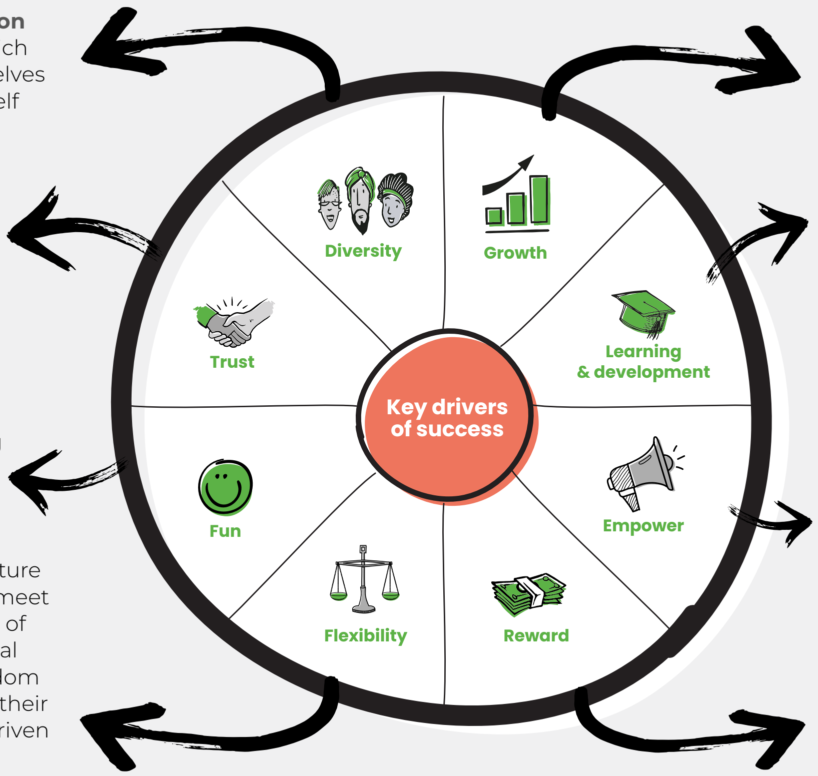
Strong focus on retaining the right people

Diversity and inclusion
Create a culture in which people can be themselves and bring their best self to work

Trust
Create a culture of clear communication and transparency

Fun
Create a fun environment, where people love coming to work and delivering great work

Flexibility
Provide a work-life culture that allows people to meet the contrasting needs of their work and personal life. Give levels of freedom with how they deliver their work, with outcome driven objectives rather than input driven ones



Growth
Provide the platform to allow the individual to meet their personal and professional ambitions

Learning and development
Create a learning culture. Tailor the plan to individual's needs

Empower
Create an open and safe environment to allow people to feel in control of their destiny. Provide opportunities for them to be heard and opportunities to expand their career

Reward
Ensure incentive plans drive the right behaviours to achieve the business strategy. Be clear on what constitutes success and reward accordingly

Made Tech provides a programme of new starter, refresher and role-specific training which ensures that all colleagues are aware of Made Tech as an organisation and their role within it. This training addresses matters related to compliance with regulatory, legislative and contractual requirements, and communicates the Company's position on the environment, social value, diversity and inclusivity.

All team members have access to professional communities of practice that present learnings to one another and share advice and experiences. This allows everyone at Made Tech to continuously develop whilst also allowing clients to benefit from the expertise and experience of the entire organisation, not just those aligned to their specific projects.

Beyond developing people within their current roles, Made Tech is an advocate of significant career path changes, valuing experiential diversity. The Company supports internal mobility: in the last six months, two members of the People team wished to be retrained and have successfully transitioned into Made Tech's "user centred design" practice.

Made Tech runs a growing academy which gives new joiners to the technology industry a full salary as they learn, facilitating career changes from other backgrounds to access learning and development opportunities. In FY22, Made Tech welcomed members of the academy from a variety of backgrounds including school/university leavers, and those from other industries such as construction and healthcare, as well as those returning to the workforce after a career break.

> "As a mentor, I really appreciate that "learning is normal" at Made Tech. This means that the effort I invest is appreciated by the student and the greater business. I think being challenged to coach people in my area of expertise enables me to refine and improve how I work within my domain."
>
> **Andreas England**
> Head of Product

Our communities

> We're talented individually but know that we work better together as a team. We communicate openly and respect each other no matter what. We listen to each other and approach fresh ideas with a collaborative attitude and open mind. Although we are based in numerous locations, we're one team with a shared purpose.

Extending our reach beyond our own teams is a part of Made Tech's mission to improve public services for all. Across a wide range of clients in many locations we have an opportunity to positively impact the lives of others. We do this through supporting academies and apprenticeships, and social value initiatives, and will continue to build on this in the coming year through our support of charitable engagements and implementing mentoring programmes.

Made Tech, in conjunction with HMRC, designed and developed an apprenticeship standard for DevOps and took over responsibility for the HMRC Platform Apprentice Programme. This activity brought together Hackney Borough Council ("HBC") apprentices, apprentices from HMRC and Made Tech's own academy engineers to share their experiences and learnings. Through this work we have embedded new skills and capabilities into HBC's and HMRC's in-house teams, provided their apprentices with a broader range of skills, and established a framework for DevOps skills development that will benefit future apprentices at HBC and HMRC, increasing their employability and opening future career opportunities to them.

For the coming financial year, Made Tech plans to continue on this path of outreach. We have already begun collaborating with the Cabinet Office to provide mentors for young women pursuing careers in technology, through the "TeacHer" mentoring scheme. Made Tech is in the process of determining the most impactful mechanism for future engagement with charitable organisations.

Environmental

> We are committed to sourcing, designing and offering products and services which support social responsibility and environmental sustainability.

As an important partner of our UK public sector customers, Made Tech understands the importance of not only working efficiently and collaboratively, but also in a manner which reduces our impact on the environment. With the UK being the first major global economy to commit to carbon net zero by 2050, Made Tech is also committed to being carbon net zero by that date. In compliance with Procurement Policy Note ("PPN") 06/21, Made Tech is required to publish its annual total carbon footprint for Scope 1, 2 and 3 carbon emissions, which demonstrates how carbon reduction initiatives are improving each year. This activity tracks progress towards our carbon net zero goal. Made Tech's most recent assessment of its GHG emissions is as follows:

Emissions	Total (tCO_2e)
Scope 1	**0**
Scope 2	**15.2**
Scope 3	**119.9**
Total emissions	**135.1**

Our direct impact on the environment is relatively low, but we take responsibility for monitoring and reducing energy use and emissions. Following home working requirements introduced during the COVID-19 pandemic, the majority of our personnel continue to work remotely, which delivers: (a) a significant reduction in commuting-based emissions compared with on-site working; and (b) allows the Group to minimise its physical office space, associated power consumption and waste production. This flexibility allows Made Tech to recruit the best talent from all over the country, and where on-site working at a customer site is required, recruitment can be focused on the immediate area to minimise travel-based emissions.

As a provider to the UK public sector, business travel (where required) is within the UK and strongly favours public transport such as rail travel (air travel, as a significant producer of carbon emissions, is negligible within Made Tech). All colleagues are encouraged to carpool/car share where travel is necessary and public transport is not practical, and an increasing number of personnel participate in Cycle to Work schemes.

Alongside quality and information security requirements for its suppliers, Made Tech places significant emphasis on the environmental activities of each, to understand how they can also assist Made Tech in reducing its own carbon footprint. Within each of Made Tech's regional offices, significant emphasis is placed on selecting energy suppliers which can evidence their commitment to renewable energy supply, which is further supported by low energy and motion sensing lighting systems and waste recycling activities. Made Tech is proud to offer a paperless environment, removing the environmental impact of paper stocks, printer toner and cartridges, and the energy needed to power printers.

Understanding that carbon originated from outsourced IT services is a significant component of Made Tech's business activities, careful consideration is given to the selection of suppliers and their respective environmental credentials. Of the many specialised cloud service providers used by Made Tech, there are three significant organisations:

- Made Tech uses Google Workspace extensively for its internal operational activities. Google is a world leading organisation which has been carbon neutral since 2007 and is on target for carbon net zero by 2030. Useful tools allow Google's customers to select cleaner regions for the hosting of their cloud services.
- In line with the cloud hosting requirements specified by many of its public sector customers, Made Tech uses cloud services provided by AWS. AWS is on target for using 100% renewable energy sources for all of its data centres, with a carbon net zero target date of 2040.
- In line with the cloud hosting requirements of many of its public sector customers, Made Tech uses Azure cloud services provided by Microsoft. Microsoft is aiming for 100% renewable energy sources for all of its data centres by 2025 and aims to be a carbon negative organisation by 2030.

Made Tech acknowledges that energy will still be consumed and carbon produced by cloud service providers, regardless of their environmental credentials or ambitions. To reduce this impact even further, Made Tech chooses serverless technologies wherever possible and evangelises the use of these when designing solutions for clients. This contributes to a more energy-efficient service with a lower carbon footprint.

Within the current financial year, Made Tech is progressing to achieve validated Carbon Neutral Company status, as assessed by independent experts against ISO 14064 and the GHG Protocol Emissions Standard. This important activity, which progressively moves Made Tech closer to its carbon net zero ambition, is delivered in three stages:

- **Calculate:** understanding all aspects of Made Tech's carbon emissions, including from its premises, IT and operating activities, waste production, business travel and commuting. These are combined into a Carbon Emissions Report, which accurately details emissions in tonnes of carbon dioxide equivalent ("tCO_2e").

- **Offset:** having reduced identified carbon emissions as much as possible, any remaining carbon footprint is offset through regulated, verified and audited carbon offsetting schemes in developing countries, allowing investment in renewable energy, clean technologies and sustainable farming initiatives.
- **Certify:** once the offsetting process has been completed and confirmed, Made Tech will proudly become a Carbon Neutral Company. We won't stop here though: ongoing carbon reduction activities will continue, and each year an updated Carbon Emissions Report will be produced to confirm continuous carbon reduction success.

Business ethics

> We promote an ethical culture through our documented Code of Ethics with a zero-tolerance approach towards any form of discrimination or unethical behaviour relating to bribery, corruption or business conduct.

Made Tech's Code of Business Ethics outlines the policies and practices that define who we are and what we stand for as a Group. It was created with our people in mind, providing clear direction and practical information that enable every Made Tech colleague to cultivate a sense of shared responsibility and accountability, embodying excellence in our ethics. Made Tech is committed to ensuring that all of our people feel safe and protected when reporting issues. The Group prohibits retaliation against anyone who reports in good faith and integrity a concern or possible violation of laws, regulations, policies, or the Code of Business Ethics, no matter who the report involves. The Company's employment policies, such as those applying to whistleblowing and anti-bribery, also assist in embedding a culture of ethical behaviour for all employees and the Company's commitment to upholding human rights of all individuals is clearly documented in its Anti-Slavery and Human Trafficking Policy.

All Made Tech personnel are provided with awareness training on these three subjects as an integral part of their formal induction training, and during periodic refresher training provided throughout the course of their careers with Made Tech.

Governance, compliance and risk management

> We are committed to effective corporate governance as the basis for delivering long-term value growth and for meeting our shareholder expectations for proper leadership and oversight.

As a responsible supplier of digital services to the UK public sector, Made Tech recognises the importance of delivering high quality and secure outcomes for its customers. The Group maintains a portfolio of independently validated certifications to demonstrate these values, including:

- **ISO 9001**, the international standard for quality management;
- **ISO 27001**, the international standard for information security management; and
- **Cyber Essentials** and **Cyber Essentials Plus**.

Made Tech remains fully aware of its responsibilities to receive, process, store, share and delete personal data assets in accordance with the UK Data Protection Act 2018, for which Made Tech is registered with the Information Commissioner's Office ("ICO"). Further details of our approach to data protection can be found within our Privacy Policy.

Responsible supply chain

> We are committed to protecting the interests of our stakeholders by adhering to responsible business practices and embedding robust processes, procedures and safeguards which are effectively managed in our organisation, reducing or mitigating the risks that the business faces.

The governance and ethical management of Made Tech's supply chain are undertaken in accordance with the requirements specified in the ISO 9001 and ISO 27001 standards. Each supplier is carefully evaluated using a Supplier Assessment Questionnaire, which provides an insight into the key considerations of price, value for money, quality, reliability, flexibility and responsiveness. Evidence of independent certifications is sought, as is each supplier's position on environmental management, social values and diversity and financial standing. Each supplier has a nominated Made Tech representative who undertakes regular reviews, helps in the resolution of any issues and encourages improvement opportunities.

Significant growth

"I am pleased to have been appointed as the Chief Financial Officer of Made Tech Group and to present the Group's first set of results as a quoted company, which shows the substantial progress made by the business during FY22."

Deborah Lovegrove
Chief Financial Officer

This is the first Annual Report and Accounts issued by Made Tech Group Plc following its Admission to trading on AIM on 30 September 2021. The results reflect another successful year for the Group with significant growth in the scale of the business.

Adjusted Performance Measures
The Group uses adjusted measures as key performance indicators in addition to those reported under IFRS, as they are more representative of the underlying performance of the business and enable comparability between periods. These adjusted measures exclude certain non-operational and exceptional items, and have been consistently applied in all years presented.

Revenue
Revenue for FY22 was £29.3m (FY21: £13.3m), growth of 120%. The organic growth arose from a combination of strong growth from existing key clients and winning contracts with new clients.

Key statistics	FY22 £'000	FY21 £'000	Variance £'000
Revenue	**29,289**	13,331	15,958
Gross profit	**11,257**	5,013	6,244
Gross profit margin	**38.43%**	37.60%	0.83%
Adjusted EBITDA	**2,649**	(511)	3,160
Adjusted EBITDA margin	**9.04%**	(3.84%)	12.88%
Depreciation and amortisation	**(308)**	(265)	(43)
Share-based payment charge	**(2,376)**	—	(2,376)
Exceptional items	**(224)**	—	(224)
Operating loss	**(259)**	(776)	517
Net finance costs	**(29)**	(30)	1
Tax	**(20)**	25	(45)
Loss for the year	**(308)**	(781)	473
Weighted average number of shares ('000)	**135,729**	109,630	26,099
Adjusted earnings/(loss) per share (pence)	**1.64p**	(0.71p)	2.35p

Gross profit
Gross profit as a percentage of turnover increased during the year by 0.83ppt from 37.6% to 38.4%. The increase is mainly due to an increase in utilisation, which improved from 78% to 81%. The increase in margin is pleasing given the impact of the well reported wage inflation pressures and an increased reliance on contractors at higher rates than anticipated during this period. We have now reached a scale where we can hire at pace through our expanded Talent Acquisitions team and, as a result, we are anticipating a sustainable rate of 10% contractor usage for FY23 onwards.

Operating loss
The £0.3m operating loss for the year (FY21: £0.78m operating loss) includes a £2.38m share-based payment charge (FY21: £nil) and exceptional items of £0.2m (FY21: nil).

Total operating expenses were £11.5m (FY21: £5.8m). Operating expenses excluding share-based payment charges increased by 54% to £8.9m (FY21: £5.8m), which is in line with revenue growth

Share-based payment charge
The total charge for the period under IFRS 2 Share-based Payment was £2.4m (FY21: £nil). This charge related to the FY22 awards made under the Long Term Incentive Plan and the Group Restricted Share Plan ("RSP") launched on 30 September 2021.

Exceptional costs
Exceptional costs in the year were £224,000 (FY21: £nil). Costs in FY22 comprised £180,000 relating to the Group's Admission to AIM in September 2021. A further £45,000 related to severance payments.

Taxation
The total taxation charge was £19,760 (FY21: credit of £55,000) giving rise to an effective tax charge of -7% (FY21: 3%). The charge is lower than the UK standard rate of taxation due to the use of tax losses brought forward. In future years, we would expect the Group's effective rate of tax to move closer to the UK corporation tax rate.

Basic earnings per share
The earnings per share analysis above covers both adjusted earnings per share (profit after tax before amortisation of intangibles, share-based payment charge and exceptional items divided by the weighted average number of shares in issue during the year), and statutory earnings per share (profit attributable to equity holders divided by the weighted average number of shares in issue during the year). Adjusted Profit after tax was £2.3m (FY21: loss of £0.8m), an increase in adjusted basic earnings per share of 2.45 pence. Basic earnings per share was negative in both years due to the loss position.

Cash flow
Cash at year end was £12.3m (FY21: £0.9m) following the receipt of the proceeds of the IPO (net £13.5m) and the repayment of the coronavirus business interruption loan (£1.25m). The Group's current cash reserves provide sufficient capital to fund current planned product development and working capital as the business continues to grow. Cash flow for the year is set out below.

The combined underlying trade debtor and other receivables totalled £6.1m (FY21: £2.4m). The increase of 167% is in line with expectations, given revenue growth.

Cash flow	FY22 £'000	FY21 £'000	Variance £'000
Adjusted EBITDA	**2,649**	(511)	3,160
Movement in working capital	**(750)**	821	(1,571)
Capital expenditure	**(2,336)**	(272)	(2,064)
Adjusted operating cash flow	**(437)**	38	475
Taxation	**—**	—	—
Net finance cash flows	**12,072**	(112)	12,184
Exceptional items	**(224)**	—	(224)
Profit/(loss) on disposal of fixed assets	**—**	10	(10)
Net cash flow	**11,411**	(64)	11,475
Adjusted EBITDA to operating cash flow conversion	**(16.45%)**	(7.36%)	(9.09%)

Adjusted operating cash flow
Operating cash flow before tax payments, net finance costs and payments in respect of exceptional items reduced by £473k. This includes £2.3m of capital expenditure investment, of which £1.9m related to ongoing investment in IP to support future growth.

Balance sheet and shareholders' funds
Net assets increased in the year by £15.6m. The principal reason for this was the Group's IPO, which resulted in the government Coronavirus Business Interruption Loan being repaid, and a significant increase in cash balance to fund ongoing investments. The balance sheet is summarised below.

Net assets	FY22 £'000	FY21 £'000	Variance £'000
Non-current assets	**2,783**	755	2,028
Working capital	**(9)**	(739)	730
Cash	**12,333**	922	11,411
Borrowings	**(320)**	(1,725)	1,405
Other net assets/(liabilities)	**—**	—	—
Net assets/(liabilities)	**14,787**	(787)	15,574

Capitalised product development and IP solutions costs

The Group continues to invest in product development and IP solutions. Our IP solutions act as business accelerators for the clients we serve. These include business solutions encompassing commercial software embedded within our end-to-end service, and digital enablers such as methodologies and frameworks to drive change across business and IT processes. Where these investments are expected to result in future revenue, costs incurred that meet the definition of product development and IP solutions in accordance with IAS 38 Intangible Assets are capitalised in the statement of financial position. During the year the Group capitalised £1.9m in respect of product development (FY21: £nil).

Dividend policy

In line with the Group's dividend policy set out at IPO, the Directors do not intend to declare a dividend in respect of FY22. The Group's intention in the short to medium term is to invest in order to deliver capital growth for shareholders. The Board will review the decision to pay a dividend in FY23, and will provide an update in the Company's half year results, scheduled for announcement in February 2023.

Alternative performance measures ("APMs")

Throughout the Annual Report and Accounts the Group has used a number of APMs. These are used to provide additional clarity to the Group's financial performance and are used internally by management to monitor business performance, in its budgeting and forecasting and also for determination of Directors' and senior management's remuneration. These APMs are not defined under IFRS and, therefore, may not be directly comparable with adjusted measures presented by other companies. The non-GAAP measures are not intended to be a substitute for or superior to any IFRS measures of performance. However, they are considered by management to be important measures used in the business for assessing performance.

The following are key non-GAAP measures identified by the Group and used in the Strategic Report and financial statements:

- **Adjusted EBITDA**; operating profit before depreciation, amortisation, share-based payments charge and exceptional items.
- **Adjusted operating profit**; operating profit before amortisation of intangible assets, share-based payments charge and exceptional items.
- **Adjusted profit before tax**; profit before tax, amortisation of intangible assets, share-based payments charge and exceptional items.
- **Adjusted earnings**; profit after tax before amortisation of intangible assets, share-based payments charge and exceptional items less net finance costs and taxation.
- **Adjusted earnings per share**; adjusted earnings divided by a weighted average number of shares in issue.
- **Adjusted operating cash flow**; adjusted EBITDA less movements in working capital, capital expenditure and lease payments.

The adjusted profit measures can be reconciled to the reported statutory numbers as follows:

Adjusted EBITDA:

	FY22 £'000	FY21 £'000	Variance £'000
Loss after tax	**(308)**	(781)	473
Interest payable	**29**	30	(1)
Taxation	**20**	(25)	45
Loss before interest and taxation	**(259)**	(776)	517
Depreciation	**308**	265	43
Share-based payment charge	**2,376**	—	2,376
Exceptional items	**224**	—	224
Adjusted EBITDA	**2,649**	(511)	3,160

Alternative performance measures ("APMs") continued

Adjusted profit/(loss) before tax:

	FY22 £'000	FY21 £'000	Variance £'000
Statutory loss before tax	**(288)**	(806)	518
Share-based payment expense and related costs	**2,376**	—	2,376
Exceptional items	**224**	—	224
Adjusted profit/(loss) before tax	**2,312**	(806)	3,118

Adjusted profit/(loss) after tax:

	FY22 £'000	FY21 £'000	Variance £'000
Statutory loss after tax	**(308)**	(781)	473
Share-based payment expense and related costs	**2,376**	—	2,376
Exceptional items	**224**	—	224
Adjusted profit/(loss) after tax	**2,292**	(781)	3,073

Deborah Lovegrove
Chief Financial Officer
9 September 2022

Risks and uncertainties

Managing risk effectively

The Group Board is ultimately responsible for setting and approving the organisation's risk appetite and ensuring that the Group maintains a sound risk management and comprehensive internal control framework.

There are a number of risks and uncertainties which could have an impact on the Group's long-term performance and cause actual results to differ materially from expected and historical results. The Board seeks early identification of material risks and has put in place policies, procedures and resources to manage and mitigate any exposure.

The risk assessment matrix below sets out and categorises key risks and outlines the controls that are in place. The Board recognises the nature and scope of risks can change and there may be other risks to which the Group is exposed and so this list is not intended to be exhaustive. The following principal risks and controls to mitigate them have been identified:

Operational risks

Inability to attract, recruit, and retain high quality candidates and employees (Increased)

Description	Potential impact	Mitigation
We may be unable to recruit employees with suitable skills at all required levels.	This could impact our ability to provide contracted solutions and services, negatively impacting revenue, profit and cash flow in the short term and causing damage to our reputation, customer relationships and staff morale. Inflationary pressures on salaries across the UK, combined with a shortage of skilled personnel in the labour market, mean higher wage expectations amongst existing and future personnel.	The Group puts culture and purpose at the forefront of what we do and strives to become an employer of choice. We have implemented a team, processes and infrastructure dedicated to recruiting the most appropriate candidates in a streamlined hiring process. Our goal is to have a diverse workforce that replicates the diversity of where we operate. We actively set our KPIs to focus on the diversity of our workforce and manage the KPIs with the same prominence as our financial KPIs. We value our people highly, invest across our Group in their professional and personal development and support them in achieving their potential. We offer competitive compensation packages that are reviewed regularly and we routinely survey our employees to monitor employee engagement levels and identify opportunities for further improvement. Attrition rates are monitored monthly to enable mitigating actions to be taken quickly if necessary.

Change to risk key

Increased   No change   Decreased

Operational risks continued

Loss of key management

Description	Potential impact	Mitigation
The Group places substantial reliance upon key senior management personnel who have extensive experience and knowledge of the Group, its clients, its target markets and its business generally. The successful implementation of the Group's strategy depends on the continuing availability of senior management and the Group's ability to continue to attract, motivate and retain other highly qualified employees.	Loss of key employees, along with their institutional knowledge and/or the relationships they have with customers and partners, could negatively impact business efficiency and relationships. This could reduce revenue, profit and cash flow in the short term, and damage customer relationships and credibility in the market.	The Directors believe the Group operates a progressive and competitive Remuneration Policy including the issue of share options which will play an important part in retaining and attracting key management personnel. The Group has made a number of additional senior hires to the Board following IPO. The Board keeps the Group's operational and management capacity and structure under regular review and expects to employ additional senior personnel as the Group continues to grow and expand.

Employee action

Description	Potential impact	Mitigation
Fraud, theft or other disruptive actions by employees.	Employee action could negatively impact Made Tech's operations, expose Made Tech to liability and fines, negatively impact profit and cash flow in the short term, cause reputational damage and damage customer relationships and credibility in the market.	New staff are subject to background checks and security clearances, and provided with and induction on Made Tech's policies and processes. All staff are required to complete regular training programmes, including on information security and data protection. Systems, processes and technical controls are in place to protect against data loss. Incidents are managed in accordance with the incident management processes.

Compliance with information security standards, data protection and privacy legislation and related requirements

Description	Potential impact	Mitigation
We need to comply with legal, regulatory and contractual information security and data privacy requirements.	Non-compliance could expose us to liability and fines (for example under GDPR), reduce profit and cash flow in the short term, cause reputational damage and damage customer relationships and credibility in the market.	We review the impact of new and updated information security, data protection and privacy regulations and legislation in advance, to understand how these will affect both us and our clients. The output of these reviews will influence the delivery of our internal controls and processes and the design of products, solutions and working practices. We make staff aware of the potential impact of changing regulations and provide targeted training within business divisions, and through the delivery of focused training initiatives.

Change to risk key

Increased No change Decreased

Operational risks continued

Breach of IT security, privacy or cybersecurity risk

Description	Potential impact	Mitigation
We maintain the confidentiality, integrity and availability of data, and ensure the secure operation of our IT systems, both internally and as part of our service offerings to customers. Cybersecurity events are occurring more frequently, and are more complex. The move to remote working as part of dealing with the coronavirus pandemic has brought a fresh aspect to this risk.	IT security breaches, computer malware and other cyber-attacks causing loss of customer data could result in a loss of business to the Group, limit our operations, expose us to fines (for example under GDPR) and/or contractual liability, reduce short-term profit and cash flow, cause reputational damage, and damage customer relationships and credibility in the market. Generally, reported incidents of cyber-attacks targeted at businesses are becoming more frequent and of greater scale and sophistication.	We regularly review and improve our systems and processes in order to mitigate the risk of an IT security breach and cybersecurity event. The Group implements a robust testing process on systems and software that includes external penetration testing by software consultants. Disaster recovery plans have been developed to respond to such incidents to ensure the business is able to recover with limited interruption should an incident arise. The Group has crisis management procedures in place to help us to promptly deal with any security incident efficiently. We have invested in a new Compliance and Risk function, and hired an experienced individual to manage this function.

Undetected defects in software provided by the Group

Description	Potential impact	Mitigation
The success of the Group is largely dependent on its technical capabilities and it relies to a significant degree on the efficient and uninterrupted operation of its software, computer and communications systems and those of its third-party suppliers, including the security of internet services.	Any malfunctioning of the Group's technology and systems or those of key third-party suppliers could result in a lack of confidence in the Group's products, with a consequential adverse effect on the Group's business and financial results.	The Group's private network provides greater performance reliability, security and capability benefits compared to public internet. The Group's technology infrastructure is built with resilience and redundancy as key components and is hosted in multiple data centre locations operated by internationally recognised data centre providers. The Group monitors its software and systems on a 24/7 basis to ensure that in the event of any interruption (irrespective of the cause) it is able to respond quickly to issues that affect the performance of its products. The Group is ISO 9001 and ISO 27001 certified and operates rigorous change control and software development processes to ensure that any work undertaken on its software and technology infrastructure minimises the impact on its clients.

Change to risk key

Increased No change Decreased

Operational risks continued

Solution or software product errors or lack of service availability

Description	Potential impact	Mitigation
Software bugs or lack of availability or support for hosted or supported services could affect our customer service.	This could expose us to liability and negatively impact profit and cash flow in the short term, cause reputational damage and harm our client relationships and credibility in the market.	We design our systems, client solutions and infrastructure to provide both resilience and service availability. We maintain awareness of vendor/supplier product roadmaps and support capabilities. Our software development life cycle includes following coding practices, quality assurance and testing and is audited as part of our ISO 9001 and ISO 27001 certifications. Critical incident and problem management processes are in place and are audited as part of our ISO 9001 certification. Professional indemnity insurance is in place.

Strategic risks

Dependence on certain key clients

Description	Potential impact	Mitigation
The relationship of the Group with its key clients could be materially adversely affected by a number of factors, including a decision by a key client to diversify or change how, or from whom, they source the services currently provided by the Group, an inability to agree on mutually acceptable pricing terms with any one of its key clients or a significant dispute with or between the Group and one of its key clients.	If the Group's commercial relationship with any of its key clients terminates for any reason, or if one of its key clients significantly reduces its business with the Group and the Group is unable to enter into similar relationships with other clients on a timely basis, or at all, the Group's business, its results of operations and/or its financial condition could be materially adversely affected.	Our leadership team maintains regular contact with key clients to maintain and build relationships with key clients. An Executive Sponsor is assigned to every key client, account teams and plans are regularly updated, and service reviews are undertaken to ensure ongoing client requirements are met. The delivery structure of our long-term contracts allows us to identify and address any potential issue with clients promptly during the course of the contract, reducing the risk of a breakdown in relationships. The Group's strategy is to expand its client base within the territories it currently operates, and this continued growth of the client base is mitigating, and will continue to mitigate, this risk over time.

Change to risk key

Increased No change Decreased

Strategic risks continued

Competitor activity

Description	Potential impact	Mitigation
Some of the Group's competitors include significantly larger enterprises with greater financial and marketing resources than the Group. There may also be new entrants to the market which could become competitors to the Group.	Competitors to the market may impact our ability to win and retain clients, and could result in a reduction in our ratecard, negatively impacting our profit and cash flow.	The Directors believe that significant barriers to entry exist in the markets in which the Group operates, including, for example, placement on government frameworks, maintaining appropriate certifications, and the technical skills and expertise required to develop its services. The Group's continued success in winning new clients and renewing existing contracts demonstrates the robustness of the Group's service offering, and the Group is focused on delivering first class services to deliver successful projects in a timely manner. The Directors are nevertheless aware of the need to ensure that the Group's services are at the leading edge of technology offerings to its clients and it invests in new capabilities to ensure that a service offering meets its clients' requirements. We continue to monitor the bid-to-win ratios to identify potential risks.

Investment decisions

Description	Potential impact	Mitigation
Our investment decisions may not be satisfactory.	Failure to manage investment decisions could negatively impact profit and cash flow in the short term and cause reputational damage.	We undertake regular strategic reviews using customer and market intelligence to inform and support our decision-making processes.

Intellectual property infringement and/or litigation

Description	Potential impact	Mitigation
Our intellectual property ("IP") is centred around the software and services we develop for customers. We have to manage the risk of infringing a third party's IP rights in its development of software and services.	If we infringe a third party's IP rights it could expose us to liability, negatively impact profit and cash flow in the short term and cause reputational damage. If a third party infringes our IP rights, it could expose us to competitive disadvantage, loss of revenues or increased security risks.	We enter into non-disclosure agreements with employees, independent contractors and third parties in the ordinary course of our business to provide a degree of protection. All staff are made aware of client confidentiality requirements. Where practical, focused patent searches are undertaken to identify areas in which new products or services under development may conflict with third-party IP. We constantly monitor the use of third-party software in our product offerings. The choice of third-party components is subject to technical review and assessment at design stage. Our employment and consultancy contracts have clauses to protect IP. Background checks and security clearances are performed on employees.

Change to risk key

Increased No change Decreased

Financial risk

Impact of inflation

Description
The Group may be impacted by the increasing cost of the workforce (employees and contractors) and rising operational costs in the event of inflation.

Potential impact
Inflationary pressures on salaries and operating costs across the UK could negatively impact profit and cash flow.

Mitigation
We regularly update our forecasts to understand the reasons for decreases in margin. Our leadership team is incentivised to deliver our key financial targets.

Macroeconomic risk

Events occurring that are outside of our control

Description
We may be affected by:

- instability of the financial system, market disruptions or suspensions;
- a material downturn in the financial markets or an economic recession; or
- unprecedented economic disruption caused by a global pandemic.

Potential impact
If these events occur, they could harm our revenue, profit, growth and cash flow over a sustained period, and result in higher costs and disruption to our business, damage to our reputation or financial loss if clients do not renew their contracts.

Mitigation
Our service line structure together with our stakeholder engagement plans, regular dialogue with clients, research and marketing activities and regular strategic reviews of the overall business assist in maintaining a sustainable business.

Our Compliance and Operations teams actively manage our business continuity plans and disaster recovery activities to ensure that Made Tech remains prepared for a wider variety of unplanned business disruptions.

Legal and compliance risk

Non-compliance with laws and regulations

Description
We have to comply with laws and regulations applicable to us and design our products and services to meet laws and regulations applicable to our customers.

Potential impact
Non-compliance could expose us to liability and/or fines, negatively impact profit and cash flow in the short term, cause reputational damage and damage client relationships.

Mitigation
Our Finance, Compliance and Legal teams review draft and current regulatory and legislative requirements, including, for example, GDPR (UK Data Protection Act 2018) and provide an impact assessment for the products and services that we deliver to customers.

Made Tech's internal processes and systems are monitored and regularly reviewed with a view to ensuring compliance with all applicable laws and regulations.

We have processes in place designed to ensure awareness of regulatory requirements and that the relevant information is appropriately disseminated. There are well established training and awareness activities.

In relation to bribery and corruption, we have an established Anti-Bribery and Corruption ("ABC") Policy.

Change to risk key

Increased   No change   Decreased

Climate risks

Sustainability

Description
With the increasing global focus on sustainability and climate risk, Made Tech is prioritising the implementation of its ESG strategy.

Potential impact
Given the increased international focus on sustainability and corporate responses to it, our failure to appropriately respond to climate risk and sustainability would run contrary to our values and could result in fines for non-compliance with any regulations and reputational damage.

It could also deter:

- prospective employees from joining us;
- clients from appointing us to projects; and
- investors from owning our shares.

Mitigation
Our ESG initiatives are set out below.

- Established the Made Tech ESG Committee with executive sponsorship at Board level and cross-business input.
- Appointed the CEO, Rory MacDonald, as the Board-level sponsor, for overseeing and informing the Group's ESG response.
- Established the Made Tech Sustainability Goals and published them internally.
- Developed plans to record and reduce our current environmental impact and associated CO_2 emissions in line with our commitment to achieve carbon net zero within an annual monitoring framework.

For more information on this area refer to the Environmental section (page 20).

Political risk

Government and policies

Description
There may be a change in government and/or change in government policy.

Potential impact
The Group heavily relies on revenue from contracts with the UK government. Changes to government policy or spending may have a material impact on future contracts it awards and consequently on the performance, financial condition or business prospects of the Group. If government procurement policy moves away from its current policy favouring SMEs such as Made Tech, or if any current or future government reduces its stated commitment to digital technology, the Group's performance, financial condition or business prospects may be adversely impacted.

Mitigation
The Group is expanding into new capabilities, and diversifying its client base into other areas of the public sector to mitigate risk.

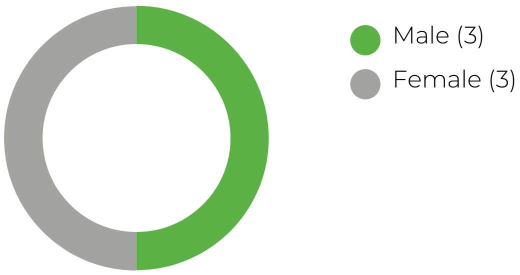
The Group has identified opportunities in new geographies outside the UK, and will look to expand internationally to mitigate risk of over-reliance on UK Public sector

The Strategic Report, which includes the Chair's Report, the Chief Executive's Review, the business model and strategy, the Group Financial Review and the principal risks and uncertainties, was approved by the Group Board and signed on its behalf by:

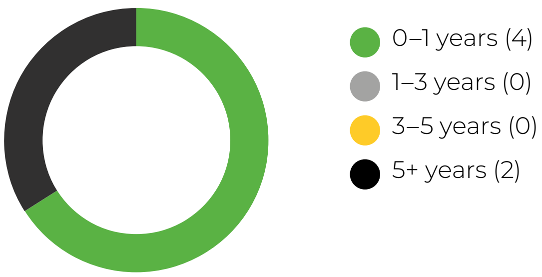
Rory MacDonald
Chief Executive Officer
9 September 2022

Our Board of Directors is collectively responsible for the long-term sustainable success of the Company

Gender composition



Length of tenure



Group Board meetings attended in FY22

Executive Directors:	
Chris Blackburn	7/7
Deborah Lovegrove	7/7
Rory MacDonald	7/7
Non-Executive Directors:	
Helen Gilder	7/7
Joanne Lake	7/7
Phil Pavitt	5/7

Joanne Lake

Non-Executive Chair

Committees
Audit Committee
ESG Committee
Remuneration Committee
Nomination Committee (Chair)

Joanne has over 30 years' experience in accountancy and investment banking, including with Panmure Gordon, Evolution Securities, Williams de Broe and Price Waterhouse. She is a Chartered Accountant and a Fellow of the Chartered Institute for Securities & Investment, and of the ICAEW, and is a member of the ICAEW's Corporate Finance Faculty.

Current directorships/partnerships
Henry Boot PLC
Gateley (Holdings) Plc
Honeycomb Investment Trust PLC
Braemar Shipping Services PLC

Rory MacDonald

Founder and Chief Executive Officer

Committees
ESG Committee (Chair)

Rory founded Made Tech in 2008 and has led the business in delivering organic and profitable growth ever since. He has over 20 years' experience working in technology services organisations, across both the public and private sectors. In his role as CEO, Rory is responsible for setting the strategic direction of Made Tech and for overseeing profitable growth.

Current directorships/partnerships
Made Tech Limited
RMSC Property Limited
Rory MacDonald Holdings Limited
RMD Investment Management Limited

Deborah Lovegrove

Chief Financial Officer

Committees
N/A

Deborah joined Made Tech in September 2021 and brings over 25 years' experience in finance. Previous roles include Chief Financial Officer and Finance Director roles for organisations including Wavemaker (WPP), Carat (Dentsu Aegis) and ITV. Deborah has a strong track record of building and managing finance, IT and HR functions, and problem solving within challenging business environments.

Current directorships/partnership
Made Tech Limited
11 Gloucester Crescent London NW1 Limited

Chris Blackburn

Chief Operating Officer

Committees
N/A

Chris has 20 years' experience in digital and technology consulting roles spanning public and private sector clients including Royal Bank of Scotland, Philips, Government Digital Service, and the Ministry of Justice. Prior to Made Tech Chris was Technology Director at Dentsu Aegis agency Isobar, leading technology delivery in the UK. Chris has been with the Company since 2012.

Current directorships/partnership
Made Tech Limited

Helen Gilder

Independent Non-Executive Director

Committees
Audit Committee (Chair)
Remuneration Committee (Chair)
Nomination Committee
ESG Committee

Helen has a strong track record in leading fast-growth digital technology companies. She was formerly CFO of AIM quoted ZOO Digital Group plc, and is a member of the Yorkshire Regional Advisory Group of the London Stock Exchange and advises a number of growth businesses. Helen is a qualified Chartered Accountant with the ICAEW.

Current directorships/partnerships
7Digital Group plc
Slingshot Simulations Limited
Helen Gilder Limited

Phil Pavitt

Independent Non-Executive Director

Committees
Audit Committee
Remuneration Committee
Nomination Committee

Phil has over 30 years' experience in technology and transformation, including with HM Revenue & Customs, Transport for London and Essex County Council. He has won a number of awards and has consistently been rated as one of the UK's top 25 CIOs.

Current directorships/partnerships
Belron International Limited

Corporate governance and responsibilities

I am pleased to present the Corporate Governance Statement as Chair of the Board of Directors of Made Tech Group Plc. As Chair, it is my responsibility to ensure that Made Tech has both sound corporate governance and an effective Board. Since the Company listed on AIM in September 2021, it has chosen to adopt the Quoted Companies Alliance's Corporate Governance Code for Small and Mid-Size Quoted Companies (the "QCA Code"), to the extent it is appropriate having regard to the Company's size, Board structure, stage of development and resources.

The Directors of Made Tech recognise the value of good corporate governance in every part of the business. The Board considers that compliance with the QCA Code will enable it to serve the interests of all key stakeholders, including shareholders, and will promote the maintenance and creation of long-term value in the Company. The Code consists of ten general principles. These are broadly split into the categories of: delivering growth; maintaining a dynamic management framework; and building trust. This report sets out our approach to governance, including information on relevant policies and practices and the operation of the Board and its Committees. Additional detail on how the Company has applied the QCA Code is also provided in the corporate governance section of our website: www.madetech.com. The Board has assessed the Group's compliance with the Code, and has determined that throughout the year since the adoption of the Code on Admission to AIM the Group has complied with the Code's requirements.

Compliance with the QCA Code

Principle 1

Establish a strategy and business model which promote long-term value for shareholders

Made Tech is a provider of digital, data and technology services to the UK public sector. Founded in 2008 and with a headcount at 31 May 2022 of 478 across four UK locations (London, Manchester, Bristol and Swansea), Made Tech provides services that enable central government, healthcare and local government organisations to digitally transform.

The Directors believe that organisations should not just focus on the bottom line but in addition aim to be a broader force for good within society. The Group considers itself to be an organisation that is genuinely purpose driven and has undertaken strategic planning to identify, agree and communicate the Group's purpose: "positively impact the future of society by improving public sector technology".

The Directors believe that they can achieve the Group's purpose by executing against four strategic missions:

- modernise legacy technology and working practices;
- accelerate digital service and technology delivery;
- drive better decisions through data and automation; and
- enable technology and delivery skills to build better systems.

To guide the Group in scaling its culture, the Directors have adopted the following core values:

- client focused – being a trustworthy partner to the public sector to build strong and lasting relationships with the Group's clients;
- drive to deliver – delivering successful outcomes for the Group's clients, users and citizens; and
- learning and mentoring – continuous improvement of all employees and the client team members with whom the Group works.

Further details of our growth strategy can be found on page 12.

Principle 2
Seek to understand and meet shareholder needs and expectations

The Board is committed to open and ongoing engagement with the Company's shareholders to understand their needs and expectations and to ensure that the Company's business model, strategy and performance are understood.

Regular communication with shareholders centres around the Annual and Interim Reports, the full and half year results announcements and trading updates (where required or appropriate) as well as the Company's website, which provides access to financial reports, announcements and notifications made via a Regulatory Information Service.

Our Chief Executive Officer is the primary point of contact for shareholders. There is a dedicated email address, investor-relations@madetech.com, for shareholder questions and comments. The Chief Executive Officer will be responsible for ensuring that all such feedback from investors is reported to the Board as a whole.

Regular meetings are held between the Chief Executive Officer, the Chief Financial Officer and investors and analysts to ensure that the Company's strategy, financials and business developments are communicated effectively. The Independent Non-Executive Directors are also available to discuss any matters that shareholders wish to raise and discuss.

Principle 3
Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board recognises that execution of the Company's strategy depends upon strong relationships with both its internal and external stakeholders and it therefore seeks to understand stakeholder expectations and how they align with the needs of the business. The Board will be regularly updated on feedback from stakeholder engagement to ensure that it has a full understanding of the issues that matter most to them so that they can be taken into account in the Board's decision making.

Employees
The Company is committed to conducting business with integrity, honesty and fairness and operates a Code of Conduct for all of its employees to ensure that everyone is acting in the best interests of the business.

The Board is committed to creating a climate of openness throughout the Company, and to encouraging its employees to provide their feedback through regular employee engagement initiatives and to contribute their own ideas through regular meetings between staff representatives and senior management. The Company uses a variety of channels to keep staff informed of key developments, which have been important during a time when staff have been forced to work from home during the COVID-19 pandemic. The Company will continue to provide its employees with regular briefings and updates as well as providing visibility of the Group's financial performance and future plans.

The Company is committed to developing all members of staff, enabling them to fulfil their potential by providing learning and development pathways and career support to all staff across the business, from apprentices to senior management. The Company's academy programme attracts recruits from diverse backgrounds looking to start their careers in the IT and technology sector. Where appropriate, before searching for external candidates, job vacancies are advertised internally within the Company. The Company also supports employees who seek to acquire professional qualifications or to further their own development.

Suppliers
The Company's supplier relationships are managed effectively by our managers to ensure that there is no disruption to the Company's supply chain that could have an adverse impact on the business.

The Company is committed to the ethical sourcing of products and only contracts with suppliers that it believes respect the rights of their employees and require the same standards from all of their suppliers that they apply in their own business.

Clients
All Made Tech clients have a dedicated Client Lead responsible for managing the client relationship. There is a dedicated team including an Executive Sponsor, Client Lead, Technical Lead and Delivery Lead to support clients and ensure that we develop the relationship and provide great work to grow our relationship and grow the size of the accounts. Client feedback is regularly communicated back to the Executive Team to enable the Company to improve current and future product development, marketing support and customer service levels.

Community and environment
The core focus of the Made Tech business is summed up as "enabling public sector services to digitally transform to provide better services and levels of care and assistance to our communities in a safe, efficient and responsible manner".

The Company aims to challenge itself to develop smarter ideas and to continually improve its technology to enable its clients to meet both business and sustainability goals.

Made Tech complies with the Waste Electrical and Electronic Equipment Regulations and works in compliance with the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Regulations 2004. The Group continues to find ways to reduce energy consumption, reduce waste and increase recycling.

Compliance with the QCA Code continued

Principle 4

Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Directors are responsible for maintaining the Company's systems of controls and risk management in order to safeguard the Company's assets.

Made Tech operates a risk management framework to identify, manage and monitor risks which affect the delivery of its business model. Risk is a standing item on the Board's agenda with reports provided by the Group's senior leadership team. In conjunction with these reports, the Board reviews the effectiveness of internal control systems designed to safeguard the business, by monitoring financial performance against budgets and updated financial forecasts. A formal review of risk and our risk management strategy can be found from page 27 of this report.

Principle 5

Maintain the Board as a well-functioning, balanced team led by the chair

The Company's Board of Directors comprises three Executive Directors and three Non-Executive Directors. The QCA Code recommends that at least two Board members should be non-executive directors who are independent. The Non-Executive Directors are considered independent for the purposes of the QCA Code and accordingly the Company complies with its requirements.

The biographies of the Directors can be found on pages 34 to 35 of this report and in the Board of Directors section of the website. The Board is assisted in its duties by the Audit and Remuneration Committees, further information on which can be found on page 42 and 48 of this report and on the website under a section titled Corporate Governance.

The Executive Directors work full time in the business and have no other significant outside business interests. The CEO is responsible for managing the Group's business and operations within the parameters set by the Board. The Non-Executive Directors are responsible for bringing independent judgement to the discussions held by the Board, using their breadth of experience and understanding of the business. Their key responsibilities are to constructively challenge and contribute to strategic proposals, and to monitor performance, resources and standards of conduct, compliance and control, whilst providing support to executive management in developing the Group. Their time commitment is sufficient for them to perform these responsibilities and details of their external commitments are given alongside their biographies on pages 34 to 35.

The Board is satisfied that it has a suitable balance between independence and knowledge of the business to allow it to discharge its duties and responsibilities effectively.

The Board expects to meet at least eight times a year with additional meetings when circumstances and urgent business dictate, and will be responsible for strategy, oversight of the Company's activities and reviewing the framework of internal controls.

Briefing papers are distributed to all Directors in advance of Board and Committee meetings and all Directors have access to the advice and services of the Company Secretary, who is responsible for ensuring that Board procedures are followed, that each Director is at all times provided with such information as is necessary for them to discharge their duties and that applicable rules and regulations are followed, in accordance with the QCA Code.

Attendance information on Group Board meetings can be found in the Board of Directors section on page 34.

Attendance information on Committee meetings can be found in the Remuneration report on page 42 and the audit committee report on page 48.

Principle 6

Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

Information on each Board member including their experience, skills and qualities they bring to the Board is set out on pages 34 to 35 of this report and on the website under Board of Directors.

The Directors are satisfied that the balance of Executive and Non-Executive Directors is appropriate and that no individual or group may dominate the Board's decisions. The Board considers that each of the Directors has the experience and knowledge to constructively challenge the Group's strategy and to provide the necessary guidance, oversight and advice to enable the Board to operate effectively. The Group believes that the current balance of skills in the Board as a whole reflects a very broad range of commercial and professional skills. The Chair and other Non-Executive Directors communicate with each other as necessary and meet, informally, without the presence of the Executive Directors from time to time during the year. Additionally, they each maintain ongoing communications with Executives between formal Board meetings. Biographies of the current Directors are set out on pages 34 to 35 of this report.

In addition to their general Board responsibilities, Non-Executive Directors are encouraged to participate in other Group meetings or in matters when their individual areas of expertise may be of value.

The Company Secretary ensures that all Directors are kept abreast of changes in relevant legislation and regulations, with the assistance of the Company's other advisers where relevant, as well as helping the Chair to maintain excellent standards of corporate governance. All Directors were given AIM Rules and Directors' responsibilities training as part of the IPO process.

The Executive Directors are subject to the Company's performance and development review process through which their performance against predetermined objectives is reviewed and their personal and professional development needs considered. The Directors are encouraged to raise any personal development or training needs with the Chair.

The Non-Executive Directors have a breadth and depth of skills and experience across many different sectors enabling them to provide the necessary guidance, oversight and advice for the Board to operate effectively.

In order to keep Director skill-sets up to date, the Board uses third parties to advise the Directors of their responsibilities including receiving advice from the Company's external lawyers and NOMAD Board composition is always a consideration in relation to succession planning. The Board will consider any Board imbalances for future nominations, including Board independence and gender balance.

Principle 7

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

All Board appointments were made after consultation and detailed due diligence will be carried out on all new potential Board candidates. The Board will consider using external advisers to review and evaluate the effectiveness of the Board and Directors in future to supplement its own internal evaluation processes.

The Board intends to carry out a self-evaluation of its performance and the Board Committees before the end of the first full calendar year post-IPO with a view to setting objectives for the Board for the future and identifying any areas where professional advice should be sought. In subsequent years a review of Board performance will from time to time be externally facilitated. On an ongoing basis the Board will review the level of achievement of the Executive Directors compared with their objectives, assessing their contribution to Company performance and reappraising future objectives on an annual basis.

The Board will review the time commitment of Non-Executives and their re-appointment having regard to their ability to commit the necessary time to the role, and the skills, knowledge and experience required as well as making an assessment of their continuing independence.

Compliance with the QCA Code continued

Principle 8
Promote a corporate culture that is based on ethical values and behaviours

The Board is mindful that the tone and culture set by the Board will impact many aspects of the Company and the way that stakeholders behave and form views.

The Company recognises the importance of establishing a culture of ethical behaviour and applies these standards to all dealings with employees, clients and other stakeholders. Accordingly, Made Tech has developed an ethics policy to ensure that its business is conducted with high ethical and legal principles and sets standards of professionalism and integrity for all employees and Group-wide operations.

The Board has adopted a Anti-Bribery and Corruption Policy consistent with the requirements of the UK Bribery Act 2010. Compliance with the policy will be regularly reviewed at Board meetings.

Principle 9
Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

The Board of Directors is responsible for the determination of the investment decisions of the Company and for its overall supervision and the objectives it has set out. The Board is also responsible for the Company's day-to-day operations.

The Company has established Remuneration, Audit, Nomination and ESG Committees.

The Chair is responsible for leading an effective Board, fostering a good corporate governance culture, maintaining open communications with the major shareholders and ensuring appropriate strategic focus and direction.

The Chief Executive Officer has overall responsibility for managing the day-to-day operations of the Company and the Board as a whole is responsible for implementing the Company's strategy.

Principle 10
Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board is committed to maintaining effective communication and having constructive dialogue with its shareholders. The Company has established and intends to build ongoing relationships with both its private and institutional shareholders (through meetings and presentations) as well as shareholder analysts, and for them to have the opportunity to discuss issues and provide feedback at meetings with the Company. The Company communicates progress with shareholders and stakeholders throughout the year by publishing announcements via a Regulatory Information Service and its Annual and Interim Report and Accounts (including the Section 172 Statement), and through update meetings as necessary.

The Group's website is kept up to date with appropriate governance material, and contains details of relevant developments, press and corporate news and presentations.

Our Committees

Audit Committee

The Audit Committee comprises Joanne Lake, Phil Pavitt and Helen Gilder, who acts as Chair. The Audit Committee determines and examines matters relating to the financial affairs of the Company including the terms of engagement of the Company's auditors and, in consultation with the auditors, the scope of the audit. It receives and reviews reports from management and the Company's auditors relating to the half yearly and annual accounts and the accounting and the internal control systems in use throughout the Company.

Remuneration Committee

The Remuneration Committee comprises Joanne Lake, Phil Pavitt and Helen Gilder, who acts as Chair. The Remuneration Committee reviews and makes recommendations in respect of the Executive Directors' remuneration and benefits packages, including share options and the terms of their appointment. The Remuneration Committee also makes recommendations to the Board concerning the allocation of share options to employees under the New Share Plans.

Nomination Committee

The Nomination Committee comprises Helen Gilder, Phil Pavitt and Joanne Lake, who acts as Chair. The Nomination Committee is responsible for identifying and nominating for Board approval candidates to fill Board vacancies and evaluating the need for and nature of additional appointments.

Environmental, Social and Governance (ESG) Committee

The ESG Committee comprises Helen Gilder, Joanne Lake, Rory MacDonald (Chair), Kate Phillips, Kayleigh Derricutt, Haroon Ahmed and John Godwin.

The ESG Committee is responsible for measuring and improving the Group's impact on the environment, generating social value through its work, positively impacting the lives of its employees and stakeholders and operating ethically and with goodwill.

JC Lake

Joanne Lake
Non-Executive Chair
9 September 2022

Compensating and valuing our people

Members

Helen Gilder (Chair)

Joanne Lake

Phil Pavitt

Attendance of the Remuneration Committee

	Committee attendance
Joanne Lake	● ●
Helen Gilder	● ●
Phil Pavitt	○ ●
Total meetings held	● ●

● Attended ○ Did not attend ○ N/A

Directors' remuneration report – period ended 31 May 2022

Annual Statement

I am pleased to introduce the Directors' Remuneration Report for the period ended 31 May 2022, our first since our IPO in September 2021. This letter introduces the report, outlines the major decisions on Directors' remuneration during the year and explains the context in which these decisions have been taken.

Made Tech Group Plc is committed to high standards of corporate governance and our policy and disclosures on Directors' remuneration are intended to reflect this approach. Through this report, we aim to provide shareholders with the necessary information to understand our remuneration strategy and how it links with Group performance.

The Company is listed on AIM, a market operated by the London Stock Exchange, and therefore not required to provide all of the information included in this report. However, we provide disclosures in addition to those which are required under the AIM Rules on a voluntary basis, to enable shareholders to understand and consider our remuneration arrangements.

The report is divided into three sections, these being:

- this **Annual Statement**, which summarises the work of the Committee, remuneration outcomes in respect of the period just ended and how the Remuneration Policy will operate in the current year;
- the **Remuneration Policy Report**, which summarises the Company's Remuneration Policy; and
- the **Annual Report on Remuneration**, which discloses how the Remuneration Policy was implemented in the period ended 31 May 2022 and how the Policy will operate for the year ending 31 May 2023.

The information is unaudited except where stated.

Committee meetings and attendance

The Committee is currently chaired by me and its other members are Joanne Lake and Phil Pavitt, Non-Executive Chair and Non-Executive Director of the Company, respectively. The Committee is required by its Terms of Reference (page 39) to meet as frequently as the Committee Chair shall require and also at regular intervals to deal with routine matters and, in any event, at least twice in each financial year. During the financial year to 31 May 2022 the Committee met twice. Please see page 42 for attendance details.

Committee objectives and responsibilities

The Committee's main responsibilities can be summarised as follows:

- to determine the framework or broad policy for the remuneration of the Executive Directors, and such other senior executives as it is requested by the Board to consider. The remuneration of Non-Executive Directors shall be a matter for the Chair and the Executive Directors of the Board. No Director shall be involved in any decisions as to their own remuneration;
- to align Executive and shareholder interests;
- to determine such Remuneration Policy, taking into account all factors which it deems necessary (including relevant legal and regulatory requirements);
- to review the ongoing appropriateness and relevance of the Remuneration Policy, including policy comparisons with market competitors;
- to design and determine targets for any performance-related pay schemes operated by the Company and approving the total annual payments made under such schemes;
- to review the design of, and any changes to, all share incentive plans;
- to advise on any major changes in employee benefit structures throughout the Company; and
- to consider any matter specifically referred to the Committee by the Board.

Performance and reward for period ended 31 May 2022

Following a review of performance against the revenue, EBITDA and strategic annual bonus targets, the Remuneration Committee agreed that no annual bonus would be payable to the Executive Directors for the period ended 31 May 2022.

Implementation of the Remuneration Policy for the year ending 31 May 2023

In respect of the implementation of the Remuneration Policy for the year ending 31 May 2023 for Executive Directors:

- no changes will be made to base salary levels or pension and benefit provision;
- annual bonus potential will continue to be capped at 100% of base salary based on sliding scale revenue, EBITDA and strategic targets; and
- shareholding guidelines of 100% of salary will continue to operate for the Executive Directors.

No changes will be made to the fees for the Chair or Non-Executive Directors.

Helen Gilder
Remuneration Committee Chair
9 September 2022

The Company's approach to remuneration is that the overall package should be sufficiently attractive to recruit, motivate and retain individuals of a high calibre with significant technical and strategic expertise. The Company needs to ensure that key personnel can deliver the Company's objectives and value for shareholders in a competitive sector, and are committed to supporting the Company's culture and value.

Summary of Executive Directors' Remuneration Policy:

Element	Operation	Purpose	Maximum	Performance
Base salary	Reviewed annually and fixed for 12 months, commencing 1 June each year. The Remuneration Committee takes into account: • an individual's experience, knowledge and performance in the role; • business performance; • achievement of objectives; • comparative salaries and periodic reviews; • the Group's financial position; and • the salary increases being provided to Made Tech employees.	• To help recruit and retain high performing Executive Directors. • To reflect the individual's experience and role and the importance of the business.	n/a	n/a
Benefits	The Executive Directors are entitled to private medical insurance, dental insurance cover, life insurance and permanent health insurance.	• To help recruit and retain high performing Executive Directors. • To provide market competitive benefits.	n/a	n/a
Pension	The Executive Directors are entitled to participate in the Group's pension scheme or receive a payment in lieu of pension.	• To help recruit and retain high performing Executive Directors. • To provide market competitive pensions.	The maximum payment by the Group is set at 9% of salary. The CEO currently receives a payment in lieu of pension of 9% of salary.	n/a
Annual bonus	The annual bonus is earned by the achievement of one year performance targets set by the Remuneration Committee. The parameters, performance criteria, weightings and targets are ordinarily set at the start of each financial year. Payments are normally made in cash following completion of the year subject to the Committee's assessment of performance against targets and other matters it deems relevant. Awards are subject to malus and clawback provisions.	• To incentivise and reward performance. • To align the interests of the Executives and shareholders in the short and medium term.	100% of base salary.	Sliding scale financial, personal, strategic and/or ESG-related targets.

Element	Operation	Purpose	Maximum	Performance
Long Term Incentive Plan ("LTIP")	Executive Directors are eligible to receive awards under the LTIP at the Committee's discretion. Awards are granted as nominal cost options or conditional awards which normally vest after three years subject to performance conditions and continued service. Awards are subject to malus and clawback provisions and dividend equivalents may be added to awards. An additional holding period of two years post vesting may be applied to awards made to the Executive Directors.	• To incentivise and reward long-term performance and value creation. • To align the interests of Executive Directors and shareholders in the long term.	300% of base salary, albeit normal annual awards are expected to be capped at 100% of base salary.	Sliding scale financial, share price, strategic and/or ESG-related targets.
Shareholding guidelines	To promote share ownership for Executive Directors.	• Executive Directors are expected to build and hold a shareholding in the Group.	100% of base salary.	n/a

Summary of Non-Executive Directors' Remuneration Policy

Element	Operation	Purpose	Potential remuneration	Performance metrics
Chair and Non-Executive Directors	Non-Executive Directors are paid a base fee in cash. Fees are reviewed periodically. In addition, reasonable business expenses may be reimbursed.	• To attract and retain NEDs with appropriate experience and skills and provide fees appropriate to the time commitments and responsibilities of each role.	n/a	n/a

Service contracts and letters of appointment

The service contracts for the Executive Directors will continue unless and until terminated by either party giving at least 12 months' notice.

The Non-Executive Directors do not have service contracts but instead have letters of appointment dated 30 September 2021 which contain a three month notice period. The fees paid to the Non-Executive Directors are determined by the Board. They are not entitled to receive incentive awards or other benefits.

Employees

Made Tech expects the total remuneration for employees to be at a level appropriate to attract, recruit, motivate and retain the most suitable individuals. Employees below the Board receive base salary and benefits and some employees receive a bonus (with an element determined by personal performance and an element determined by the Group's financial performance), and senior members of staff are invited to participate in the LTIP.

The Remuneration Committee takes into consideration the pay and benefits of employees when reviewing the remuneration of the Executive Directors and senior management.

Annual report on remuneration

This section sets out details of remuneration for the year ended 31 May 2022.

Fees for Non-Executive Directors effective 30 September 2021 were:

Name	Role	Committee Chair	Annual fee £
Helen Gilder	Non-Executive Director	Remuneration, Audit	50,000
Joanne Lake	Chair	Nomination	90,000
Phil Pavitt	Non-Executive Director	n/a	40,000

Summary of Directors' total remuneration (audited)

Executive Directors	Salary or fees £	Taxable benefits £	Pension contributions £	Annual bonus £	FY22 Total £
Chris Blackburn	133,333	188	14,500	—	148,021
Deborah Lovegrove	150,000	515	5,000	—	155,515
Rory MacDonald	200,000	463	16,000	—	216,463

Non-Executive Directors	Salary or fees £	Taxable benefits £	Pension contributions £	Annual bonus £	FY22 Total £
Helen Gilder	33,333	—	—	—	33,333
Joanne Lake	60,000	—	—	—	60,000
Phil Pavitt	26,667	—	—	—	26,667

Directors' interests in shares

The interests of the Directors in the ordinary shares of the Company at 31 May 2022 are as follows:

Director	Number of ordinary shares held on 31 May 2022	% of issued share capital
Rory MacDonald	41,696,665	28.16%
Chris Blackburn	21,340,861	14.41%
Debbie Lovegrove	16,392	0.01%
Joanne Lake	41,324	0.03%
Helen Gilder	4,098	0.00%
Phil Pavitt	8,196	0.01%

Long Term Incentive Plan Awards in period to 31 May 2022

LTIP awards were granted to the CEO, COO, CFO and a number of other senior employees on 24 September 2021 conditional upon the Company's admission ("Admission") to trading on AIM on 30 September 2021. The table below summarises the aforementioned LTIP awards made to the Executive Directors.

Grantee	Date of grant	Award type	Number of shares over which option granted	Reference value at grant date	Exercise price per ordinary share	Interest at 31 May 2022	Normal vesting date(s)	Normal lapse date
Rory MacDonald	24.09.21	LTIP	737,704	£900,000	£0.005	737,704	30.09.24	30.09.31
Chris Blackburn	24.09.21	LTIP	491,803	£600,000	£0.005	491,803	30.09.24	30.09.31
Deborah Lovegrove	24.09.21	LTIP	491,803	£600,000	£0.005	491,803	30.09.24	30.09.31
	24.09.21	Recruitment*	122,950 split across three equal parts	£150,000	£0.005	122,950	30.09.22 30.09.23 30.09.24	30.09.31

* One-off award granted in connection with Deborah Lovegrove's recruitment.

The LTIP awards noted in the table above are subject to a two year post-vesting holding period (net of sales for tax) and are subject to the following performance conditions measured over the three year period commencing on Admission:

Performance condition	Weighting	Performance targets
Absolute TSR performance	50%	0% of this part vests unless the Company's TSR performance equates to a CAGR of 7.5%, for which 25% of this part vests, rising pro-rata to 100% of this part vesting for the Company's TSR performance equating to a CAGR of 15% or higher.
Relative TSR performance	50%	0% of this part vests unless the Company's relative TSR performance is median ranking performance, for which 25% of this part vests, rising pro-rata to 100% of this part vesting for the Company's relative TSR performance ranking upper quartile or better.

Implementation of the Remuneration Policy for the year ending 31 May 2023

Details of how the Remuneration Policy will be implemented for the year ending 31 May 2023 are as follows:

Executive Directors:

Name	Base salary (% increase from 1 June 2022)		Benefits and pension	Annual bonus	LTIP
Rory MacDonald	£300,000	(0%)	As per the remuneration policy	100% of salary max. based on financial and strategic performance	100% of salary in line with the remuneration policy
Chris Blackburn	£200,000	(0%)			
Debbie Lovegrove	£200,000	(0%)			

Non-Executive Directors:

Name	Role	Committee Chair	Annual fee	% increase
Joanne Lake	Chair	Nomination	£90,000	0%
Helen Gilder	Non-Executive Director	Audit, Remuneration	£50,000	0%
Phil Pavitt	Non-Executive Director	n/a	£40,000	0%

Monitoring the quality of internal controls

Members

Helen Gilder (Chair)

Joanne Lake

Phil Pavitt

Attendance of the Audit Committee

	Committee attendance
Joanne Lake	●●
Helen Gilder	●●
Phil Pavitt	○●
Total meetings held	●●

● Attended ○ Did not attend ○ N/A

Dear shareholders,
I am pleased to present our maiden Audit Committee Report for the year ended 31 May 2022.

The Audit Committee was formed at IPO and has held two meetings since it was established. The priorities for these initial meetings have been the actions required in support of the year-end audit process, appointment of external auditors, approval of audit fees, review of the Annual Report and Accounts and review of the risk register and internal controls.

Committee meetings and attendance
The Committee is currently chaired by me (a Chartered Accountant) and its other members are Joanne Lake (a Chartered Accountant) and Phil Pavitt, both of whom are Independent Non-Executive Directors of the Company. The Chief Financial Officer attends the Audit Committee meetings by invitation and other members of the Executive Team may also be invited to attend meetings if required.

The Committee is required by its Terms of Reference to meet as frequently as the Committee Chair shall require and also at regular intervals to deal with routine matters and, in any event, at least twice in each financial year. The Committee has unrestricted access to the Group's auditors. Please see table for attendance details.

Committee activities
The Committee is responsible for reviewing and reporting to the Board on the Company's financial performance, monitoring the integrity of the Company's financial statements (including Annual and Interim reports and results announcements), reviewing internal control and risk management, and reviewing/monitoring the performance, independence and effectiveness of the Company's external auditors.

The Committee's primary activities over the year comprised meeting with the external auditors, considering the audit approach, scope and timetable, and reviewing the key audit matters for the FY22 audit. In addition, the Committee reviewed the audit provided by Crowe U.K. LLP, the Group's external auditors. The Committee concluded that Crowe U.K. LLP are delivering the necessary audit scrutiny. Accordingly, the Committee recommended to the Board that Crowe U.K. LLP be re-appointed for the next financial year.

As part of the year-end audit, the Committee:

- met with the external auditors to review and approve the annual audit plan and receive their findings and report on the annual audit;
- considered significant issues, areas of judgement and key audit matters with the potential to have a material impact on the financial statements, including the Group's revenue recognition policy and the capitalisation of development costs;
- considered the integrity of the published financial information and whether the Annual Report and Accounts taken as a whole is fair, balanced and understandable and provides the information necessary to assess the Group's position and performance, business model and strategy; and
- reviewed and approved the interim and year-end results and accounts.

The respective responsibilities of the Directors and external auditors in connection with the Group financial statements are explained in the Statement of Directors' Responsibilities on page 53 and the Auditors' Report on pages 54 to 57. Details of services provided by and fees payable to the auditors are shown in note 6 of the Group financial statements.

In the coming year, in addition to the Committee's ongoing duties, the Committee will:

- consider significant issues and areas of judgement with the potential to have a material impact on the financial statements;
- continue to review and consider the most appropriate way of monitoring the internal control environment across the Group, following which an appropriate system of review for the size and complexity of the organisation will be implemented; and
- oversee a review and broadening of the Group's risk management framework.

Committee objectives and responsibilities
The Committee's main responsibilities can be summarised as follows:

- to report on and review the Company's financial performance;
- to monitor the integrity of the Company's financial statements and any formal announcements relating to the Group's financial performance;
- to review the Company's internal financial controls and risk management systems;
- to review any changes to accounting policies;
- to make recommendations to the Board in relation to the appointment of the external auditors;
- to make recommendations to the Board concerning the approval of the remuneration and terms of engagement of the external auditors;
- to review and monitor the extent of the non-audit services undertaken by external auditors;
- to review and monitor the external auditors' independence and objectivity;
- to review the Company's attitude towards areas such as ethics, anti-bribery, corruption, modern slavery, market abuse prevention and whistleblowing; and
- to consider any matter specifically referred to the Committee by the Board.

Financial reporting
During the year, the Committee concluded that the Annual Report and Financial Statements, taken as whole, was fair, balanced and understandable and provided the information necessary for shareholders to assess the Group's business model, strategy and performance.

The Committee considered the budget for FY23 together with appropriate sensitivities and concluded that the going concern basis is appropriate. The Committee also reviewed the Strategic Report and concluded that it presented a useful and fair, balanced and understandable review of the business.

The Audit Committee assesses whether suitable accounting policies have been adopted and whether appropriate estimates and judgements have been made by management. The Committee also reviews accounting papers prepared by management, and reviews reports by the external auditors. The specific areas reviewed by the Committee during the year were:

- Revenue recognition;
- the appropriateness of the treatment of costs in relation to the IPO and the presentation in the Group financial statements;
- the appropriateness of the disclosure in the financial statements, given the first year as a listed Group;
- a review of the capitalisation of development costs;
- alternative performance measures;
- the going concern assessment; and
- the fair value of the Share-based payments in the year.

Alternative performance measures ("APMs")
Throughout the Annual Report and Accounts we refer to a number of APMs. The measures are not defined under IFRS and therefore may not be directly comparable with adjusted measures presented by other companies. The non-GAAP measures are not intended to be a substitute for or superior to any IFRS measures of performance; however, they are considered by management to be important measures used in the business for assessing performance.

APM's used by the Group are as follows:

- adjusted EBITDA, which means operating profit before depreciation, amortisation, share-based payments charge and exceptional items;
- adjusted operating profit, which means operating profit before amortisation of acquired intangible assets, share-based payments charge and exceptional items;
- adjusted profit before tax, which means profit before tax, amortisation of intangible assets, share-based payments charge and exceptional items;
- adjusted earnings, which means profit after tax before amortisation of acquired intangible assets, share-based payments charge and exceptional items;
- adjusted earnings per share, which means adjusted earnings divided by a weighted average number of shares in issue;
- adjusted operating cash flow, which is calculated as adjusted EBITDA less movements in working capital, capital expenditure and lease payments.

The Committee considers the APMs, all of which exclude the effect of non-recurring items or non-operating events, provide useful information for shareholders on the underlying performance of the Group. The Committee is satisfied that, where APMs are used, they are presented with equal prominence to the statutory figures.

Helen Gilder
Chair of the Audit Committee
9 September 2022

Report of the Directors

The Directors present their report together with the audited Group financial statements of Made Tech Group Plc and the Company for the year ended 31 May 2022.

Principal activities and business overview
The Company is incorporated and domiciled in the UK with company number 12204805 and with its registered office address at 4 O'Meara Street, London, United Kingdom SE1 1TE. The Company is a public limited company admitted to AIM, a market operated by the London Stock Exchange.

The principal activity of Made Tech Group Plc (the "Company") is that of a holding company. The main trading company of the Group is Made Tech Limited (company number 06591591), and the principal activity of this company is a provider of digital, data and technology services to the UK public sector. Service offerings include digital service delivery, embedded capabilities, data infrastructure and insights and legacy application transformation.

Business review and future developments
A review of the performance of the Group during the year, including principal risks and uncertainties, key performance indicators and comments on future developments, is given in the Strategic Report see page 1.

Results and dividends
The Group recorded revenue in the year of £29.3m (2021: £13.3m) and loss after tax of £(0.3)m (2021: loss of £(0.8)m).

The Directors have not recommended the payment of a dividend for the year.

Events after the balance sheet date
There were no events occurring after the balance sheet date that require disclosing in accordance with IAS 10 Events after the Reporting Period.

Political and charitable donations
The Group made no political donations (2021: £nil) and no charitable donations in the year (2021: £nil).

Directors Remuneration
Details of Directors' remuneration is set out in the Remuneration Committee Report on page 42.

Directors and their interests
The Directors of the Company who were in office during the year and up to the date of signing the Group financial statements were as follows:

Chris Blackburn	
Helen Gilder	appointed 27 September 2021
Joanne Lake	appointed 27 September 2021
Deborah Lovegrove	appointed 1 September 2021
Rory MacDonald	
Phil Pavitt	appointed 27 September 2021

Biographical details of the Directors can be found on pages 34 to 35.

Directors' interests in the ordinary shares of the Company can be found in the Remuneration Committee Report on page 42.

As explained in the basis of preparation in note 2 of the financial statements, a Group reorganisation took place prior to the IPO resulting in the Company being re-registered as a public limited company and becoming the ultimate holding company of the Group.

Directors' indemnities and insurance
The Company has made qualifying third-party indemnity provisions for the benefit of the Directors, which were in force during the year and up to the date of this report.

Significant shareholdings
As at 31 August 2022, the Company has been advised, in accordance with the Disclosure and Transparency Rules of the Financial Conduct Authority, of the following notifiable interests in 3% or more of its voting rights.

Shareholder	Number of shares as at 31 May 2022	%
Mr Rory MacDonald	41,698,814	28.16%
Mr Chris Blackburn	21,338,065	14.41%
Premier Miton Investors (Guildford)	8,858,797	5.98%
Mr Luke Morton	6,011,974	4.06%
Stonehenge Fleming Family & Partners (London)	6,000,000	4.05%
Canaccord Genuity Wealth Management (London)	5,000,000	3.38%
Berenberg Bank (Frankfurt)	4,921,535	3.32%
Highclere International Investors (London)	4,633,581	3.13%

Employees
The Group recognises the critical part that its employees play in shaping every facet of the business and its financial performance. There has been consistent focus on the development of employee welfare and health and safety practices throughout the year. We are committed to the investment in our team at all levels to ensure a culture of continuous improvement to position the business to continue to achieve the projected growth and development over the coming years.

We embrace diversity across our organisation and the Group recognises that discrimination is unacceptable and that equality of opportunity is paramount. The aim of these policies is to ensure that no job applicant or employee is discriminated against either directly or indirectly on the grounds of race, colour, ethnicity, national s, gender reassignment, disability, political opinion or age. Breaches of these policies result in disciplinary proceedings and, if necessary, action.

Employees continued

Our Made Tech team plays a fundamental role in shaping our corporate responsibility culture through voluntary teams looking at employee engagement, charitable and environmental activities.

Further details on how we engage with our employees and the culture we are proud to have can be found in the Sustainability Report on pages 16 to 21 and in our Section 172 Statement on pages 14 and 15.

Investing in and developing our stakeholder relationships are central to our Group values. We believe the success of our strategy depends on our ability to foster effective business relationships with all of our stakeholders. Their interests are important to us and we are committed to maintaining strong, positive relationships with them, built on a foundation of mutual respect, trust and understanding. Further information on our stakeholder engagement can be found in our Section 172 Statement on pages 14 to 15, where we provide a high level overview of how we engage with our stakeholders.

Share capital and voting

The Company has one class of equity share, £0.0005 ordinary shares, with full voting, dividend and capital distribution rights, including on winding up. They are non-redeemable. The rights and obligations attaching to these shares are governed by the Companies Act 2006 and the Company's Articles.

As at 31 May 2022, the Company's issued share capital comprised 148,078,173 ordinary shares with a nominal value of £0.0005.

Off-market purchase of deferred shares by the Company

The Company had a second class of share, £0.0001 deferred shares, which had arisen from the operation at the time of the IPO of a share ratchet which appeared in the Company's Articles of Association in force during the period immediately prior to IPO. The deferred shares carry very little rights (no voting, dividend or other distribution rights). As the stated intention from their creation upon IPO was that they would be purchased in their entirety by the Company, the Company intends to purchase all of the deferred shares on the date of the Company's Annual General Meeting in 2022, and after purchasing the deferred shares, they will be cancelled in full.

Research and development

The Group performs research and development activities principally around technology platforms and business accelerators. This remains a high priority for the Group to maintain the excellence of its technology and service offering alongside the introduction of new functionality. In accordance with its accounting policies, the Group capitalised development expenditure of £1.9m (2021: £nil) during the year. There was no Research expenditure during the year (2021: £nil).

Notice of Annual General Meeting

Details of business to be conducted at this year's AGM are contained in the Notice of the Annual General Meeting which will be communicated to shareholders separately. It is the opinion of the Directors that the passing of these resolutions is in the best interests of the shareholders.

Corporate governance

The Group's Corporate Governance Statement can be found in the Corporate Governance section of this Annual Report on pages 36 to 41, which is incorporated by reference and forms part of this Report of the Directors.

Disclosure of information to auditors

The Directors who held office at the date of approval of this report confirm, having made enquiries of fellow Directors and of the Group's auditors, that:

- to the best of their knowledge and belief, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

Going concern

Management has produced forecasts and projections through to May 2024 which have been reviewed by the Directors. These demonstrate that the Company and the Group is forecast to generate profits and cash in the year ending 31 May 2023 and beyond and that the Company and the Group has sufficient working capital to enable them to meet their obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements.

As such, the Directors have a reasonable expectation that the Company and the Group has adequate resources to continue to operate for the foreseeable future. The Directors therefore continue to adopt the going concern basis in preparing the consolidated financial statements.

Statement of Directors' responsibilities
The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group financial statement in accordance with applicable law and UK adopted International Accounting Standards (IFRS) and the Company financial statements in accordance with applicable law and UK 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 Group and Company and of the profit or loss of the Group for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK adopted International Accounting Standards have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 102, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations
The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group and Company's position and performance, business model and strategy.

In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group and Company's auditors are aware of that information.

Independent auditors
The auditors, Crowe U.K. LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the AGM.

The Report of the Directors' was approved on behalf of the Board on 9 September 2022.

By order of the Board

Deborah Lovegrove
Chief Financial Officer
9 September 2022

Independent auditors' report

To the members of Made Tech Group PLC

Opinion

We have audited the financial statements of Made Tech Group Plc (the "Parent Company") and its subsidiaries (the "Group") for the year ended 31 May 2022, which comprise:

- the Group consolidated statement of profit and loss and other comprehensive income for the year ended 31 May 2022;
- the Group consolidated and Parent Company statements of financial position as at 31 May 2022;
- the Group consolidated and Parent Company statement of changes in equity for the year then ended;
- the Group consolidated and Parent Company cash flow statement for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted International Accounting Standards . The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standards applicable in the UK.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 May 2022 and of the Group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the Parent Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the Group's and the Parent company's ability to continue to adopt the going concern basis of accounting.

The going concern assessment period used by the Directors was at least 12 months from the date of the approval of the financial statements. We assessed the appropriateness of the approach, assumptions and arithmetic accuracy of the model used by management when performing their going concern assessment.

We evaluated the Directors' assessment of the Group's and Parent company's ability to continue as a going concern, included but were not limited to:

- undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group's and parent company's ability to continue as a going concern;
- obtaining and reviewing management's going concern assessment;
- evaluating the directors' method to assess the group's and parent company's ability to continue as a going concern;
- reviewing plausible downside scenarios and assessing management's ability to take mitigating actions;
- evaluating the key assumptions used and judgements applied by the directors in forming their conclusions on going concern; and
- evaluating the appropriateness of the directors' disclosures in the financial statements.

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

Conclusions relating to going concern continued
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
Materiality
In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £100,000, based on 0.4% of the Group's turnover per pre-year end management accounts. Materiality for the Parent Company financial statements as a whole was set at £60,000 based on approximately 0.4% of the Parent Company net assets at planning stage. Turnover has been identified as the principal benchmark within the Group financial statements due to this being the primary focus of shareholders. Net assets has been identified as the principal benchmark within the Parent Company financial statements as it is considered to be the focus of shareholders due to being a holding company with no trade.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. This is set at £70,000 for the Group and £42,000 for the Company.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £5,000. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit
Made Tech Group plc is located in the United Kingdom. Our audit was conducted remotely. The operations of its subsidiary, Made Tech Limited are located in the UK and have been audited by Crowe.

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 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.

This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
Carrying value of intangible assets. Refer to page 65 (Notes to the Consolidated Financial Statements – Note 2 Accounting policies), page 71 (Note 3 Judgements in applying accounting policies and key source of estimation uncertainty) and page 79 (Note 12 Intangible Assets). The carrying value of intangible assets at 31 May 2022 was £1.9 million. The Group's intangible assets relate to software developments. When assessing the carrying value of intangible assets, management makes judgements under IAS36 regarding the appropriate cash generating unit, strategy, future trading and profitability and the assumptions underlying these. We considered the risk that the intangible asset should be impaired. The key judgements are in relation to growth, potential market and future profit generated by the underlying intangible assets. Changes to these factors could result in an impairment to the carrying value of intangible assets.	We evaluated, in comparison to the requirements set out in IAS 36, management's assessment as to whether intangible assets were impaired and capitalised correctly. We challenged, reviewed and considered management's impairment and fair value models as appropriate and their key estimates. We reviewed the appropriateness and consistency of the process for making such estimates.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion based on the work undertaken in the course of our audit

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

Matters on which we are required to report by exception
In light of the knowledge and understanding of the Group and the Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of the directors for the financial statements
As explained more fully in the directors' responsibilities statement on page 55 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 Group's and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below however the primary responsibility for the prevention and detection of fraud lies with management and those charged with governance of the company.

Auditor's responsibilities for the audit of the financial statements continued
We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation in the countries in which the group operates.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Leo Malkin (Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
London
9 September 2022

Consolidated statement of profit and loss and other comprehensive income

For the year ended 31 May 2022

	Note	**Year ended 31 May 2022 Audited £'000**	Year ended 31 May 2021 Audited £'000
Revenue	5	**29,289**	13,331
Cost of sales		**(18,032)**	(8,318)
Gross profit		**11,257**	5,013
Administrative expenses		**(8,608)**	(5,524)
Share-based payments	25	**(2,376)**	—
Depreciation	13	**(308)**	(265)
Exceptional items	9	**(224)**	—
Operating loss	6	**(259)**	(776)
Interest payable	8	**(29)**	(30)
Loss before tax		**(288)**	(806)
Taxation (expense)/credit	10	**(20)**	25
Loss for the period		**(308)**	(781)
Total comprehensive loss attributable to the owners of the parent		**(308)**	(781)
Loss per share:			
Loss per ordinary share	11	**(0.22)**	(0.71)
Diluted loss per ordinary share	11	**(0.22)**	(0.71)

All amounts relate to continuing activities. The notes on page 65 to 86 form an integral part of these financial statements.

Non-GAAP metric – adjusted EBITDA

	Notes	**31 May 2022 £'000**	31 May 2021 £'000
Loss after tax		**(308)**	(781)
Interest		**29**	30
Taxation		**20**	(25)
Loss before interest and taxation		**(259)**	(776)
Depreciation		**308**	265
Share-based payment charge		**2,376**	—
Exceptional items	9	**224**	—
Adjusted EBITDA**		**2,649**	(511)

** Adjusted EBITDA, which is defined as operating profit before depreciation, amortisation, exceptional items and share-based payment charge, is a non-GAAP metric used by management and is not an IFRS disclosure.

Consolidated statement of financial position

At 31 May 2022

	Note	31 May 2022 Audited £'000	31 May 2021 Audited £'000
Assets			
Non-current assets			
Tangible assets	13	**879**	755
Intangible asset	12	**1,904**	—
Total non-current assets		**2,783**	755
Current assets			
Trade and other receivables	15	**6,065**	2,544
Cash and cash equivalents		**12,333**	922
Total current assets		**18,398**	3,466
Total assets		**21,181**	4,221
Equity and liabilities			
Equity			
Share capital	23	**74**	1
Share premium		**13,421**	—
Share-based payment reserve	25	**2,376**	—
Deferred share reserve	24	**12**	—
Retained deficit		**(1,096)**	(788)
		14,787	(787)
Non-current liabilities			
Bank loans and borrowings	21	**—**	1,078
Lease liabilities	20	**140**	319
Deferred tax liability	22	**20**	—
Total non-current liabilities		**160**	1,397
Current liabilities			
Trade and other payables	17	**6,054**	3,283
Bank loans and borrowings	21	**—**	172
Lease liabilities	20	**180**	156
Total current liabilities		**6,234**	3,611
Total liabilities		**6,394**	5,008
Total equity and liabilities		**21,181**	4,221

The financial statements on pages 54 to 86 were approved and authorised by the Board of Directors on 9 September 2022 and were signed on its behalf by:

D Lovegrove

Company registration number: 12204805

The accompanying accounting policies and notes on pages 65 to 86 form an integral part of these financial statements.

Company statement of financial position

At 31 May 2022

	Note	31 May 2022 Audited £'000	31 May 2021 Audited £'000
Assets			
Non-current assets			
Investments	14	**2,640**	2,640
Current assets			
Trade and other receivables	16	**13,313**	—
Cash and cash equivalents		**57**	—
Total current assets		**13,370**	—
Total assets		**16,010**	2,640
Equity and liabilities			
Equity			
Share capital	23	**74**	1
Share premium		**13,421**	—
Share-based payment reserve		**2,376**	—
Deferred share reserve	24	**12**	—
Retained (deficit)/earnings		**(82)**	2,558
		15,801	2,559
Current liabilities			
Trade and other payables	18	**209**	—
Amount due to related parties	19	**—**	81
Total liabilities		**209**	81
Total equity and liabilities		**16,010**	2,640

The financial statements on pages 54 to 86 were approved and authorised by the Board of Directors on 9 September 2022 and were signed on its behalf by:

D Lovegrove
Company registration number: 12204805

Company statement of comprehensive income
As permitted by section 408 of the Companies Act 2006, the income statement and statement of comprehensive income of the parent company is not presented as part of these financial statements. The parent company's result after taxation for the financial year was a loss of £2,640,508 (2021: profit of £3,736,808).

The accompanying accounting policies and notes on pages 65 to 86 form an integral part of these financial statements.

Consolidated statement of changes in equity

At 31 May 2022

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Deferred share reserve £'000	Retained deficit £'000	Total equity/ (deficit) £'000
Equity at 1 June 2020	—	—	—	—	1,171	1,171
Loss for the period	—	—	—	—	(780)	(780)
Transactions with equity owners:						
Issue of shares	1	—	—	—	—	1
Dividend	—	—	—	—	(1,178)	(1,178)
Total transactions with equity owners	1	—	—	—	(1,178)	(1,177)
Balance at 31 May 2021	1	—	—	—	(788)	(787)
Equity/(deficit) at 1 June 2021	1	—	—	—	(788)	(787)
Loss for the period	—	—	—	—	(308)	(308)
Transactions with equity owners:						
Issue of shares	73	13,421	—	12	—	13,506
Share-based payment reserve	—	—	2,376	—	—	2,376
Total transactions with equity owners	73	13,421	2,376	12	—	15,882
Balance at 31 May 2022	**74**	**13,421**	**2,376**	**12**	**(1,096)**	**14,787**

Company statement of changes in equity

At 31 May 2022

	Share capital £'000	Share premium £'000	Share-based payment reserve £'000	Deferred share reserve £'000	Retained earnings £'000	Total equity/ (deficit) £'000
Equity at 1 June 2020	—	—	—	—	—	—
Profit for the period	—	—	—	—	3,736	3,736
Transactions with equity owners:						
Issue of shares	1	—	—	—	—	1
Dividend	—	—	—	—	(1,178)	(1,178)
Total transactions with equity owners	1	—	—	—	(1,178)	(1,178)
Balance at 31 May 2021	1	—	—	—	2,558	2,559
Equity at 1 June 2021	1	—	—	—	2,558	2,559
Loss for the period	—	—	—	—	(2,640)	(2,640)
Transactions with equity owners:						
Issue of shares	73	13,421	—	12	—	13,506
Share-based payment reserve	—	—	2,376	—	—	2,376
Total transactions with equity owners	73	13,421	2,376	12	—	15,882
Balance at 31 May 2022	**74**	**13,421**	**2,376**	**12**	**(82)**	**15,801**

The notes on pages 65 to 86 are an integral part of these financial statements.

Consolidated cash flow statement
For the year ended 31 May 2022

	Note	Year ended 31 May 2022 Audited £'000	Year ended 31 May 2021 Audited £'000
Loss for the period		**(308)**	(781)
Adjustments for:			
Tax charge/(credit)	10	**20**	(25)
Net finance charge in the income statement	8	**29**	30
Loss of disposal of property, plant and equipment		—	10
Depreciation of property, plant and equipment	13	**308**	265
Share-based payment	25	**2,376**	—
Cash flows from operating activities before changes in working capital		**2,425**	(501)
Increase in trade and other receivables		**(3,521)**	(1,032)
Increase in trade and other payables		**2,771**	1,853
Net cash flows from operating activities		**1,675**	320
Cash flows from investing activities			
Purchase of property, plant and equipment	13	**(432)**	(272)
Acquisition of intangibles	12	**(1,904)**	—
Net cash used by investing activities		**(2,336)**	(272)
Cash flows from financing activities			
Issue of equity shares		**13,506**	1
Interest and other fees paid		**(12)**	(6)
Dividend paid		—	(1,178)
Drawdown of loan and borrowings		—	1,250
Repayment of loans and borrowings		**(1,250)**	—
Repayment of Director's loan		—	(5)
Repayment of lease liability		**(155)**	(150)
Interest paid on lease liability		**(17)**	(24)
Net cash flows from/(used by) financing activities		**12,072**	(112)
Net increase in cash and cash equivalents		**11,411**	(64)
Cash and cash equivalents at the start of the period		**922**	986
Cash and cash equivalents at the end of the period		**12,333**	922

The notes on pages 65 to 86 are an integral part of these financial statements.

Company cash flow statement

For the year ended 31 May 2022

	Note	Year ended 31 May 2022 Audited £'000	Year ended 31 May 2021 Audited £'000
(Loss)/profit for the period		**(2,640)**	3,736
Adjustments for:			
Share-based payment	25	**2,376**	—
Cash flows from operating activities before changes in working capital		**(264)**	3,736
Increase in trade and other receivables		**(1,382)**	—
Increase in trade and other payables		**1,703**	81
Net cash flows from operating activities		**57**	3,817
Cash flows from investing activities			
Acquisition of subsidiary	14	**—**	(2,640)
Transactions with subsidiary		**(13,506)**	—
Net cash used by investing activities		**(13,506)**	(2,640)
Cash flows from financing activities			
Issue equity shares		**13,506**	1
Dividend paid		**—**	(1,178)
Net cash flows from/(used by) financing activities		**13,506**	(1,177)
Net increase/(decrease) in cash and cash equivalents		**57**	—
Cash and cash equivalents at the start of the period		**—**	—
Cash and cash equivalents at the end of the period		**57**	—

The notes on pages 65 to 86 are an integral part of these financial statements.

Notes to the financial statements

1. Company information

The consolidated financial information represents the results of Made Tech Group Plc (the "Company") and its subsidiary, together comprising the Group ("Made Tech Group Plc" or the "Group").

Made Tech Group Plc is a company incorporated and domiciled in England and Wales, registration number 12204805. The address of its registered office is 4 O'Meara St, London, SE1 1TE.

Made Tech Group Plc is quoted on the London Stock Exchange.

The principal activity of Made Tech Group Plc (the "Company") is that of a holding company. The main trading company of the Group is Made Tech Limited (company number 06591591) and the principal activity of this company is a provider of digital, data and technology services to the UK public sector. Service offerings include digital service delivery, embedded capabilities, data infrastructure and insights and legacy application transformation.

2. Accounting policies

Accounting convention

The financial information has been prepared using the historical cost convention as modified to use a different measurement basis where necessary to comply with IFRS. The principal accounting policies adopted in the preparation of the consolidated financial statements are set out below. They have been consistently applied to the periods presented. The financial statements are presented in Sterling rounded to the nearest thousand (£'000) except where specified.

Basis of preparation of the consolidated financial statements

The Group financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The Company financial statements have been prepared under FRS 102. Both financial statements have been prepared on the historical cost basis with the exception of certain items which are measured at fair value as disclosed in the principal accounting policies set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The date of transition to IFRS is 1 June 2018. The prior year comparatives were audited on admission to AIM. IFRS was first adopted when preparing consolidated historical financial information for the AIM admission and was applied for the periods ended 31 May 2019, 31 May 2020 and 31 May 2021.

Going concern

The Directors have considered the Group's cash flow forecasts and they have no grounds for concern regarding the Group's ability to meet its obligations as they fall due and continue to operate within the existing cash balance and working capital facilities, thus requiring no additional funding to maintain liquidity.

In reaching their decision to prepare the financial statements on a going concern basis, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Accounts.

Standards and amendments to existing standards adopted in these accounts

In the current year, the Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 June 2021:

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Definition of Material)
- Interest Rate Benchmark Reform – "Phase 2" (Amendments to IFRS 7)
- IFRS 3 Business Combinations (Amendment – Definition of Business)
- Revised Conceptual Framework for Financial Reporting
- COVID-19 Related Rent Concessions (Amendments to IFRS 16)

Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

2. Accounting policies continued

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company in the 31 May 2022 financial statements

At the date of authorisation of these financial statements, certain new accounting standards and interpretations have been published that are not mandatory for 31 May 2022 reporting periods and have not been early adopted by the Group. The Directors continue to monitor developments in the accounting standards they see as relevant, but do not expect that the adoption of these standards will have a material impact on the financial statements of the Group in the current or future reporting periods and on foreseeable future transactions.

Basis of consolidation

The Group's financial statements consolidate those of the parent company and all of its subsidiary drawn up to 31 May 2022. The parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated on the date control ceases.

Inter-company transactions, balances and unrealised gains and losses (where they do not provide evidence of impairment of the asset transferred) on transactions between Group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with policies adopted by the Group.

Revenue recognition

Revenue is the fair value of the total amount receivable by the Group for supplies of services. VAT or similar local taxes and trade discounts are excluded. The Group's only source of revenue is from the provision of digital, data and technology services to the UK public sector, all of which are recognised in the same manner.

Contracts for the provision of services are typically "time and materials" contracts whereby the customer is contractually bound to pay for services for each hour or day spent in delivering a contractually agreed services scope. Materials are incidental expenses incurred whilst delivering the services. These contracts typically have no payment milestones or bundling with other services and have no variable element. Revenue is therefore recognised in line with the chargeable "time and materials" which are allocated to the contracted project.

The Group recognised revenue each month once as it provides these services for the duration of the contract. At the balance sheet date, an asset is recognised for unbilled amounts for services provided yet to be invoiced Payment for the services is based on the agreed payment terms.

Revenue contract liability is recorded when cash payments are received in advance of satisfying the performance obligation. Contract liabilities are recognised in profit or loss in the period when the Company completes the agreed services to the customers. In all other cases payments are due from customers within 30–60 days (depending on the credit terms applicable) of the service being agreed and invoiced.

Interest income and expenditure are reported on an accruals basis.

2. Accounting policies continued

EBITDA and adjusted EBITDA

Earnings before interest, taxation, depreciation and amortisation ("EBITDA") and adjusted EBITDA are non-GAAP measures used by management to assess the operating performance of the Group. EBITDA is defined as operating profit before depreciation and amortisation. Exceptional items and share-based payment charge are excluded from EBITDA to calculate adjusted EBITDA.

The Directors primarily use the adjusted EBITDA measure when making decisions about the Group's activities. As they are non-GAAP measures, EBITDA and adjusted EBITDA measures used by other entities may not be calculated in the same way and hence are not directly comparable.

Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. Costs incurred in the year which are classified as exceptional are those which are material in nature and derive from events or transactions that do not fall within the ordinary activities of the Group and which are individually, or in aggregate, of such size or incidence to require specific disclosure. This is consistent with the way financial performance is measured by management and reported to the Board.

Intangible assets

Internally generated intellectual property

An internally generated intangible asset consisting of intellectual property arising from development (or the development phase) of an internal project is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses. Internally generated intangibles not yet in use are not amortised but are subject to annual impairment testing.

As yet, no internally generated intangible assets are being amortised. Internally generated intangible assets are expected to be amortised over 3–5 years.

Research expenditure is recognised as an expense in the period in which it is incurred.

Tangible assets

Tangible assets are recorded at cost net of accumulated depreciation and any provision for impairment. Depreciation is provided to write off the cost of the asset less any residual value over its useful economic life in line with below. The residual values of assets are reviewed annually and revised where necessary. Assets' useful economic lives are as follows:

Furniture and fittings	25% reducing balance
Office equipment	3 years straight line
Leasehold improvements	25% reducing balance
Right-of-use lease assets	straight line over the lease term

2. Accounting policies continued

Impairment
For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

Intangible assets not yet available for use are tested for impairment at least annually. All other individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount exceeds the recoverable amount of the asset or cash-generating unit. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. The cash flow evaluations are a result of the Directors' estimation of future sales and expenses based on their past experience and the current market activity within the business. With the exception of goodwill, which the Group does not currently have, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment charge arising from the review of the carrying value of assets, where material, is disclosed separately on the face of the consolidated income statement.

Financial assets
Financial assets and liabilities are recognised when the Group becomes party to the contractual obligations of a financial instrument. They are measured initially at fair value, net of transaction costs. The Group subsequently classifies and measures its financial assets as either financial assets at fair value through profit or loss, at amortised cost or fair value through comprehensive income, as appropriate. The classification depends on the purpose for which the financial assets were acquired. At the reporting year end the financial assets of the Group were all classified as loans or receivables held at amortised cost.

Trade receivables
These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers but also incorporate other types of contractual monetary assets.

They are initially recognised at fair value and measured subsequent to initial recognition at amortised cost using the effective interest method, less any impairment loss.

The Group's financial assets comprise trade receivables, other receivables (excluding prepayments) and cash and cash equivalents.

Trade and other receivables – impairment
The Group applies an expected credit loss model to calculate the impairment losses on its trade receivables. The Group applies the simplified approach to providing for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all trade receivables. Trade receivables at the reporting date have been put into groups based on days past the due date for payment and an expected loss percentage has been applied to each group to generate the expected credit loss provision for each group and a total expected credit loss provision has thus been calculated.

Financial liabilities
The Group's financial liabilities include trade and other payables and borrowings which include lease liabilities.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in the income statement.

Trade payables are recognised initially at their fair value, net of transaction costs and subsequently measured at amortised cost less settlement payments.

Leases
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

2. Accounting policies continued

Leases continued

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

At inception the Group assesses whether a contract contains a lease. This assessment involved the exercise of judgement about whether the Group obtains substantially all the economic benefits from the use of that asset and whether the Group has the right to direct the use of the asset.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets which it defines as having a purchase cost of £5,000 or less. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The lease liability is measured at amortised cost using the effective interest method.

The Group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'borrowings' in the statement of financial position.

Taxation

Current tax

Current income tax assets and liabilities comprise those obligations to fiscal authorities in the countries in which the Group carries out its operations. They are calculated according to the tax rates and tax laws applicable to the fiscal period and the country to which they relate. All changes to current tax liabilities are recognised as a component of tax expense in the income statement unless the tax relates to an item taken directly to equity, in which case the tax is also taken directly to equity. Tax relating to items recognised in other comprehensive income is recognised in other comprehensive income.

Deferred tax

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary differences can be utilised. Deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are always provided for in full. Deferred tax assets, such as those resulting from assessing deferred tax on the expense of share-based payments, are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Provisions, contingent liabilities and contingent assets

Provisions are recognised when the present obligations arising from legal or constructive commitment resulting from past events will probably lead to an outflow of economic resources from the Group which can be estimated reliably.

Provisions are measured at the present value of the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date taking into account risks and uncertainties surrounding the obligation.

All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

2. Accounting policies continued

Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

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

Defined contribution pension plan

The Company operates a defined contribution pension scheme. The assets are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and is further detailed at note 7. Other creditors include £190,148 (2021: £79,323) in respect of pension contributions committed but not yet paid at year end.

The cost of pensions in respect of the Group's defined contribution scheme is charged to the income statement in the period in which the related employee services were provided.

Share-based payments

The Group operates equity settled share-based compensation plans for the remuneration of its employees.

All employee services received in exchange for the grant of any share-based compensation are measured at their fair values. These are indirectly determined by reference to the share options awarded. Their value is appraised at the grant date and excludes the impact of any non-market vesting conditions (e.g. profitability or sales growth targets).

All share-based compensation is ultimately recognised as an expense in the income statement with a corresponding credit to the share-based payment reserve, net of deferred tax where applicable. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to expense recognised in prior periods is made if fewer share options ultimately are exercised than originally estimated. The impact of the revision of the original estimates, if any, is recognised in the Statement of Comprehensive Income over the remaining vesting period, with a corresponding adjustment to the Share Based Payment Reserve.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, up to the nominal value of the shares issued are reallocated to share capital with any excess being recorded as additional share premium.

Where modifications are made to the vesting or lapse dates of options the excess of the fair value of the revised options over the fair value of the original options at the modification date is expensed over the remaining vesting period.

Equity and reserves

Issued share capital

Ordinary shares are classified as equity. The nominal value of shares is included in issued capital.

Share premium

The share premium account represents the excess over nominal value of the fair value of consideration received for equity shares, net of the expenses of the share issue.

Share-based payment reserve

The share-based payment reserve represents the total value expensed at the balance sheet date in relation to the fair value of the share options at their grant date expensed over the vesting period under the relevant share option schemes.

Deferred shares

Ordinary deferred shares are classified as equity. The nominal value of shares is included in deferred share capital.

Retained earnings

The retained earnings include all current and prior period results for the Group and the results of the Group's subsidiaries as determined by the income statement net of dividends paid.

2. Accounting policies continued

Dividends

Final equity dividends to the shareholders of the Group are recognised in the period that they are approved by shareholders. Interim equity dividends are recognised in the period that they are paid. Dividends receivable are recognised when the Group's right to receive payment is established.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimations and assumptions that affect the amounts reported for assets and liabilities as at the year-end date and the amounts reported for revenues and expenses during the year. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, their historical experience and other factors including expectations of future events. Actual results may differ from the amounts included in the financial statements. The estimates and assumptions that have a significant risk of material adjustment to the carrying amount of assets and liabilities within the next financial years are summarised below:

Research and development costs

Capitalisation of development costs in accordance with IAS 38 requires analysis of the technical feasibility and commercial viability of the project in the future. This in turn requires a long-term judgement to be made about the development of the industry in which the development will be marketed. Where the Directors consider that sufficient evidence exists surrounding the technical feasibility and commercial viability of the project which indicates that the costs incurred will be recovered they are capitalised within intangible fixed assets. The amount of the capitalisation is based on estimates to judge the percentage of the time relevant staff spend on projects. Where insufficient evidence exists, the costs are expensed to the income statement.

Valuation of share-based payments

The valuation of share-based payments is calculated by using valuation models. The estimated fair value of the share-based payments was calculated by applying a Black Scholes valuation model. The valuation of employee share options is inherently subjective as it involves a number of inputs which are not market observable. See further details in Note 25

Sources of estimation uncertainty

- **Impairment of intangible assets**
  Determining whether intangible assets are impaired requires an estimation of the value in use of the cash-generating unit to which the intangibles have been allocated. The value in use calculations require an estimation of the future cash flows expected to arise from the cash-generating units and a suitable discount rate to calculate the present value.

4. Financial instruments – risk management

The Board of Directors of Made Tech Group Plc has overall responsibility for the determination of the Group's risk management objectives and policies. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group. All funding requirements and financial risks are managed based on policies and procedures adopted by the Board.

The Group does not enter into derivative transactions or trade in financial instruments and the Directors believe the Group is not materially exposed to commodity price risk.

The Group is exposed to the following financial risks:

- credit risk;
- liquidity risk; and
- interest rate risk.

4. Financial instruments – risk management continued

The Group is exposed to risks that arise from its use of financial instruments. The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- trade and other receivables;
- cash and cash equivalents; and
- trade and other payables.

To the extent financial instruments are not carried at fair value in the consolidated statement of financial position, book value approximates to fair value.

Trade and other receivables are measured at amortised cost. Book values and expected cash flows are reviewed by the Board and any impairment charged to the consolidated statement of comprehensive income in the relevant period.

Trade and other payables are measured at amortised cost.

Financial instruments by category

Financial assets

	At 31 May 2022 £'000	At 31 May 2021 £'000
Cash and cash equivalents	**12,333**	921
Trade receivables	**4,400**	2,098
Other receivables	**1,665**	446
Financial assets at amortised cost	**18,398**	3,465

Financial liabilities

	At 31 May 2022 £'000	At 31 May 2021 £'000
Current		
Trade payables	**2,705**	747
Accruals	**1,255**	122
Social security and other taxes	**1,891**	1,612
Other payables	**203**	802
Trade and other payables	**6,054**	3,283
Non-current		
Borrowings – CBIL	—	1,077
Borrowings – lease liability	**142**	332
Current		
Borrowings – CBIL	—	172
Borrowings – lease liability	**180**	156
Loans and borrowings	**322**	1,725
Financial liabilities at amortised cost	**6,376**	5,008

The key risks to the Group and the policies and procedures put in place by management to manage them are summarised below:

4. Financial instruments – risk management continued

Interest rate risk

The Group is exposed to cash flow interest rate risk from bank borrowings at variable rates. The Group's bank borrowings are disclosed in note 21. As at 31 May 2022 there are no loans outstanding (FY21: £1.25 million), therefore there is no material exposure to interest rate risk.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group is mainly exposed to credit risk from credit sales. The Group's net trade receivables for the two reported periods are disclosed in the financial assets table above.

The Group considers that its exposure to credit risk is insignificant as it carries out work for public sector entities without the risks attached to normal commercial credit sales.

The Directors do not consider that there is any concentration of risk within other receivables.

Credit risk on cash and cash equivalents is considered to be small as the counterparties are substantial banks with high credit ratings. The maximum exposure is the amount of the deposit. To date, the Group has not experienced any losses on its cash and cash equivalent deposits.

Liquidity risk

Liquidity risk arises from the Group's management of working capital. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

At 31 May 2022	Within 1 year £'000	2–5 years £'000	5+ years £'000
Trade payables	2,705	—	—
Accruals	1,225	—	—
Other payables	203	—	—
Bank loans	—	—	—
Lease liability	180	142	—
	4,313	142	—

At 31 May 2021	Within 1 year £'000	2–5 years £'000	5+ years £'000
Trade payables	747	—	—
Accruals	122	—	—
Other payables	802	—	—
Bank loans	188	301	1,017
Lease liability	172	190	142
	2,031	491	1,159

4. Financial instruments – risk management continued

Capital management

The Group's capital is made up as follows:

	At 31 May 2022 £'000	At 31 May 2021 £'000
Share capital – issued	**74**	1
Share capital – deferred	**12**	—
Share premium	**13,421**	—
Share based payment reserve	**2,376**	—
Retained deficit	**(1,096)**	(788)
	14,787	(787)

The Group's objectives when maintaining capital are:

- to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by pricing services commensurately with the level of risk.

The capital structure of the Group consists of shareholders' equity as set out in the consolidated statement of changes in equity. All working capital requirements are financed from existing cash resources, fundraising and borrowings.

5. Revenue from contracts with customers

Revenue from operations arises from:

Revenue arises from:	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Provision of service on a time and materials basis	**29,289**	13,331

The Group has only one segment and therefore segmental analysis is not performed.

Significant customer

The Group had three customers that exceeded 10% of revenue in the year (2021: three customers).

Customer A accounted for £4.7 million (or 16%) of total Group revenue during FY22 (FY21: £1.5 million or 11%).
Customer B accounted for £4.6 million (or 16%) of total Group revenue (FY21: £1.5 million or 11%).
Customer C accounted for £4.4 million (or 15%) of total Group revenue (FY21: £3.8 million or 29%).

6. Operating profit/(loss)

The operating profit/(loss) has been arrived at after charging/(crediting):

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Fees paid to the Groups' auditor (see below)	**186**	13
Other accountancy fees	**26**	—
Loss on disposal of property, plant and equipment	**—**	10
Advertising expense	**388**	175
Depreciation of property, plant and equipment	**308**	265
Staff costs (note 7)	**21,355**	8,914

6. Operating profit/(loss) continued

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Analysis of fees paid to the Group's auditor:		
Audit of the Group and Company's financial statements	**47**	13
Other services	**139**	—
Total fees paid to Groups auditor	**186**	13

Other services provided by the Groups' auditors relate to professional services in connection with the Group's IPO in September 2021.

7. Staff costs

Staff costs (including Directors) consist of:

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Wages and salaries	**16,409**	7,888
Other taxable benefits	**44**	—
Social security costs	**2,010**	923
Pensions	**516**	103
Share-based payments	**2,376**	—
Total staff costs	**21,355**	8,914

Included in staff costs above is £1,809,293 of costs that have been capitalised as intangible assets (see note 12).

Key management of the Group is considered to be the Board of Directors. Details of Directors' remuneration is disclosed in the Report of the Remuneration Committee on page 42. Remuneration paid to these individuals on an aggregated basis included in staff costs is as follows:

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Wages and salaries	**1,272**	152
Other taxable benefits	**4**	—
Social security costs	**156**	18
Pensions	**46**	1
Share-based payments	**567**	—
Total staff costs	**2,045**	171

During the year, retirement benefit was accruing to two directors in respect of defined contribution pension schemes.

Defined contribution pension scheme

The amount recognised in the income statement as an expense in relation to the Group's defined contribution pension scheme is £468,723 (2021: £103,134). Included within accruals and other creditors is £190,148 (2021: £79,323) for outstanding contributions to the defined contribution pension scheme.

The average monthly number of employees during the period was as follows:

	Year ended 31 May 2022	Year ended 31 May 2021
Management	**10**	3
Operations and administration	**247**	131
Total employees	**257**	134

8. Finance expense

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Finance expense		
Interest on bank loans and bank fees	**12**	6
Interest on lease liability	**17**	24
Total finance expense	**29**	30

9. Exceptional items

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Transactions and IPO-related costs	**180**	—
Termination costs	**44**	—
Total exceptional items	**224**	—

Exceptional items relate to the following:

- Transaction and IPO-related costs – incremental external one-off costs relating to the IPO.
- Termination costs – relating to severance for three employees exited in the year.

10. Taxation

The following tax was recognised in the income statement:

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Corporation tax	**—**	—
Total current tax expense	**—**	—
Deferred tax		
Origination and reversal of timing differences	**20**	(25)
Tax charge/(credit) for the year	**20**	(25)

The tax assessed for the year is different from the standard rate of corporation tax as applied in the respective trading domains where the Company operates.

10. Taxation continued

The Group's tax charge can be reconciled to the profit/(loss) in the income statement and effective tax rate as follows:

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Loss before tax	**(288)**	(806)
Tax credit at the UK corporation tax rate of 19% (FY21: 19%)	**(55)**	(153)
Effects of:		
Capital allowance in excess of depreciation	**(53)**	2
Initial recognition of leases not due to business combination	**—**	7
Expenses not deductible for tax purposes	**485**	62
Utilisation of losses brought forward	**(32)**	—
Unused tax losses	**17**	—
IP capitalisation	**(362)**	—
Non-recognition of temporary difference	**—**	57
Tax charge/(credit) for the year	**20**	(25)

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Deferred tax		
At 1 June	**—**	25
Deferred tax recognised	**—**	—
Profit/(loss)	**20**	(25)
At 31 May	**20**	—

Current taxes comprise the income taxes of the Group companies which posted a taxable profit for the year, while deferred taxes show changes in deferred tax assets and liabilities which were recognised by the Group on the temporary differences between the carrying amount of assets and liabilities and their amount calculated for tax purposes, and on consolidation adjustments, calculated using the rates that are expected to apply in the year these differences will reverse.

Factors that may affect future tax charges

The government made a number of budget announcements on 3 March 2021. These include confirming that the rate of corporation tax will increase to 25% from 1 April 2023. This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

11. Loss per ordinary share

Loss per ordinary share	**Year ended 31 May 2022 £'000**	Year ended 31 May 2021 £'000
Loss for the period	**(308)**	(781)
Weighted average number of ordinary share in issue for the year ('000)	**135,729**	109,630
Loss per ordinary share (pence)		
Basic loss per share	**(0.22p)**	(0.71p)
Diluted loss per share	**(0.22p)**	(0.71p)

The weighted average number of ordinary shares for the prior year has been restated for events in the current year including a bonus issue of shares, share splits and reverse share splits (see note 21) in compliance with IAS 33.

Where a loss has been recorded the effect of options is not dilutive and therefore the basic and diluted figure is the same.

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all potentially dilutive ordinary shares. The Company has potentially dilutive ordinary shares arising from share options granted to employees. Options are dilutive under the Group Restricted Share Plan ("RSP"), where the exercise price, together with the future IFRS 2 charge of the option, is less than the average market price of the Company's ordinary shares during the year. Options under the LTIP schemes, as defined by IFRS 2, are contingently issuable shares and are therefore only included within the calculation of diluted EPS if the performance conditions, as set out in note 25, are satisfied at the end of the reporting period, irrespective of whether this is the end of the vesting period or not.

The Company currently has 12,184,554 non-redeemable deferred shares of £0.001 in issue with no voting, dividend or other distribution rights. The stated intention from their creation upon Admission was that they would be purchased in their entirety by the Company. As no rights of conversion nor pre-arranged formula to convert deferred shares into ordinary shares were included in the Articles of Association, they have never been considered "convertible securities". Accordingly, deferred shares have not been included in the calculation of diluted earnings per share.

The calculation of adjusted earnings per share is based on the after tax adjusted operating loss after adding back certain costs as detailed in the table below. Adjusted earnings per share figures are given to exclude the effects of share-based payments and exceptional items, all net of taxation, and are considered to show the underlying performance of the Group.

The Adjusted basic earnings per share is calculated by dividing the adjusted profit/(loss) after tax for the year by the weighted average number of ordinary shares in issue during the period.

	Year ended 31 May 2022 £'000	Year ended 31 May 2021 £'000
Loss for the period	**(308)**	(781)
Share based payments (including associated taxes)	**2,376**	—
Exceptional items	**224**	—
Adjusted profit/(loss) after tax for the year	**2,292**	(781)
Weighted average number of ordinary share in issue for the year ('000)	**135,729**	109,630
Effect of dilutive potential ordinary shares from share options	**3,962**	—
Weighted average number of ordinary shares for the purposes of diluted earnings per share ('000)	**139,691**	109,630
Adjusted Basic earnings/(loss) per share	**1.69p**	(0.71p)
Adjusted diluted earnings/(loss) per share	**1.64p**	(0.71p)

12. Intangible assets

	Intellectual property £'000	Total £'000
Cost		
At 31 May 2020	—	—
At 31 May 2021	—	—
Additions	1,904	1,904
At 31 May 2022	**1,904**	**1,904**
Amortisation		
At 31 May 2020	—	—
At 31 May 2021	—	—
Charge for period	—	—
At 31 May 2022	**—**	**—**
Net book value		
At 31 May 2021	—	—
At 31 May 2022	**1,904**	**1,904**

During the year the Group has capitalised costs relating to intellectual property. This is an internally generated intangible asset that is currently still in the process of completion. Upon completion the intellectual property is expected to be amortised over a useful life of 3–5 years. Personnel costs of £1,809,293 (2021: £nil) have been capitalised as intangible assets.

13. Tangible assets

	Land and buildings £'000	Furniture, fittings and equipment £'000	Right-of-use assets £'000	Total £'000
Cost				
At 31 May 2020	33	204	766	1,003
Additions	—	272	—	272
Disposals	—	(23)	—	(23)
At 31 May 2021	33	453	766	1,252
Additions	—	432	—	432
At 31 May 2022	**33**	**885**	**766**	**1,684**
Depreciation				
At 31 May 2020	—	70	175	245
Charge for period	17	95	153	265
Disposals	—	(13)	—	(13)
At 31 May 2021	17	152	328	497
Charge for period	4	151	153	308
At 31 May 2022	**21**	**303**	**481**	**805**
Net book value				
At 31 May 2021	16	301	438	755
At 31 May 2022	**12**	**582**	**285**	**879**

14. Investments (Company)

Investments in subsidiary

	At 31 May 2022 £'000	At 31 May 2021 £'000
Investment in subsidiaries	**2,640**	2,640

The following subsidiary undertakings of Made Tech Group Plc, which has been included in the consolidated financial statements, is as follows:

Name	Country of incorporation	Registered office and principal place of business	Proportion of ownership interest	Nature of business
Made Tech Limited	United Kingdom	4 O'Meara Street, London, SE1 1TE	100% ordinary shares	Trading company

For the year ended 30 June 2021 Made Tech Group Plc has provided a guarantee in respect of all liabilities due by its subsidiary company Made Tech Limited (company No. 06591591). The Directors believe that the carrying value of the investments is supported by their underlying net assets and future trading forecast.

The Company has met the relevant conditions for the Directors to take advantage of the exemption conferred by s 479A of the Companies Act 2006.

15. Trade and other receivables (consolidated)

	At 31 May 2022 £'000	At 31 May 2021 £'000
Trade receivables – gross	**4,400**	2,098
Less: provision for impairment	**—**	—
Trade receivable – net	**4,400**	2,098
Other receivables	**1,665**	446
Total trade and other receivables	**6,065**	2,544

The Company has adopted the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables.

Under IFRS 9 the expected loss rates are based on the Company's historical credit losses experienced over the three year period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic and other factors affecting the Company's customers.

The Company has experienced no credit losses in its history and, because its ultimate customer is the UK government, does not believe it will do so in the future. As a result, the Company has not made a provision based on expected credit loss.

Accounts receivable and other receivables have not been discounted as they are short-term debts.

16. Trade and other receivables (Company)

	At 31 May 2022 £'000	At 31 May 2021 £'000
Trade receivables – gross	**864**	—
Less: provision for impairment	**—**	—
Trade receivable – net	**864**	—
Amounts owed by Group undertakings	**12,437**	—
Other receivables	**12**	—
Total trade and other receivables	**13,313**	—

Amounts owed by Group undertakings are unsecured and interest free, have no fixed date of repayment and are repayable on demand.

17. Trade and other payables (consolidated)

	At 31 May 2022 £'000	At 31 May 2021 £'000
Trade payables	**2,705**	747
Accruals	**1,255**	122
Tax and social security	**1,891**	1,612
Other payables	**203**	802
Total trade and other payables	**6,054**	3,283

18. Trade and other payables (Company)

	At 31 May 2022 £'000	At 31 May 2021 £'000
Trade payables	**13**	—
Accruals	**10**	—
Tax and social security	**180**	—
Other payables	**6**	—
Total trade and other payables	**209**	—

Amounts owed to Group undertakings are unsecured and interest free, have no fixed date of repayment and are repayable on demand.

19. Amounts due to related parties (Company)

	At 31 May 2022 £'000	At 31 May 2021 £'000
Amounts due to related parties	**—**	81

The amounts due to related parties in the Company-only accounts for the year ended 31 May 2021 were due to Made Tech Limited. There were no amounts due at 31 May 2022.

20. Leases

The Company leases office premises. Under IFRS 16 this lease has been classified as a right-of-use asset. The lease liability is included within Tangible assets on the statement of financial position. There are no other long-term leased assets.

Right-of-use assets	**At 31 May 2022 £'000**	At 31 May 2021 £'000
Balance at 1 June	**438**	591
New Leases	**—**	—
Depreciation charge for year	**(153)**	(153)
Balance at 31 May	**285**	438
Lease liability		
Maturity analysis - contractual discounted cash flows		
Less than one year	**180**	156
One to five years	**140**	319
Total lease liabilities at 31 May	**320**	475
Lease liabilities included in the statement of financial position:		
Current	**180**	156
Non-current	**140**	319

Right-of-use assets are included within tangible assets in the consolidated statement of financial position.

Amounts recognised in the Consolidated income statement

The Consolidated income statement shows the following amounts relating to leases:

	At 31 May 2022 £'000	At 31 May 2021 £'000
Interest paid on lease liability	**17**	24

Any expense for short-term and low value leases is not material and has not been presented.

21. Bank loans and borrowings

	At 31 May 2022 £'000	At 31 May 2021 £'000
Non-current		
Bank loan facility – secured	**—**	1,078
Current		
Bank loan facility – secured	**—**	172
Total loans and borrowings	**—**	1,250

Bank loan facility – secured

On 8 August 2020 the Company entered into a COVID-19 Business Interruption Loan ("CBIL") facility agreement with HSBC UK Bank Plc. The maximum loan facility was £1,250,000 which was fully repayable on 17 August 2026. The interest rate that applied to the loan was 4.09% per annum. The loan was covered by the bank's fixed and floating charge over all assets of the Company. During the year the Company repaid the loan in full, on 12 October 2021.

21. Bank loans and borrowings continued

Analysis of net debt

	Cash £'000	Bank loans £'000	Lease liabilities £'000	Net debt £'000
31 May 2020	986	—	(625)	361
Working capital movements	(64)	—	—	(64)
Drawdown of loans	—	(1,250)	—	(1,250)
Payment of lease liabilities	—	—	150	150
31 May 2021	922	(1,250)	(475)	(803)
Working capital movements	(2,150)	—	—	(2,150)
Income from share issue net of IPO costs	13,561	—	—	13,561
Repayment of loans	—	1,250	—	1,250
Payment of lease liabilities	—	—	155	155
31 May 2022	**12,333**	**—**	**(320)**	**12,013**

22. Deferred tax

Deferred tax liabilities are analysed as follows.

	At 31 May 2022 £'000	At 31 May 2021 £'000
Accelerated capital allowances	**167**	—
Tax losses	**(147)**	—
Total deferred tax liability	**20**	—

Changes during each year are as follows:

	At 31 May 2022 £'000
Balance at 1 June	**—**
Tax charge in respect of current year	**20**
Balance at 31 May	**20**

23. Share capital

Made Tech Group Plc's issued and fully paid share capital is summarised in the table below:

Ordinary shares of £0.0005 (2021: £0.001)	Number	Nominal value £
At 31 May 2021	662,500	663
At 31 May 2022	**148,078,173**	**74,039**

At 31 May 2021 there were 100,000 "A" ordinary shares, 100,000 "B" ordinary shares and 462,500 "D" ordinary shares.

The following share transactions took place during the year:

On 23 September 2021 15,385 "C" ordinary shares and 122,876 "D" ordinary shares were issued for cash.

On 23 September 2021 a 99 for 1 bonus issue was made for all classes of share resulting in the issue of 9,900,000 "A" ordinary shares, 9,900,000 "B" ordinary shares, 1,523,115 "C" ordinary shares and 57,952,224 "D" ordinary shares with a nominal value of £0.001.

23. Share capital continued
On 23 September 2021 the share capital was reduced via a share consolidation resulting in 100,000 "A" ordinary shares, 100,000 "B" ordinary shares, 15,385 "C" ordinary shares and 585,376 "D" ordinary shares with a nominal value of £0.10.

On 23 September 2021 the share capital was subdivided as follows:

- The "A" ordinary shares were divided into 100,000 "A" ordinary shares with a nominal value of £0.06257971 and 100,000 deferred shares with a nominal value of £0.03742029.
- The "B" ordinary shares were divided into 100,000 "B" ordinary shares with a nominal value of £0.02307271 and 100,000 deferred shares with a nominal value of £0.07692729.
- The "C" ordinary shares were divided into 15,385 "C" ordinary shares with a nominal value of £0.05126448 and 15,385 deferred shares with a nominal value of £0.04873552.
- The "D" ordinary shares were divided into 58,537,600 "D" ordinary shares with a nominal value of £0.001.

On 23 September 2021 the share capital was reduced via a share consolidation resulting in one "A" ordinary share with a nominal value of £6,257.97, one deferred share with a nominal value of £3,742.03, one "B" ordinary share with a nominal value of £2,307.27, one deferred share with a nominal value of £7,692.73, 1 "C" ordinary share with a nominal value of £788.70 and one deferred share with a nominal value of £749.80.

On 23 September 2021 the share capital was subdivided as follows:

- The one "A" ordinary share was subdivided into 6,257,971 "A" ordinary shares with a nominal value of £0.001.
- The one "B" ordinary share was subdivided into 2,307,271 "B" ordinary shares with a nominal value of £0.001.
- The one "C" ordinary share was subdivided into 788,704 "C" ordinary shares with a nominal value of £0.001.
- The deferred share with a nominal value of £3,742.03 was subdivided into 3,742,029 deferred shares with a nominal value of £0.001.
- The deferred share with a nominal value of £7,692.73 was subdivided into 7,692,729 deferred shares with a nominal value of £0.001.
- The deferred share with a nominal value of £749.80 was subdivided into 749,796 deferred shares with a nominal value of £0.001.

On 23 September 2021 the "A", "B", "C", and "D" ordinary shares were all reclassified as ordinary shares, resulting in a total of 67,891,546 ordinary shares with a nominal value of £0.001.

On 23 September 2021 the 67,891,546 ordinary shares were subdivided resulting in 135,783,092 ordinary shares with a nominal value of £0.0005.

On 30 September 2021 12,295,081 ordinary shares with a nominal value of £0.0005 were issued for £1.22 per share.

24. Deferred share capital

Deferred shares of £0.001	Number	Nominal value £
At 31 May 2021	—	—
At 31 May 2022	**12,184,554**	**12,185**

Deferred share capital
The deferred shares carry no voting rights and no dividend rights. The deferred shares are not redeemable. The Company intends to purchase all of the deferred shares on the date of the Company's Annual General Meeting in 2022. Accordingly, the deferred shares are excluded from the calculation of earnings per share in note 11.

25. Share-based payments
In the year ended 31 May 2022 the Group recognised total expenses of £2,376,000 (2021: £nil) in respect of equity-settled share-based payment awards under IFRS 2 Share-based Payment.

Executive Directors and selected Group employees were granted awards under the Made Tech Group Plc Long Term Incentive Plan ("LTIP") on 30 September 2021 over 2,443,643 (2021: nil) shares which were structured as nominal cost options. LTIP awards vest subject to continued employment and, in the most part, Group-based performance conditions.

25. Share-based payments continued

In addition, selected employees of the Company were granted Restricted Share Awards ("RSAs") under the Restricted Share Plan ("RSP") on 30 September 2021, 21 December 2021 and 7 April 2022 over 4,262,866 (2021: nil) shares. Awards were structured as nominal or nil cost options. RSAs vest over one, two and three years based on continued employment but with no performance conditions.

Details of the maximum number of ordinary shares which may be issued in future periods in respect of LTIP awards and RSAs outstanding at 31 May 2022 are shown below:

	LTIP Number of shares	RSAs Number of shares
At 1 June 2021	—	—
Granted in the year	2,433,643	4,262,866
Forfeited in the year	—	(745,524)
At 31 May 2022	**2,433,643**	**3,517,342**

The fair value at grant date of each respective award was independently determined using an adjusted form of the Black-Scholes model which includes a Stochastic simulation model that takes into account the following inputs.

			LTIP 30 September 2021*		RSAs 30 September 2021*	RSAs 17 December 2021	RSAs 7 April 2022
Awards	919,569	919,569	235,655	368,850	3,929,119	322,290	11,457
Vesting	Relative TSR**	Absolute TSR**	Personal performance	Recruitment awards	Tranched vesting	Tranched vesting	Tranched vesting
Share price at grant date (pence)	135	135	135	135	135	114	41
Exercise price (pence)	1	1	1	1	1	0	0
Expected volatility	40%	40%	40%	40%	40%	n/a	n/a
Expected life (years)	3	3	3	1, 2, 3	1, 2, 3	1, 2, 3	1, 2, 3
Expected dividend yield	0%	0%	0%	0%	0%	0%	0%
Risk-free interest rate	0.39%	0.39%	0.39%	0.15% (1yr) 0.28% (2yr) 0.39% (3yr)	0.15% (1yr) 0.28% (2yr) 0.39% (3yr)	n/a	n/a
Fair value (pence) – holding period	92.5	67.2	n/a	n/a	n/a	n/a	n//a
Fair value (pence) – no holding period	99.0	71.9	134.0	134.0	134.0	114.0	41.0

* While the deed of grant was dated 24 September 2021, as the grant was contingent on the Admission of the Company, as per IFRS 2, the grant date did not take place until Admission. As such, the Admission date of 30 September 2021 has been used as the grant date for the IFRS 2 statutory valuations.

** The vesting of these LTIP awards is subject to the Group achieving the following performance targets:

Performance condition	Weighting	Performance targets
Absolute TSR performance	50%	0% of this part vests unless the Company's TSR performance equates to a CAGR of 7.5%, for which 25% of this part vests, rising pro-rata to 100% of this part vesting for the Company's TSR performance equating to a CAGR of 15% or higher.
Relative TSR performance	50%	0% of this part vests unless the Company's relative TSR performance is median ranking performance, for which 25% of this part vests, rising pro-rata to 100% of this part vesting for the Company's relative TSR performance ranking upper quartile or better.

26. Dividends

	Year ended 31 May 2022	Year ended 31 May 2021
Dividends paid to shareholders of the Company (£)	—	1,177,959
Rate of dividend payment per share (£)	—	1,778

27. Related party transactions

Details of key management personnel's compensation are given in note 7 and the Directors' Remuneration Report.

There were no other related party transactions during the year ended 31 May 2022.

28. Post balance sheet events

There are no significant events after the balance sheet date to report.

FSC
www.fsc.org
MIX
Paper from
responsible sources
FSC® C014531

CARBON BALANCED PAPER
WORLD
LAND
TRUST™
www.carbonbalancedpaper.com
CBP014384

Made Tech's commitment to environmental issues is reflected in this Annual Report, which has been printed on Arena, an FSC® certified material.

This document was printed by L&S using its environmental print technology, which minimises the impact of printing on the environment, with 99% of dry waste diverted from landfill. Both the printer and the paper mill are registered to ISO 14001.

Produced by

designportfolio

Made Tech

4 O'Meara Street
London
SE1 1TE