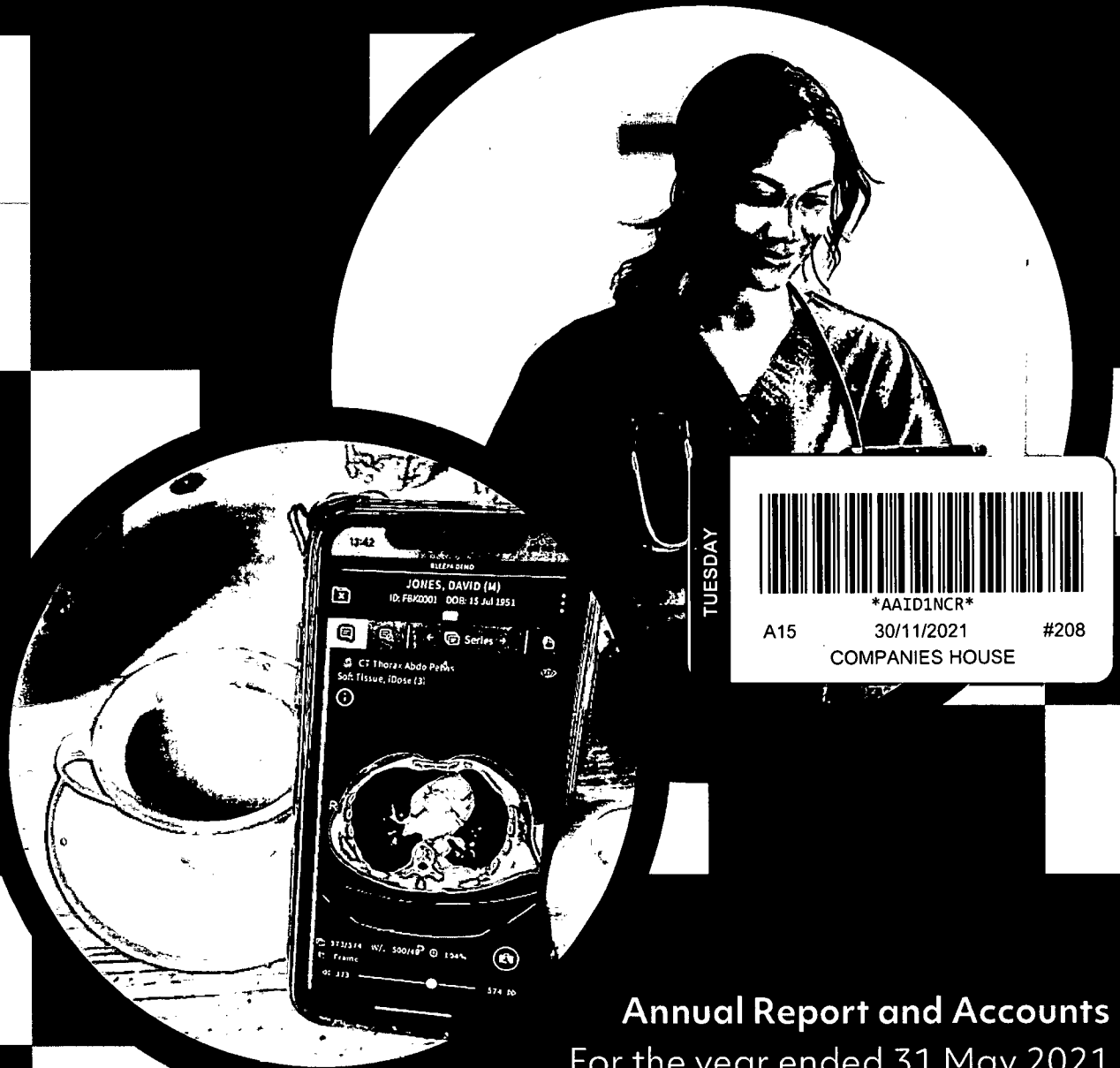




Connecting the clinical world



TUESDAY



AAID1NCR
A15 30/11/2021 #208
COMPANIES HOUSE

Annual Report and Accounts
For the year ended 31 May 2021

Contents

	Page
Highlights	3
About us	4 – 5
Chairman’s Statement	6
Chief Executive Officer’s Statement	7 – 15
The Board	16 – 17
Strategic Report	18 – 20
Directors’ Report	21 – 24
Corporate Governance Statement	25 – 29
Independent Auditor’s Report	30 – 34
Statement of Comprehensive Income	35
Consolidated Statement of Changes in Equity	36
Consolidated Balance Sheet	37
Company Balance Sheet	38
Consolidated Cash Flow Statement	39
Company Cash Flow Statement	40
Notes to the Financial Statements	41 – 59
Company Information	60

Our Vision

To enable clinicians to make better decisions, faster, from anywhere

Operational highlights

- First direct commercial contract for Bleepa with the Royal Berkshire NHS Foundation
- Significant progression in developing Bleepa's offering, scalability and security:
 - Appointment to the NHSx Clinical Communications Procurement Framework post CE mark, confirming use of Bleepa as a Class 1 Medical Device
 - Addition of new key features including photocapture and document capture
 - Receipt of further accreditation and certification – highlighting quality of Bleepa
 - NHS Data Security and Protection Toolkit compliant
 - Cyber Essentials and Cyber Essentials Plus accreditations used by the NHS
- Strengthening of the Board through appointment of Philipp Prince as non-executive director
- Recruitment of marketing specialists both in the UK and India to expediate commercial strategy

Financial highlights

- Revenue was £0.29 million (2020: £0.45 million), reflecting the planned move away from legacy products
- Operating loss increased to £2.06 million (2020: £1.42 million), reflecting headcount expansion to accelerate growth, and due to the planned decrease in legacy product revenues
- Shareholder's equity (net assets) increased to £5.27 million as at 31 May 2021 (2020: £1.77 million)
- Strong cash balance of £2.22 million as at 31 May 2021 (31 May 2020: £0.73m)
- Successfully raised £5.27 million (before expenses) in July 2020

Post period highlights

- Launch of CareLocker, a revolutionary patient-centric cloud architecture to underly the Bleepa platform
- First non-NHS commercial contract, with CVS Group, one of the UK's leading providers of integrated veterinary services highlighting Bleepa's commercial scope outside of NHS
- Expansion of potential revenue streams through broadening market access and commercial discussions with third parties:
 - MOU with Qure.ai to pilot Bleepa for use in tuberculosis screening in India
 - MOU with Quest to expand its existing teleradiology service by enabling direct case discussion between requesting clinicians and reporting radiologists
 - MOU with Sussex Integrated Care System (Sussex ICS) to conduct a pilot study with Queen Victoria Hospital NHS Foundation Trust as one of the UK's Community Diagnostic Centre ("CDC") exemplar sites
 - Appointed to national NHS AI procurement framework
- UKCA mark, the post-Brexit UK regulatory certification
 - Bleepa believed to be the only CE and UKCA marked clinical imaging and communication platform on the NHSx Clinical Communications Procurement Framework, the NHS CDC initiative and NHS AI procurement framework
- Addition of ISO27001 and UK Medical Device Certification (UKCA) to its regulatory portfolio, maintaining a competitive barrier against competitors
- Launch of Bleepa on Apple Store and Google Play
- Announced the launch of an accelerated book build today for a placing to raise a minimum of £10 million (before expenses)

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Highlights (continued)

Supporting clinicians to make the best decisions possible as quickly as possible from any location

Solutions that enhance access to high-quality patient data that connect clinicians to colleagues and leverage the best available technology

World-leading solutions to revolutionise how clinical care is practiced where it is practiced

Our focus

Our mission is to enable clinicians to make better decisions faster, from any location. We do this in three ways; 1) we connect clinicians around individual patient episodes to facilitate case discussion and senior advice and guidance earlier in the patient pathway, 2) we extract data relating to the patient from siloed hospital systems and centralise it around a patient so that the data is available at the time of decision making, all in one place, and 3) we work with some of the latest technologies, such as artificial intelligence (AI), which support clinical decision making from the data that is presented.

What sets us apart

Feedback is both a technology and a medical device company, meaning that we straddle the worlds of agile product development and quality manufacturing processes. We believe this gives our products a unique position in the market.

Unlike generic applications our technology is patient-centric, targeting a broad range of clinical settings including the NHS, private hospitals, remote clinical screening services, veterinary services and the military. It is designed to facilitate a specific patient's clinical pathway, around which clinical teams are built for communication and into which information is centralised. This ensures our products are compliant with information governance and clinical safety standards by design, whilst also mirroring how clinical care is delivered – to individual patients. Our patient-centric architecture also enables us to link seamlessly to other clinical systems and to integrate our user-generated content into an individual patient's medico legal record.

Leveraging a 20-year heritage of medical imaging delivery our products incorporate a diagnostic medical image display that conforms with the required standards stipulated for clinical use, as certified by both CE and UKCA mark. Under the prevailing legislation it is a legal requirement that products used to display digital patient images (such as photos, X-rays, CT scans and MRIs) for a diagnostic purpose are appropriately certified as medical devices. At the time of writing Bleepa remains the only commercial clinical communication platform to be appropriately certified as a medical device capable of displaying digital patient images.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Highlights (continued)

Our products



As a clinical tool Bleepa integrates with multiple hospital systems and centralises relevant clinical data around specific patient episodes, presenting it together to clinical teams to accelerate decision-making capabilities through the platform. This data includes lab results, structured reports, ECGs and, most importantly, medical images that are uniquely displayed through Bleepa’s regulated DICOM (Digital Imaging and Communications in Medicine) viewer. The platform allows clinicians to review patient imaging with access to Picture Archive Communication Systems (PACS) and discuss cases collaboratively with colleagues on the go. Having centralised data around a patient, CareLocker provides a patient-centric way of storing that data as a de-centralised record of that care episode that can then be made available to any care setting through open APIs such as FHIR. From the integration of Bleepa and CareLocker into clinical settings, the possibility of expanding the platform’s reach to more remote settings provided the Company with a key opportunity for growth. This led to the development of Bleepa Box, a specialist tool to enable image transfer from rural settings to the Bleepa platform via a mobile data network which allows the clinician to review the images directly on the Bleepa Box and make onward referrals or start a conversation with a specialist for input on the case whilst still on location. As such, application of the Company’s technology now extends beyond healthcare into other addressable sectors such as veterinary, diagnostic screening and military settings, amongst others.

Our markets

Our technologies are currently in use in UK NHS trusts and the veterinary sector. The Company is also actively pursuing opportunities in India and other international markets along with the UK private sector and through the NHS’s CDC initiative.

Our partners



Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Chairman's Statement

Foundations laid to deliver strategic opportunities for growth

"Whilst Covid-19 has presented a challenge for healthcare across the board, Feedback seized the opportunity to work with a handful of NHS sites during the pandemic to support frontline staff whilst honing its products. It was a privilege to see Bleepa making such a difference to clinicians during this time, enabling remote working during quarantine and beyond, ensuring that their expertise was still available to guide colleagues who remained on the frontline. Through this experience, Bleepa has been able to prove its value and enhance its proposition, and we are now well positioned to advance opportunities for digital adoption within the NHS and beyond."

Feedback has made great strides during the past year, achieving its first Bleepa contract in March of this year with the Royal Berkshire NHS Foundation Trust, less than two years from the conception of Bleepa. This is an incredible story for a medical device at any time, let alone during a global pandemic, and is testament to the quality of the product and the clinical need for this solution, further validated through Bleepa's CE and UKCA mark as a medical device.

During the year the Company has refined its product offering, leveraging the extensive user feedback afforded by our close working relationship with our clinical partner Pennine Acute Hospitals NHS Trust. This saw Bleepa expand its functionality to include formal electronic referrals between specialties, photocapture and clinical document management and the development of integration capabilities with a number of core hospital systems such as Patient Administration Systems (PAS), Electronic Patient Records (EPR) and Laboratory Information Management Solutions (LIMS). These developments enabled Bleepa to deliver a comprehensive suite of capabilities right into the hands of frontline clinicians, allowing them to perform their work from one application. Essentially Bleepa moved beyond communication to become an EPR-lite that also incorporated diagnostic imaging.

This enhanced functionality has positioned Bleepa as a tool that can be used for effective remote working in any location, a theme that we took to the next level when we achieved our first non-NHS contract with the equine division of CVS Group. Imaging of horses is typically done in remote stables without WiFi but there is often the need for timely advice and guidance by specialists for the vet that is with the animal. We developed a store and forward technology, called the Bleepa Box, that enables images to be acquired and pushed over a mobile network to Bleepa, where they can then be reviewed by a specialist and a discussion started, all whilst still at the animal's side. The requirement to share imaging from rural locations is not restricted to equine veterinary practice and this capability has opened a number of opportunities for the Company such as in the delivery of rural imaging for tuberculosis (TB) screening services in India.

Bleepa now delivers the sort of functionality that is required for delivering care across regions and providers, making it the ideal solution to provide the right digital infrastructure to clinical initiatives such as the NHS CDC initiative in the UK, a £10bn programme to move diagnostic provision from hospital settings closer to patients in the community in order to provide additional system capacity to help address the post Covid-19 elective care backlog. This opportunity required the development of a cloud-based architecture that would enable Bleepa to scale across provider sites and facilitate the centralisation of data around patients so that the same data could be made available to all providers in a region or nationally. The result is our proprietary patient-centric cloud – CareLocker. CareLocker positions the Company for growth across geography, enabling us to bid for larger regional contracts. It also sees us transition into an exciting new sector - medical data management.

Feedback is rapidly evolving to capture a number of sizeable and timely opportunities across multiple markets and locations. This is a company set for growth and the journey is just getting underway.

R Shaw

Rory Shaw
Non-executive Chairman
01 November 2021

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

CEO's Statement

Enabling clinicians to make better decisions faster, through asynchronous collaboration and access to data

"As a company, our mission is to enable clinicians to make better decisions faster and we believe that requires two things, connection to colleagues and easy access to meaningful patient data. Since its conception this has been exactly how Bleepa was designed – to connect teams around their patients and to display the data they need in the right clinical quality. Building on this foundation, we have expanded Bleepa's use to suit more clinical settings, including the veterinary sector, enhanced by our recently launched Bleepa Box technology. Now we are looking at how our products can help regional and national care systems to deliver their visions of connected care and the data structures that are required to enable these to be realised at scale. Bleepa already centralised multisystem data around individual patients, it was only one step further to then store that data in a patient-centric way, through CareLocker, enabling data to move with a patient rather than be tied to provider settings. In combination Bleepa, CareLocker and Bleepa Box enable truly global care from anywhere and unlock a new generation of flexible care delivery for both clinicians and their patients."

We cannot talk about this year without mentioning Covid-19, which has been a force that has dominated the focus of our customers, partners, team and families. It has created great pressures on the healthcare system and highlighted many gaps that are in desperate need of support, none more so than in the digital systems upon which our clinicians rely and the ever increasing need to deliver care in a more flexible way across multiple provider settings. Covid-19 also changed the way that we work, this affected everyone, including clinicians, and forced new ways of remote working that would previously never have been explored by the healthcare sector. Some of these changes cannot be undone, clinicians have seen a new way of practicing and, even more importantly, have recognised the benefits that this may hold for their patients. The technologies that benefitted the system during Covid-19 may also be needed in order to help address the challenges that are left in its wake, namely the growing care backlog and the stark reality of workforce shortages. Going forward healthcare systems globally need more efficient ways of working and an ability to deliver care flexibly across geography and provider settings. They need our technology.

Recognising the changing needs of our customers, we have invested in developing our products so that they can deliver improved functionality across a range of clinical pathways and can be scaled seamlessly across provider settings. For individual clinical teams this has meant integrating with a range of hospital systems that contain the patient data that they need in order to make effective decisions remotely. For regional providers, this has meant looking at new ways of storing the data that we are processing so that it is available to clinicians at different physical sites, who previously would not have been able to access the information, culminating in the development of CareLocker – our patient-centric cloud database. The combination of Bleepa as an application and CareLocker as a supporting data infrastructure uniquely enables us to facilitate entire care pathways across provider settings. We have become the digital infrastructure, the digital glue, that has the ability to connect primary, secondary and emerging care settings such as the CDCs around individual patient pathways, allowing them to efficiently deal with elective care pathways and the associated care backlog.

Bleepa's asynchronous communication is also changing the ways that multidisciplinary team (MDT) meetings are delivered. MDTs traditionally bring a range of specialists together to review diagnostic investigations and make treatment decisions for patients, usually in person but during Covid often over video call. This model of decision making is very inefficient and expensive because it requires all of the specialists to block out a specific time – time better spent doing clinical work. Often MDTs are organised before all the information is available and because cases can only be discussed at these meetings, patients have to wait for the next available slot to be heard. Bleepa facilitates cases to be discussed flexibly in and around existing clinical work, as and when clinical results are ready for review, removing these time- and case-delaying constraints. Due to Bleepa's ability to display relevant data around the patient, clinicians can make these decisions on the go through our mobile application. The asynchronous model of MDTs is a key workforce change that will drive clinical efficiencies and better enable providers to address care backlogs.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

CEO's Statement (continued)

We have also developed fringe technologies that extend our applications beyond traditional care settings, such as store and forward technology in our Bleepa Box solution that enables images such as X-rays to be acquired in any location and pushed over a mobile network to Bleepa for clinical review and onward management. This technology stemmed from our veterinary customers but has already led to opportunities in India where we can facilitate the acquisition of chest X-rays in rural settings and their subsequent reporting as part of the national TB screening programme, both by radiologists and by the AI technologies of our partner Qure.ai. AI is the next iteration of our mission to drive better, faster clinical decisions. It is a group of technologies that supports clinical decision making and holds huge promise in addressing workforce shortages at a system level. These technologies require access to the clinical teams to deploy them into care pathways and the patient data needed to feed their algorithms. Bleepa is the perfect deployment partner for AI technologies because it holds both the relationship with the clinical end user and can facilitate access to the required clinical data for processing. We are working with a growing number of AI partners and see this as a great opportunity to support our clinical customers to access the best tools available.

Our products are the embodiment of our underlying mission, bringing together clinicians, data and the latest technologies to enable clinicians to make better decisions faster for their patients. As a result, we are rapidly becoming a company that enables care to be delivered from anywhere for anyone.

Trading during the period continued to meet management expectations, with the Company securing its first commercial contract for its flagship product Bleepa with the NHS, and, post-period, a contract with CVS to enter the veterinary market.

The Company completed an equity fundraise of £5.3 million (before expenses) in July 2020. Importantly, we strengthened our marketing team and hired an integration specialist in order to help increase the speed of roll out. Furthermore, investment into our infrastructure and operating platform has laid the foundations for product enhancements, making Bleepa more attractive to a wider audience. Post period, on 2 November 2021, the Company announced an accelerated bookbuild to raise a minimum of £10 million (before expenses) with closing of the placing expected on the same day. Subject to closing, the placing is conditional on shareholder approval at the forthcoming Annual General Meeting. This funding will enable the Company to focus investment on sales, product development and geographic expansion.

Our agile approach to innovation means that we are embarking on multiple stages in parallel, at pace, to realise our vision as quickly and effectively as possible for our customers and provide value for our shareholders.

Operational review



Bleepa is the essential tool for remote, secure communications between clinicians and teams to securely view and discuss patient cases, at the touch of a button.

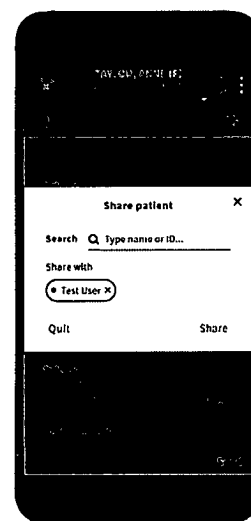
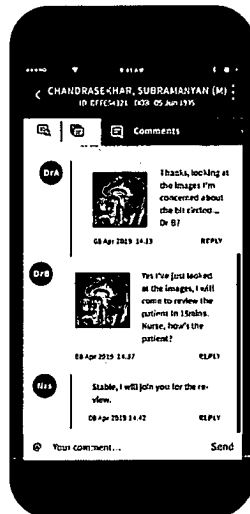
Bleepa is our flagship clinical imaging-based communications platform using asynchronous communication channels built around individual patient pathways, into which we bring medical data (that is otherwise stored in disparate siloed systems) that allows medical staff to securely view and discuss high-quality, medical-grade images across both mobile and desktop devices. Bleepa enables clinical teams to access the colleagues they need and the data they need to make better decisions faster and is a frontline tool that clinicians can use for almost any aspect of their day-to-day work.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

CEO's Statement (continued)

- Bleepa is the only CE and UKCA marked clinical imaging and communication platform on the NHSx Clinical Communications Procurement Framework, the NHS CDC initiative and NHS AI procurement framework
- Enables sharing of patient images such as X-ray, CT, MRI or ultrasound at a standard approved for clinical review (DICOM), alongside instant-messaging-based case discussion to make more informed decisions faster, enabling safer patient care
- Photocapture module enables clinicians to acquire clinical images of patients, such as in-field medical photographs of skin lesions or wounds
- Document capture to encapsulate additional patient information, ECG and blood test results within the patient record from which to share and discuss with colleagues
- Facilitates clinical referrals and treatment decisions within a hospital, between hospitals and pan-regionally offering truly networked care as well as enable smoother and swifter transfer from one medical team to another, from referral to decision, treatment and exit
- Accessed from any internet-connected device, Bleepa maintains control of patient cases remotely and creates secure networks with all the information and functionality needed for clinicians to manage workloads more effectively
- Zero footprint ensures that no patient data is stored locally on the device used to access the service, providing greater security



A study conducted at Pennine Acute Hospitals NHS Trust in 2020 analysed use of Bleepa in the respiratory and gastroenterology teams and concluded:

- Bleepa reduced the average time from point of referral to clinician review from 2.1 days to 0.4 days and time taken to access clinical information needed from 5.47 minutes to 1.04 minutes, saving 4.43 minutes per referral
- Bleepa completely automated the referral process, digitising patient records and reducing required administrative time
- Based on the nearly 7,000 referrals performed in the study, Bleepa demonstrated an estimated saving of 36.3 weeks of clinical time per annum if the study was expanded across other specialities

Bleepa is now installed in five sites across four NHS trusts with one of the Trusts converting to a contract during the year. It is the only communication platform on the NHSx Clinical Communication Procurement Framework to incorporate a certified DICOM image display for clinical image review. The display of digital patient images for any diagnostic purpose is a medical device function under the prevailing legislation and any product that performs this function must be appropriately certified as a medical device. Bleepa is the only communication platform to be appropriately certified for medical image display, holding both CE and UKCA marks. The product is manufactured

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

CEO's Statement (continued)

using an ISO13485 and ISO27001 compliant Integrated Management System and has achieved Cyber Essentials and Cyber Essentials Plus security accreditation.

Post-period, in September 2021, Bleepa was awarded a place on the NHS national AI procurement framework: The Provision of Artificial Intelligence (A.I), Imaging and Radiotherapy Equipment, Associated Products and Diagnostic Imaging. The Company has developed a Bleepa AI module that enables clinicians to include third party AI tools of their choosing within the app to assist with the diagnostic interpretation of medical imaging studies such as X-rays, CT scans and MRIs. The framework will allow NHS organisations to buy the Bleepa AI solution as a platform for AI tool deployment, allowing them to meaningfully engage with any number of AI tools knowing that there is one common route for deployment into their clinical setting. The Company intends to additionally charge the AI companies a deployment fee through the platform.

Post-period, in June 2021, Bleepa completed a comprehensive evaluation and is now available for clinicians to download on all devices through the Apple App Store and Google Play. Access through the Apple App Store and Google Play will make it easier to roll out Bleepa at customer sites as clinicians will now be able to download the app directly to their own devices.

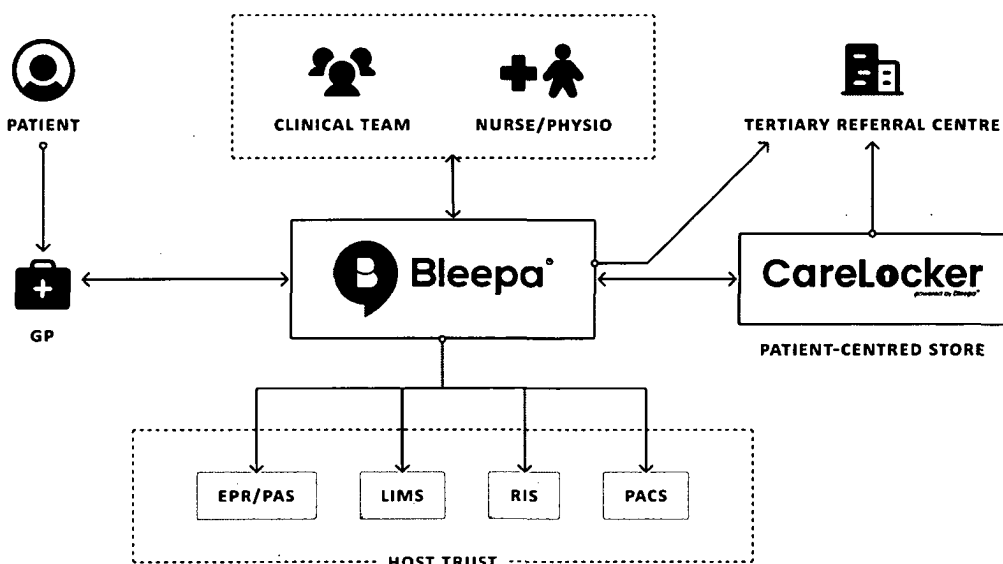
CareLocker

powered by Bleepa®

Building the right digital infrastructure for patient care

CareLocker is a new proprietary and patient-centric cloud architecture that supports Bleepa's functionality whilst simultaneously creating patient-specific records of care episodes. CareLocker will enable Bleepa to deliver care across provider settings in a secure and scalable way.

CareLocker provides secure and GDPR-compliant patient-centric cloud data stores: containers that store medical data at an individual patient level. With this proprietary architecture, patient data can be secured at the individual level, with access control even to subsets of a patient's data. CareLocker offers opportunities for improved storage optimisation making it more cost effective than traditional storage architectures. Most importantly, CareLockers can be built on a patient-by-patient basis, allowing organisations to transition to a cloud architecture as patients enter care pathways rather than having to undertake the mass data migrations usually associated with cloud transitions.



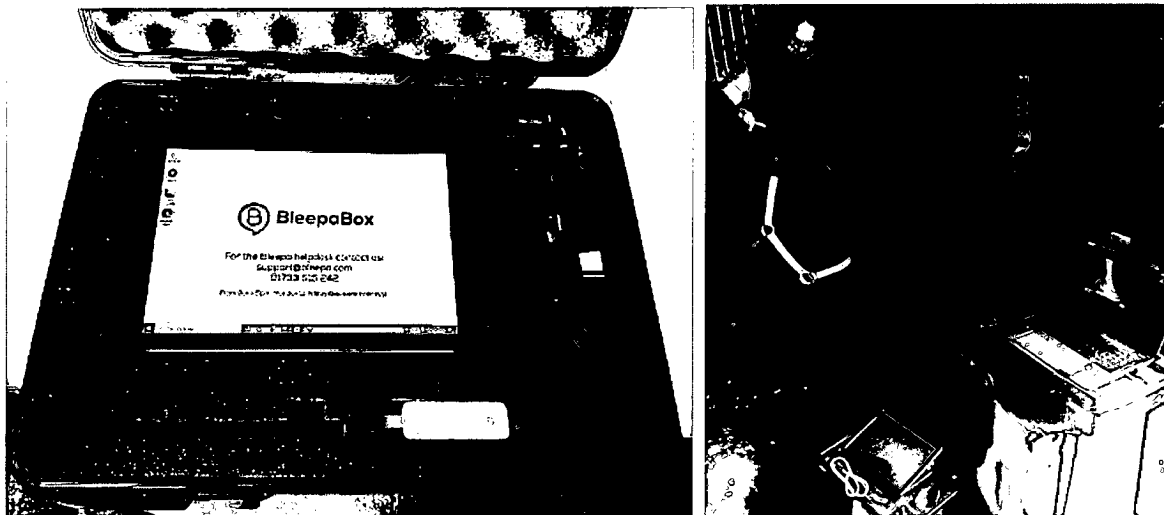
Feedback PLC

Annual report and accounts for the year ended 31 May 2021

CEO's Statement (continued)

As a clinical tool Bleepa integrates with multiple hospital systems and centralises relevant clinical data around specific patient episodes, presenting it together to clinical teams to accelerate decision making capabilities through the platform. This data includes lab results, structured reports, ECGs and most importantly medical images which are uniquely displayed through Bleepa's regulated DICOM viewer. Having centralised data around a patient CareLocker provides a patient-centric way of storing that data as a de-centralised record of that care episode that can then be made available to any care setting through open APIs such as FHIR.

Bleepa Box



Bleepa box is a small tablet device that connects to imaging machines in order to securely push images to Bleepa over a mobile network from remote locations. Images are downloaded from the imaging machine onto the Bleepa Box then automatically pushed to Bleepa. The clinician can then review the images on Bleepa using the Bleepa Box and can make onward referrals or start a conversation with a specialist about the case there and then. The capability of remote image acquisition has far-reaching applications in rural care delivery, war zones and humanitarian responses.

Building partnerships to deliver strategic commercial opportunities

A key element to both gaining a strong reputation, and thereby market traction, is our strategy to partner with companies that can advance Bleepa's recognition through complementary technologies, a broader distribution network or introduction into new clinical settings. The Company is currently in discussion with a number of potential partners, all of which have the potential to create new opportunities for Bleepa, from providing partnership in the CDCs, TB screening or access to new hospitals, to potential entry into new geographical markets such as India, Ireland and Africa. Agreements such as these often require pilot studies and a negotiation period as we gain understanding of how the two parties can work together. So far, we have announced three new partnerships and are exploring how Bleepa can bring value to these new and future collaborations in emerging markets.

Axial 3D

As the first AI company that Feedback partnered with, Axial 3D's technology enables 3D visualisation of specific pathologies or organs for use in surgical planning, these images can also be sent for 3D printing if a physical model is required. Bleepa and Axial 3D are hoping to bring 3D visualisation into the asynchronous MDT process hosted by Bleepa. Covid has delayed a real-world deployment of this solution, however the companies believe that this solution will help to improve surgical outcomes and will be necessary in the efforts to address the elective care backlog by driving faster patient recovery and enabling shorter surgical procedures, improving system efficiency and outcomes.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Quest

Quest is an Indian company providing teleradiology services to a number of customers across India, Africa and the Middle East. It is anticipated that Bleepa will support their existing customer base by providing easier access to DICOM images for reporting, and enhanced ability to display Quest-generated reports at customer sites and the facilitation of two-way conversation between their reporting radiologists and referring clinicians. The companies will jointly look for new customers and it is hoped that Quest will propose the joint solution to their existing customer base.

Qure.ai

Qure.ai has developed world-leading AI diagnostic imaging tools in a number of clinical areas including chest pathology such as TB, Covid and lung cancer and head pathology such as brain tumours and stroke. Feedback is working with Qure.ai in a number of clinical settings to explore deploying their tools into clinical pathways. The initial focus of our partnership is in deploying Qure.ai's technology in the TB screening pathway in India where Feedback is facilitating rural image acquisition through the Bleepa Box; clinical pathway management with Bleepa, through which the AI tool is deployed; and subsequent storage of the clinical record in CareLocker.

Growing presence across multiple markets

NHS

Feedback has been working with the NHS for over 20 years across our legacy and new product lines. The NHS remains a core customer group for the Company and a source of near-term revenue opportunities. In March 2021, we announced Bleepa had been awarded a one-year contract across a number of targeted clinical settings with the Royal Berkshire NHS Foundation Trust. The contract funding has been drawn down from the NHSx National Clinical Communication Procurement Framework. Adding to our ongoing contracts at The Royal Oldham Hospital, part of the Pennine Acute Hospitals NHS Trust.

As outlined previously in this report, there are emerging opportunities for the Company in the context of the £10bn CDC programme and the re-launched NHSx Clinical Communications Procurement Framework with the revised budget of £125m. Forty new CDCs are set to open across England in the first wave, in a range of settings and will begin providing services over the next six months. The Company will pursue both CDC regional contracts and NHS hospital trust-level contracts through the framework in parallel. It is anticipated that adoption in the CDC setting will also promote opportunities to provide Bleepa to the hospital trusts for their inpatient teams who will be used to using Bleepa for regional case discussion.

Post-period, in October 2021, we entered into a MOU to conduct a pilot study with Queen Victoria Hospital NHS Foundation Trust providing CDC services with Sussex ICS as one of the UK's CDC exemplar sites. It is anticipated that the pilot will identify the specification for bespoke development to meet the core CDC system needs of Sussex ICS. Bleepa will provide a digital clinical communication platform to allow these investigations to be captured, associated with a specific patient journey and presented to clinicians in both primary and secondary care settings for review, discussion and planning onward management. The pathway record will then be stored centrally using Feedback's patient-specific CareLocker infrastructure to ensure its onward availability to all care settings. The pilot is expected to run until March 2022 targeting CDC pathways in specific clinical areas such as respiratory and cardiology. It is anticipated that more pathways will be added as the pilot progresses with the ultimate aim of agreeing contractual terms for a commercial roll-out to CDCs. As one of the first CDC sites to be launched in the UK, this pilot is expected to act as a blueprint model for how CDCs can be delivered.

In addition, we have turned our focus to providing solutions to a range of territories, all of which have slightly different requirements and potential revenue models. The importance here is in ensuring that we are able to offer attractive solutions that can be implemented quickly and easily within existing entities.

Veterinary services

Post-period, Feedback entered the veterinary services market with the announcement of our first commercial contract with the equine division of CVS Group. This is our first contract in the veterinary imaging market which is growing at a compound annual growth rate of 6.7% and is estimated to be worth £2.2bn in the UK alone. In veterinary services, critical decisions are often made by vets out in the field. Bleepa can liberate vets from the

CEO's Statement (continued)

current lengthy and physical process of having to acquire an X-ray at a client's premises, then drive back to their practice to upload the image onto a computer and share it with a specialist for advice.

CVS Group had piloted the Bleepa solution for eight months prior to appointing Bleepa as its clinical communications platform for its equine division, leading to the development of the Bleepa Box technology. Bleepa is currently being rolled out across 20 of CVS Group's equine practices, from which we hope to expand. We are now looking for opportunities with other veterinary clients in the UK and internationally.

International markets

Bleepa's selection as a World Innovation Summit for Health (WISH) 2020 Innovation Booster and to participate in the Digitalhealth.London 2020 Accelerator Programme provided further welcome endorsements. Participation as an Innovation Booster at WISH 2020, an event to showcase our technology to the Middle Eastern market, provided an opportunity for the Company to exhibit Bleepa to some of the world's leading health experts, health ministers, decision-makers, and investors.

India

India represents a huge opportunity for the Company and its technology. Bleepa provides the perfect digital infrastructure for image sharing across regions and, in combination with the Bleepa Box, will enable the meaningful expansion of clinical services to rural areas within India.

Bleepa was selected by Healthcare UK, part of the Department for International Trade (DIT), to join a virtual healthcare mission to India, providing further recognition of its functionality and potential market reach. India is key to our international expansion and, following the successful event, we have now employed a specialist based in India to aid our entry into this large and untapped market.

Post-period, we announced a new partnership with Qure.ai, an AI solution provider developing decision support tools for medical imaging professionals, with an initial focus on enabling TB screening services to rural locations. We are also looking at how Bleepa's CareLocker can be used to create care records for patients coming through the system that will enable the creation of citizen health records in line with the National Digital Health Mission (NDHM) of the Indian Government, a programme that could see CareLocker become the trusted data store of a number of Indian citizens, with Bleepa as the preferred clinical interface into this data store.

Private partnership

Our focus to date has been on developing partnerships with private companies to establish either a reseller or co-seller agreement in order to help us sell the product more cost effectively than through direct sales. We are also actively pursuing direct contracts with private healthcare providers with the view of using Bleepa to support their clinical communication to drive pathway efficiencies and to support the curation of their clinical records through CareLocker.

Military

Bleepa and Bleepa Box have clear applications in remote image acquisition and clinical communication in a military setting. The Company is exploring a number of channels to military customers who we believe will greatly benefit from the secure platform that our technology provides.

Legacy products

As previously reported TexRAD sales have continued to decline in line with expectations, and in line with our strategy we have reduced the resourcing of this product to a minimum. Cadran continues to be employed in current contracts across a number of trusts, however, with the focus turning towards cloud-based services, we anticipate a slowdown in these contracts in the future. Bleepa and CareLocker have evolved from these high-quality legacy products and as business continues to move to more cloud-based systems, we are confident that Bleepa and CareLocker offer pioneering digital solutions.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

FINANCIAL REVIEW

	2021	2020
	£ million	£ million
Revenue	0.29	0.45
Operating expenses	(2.32)	(1.86)
Operating loss	(2.06)	(1.42)
Cash outflows from operating activities	(2.03)	(0.79)
Cash outflows from investing activities	(1.44)	(0.88)
Cash & cash equivalents end of period	2.22	0.73
Intangible assets	2.68	1.30
Contract liabilities (income in advance)	0.12	0.30
Net assets	5.27	1.77

Revenue for the year ended 31 May 2021 reduced 36% to £0.29 million (2020: £0.45 million) due to the planned reduction of TexRAD and Cadran sales, as the Company diverted resources towards Bleepa. First Bleepa revenues were achieved in the final quarter of the financial year, and the focus on Bleepa versus legacy products has also seen the average contract value increase, a trend which is expected to continue as further Bleepa sales are made.

Operating expenses increased 25% to £2.32 million (2020: £1.86 million), primarily due to increased headcount to drive the development and deployment of Bleepa, and to pursue new opportunities. Operating loss increased to £2.06 million (2020: £1.42 million).

Cash outflows from operating activities of £2.03 million (2020: £0.79 million) primarily represent customer receipts, staff costs and supplier payments. The increase in cash outflows from operating activities is due to the increase in operating loss, working capital movements, and a R&D tax credit refund of £0.33 million being received post-period in June 2021, whereas the prior financial year benefitted from a R&D tax credit refund of £0.25 million being received during the year. Cash outflows from investing activities increased 63% to £1.44 million (2020: £0.88 million) and is primarily composed of software development expenditures with Future Processing, which increased in line with our focus on product enhancement linked to market opportunities. The Group's cash position as at 31 May 2021 was £2.22 million (31 May 2020: 0.73 million), an increase of £1.49 million over the prior year due to proceeds from the fundraise in July 2020.

Intangible assets increased by £1.38 million to £2.68 million (2020: £1.30 million), primarily representing the capitalised software development expenditures. Contract liabilities (or deferred income) was £0.12 million (2020: £0.30 million) and represents income received in advance as at 31 May 2021, which will be released to the income statement as revenue over the forthcoming financial year. Net assets increased to £5.27 million (2020: £1.77 million) as at 31 May 2021.

Strengthening the Board

In July 2020, Philipp Prince joined the Board as an independent non-executive director, bringing strong capital markets and PLC experience to the Company. Given his background, he further strengthens the Board's ability to deliver a strong growth platform for Bleepa.

We are a dynamic and innovative company, and I would like to thank the employees for their commitment and hard work, resulting in new contacts, product upgrades; to the Board for the consistent guidance and to our shareholders for the continued support in creating a strong and bright future for Feedback.

Outlook

The Company made significant progress during the period – increasing both Bleepa's functionality and routes to market laying the foundations to deliver strategic commercial opportunities – and, importantly, generating initial revenues for the platform, highlighting commercial viability within the UK and beyond.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

CEO's Statement (continued)

We are well positioned to address a number of key growth opportunities within both our domestic and international markets, as outlined in this report. Our technology is perfectly aligned with the stated objectives of key government initiatives such as the CDC programme and re-launched NHSx Clinical Communications Procurement Framework. The addition of Bleepa Box and CareLocker have assisted in repositioning the Company into the clinical communications and medical data storage space enabling us to offer a comprehensive digital solution to frontline clinical needs that is scalable, secure and cost effective. Feedback enters 2022 with a strong pipeline of opportunities in multiple market segments and a competitive edge, from both a technological and regulatory perspective, that will make it difficult for competitors to follow and looks forward to a strong year ahead and to building upon the huge progress made to date.



Dr Tom Oakley
Chief Executive Officer
01 November 2021

The Board

Prof Rory Shaw BSc MD MBA FRCP, Chairman (appointed to the Board on 29 August 2019)

Professor Rory Shaw was appointed as non-executive director, deputy chairman and subsequently chairman of Feedback PLC on 29 August 2019. He was previously medical director of Feedback Medical Limited, the Company's operating subsidiary. During this time, he has contributed to the development of the Company's strategy and to building relationships with the UK medical community. He has been published extensively in academic journals, including on tuberculosis, and was also a professor of respiratory medicine at Imperial College School of Medicine. Since his appointment as Chairman he has continued to play an active part in promoting Bleepa within the medical profession.

Professor Rory Shaw has extensive managerial and overseas trade experience as well as a strong academic and clinical background. Professor Shaw was previously the medical director of Healthcare UK within the Department of International Trade. Over the previous 15 years, he has been medical director of three NHS trusts; North West London Hospitals NHS Trust, the Royal Berkshire NHS Foundation Trust and the Hammersmith Hospital NHS Trust. In 2001, he was appointed by the then minister of health as the first chairman of the National Patient Safety Agency and was also a non-executive director of the NHS Litigation Authority. Professor Shaw's clinical speciality is respiratory and general medicine. He has been published extensively in academic journals and was also a professor of respiratory medicine at Imperial College School of Medicine. Rory was appointed to the remuneration committee on 29 August 2019.

Dr Tom Oakley, BM(Hons) BSc (Hons) Chief Executive Officer (appointed to the Board on 9 April 2019)

Dr Tom Oakley trained as a radiology registrar before becoming an NHS England clinical entrepreneur fellow where he supported a number of companies looking to launch products in the NHS. He joined as CEO of Feedback Medical Limited in February 2019 before being appointed as CEO of Feedback PLC on 9th April 2019. Since joining the Company, he has led a strategic review into the Cadran product portfolio, which has culminated in the development of Bleepa, the Company's secure clinical messaging and image sharing communication tool. Tom has led the company through two successful funding rounds raising approximately £7.3m to stimulate the development and launch of Bleepa, taking this product from concept to installation in multiple NHS sites and with a key veterinary sector partner.

Lindsay Melvin, BSc (Hons) ACA CTA CIPP Chief Financial Officer (appointed on 16 March 2018, retiring at the Annual General Meeting on 29 November 2021)

Lindsay is a chartered accountant and brings 30 years of financial and business experience to Feedback. Most recently he was CEO of the Chartered Institute of Payroll Professionals (CIPP) for eight years until July 2016. CIPP was voted the UK's best association in the 2016 Associations Excellence Awards and was also voted as one of the Sunday Times "Best 100 Not for Profit Organisations" in 2016. Previously, Mr Melvin held director-level roles in small- to medium-sized public and private companies including Arthur Shaw & Co plc where he was finance director for six years. Lindsay started his career at Grant Thornton where he spent 11 years.

Adam Denning, Non-executive Director (appointed to the Board on 3 February 2020)

Adam currently serves as a non-executive director of Finlight.com, a software-as-a-service start up delivering solutions for wealth managers and family offices, and as managing director of Logical Operators Limited, his own consultancy firm. Previously, he spent 25 years at Microsoft Corporation in various roles. From 2011-2017, he was a partner group program manager. In this role, he reported directly to the corporate VP of the Windows platform, leading an international team of over 100 people and executing updates to Windows to deliver new customers. Before then, from 1999-2001, he served as an assistant technical advisor to the Executive Office. Among other responsibilities, Adam presented "demo days", where he would demonstrate internal and external technology to Bill Gates and would attend all of his product reviews. Adam was appointed to the audit and remuneration committees on 3 February 2020.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

The Board (continued)

Prof Tim Irish, MA MSc MBA BSc Non-executive Director (appointed to the Board on 8 June 2017)

Tim Irish has worked in the life sciences industry for thirty years with a career spanning global health technology companies across Europe and North America, including GSK, GE and Philips. Between 2007 and 2015 Tim served on ten Boards, five as chair, where he successfully executed two trade sales and raised significant equity financing, including an IPO. Since 2015 his governance portfolio covers life sciences and healthcare, both public and private, including board roles as vice chair and non-executive director at NICE, other digital/medtech non-executive director roles, and professor of practice at King's College London's School of Management and Business. Tim was appointed to the audit and remuneration committees on 8 June 2017 and became chair of both on 8 June 2017.

Philipp Prince, MA(Cantab) FCA, Non-executive Director (appointed to the Board on 15 July 2020)

Philipp is a chartered accountant with extensive experience in senior finance roles in both private and listed technology companies. He runs his own financial consultancy business and is CFO of BCB Group Holdings Limited, a financial services challenger, as its non-board CFO. He was previously a board adviser at Overmore Limited, a marketing technology firm, the CFO of Defenx plc, an AIM-listed mobile cyber security company, where he managed the IPO process, fundraising and investor relations and Interim CFO at Enecsys plc, a private equity backed solar micro-inverter developer. For over 20 years, Philipp worked at BDO LLP, where he was a corporate finance partner from 2002-2013. Philipp was appointed to the audit and remuneration committees on 15 July 2020. He became chair of the audit committee on 8 September 2020.

Strategic Report

The directors present their strategic report on the Group for the year end 31 May 2021. A comprehensive review of the year is given in the CEO's statement on pages 7 to 15.

Review of strategy and business model

The principal activity of the Group is the development and commercialisation of the Group's proprietary technologies – Bleepa, the image-based communication platform for frontline clinicians; CareLocker, the patient-centric cloud architecture; and Bleepa Box, store and forward technology. In addition, the company is supporting limited contracts through the ongoing provision of legacy products Cadran PACS and TexRAD, though these are anticipated to reduce further over time.

Further details on Feedback's strategy and business model is given in the Chairman's statement on page 6 and the CEO's statement on pages 7 to 15.

R&D process

Feedback recognises the potential in enhancing and developing new products from its existing technologies. It is working closely with existing customers to identify unmet needs. To increase its software development capabilities the Group is continuing and expanding its collaboration with Future Processing to develop new imaging software features and products.

Feedback capitalises external development costs for writing off against income generated in future accounting periods. The directors carefully consider what elements of this development expenditure will generate future economic benefits. This is based upon customer feedback on Bleepa, product enhancements and assessing the potential of Bleepa in non-medical markets and overseas requirements.

Principal risks and uncertainties

Early-stage products with no certainty of cash generation

The Group's focus is on its recently launched products, Bleepa and CareLocker which are at an early stage in their product lifecycle, with Bleepa having been formally launched in 2020 and CareLocker in 2021. The development and commercialisation of the Group's products, which are in relatively early stages of development, will require ongoing development and rollout, there is a risk that the resulting products will not perform as expected and/or will not be able to perform sufficiently in a demanding clinical setting.

There is also a risk that there will be delays to the development of the products or that unforeseen technical or operational problems arise as the Group achieves commercialisation and rollout with high-volume clinical workloads and image processing. The Group currently has low levels of operating cash flow and its ultimate success will depend on the Directors' ability to implement the Group's strategy, generate cash flow and access to additional capital. To mitigate such risks, the Group is developing products in partnership with customers, establishing a presence with different types of customer groups, investing in the regulatory approval process up front, and actively seeking a broad range of partners across both technology categories and geographies.

Economic and market risks

Feedback is in the medical imaging and communications market. The market is fragmented and the future success of the business is dependent on the ability of the Group to secure new and renew current contracts. These contracts are often with Government supported organisations and the timing of these can be dependent on market conditions. The Group's dependence on the award or renewal of contracts means that its revenue stream is not constant and has the potential to be particularly irregular. The impact of Covid-19 has been both positive and negative for the future prospects of the Company. A number of potential customers delayed any further discussions

due to their focus on Covid-19 management. However, Covid-19 was also a key driver to the creation of the NHSx Clinical Communication Procurement Framework, which has both endorsed Bleepa and created a vehicle for reimbursement.

Regulatory approval

The development, evaluation and marketing of the Group's products and ongoing research and development activities are subject to regulation by governments and regulatory agencies in all territories within which the Group intends to market its products (whether itself or through a partner). There can be no assurance that any of the Group's products will successfully complete the trial process or that regulatory approvals to market these products will ultimately be obtained. Failure to obtain regulatory approvals for its products could threaten the Group's ability to trade in the long term.

The time taken to obtain regulatory approval varies between territories and there can be no assurance that any of the Group's products will be approved in any territory within the timescale envisaged by the Board, or at all, and this may result in a delay, or make impossible, the commercial exploitation of the Group's products. Furthermore, each regulatory authority may impose its own requirements and may refuse to grant, or may require additional data before granting an approval, even though the relevant product may have been approved by another country's authority.

If regulatory approval is obtained, products will be subject to continual review and there can be no assurance that such approvals will not be withdrawn or restricted. Changes in applicable legislation or regulatory policies, or discovery of problems with products may result in the imposition of restrictions on sale, including withdrawal of the product from the market, or may otherwise have an adverse effect on the Group's business and/or revenue streams.

Product development risk

The Group capitalises development costs where there is an expectation that commercially successful products will be developed. The products in development may cost more and/or take longer to develop than the current estimates. It is possible that commercially successful products may not be developed. The Board monitors progress on product development on a regular basis and discusses with potential customers their requirements to mitigate this risk. The Group's products are both innovative and unique but further iterations will be required to be produced quickly to ensure that the products retain their position.

Reliance on third parties

The implementation of third-party initiatives, particularly with the NHS, which are outside of the control of the Group, drive some of the significant commercial opportunities to the Group. If these third-party initiatives were not to materialise or progress of implementation to be slow it would directly impact the Group and its ability to generate revenue from the opportunities.

Liquidity

Management of liquidity risk has concentrated on the maintenance of appropriate credit lines and funding sources to ensure adequate cash resources for the Company's operations. The Group was successful in raising additional cash through equity fundraises in both 2020 and 2021 to enable it to implement its strategy. The Board regularly monitors the cash position of the Group and ongoing cash requirements. The Board believes the Group is likely to have access to adequate cash resources from a combination of operational cash generation and, if necessary, obtaining further equity finance from the capital markets to support its strategy.

Credit risk

The Group's credit risk is primarily attributable to its cash and cash equivalents and trade receivables. The credit risk on other classes of financial assets is considered insignificant. Credit risk is managed through credit review and approval processes for new customers and ongoing review of each customer's credit history.

Other risks

There is a risk that existing and new customer relationships will not lead to the income currently forecast (especially, as noted above, from new products currently in development). As with other technology businesses, the Group is reliant on a small number of highly skilled staff.

Future outlook

The CEO's statement on pages 7 to 15 gives information on the future outlook of the Group.

Key performance indicators

The Company monitors the following financial KPIs: revenue, operating expenses, operating loss, cashflows from operating and investing activities, cash balance end of period, investments in intangible assets (primarily software development), net assets, and contract liabilities (see Financial Review section of CEO statement). The Board is also developing non-financial key performance indicators to assess performance, including user acquisition and utilisation rates, which will be necessary as further Bleepa sales are made. These KPIs will be deployed across industry segments and by country.

Environment

The directors consider that the nature of the Group's activities is not inherently detrimental to the environment.

Social, community, and human rights

The Board recognises that the Group has a duty to be a good corporate citizen and to respect the laws, and where appropriate the customs and culture of the territories in which it operates. It contributes as far as is practicable to the local communities in which it operates and takes a responsible and positive approach to employment practices.

The strategic report was approved by the Board on 01 November 2021 and signed on its behalf by:



Rory Shaw
Non-executive Chairman
01 November 2021

Directors' Report

The Directors present their report and the financial statements for the year ended 31 May 2021.

Future developments

The future developments for the Group are discussed in the Chairman's Statement and the Strategic Report.

Directors

The Directors of the Company during the year were:

Prof R Shaw
Dr T Oakley
L Melvin
A Denning
Prof T N Irish
S Sturge (resigned 30 June 2021, post-period)
P Prince (appointed 15 July 2020)

Directors' shareholdings

The shareholdings in the Company of the Directors as at the date of signing of these financial statements were:

	No. of Shares	%
Prof R Shaw	9,818,780	0.92
S Sturge	12,833,333	1.20
L Melvin	1,016,667	0.10
A Denning	1,530,411	0.14
P Prince	2,500,000	0.23

Significant shareholders

At 11 August 2021, the Company had been advised or is aware of the following interests of 3% or more in the Company's issued share capital:

	No. of Shares	%
Unicorn Asset Management Limited	200,000,000	18.75%
Thomas Charlton	117,241,411	10.99%
Tyndall Investment Management	67,828,418	6.36%
Jonathan Cranston	55,625,000	5.21%
Octopus Investments Nominees Limited	50,000,000	4.69%
Oberon Investments Limited	32,795,827	3.07%

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Employment policies

The Group is committed to employee involvement in the business and there are consultative procedures available for management and other employees to discuss matters of mutual interest. The Group places value on the involvement of its employees and they are regularly briefed on the Group's activities. The Group closely monitors staff attrition rates which it seeks to maintain at current low levels and aims to structure staff compensation levels at competitive rates in order to attract and retain high calibre personnel. The Group has a policy of non-discrimination in respect of sex, colour, religion, race, disability, nationality or ethnic origin.

Creditor payment policies

The Group's policy for all suppliers is to fix terms of payment when agreeing the terms of each business transaction, to ensure the supplier is aware of those terms and to abide by the agreed terms of payment. Payment terms for the year ended 31 May 2021 averaged 31 days (2020: 32 days).

Business relationships

The Group's key business relationship is with Future Processing who support our research and development function. Regular dialogues, virtual and face to face meetings occur weekly and they have been integral to the development of Bleepa. The Group treats many smaller suppliers as business partners as they are required to support our limited internal resources.

Energy use and carbon emissions

During the year ended 31 May 2021, the Group's energy consumption was considerably below 40,000 Kw Hours, and therefore no consumption or emissions data is presented.

Treasury policy

The Group has adopted formal treasury policies to control its financial instruments. It has a Group Treasury policy not to undertake transactions of a speculative nature. Group cash flows are managed centrally, and surplus cash is invested in short-term financial instruments. The Group does not undertake hedging transactions in foreign currencies. Foreign currencies are generally converted automatically into sterling on receipt.

Compliance with these policies is monitored by the Board. Other than for currency disclosures, the Group has taken advantage of the exemption permitting it not to treat short-term debtors and creditors as financial instruments.

Strategic report

Information regarding the Group's principal risks, results, future developments, R&D activities, dividends and key performance indicators are provided in the Strategic Report.

Dividends

No dividend was declared in the year (2020: £nil).

Disclosure of information to the auditor

The Directors who were in office on the date of approval of these financial statements have confirmed that

- as far as they are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditor is unaware; and
- each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Going concern

The Group held £2,220,862 of cash and cash equivalents at 31st May 2021. However, it incurred a net loss of £1,619,513 and had a net cash outflow of £2,032,766 from operating activities for the year, which are matters which may indicate a material uncertainty about the Group's ability to continue as a going concern. However, on 2 November 2021, the Company announced an accelerated bookbuild to raise a minimum of £10 million (before expenses) with closing of the placing expected on the same day. Subject to closing, the placing is conditional on shareholder approval at the forthcoming Annual General Meeting. Prior to announcement, having made relevant enquiries, the Directors were satisfied that the Company's brokers had received non-binding indications for the placing to provide the Company with adequate cash resources for at least the next twelve months to November 2022. The Directors believe that all resolutions required to execute the placing will be successfully approved at the annual general meeting as a matter of course, with proceeds to be received shortly thereafter. The Directors updated and reviewed the Group's business plan and cash flow forecasts on the basis that the placing is approved at the annual general meeting. These cash resources will be used to provide working capital, enable continued product development and international expansion. If further resources are required, the directors consider, that although future equity fundraising can never be guaranteed, the group's recent history of successful fundraising means it likely that the group will be able to raise further finance through future equity issues. Accordingly, the Directors believe that the Group and Company are a going concern and have therefore prepared the financial statements on a going concern basis.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Group and parent Company financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare Group and parent Company financial statements for each financial year. Under that law the Directors are required to prepare the Group and parent Company financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.

The financial statements are required by law to give a true and fair view of the state of affairs of the Group and parent Company and of the profit and loss of the Group for that period.

In preparing each of the Group and parent Company financial statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU subject to any material departures disclosed and explained in the parent Company financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the parent Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and parent Company and to enable them to ensure that the financial statements comply with international accounting standards in conformity with the requirements of the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to safeguard the assets of the Group and parent Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report and a Directors' Report to comply with that law and those regulations.

In determining how amounts are presented within terms in the income statement and balance sheet the Directors have had regard to the substance of the reported transaction or arrangement in accordance with generally accepted accounting principles or practice.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Directors' Report (continued)

The directors are also responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

R Shaw

Rory Shaw
Non-Executive Chairman
01 November 2021

Corporate Governance Statement

The Directors present their Corporate Governance Statement for the year ended 31 May 2021.

The Board has adopted the QCA Corporate Governance Code (the "QCA Code"), in line with the London Stock Exchange's changes to the AIM Rules requiring all AIM quoted companies to adopt and comply with a recognised corporate governance code and detail how it complies with that code, and where it departs from its chosen corporate governance code an explanation of the reasons for doing so. The Board believes that the application of the QCA code supports the company's medium to long-term success. Further details on the Company's adoption and compliance with the QCA Code can be found on the Company's website at www.fbkmmed.com.

Board of Directors

In common with other organisations of a similar size, the Executive Directors are heavily involved in the day-to-day running of the business. The Board of Directors meets regularly and holds video conference calls at least ten times a year and is responsible for formulating strategy, and for the trading subsidiaries, monitoring financial performance and approving major items of capital expenditure.

The Board is currently comprised of a Chief Executive Officer, a Chief Financial Officer, and four Non-Executive Directors (including the Chairman).

Dr Tom Oakley, the Chief Executive, trained as a Radiology Registrar before becoming an NHS England Clinical Entrepreneur Fellow where he supported a number of companies looking to launch products in the NHS. He joined as CEO of Feedback Medical Ltd in February 2019 before being appointed as CEO of Feedback PLC on 9th April 2019.

Lindsay Melvin, the Chief Financial Officer, is a chartered accountant and brings 30 years of financial and business experience. He was recently a Chief Executive Officer to the Chartered Institute of Payroll Professionals. Previously, he held Director-level roles in small to medium sized public and private companies. The Company announced the appointment of Anesh Patel as Chief Financial Officer of its trading subsidiary, Feedback Medical Limited on 06 May 2021, as part of a succession planning programme following Lindsay Melvin's planned retirement as CFO of the Company at the AGM on 29 November 2021. Prior to joining the Group, Anesh was Finance and Corporate Projects Director for hVIVO Limited, a subsidiary of AIM listed Open Orphan plc. He is a chartered accountant and has significant corporate finance experience from previous investment banking roles.

The Company currently has four Non-Executive Directors (including the Chairman) therefore providing a suitable balance of executive and non-executive directors. The biographies of each of the Non-Executive Directors are included above.

Based on the mix of experience and skills held by the directors, as detailed above, the Board believes it has the necessary qualities and capabilities to deliver the Group's strategy.

For the year under review, the Board included four Non-Executive Directors which was considered appropriate. The Board held 12 scheduled monthly meetings in the year to 31 May 2021 with a full attendance record.

Corporate Governance Statement (continued)

Director	Board	Audit Committee	Remuneration Committee	Nominations Committee
Tom Oakley	12	n/a	n/a	1
Lindsay Melvin	12	n/a	n/a	n/a
Rory Shaw	12	n/a	1	2
Tim Irish	12	1	1	2
Simon Sturge	12	1	-	2
Adam Denning	12	1	1	2
Philipp Prince (appointed 15/7/2020)	12	1	1	1

The Board retains full responsibility for the direction and control of the Group. No strategic powers have been delegated and for these reasons the Board did not have, during the year, a formal schedule of matters specifically reserved to it. The Board receives monthly board papers which cover operational, financial and key stakeholder up to date information. Board minutes are recorded and approved at the next meeting. All Board members are well versed in their roles and responsibilities. All Directors have direct access to the advice and services of the Company's professional advisers, enabling them access to all required information in the furtherance of their duties.

The Board have sought professional legal, HR and NOMAD advice as and when appropriate to do so, given the level of skills, knowledge and experience of each Board member. Each director ensures that their skillset is up to date by attending events, reading appropriate journals and news bulletins and in discussions with colleagues.

Non-executive Directors

The appointment of Non-Executive Directors is a matter for the Board as a whole. There is currently no formal selection process, which the Board deems appropriate for the size and nature of the Company. The Non-Executive Directors have contracts for services for an unspecified period. Non-Executive Directors are subject to re-election every three years.

Terms and conditions of appointment of the Non-Executive Directors are available for inspection.

Rory Shaw, Tim Irish, Simon Sturge, Adam Denning and Philipp Prince were considered to be independent directors during the period under review as none of them have any notifiable conflict of interest and none of them have any managerial responsibilities in the Company.

Executive Directors

Executive Directors are appointed by the Board of Directors but stand for election by the shareholders at the Annual General Meeting. The Executive Directors are subject to re-election every three years.

Audit Committee

An Audit Committee is in place comprising of three of the Non-Executive Directors, Philipp Prince, Tim Irish and Adam Denning. The Audit Committee is chaired by Philipp Prince. The Company's approach to internal control is described below. The Audit Committee has two scheduled meetings in the year. All serving members attended both meetings held in the year. Its purpose is to ensure that the audit process is rigorous and consistent.

The Audit Committee considered that the internal control procedures were more than adequate for the size of the Group. Internal processes are reviewed every quarter and improvements implemented. Given the size of the Group the audit committee does not consider it necessary to prepare a formal audit committee report as its significant work and actions are reported on elsewhere in this statement.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Corporate Governance Statement (continued)

The Audit Committee reviewed and made recommendations to the Board on any significant accounting issues, any changes to accounting policies and processes, any going concern considerations and liaising with the incumbent auditors.

The significant accounting areas and judgements considered by the Committee were:

Revenue recognition- The Committee discussed the evolution of the group's product mix and specifically the basis used to determine how Bleepa software licence and support revenues are split and recognised over time. The Committee was satisfied that management's judgement in the absence of explicit performance obligations and the consequential recognition of revenue and deferred revenue in the accounts was reasonable.

Valuation of intangible assets- The Committee reviewed the basis of capitalisation and considered the intangible value attributed to its intangible software development costs. The Committee was satisfied that the forecast cash flows from the anticipated level of future revenues, supported by customer interest and the sales pipeline, are sufficient to support the carrying values.

Going concern- The Committee reviewed the cash flow forecasts for the Group and discussed the key assumptions and risks relevant to their achievement. The Committee was satisfied that the basis for adopting the going concern basis in preparing the Group and Company financial statements, set out in note 3 on page 39, was reasonable.

Remuneration Committee

A Remuneration Committee is in place comprising the Non-Executive Directors and where appropriate, the Chief Executive and/or the Chief Financial Officer. The Remuneration Committee is chaired by Tim Irish and has one scheduled meeting in the year. Its purpose is to regularly review the remuneration package of all senior employees.

During the year it reviewed and made recommendations to the Board on the remuneration policy for the coming year (year ending 31 May 2022), the share option policy and any decisions required to be made in the year due to changes in employees and their roles.

Nomination Committee

The Nomination Committee consists of the Non-Executive Directors and it met twice, in July 2020 and December 2020. It is chaired by Rory Shaw.

It recommended to the Board the appointment of Philipp Prince as a Non-Executive Director.

Current business model and risk management

Further details on Feedback's strategy are contained within the Strategic Report on pages 3-5 of this document.

The Company has a Management group who meet on average three times a week to discuss operational issues, strategic relationships, sales opportunities, planned meetings and events and strategic issues. Actions from the meetings are followed up at the next management meeting. The CEO and the CFO are both part of the Management group.

A risk register covering all business areas was prepared by the management team, is updated regularly, and is reviewed and approved by the Board.

Business processes are regularly reviewed, and possible enhancements debated, evaluated and, if appropriate, implemented.

Company culture

The Company is evolving a formal set of ethical values and behaviours. It endorses a 'no-blame' culture and has an 'open door' policy with regular staff meetings and management meetings. Management conduct regular one-to-one meetings with all staff, through which they are able to support staff in ensuring the Company's values are being

Corporate Governance Statement (continued)

recognised and reflected and assist in any staff training needs. The Board are committed to developing a high standard in both ethical behaviours and values and are very supportive of employee wellbeing.

The Directors believe that this culture is desirable to move the business forwards in its strategic growth and its present objectives and business model.

Performance evaluation

The Chairman, Rory Shaw, has implemented a formal performance evaluation of the board, its committees and its individual directors. The non-executive directors are responsible for reviewing the directors' performance and highlighting any issues identified.

In addition, one-third of the Board is required to retire and seek re-election at the AGM, in accordance with good governance. The Board will continue to be mindful of succession planning.

Communication with shareholders

Feedback encourages two-way communication with its investors and responds quickly to queries received. The Company has an email address (IR@fbk.com) where shareholders can communicate with the Board. The Directors are available to shareholders at any time to discuss strategy and governance matters. The Chairman communicates regularly with major shareholders and ensures that their views and concerns are fully communicated back to the Board and management team.

In addition, all Company announcements are published on the Company's website, together with financial results.

All shareholders have the opportunity to ask questions and express their views at the Company's Annual General Meeting, at which all Directors are available to take questions. Should voting decisions not be in line with Board's expectations then the Board will liaise with shareholders in order to address any issues.

Further details on the Company's consideration of wider stakeholder and social responsibilities can be found on the Company's website at www.fbkmed.com/plc-landing-page/governance.

S.172 Companies Act 2006 Statement

The Directors have had regard to the matters set out in section 172(1) (a)-(f) when performing their duty under section 172. The likely consequences of any decision in the long term is covered in the strategic review of this report. The need to foster excellent relationships with employees, suppliers, customers, shareholders and other stakeholders is paramount and is covered above in the corporate governance statement and the Directors' report. The Directors endeavour to maintain a culture built on integrity; take into account the desirability of the Company maintaining a reputation for high standards of business conduct, and; have regard to the need to act fairly. The Directors assess and take into account what is most likely to promote the success of the Company for its members in the long term as part of their decision-making process and make this assessment fairly and in good faith. The Directors continue to promote the success of the Company in accordance with section 172 of the Companies Act 2006.

Audit and internal control

The primary role of the Audit Committee was to keep under review the Group's financial systems and controls and its financial reporting procedures. In fulfilling this role, it received and reviewed work carried out by the external auditors and their findings.

The Board had overall responsibility for operating and monitoring the system of internal control within the Group and for monitoring its effectiveness. The system includes an on-going process for identifying, evaluating and managing significant business risks.

Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group's system was designed to provide the directors with reasonable assurance that any material problems were identified on a timely basis and dealt with appropriately.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Guidance to Directors of UK Companies on internal control procedures and good practice on risk management is provided by the Financial Reporting Council.

The Audit Committee reviewed the effectiveness of the internal controls on an annual basis on behalf of the Board and considered that they have complied throughout the year ended 31 May 2021 with those provisions of the Code which they consider to be practicable and appropriate for a relatively small public company.

The key elements of the system, which had been designed to meet the specific needs and business risks of the Group, include:

- clearly defined organisation structures with segregation of duties wherever practicable;
- agreement of Group short term financial objectives and business plans;
- monthly review by the Board of Group Management Accounts and monitoring of results against budgets;
- Board control over treasury, taxation, legal, insurance and personnel issues;
- Board control over appraisal, review and authorisation of capital expenditure.

As common with organisations of similar size, the Executive Directors and the Non-Executive Directors are heavily involved in the day-to-day running of the business. The directors believe that although the Group's controls may be slightly less formal than those of larger groups and companies, the continued close involvement of the Non-Executive Directors more than compensated for this.

The Board believes that it is not currently appropriate for the Group to maintain an internal audit function because of the small size of the Group.

The Audit Committee considers the independence and objectivity of the external auditors on an annual basis, with particular regard to non-audit services. The split between audit and non-audit fees for the year and information on the nature of the non-audit fees appear in note 6 to the financial statements. There are no non-audit fees that could affect the independence or objectivity of the auditors. The Audit Committee monitors such costs in the context of the audit fee for the year, ensuring that the value of non-audit services does not increase to a level where it could affect the auditors' objectivity and independence.

Risk management

Further information on the Company's principal risks and uncertainties can be found with the Strategic Report on pages 18-20 of this document. The Board considers business risk at every Board meeting (held approximately 10 times a year). This includes risks associated with its key customers and suppliers, ongoing trading performance and budgets. The risk register is prepared and updated by the management team and is reviewed by the Board at board meetings. The management team hold regular meetings, at least three a month, when they review the risk register and ensure that it is updated and accurately reflects the risks to the Company. The management team consists of all the Company's managers. The risks identified are evaluated into cause, impact on the Company, likelihood and seriousness, mitigating actions, timelines and responsibilities.

Independent Auditor's Report to the Members of Feedback plc

Opinion

We have audited the financial statements of Feedback plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 May 2021 which comprise the statement of comprehensive income, the consolidated statement of changes in equity, the consolidated balance sheet, the company balance sheet, the consolidated cash flow statement, the company cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International accounting standards in conformity with the requirements of the Companies Act 2006 and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 2021, and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with International accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance International accounting standards in conformity with the requirements of the Companies Act 2006 and as applied in accordance with the provisions of the Companies Act 2006; 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 and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current period and include the most significant addressed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: overall audit strategy, the allocation of resources in the audit, the directing of efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole and informing our opinion thereon, we do not provide a separate opinion on these matters. In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition

In our assessment of audit risk, we determined that the existence and timing of revenue recognition give rise to a significant risk of material misstatement. The group has a variety of revenue streams including software installation, software licences, scientific and software support and consultancy. The risk is that income is overstated through non-deferral of income which should be deferred as the criteria of income have yet to be met.

We focused on timing of revenue recognition in accordance with stated accounting policies and its subsequent presentation in the statement of comprehensive income.

Our procedures included:

Analytical procedures and depth testing on a sample of transactions to confirm the validity of sales recorded and the point of transfer of the risks and rewards of ownership through identification of the timing of revenue recognition by sampling a number of transactions and contracts throughout the year ensuring they had been accounted for correctly and that revenue is complete.

Gaining an understanding of the systems and procedures implemented to ensure revenue is recognised in the appropriate accounting period, testing a sample of entries where necessary.

Reviewing the recognition and recoverability of trade receivables at the year end to assess the validity of their recognition and carrying values as at 31 May 2021.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Independent Auditor's Report to the Members of Feedback plc -

CONTINUED

Our work did not identify any items that could not be substantiated.

Intangible assets – capitalised development costs and valuation

The group holds material intangible assets in relation to patents, customer relationships and software developments. The main risk is ensuring that intangible assets are held at the appropriate value and recognition criteria under IAS 38 have been met before being capitalised.

We focused on intangible assets valuation and recognition in accordance with stated accounting policies.

Our procedures included:

Reviewing a sample of additions to supporting invoices and documentation received from third parties to ensure intangible assets were correctly valued. We carried out audit testing to ensure that amounts capitalised met the recognition criteria within the standard and were in accordance with stated accounting policies. We also reviewed whether any impairment was required by looking at the progress made in development, discussed recent trials, reviewed update in the development phase and reviewed correspondence with potential customers.

The rationale for recognition of these costs was discussed with management, and the products for which items had been capitalised assessed against the recognition criteria of IAS38 by reference to supporting evidence.

Our application of materiality

We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable knowledgeable users that are taken on the basis of financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We based materiality for the group's financial statements as a whole on the pre-tax loss for the group and concluded materiality to be £74,000. We consider that loss provides us with the most relevant performance measure to stakeholders of the entity given the stage of the group's activity and growth.

We assessed materiality for the parent company's financial statements as a whole on the basis of net assets and concluded materiality to be £55,500. We consider that for the parent company net assets provides us with the most relevant performance measure as the parent company does not generate any revenue, and its role within the group is to bear administrative expenses including the costs of any fund raises.

We apply the concept of materiality both in the planning and performance of the audit, and in evaluating the effects of misstatements.

During the course of the audit we reassessed materiality from planning to reflect the final reported performance of the group. There was no change made to our planning materiality.

An overview of the scope of our audit

Our group audit was scoped by obtaining an understanding of the group and its environment. We determined materiality and assessed the risk of material misstatement in the financial statements. In particular we looked at where the directors had made subjective judgements within accounting estimates. We addressed the risk of management override of internal controls including whether there was evidence of bias by the directors that represented a risk of material misstatements due to fraud.

Material uncertainty relating to going concern

We draw attention to note 3 in the financial statements, which indicates that the group will need to raise additional funds to continue as a going concern. On 2 November 2021 the company will announce a placing to raise a minimum of £10 million before expenses, conditional on approval at the forthcoming annual general meeting. The Directors believe that all resolutions required to execute the placing and open offer will be successfully approved at the annual general meeting as a matter of course, with proceeds to be received shortly thereafter.

As stated in Note 3, these events or conditions, along with other matters as set forth in Note 3, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Independent Auditor's Report to the Members of Feedback plc -

CONTINUED

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

Our evaluation of the directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included review of the forecasts prepared by management to see whether this will be sufficient to meet their requirements for the next 12 months from the date of approval of these financial statements, review of management accounts after year end, and an assessment of the proposed placing to raise funds.

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

Given the uncertainties noted above we considered going concern to be a Key Audit Matter. We have assessed management's forecasts and underlying assumption. In doing so we considered factors such as historical operating expenditure and the group's ability to raise funding in the future.

We found our results from the above and the disclosures in the financial statements in respect of the above to be appropriate.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 23, 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.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Independent Auditor's Report to the Members of Feedback plc -

CONTINUED

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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:

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the group.

Our approach was as follows:

- We considered the nature of the commercial activities undertaken and the business performance for the year and held discussions with management.
- We obtained an understanding of the legal and regulatory requirements applicable to the company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, UK taxation legislation and rules and regulations as prescribed by the Financial Conduct Authority.
- We obtained an understanding of how the company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- We discussed during the audit engagement team briefing regarding how and where fraud might arise in the financial statements and any potential indication of fraud. We remained alert to any indication of fraud or non-compliance with laws and regulations throughout the audit.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the company's internal control.

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Independent Auditor's Report to the Members of Feedback plc -

CONTINUED

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

Martin Clapson FCA (Senior Statutory Auditor)

For and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ
Date: 01 November 2021

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Statement of Comprehensive Income

for the year ended 31 May 2021

	Note	2021 £	2020 £
Revenue	4	287,415	449,983
Cost of sales		(25,024)	(1,866)
Gross profit		262,391	448,117
Other operating expenses	5	(2,322,518)	(1,863,180)
Operating loss	6	(2,060,127)	(1,415,063)
Net finance income	7	281	606
Loss before taxation		(2,059,846)	(1,414,457)
Tax credit	9	440,333	327,000
Loss after tax attributable to the equity shareholders of the Company		(1,619,513)	(1,087,457)
Total comprehensive expense for the year		(1,619,513)	(1,087,457)
Loss per share (pence)			
Basic and diluted	11	(0.16)	(0.22)

The notes on pages 41 to 59 form part of these financial statements

Consolidated Statement of Changes in Equity

for the year ended 31 May 2021

GROUP	Share Capital £	Share Premium £	Capital Reserve £	Retained Earnings £	Translation Reserve £	Share option Reserve £	Total £
At 31 May 2019	933,209	3,776,854	299,900	(4,115,649)	(209,996)	261,300	945,618
Total comprehensive loss for the year	-	-	-	(1,087,457)	-	-	(1,087,457)
New shares issued	416,667	1,583,333	-	-	-	-	2,000,000
Costs of new shares issued	-	(138,905)	-	-	-	-	(138,905)
Share options lapsed	-	-	-	92,141	-	(92,141)	-
Share-based payments	-	-	-	-	-	50,000	50,000
Total transactions with owners	416,667	1,444,428	-	92,141	-	(42,141)	1,911,095
At 31 May 2020	1,349,876	5,221,282	299,900	(5,110,965)	(209,996)	219,159	1,769,256
Total comprehensive loss for the year	-	-	-	(1,619,513)	-	-	(1,619,513)
New Shares issue	1,317,454	3,952,363	-	-	-	-	5,269,817
Costs of new shares issued	-	(313,566)	-	-	-	-	(313,566)
Share-based payments	-	-	-	-	-	162,615	162,615
Total transactions with owners	1,317,454	3,638,797	-	-	-	162,615	5,118,866
At 31 May 2021	2,667,330	8,860,079	299,900	(6,730,478)	(209,996)	381,774	5,268,609
COMPANY							
			Share Capital £	Share Premium £	Retained Earnings £	Share option Reserve £	Total £
At 31 May 2019			933,209	3,776,854	(4,515,814)	223,159	417,408
Total comprehensive loss for the year			-	-	(1,956,671)	-	(1,956,671)
New shares issued			416,667	1,583,333	-	-	2,000,000
Costs of new shares issued			-	(138,905)	-	-	(138,905)
Share options lapsed			-	-	54,000	(54,000)	-
Share-based payments			-	-	-	50,000	50,000
Total transactions with owners			416,667	1,444,428	54,000	(4,000)	1,911,095
At 31 May 2020			1,349,876	5,221,282	(6,418,485)	219,159	371,832
Total comprehensive loss for the year			-	-	(437,373)	-	(437,373)
New shares issued			1,317,454	3,952,363	-	-	5,269,817
Costs of new shares issued			-	(313,566)	-	-	(313,566)
Share-based payments			-	-	-	162,615	162,615
Total transactions with owners			1,317,454	3,638,797	-	162,615	5,118,866
At 31 May 2021			2,667,330	8,860,079	(6,855,858)	381,774	5,053,325

The notes on pages 41 to 59 form part of these financial statements

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Consolidated Balance Sheet

for the year ended 31 May 2021

	Notes	2021 £	2020 £
Assets			
Non-current assets			
Property, plant and equipment	13	13,773	11,830
Intangible assets	14	2,681,641	1,296,784
		2,695,414	1,308,614
Current assets			
Trade and other receivables	15	138,042	129,877
Corporation tax receivable		767,120	326,787
Cash and cash equivalents		2,220,862	732,650
		3,126,024	1,189,314
Total assets		5,821,438	2,497,928
Equity			
Capital and reserves attributable to the Company's equity shareholders			
Called up share capital	18	2,667,330	1,349,876
Share premium account	18	8,860,079	5,221,282
Capital reserve	18	299,900	299,900
Translation reserve	18	(209,996)	(209,996)
Share option expense reserve	18	381,774	219,159
Retained earnings	18	(6,730,478)	(5,110,965)
Total equity		5,268,609	1,769,256
Liabilities			
Current liabilities			
Trade and other payables	16	548,836	718,788
		548,836	718,788
Non-current liabilities			
Contract liabilities	16	3,993	9,884
		3,993	9,884
Total liabilities		552,829	728,672
Total equity and liabilities		5,821,438	2,497,928

The financial statements were approved and authorised for issue by the Board of Directors on 01 November 2021 and were signed below on its behalf by:

R Shaw

Prof Rory Shaw
Chairman

The notes on pages 41 to 59 form part of these financial statements

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Company Balance Sheet

for the year ended 31 May 2021

	Notes	2021 £	2020 £
Assets			
Non-current assets			
Investments	12	-	-
Current assets			
Other receivables	15	99,906	27,538
Loans to subsidiary companies		2,998,240	-
Cash and cash equivalents		2,020,688	473,809
		5,118,834	501,347
Total assets		5,118,834	501,347
Equity			
Capital and reserves attributable to the Company's equity shareholders			
Called up share capital	18	2,667,330	1,349,876
Share premium account	18	8,860,079	5,221,282
Share option expense reserve	18	381,774	219,159
Retained earnings	18	(6,855,858)	(6,418,485)
Total equity		5,053,325	371,832
Liabilities			
Current liabilities			
Trade and other payables	16	65,509	129,515
Total liabilities		65,509	129,515
Total equity and liabilities		5,118,834	501,347

The Company's loss for the year was £437,373 (2020: £1,906,671)

The financial statements were approved and authorised for issue by the Board of Directors on 01 November 2021 and were signed below on its behalf by:

R Shaw

Prof R Shaw
Chairman

The notes on pages 41 to 59 form part of these financial statements (company registration number 00598696)

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Consolidated Cash Flow Statement

for the year ended 31 May 2021

	2021 £	2020 £
Cash flows from operating activities		
Loss before tax	(2,059,846)	(1,414,457)
<i>Adjustments for:</i>		
Net finance income	(281)	(606)
Depreciation and amortisation	48,755	30,277
Share based payment expense	162,615	50,000
Decrease/(Increase) in trade receivables	72,614	103,063
Decrease in other receivables	(80,779)	11,921
Increase in trade payables	77,915	88,886
Increase/(Decrease) in other payables	(253,759)	95,258
Corporation tax received	-	249,011
Total adjustments	27,080	627,810
Net cash used in operating activities	(2,032,766)	(786,647)
Cash flows from investing activities		
Purchase of tangible fixed assets	(16,083)	(7,189)
Purchase of intangible assets	(1,419,472)	(875,950)
Net finance income received	281	606
Net cash used in investing activities	(1,435,274)	(882,533)
Cash flows from financing activities		
Net proceeds of share issue	4,956,252	1,861,095
Net cash generated from financing activities	4,956,252	1,861,095
Net increase/(decrease) in cash and cash equivalents	1,488,212	191,915
Cash and cash equivalents at beginning of year	732,650	540,735
Cash and cash equivalents at end of year	2,220,862	732,650

The notes on pages 41 to 59 form part of these financial statements

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Company Cash Flow Statement

for the year ended 31 May 2021

	2021 £	2020 £
Cash flows from operating activities		
Loss before tax	(437,373)	(1,906,671)
<i>Adjustments for:</i>		
Net finance income	(281)	(606)
Provision against intercompany receivable	59,913	1,267,998
Share based payment expense	102,702	(8,000)
Increase in other receivables	(72,367)	(1,266,405)
Decrease in trade payables	(19,709)	5,619
Decrease/ (Increase) in other payables	(44,299)	59,476
Total adjustments	25,959	58,082
Net cash used in operating activities	(411,414)	(1,840,589)
Cash flows from investing activities		
Loans to subsidiary companies	(2,998,240)	-
Net finance income	281	606
Net cash generated from investing activities	(2,997,959)	606
Cash flows from financing activities		
Net proceeds of share issue	4,956,252	1,861,095
Net cash generated from financing activities	4,956,252	1,861,095
Net increase in cash and cash equivalents	1,546,879	21,112
Cash and cash equivalents at beginning of year	473,809	452,697
Cash and cash equivalents at end of year	2,020,688	473,809

The notes on pages 41 to 59 form part of these financial statements

Notes to the Financial Statements

1. General information

The Company is a public limited company limited by shares, domiciled in the United Kingdom and incorporated under registered number 00598696 in England and Wales. The Company's registered office is Health Foundry, Canterbury House, 1 Royal Street, London SE1 7LL.

The Company is quoted on AIM, a market operated by the London Stock Exchange. These Financial Statements were authorised for issue by the Board of Directors on 01 November 2021.

2. Adoption of the new and revised International Financial Reporting Standards

The Company has adopted all of the new or amended Accounting Standards and Interpretations issued by the International Accounting Standards Board (IASB) that are mandatory for the current reporting period.

The following new and revised Standards and Interpretations are relevant to the company, but the Company has not early adopted these new standards. The Directors do not anticipate that the adoption of these standards will have a material impact on the reported results of the Company:

- IAS 1 amendment — Presentation of Financial Statements - Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- IAS 8 amendment — Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates
- IAS 12 amended — Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction.
- IAS 16 amended — Property, Plant and Equipment – Proceeds before Intended Use
- IAS 37 amended — Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts—Cost of Fulfilling a Contract
- IFRS 3 amended — Business Combinations - Updating a Reference to the Conceptual Framework

3. Significant accounting policies

(a) Basis of preparation

These financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The policies set out below have been consistently applied to all the years presented.

No separate income statement is presented for the parent Company as provided by Section 408, Companies Act 2006.

(b) Basis of consolidation

The Group financial statements consolidate the financial statements of Feedback plc and its subsidiaries (the "Group") for the years ended 31 May 2021 and 2020 using the acquisition method.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from them, are eliminated. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Investments in subsidiary companies are held at cost less impairment.

(c) Going Concern

The Group held £2,220,862 of cash and cash equivalents at 31st May 2021. However, it incurred a net loss of £1,619,513 and had a net cash outflow of £2,032,766 from operating activities for the year, which are matters which may indicate a material uncertainty about the Group's ability to continue as a going concern. However, on 2 November 2021, the Company announced an accelerated bookbuild to raise a minimum of £10 million (before expenses) with closing of the placing expected on the same day. Subject to closing, the placing is conditional on shareholder approval at the forthcoming Annual General Meeting. Prior to announcement, having made relevant enquiries, the Directors were satisfied that the Company's brokers had received sufficient non-binding indications for the placing to provide the Company with adequate cash resources for at least the next twelve months to November 2022. The Directors believe that all resolutions required to execute the placing will be successfully approved at the annual general meeting as a matter of course, with proceeds to be received shortly thereafter. The Directors updated and reviewed the Group's business plan and

(c) Going Concern - continued

cash flow forecasts on the basis that the placing is approved at the annual general meeting. These cash resources will be used to provide working capital, enable continued product development and international expansion. If further resources are required, the directors consider, that although future equity fundraising can never be guaranteed, the group's recent history of successful fundraising means it likely that the group will be able to raise further finance through future equity issues. Accordingly, the Directors believe that the Group and Company are a going concern and have therefore prepared the financial statements on a going concern basis.

(d) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. An intangible asset acquired as part of a business combination is recognised outside goodwill if the asset is separable or arises from contractual or other legal rights and its fair value can be reliably measured.

The significant intangible asset cost related to external software development of products which are integral to the trade of the Group's medical imaging products.

Amortisation and impairment charges are recognised in other operating expenses in the income and expenditure account. Internal development costs are not capitalised but written off during the year in which the expenditure is incurred.

The carrying value of intangible assets which are not yet being amortised because they are not yet available for use are reviewed for impairment annually. The carrying value of intangible assets which are currently being amortised are reviewed for impairment when there is an indication that they may be impaired. Impairment losses are recognised in other operating expenses in the income and expenditure account.

Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when it is probable that the project will be a success, considering its commercial and technological feasibility, and costs can be measured reliably. Only external software development expenditure is capitalised. Internal research expenditure is written off in the year in which it is incurred. Other development expenditure is recognised as an expense as incurred. Intangible assets that have a finite useful life and that have been capitalised are amortised on a straight line basis as follows:

Intangible asset	Useful economic life
Intellectual Property	5 years
Customer relationships	4 years
Software development	5 years

Intellectual Property primarily relates to patent and trademark application costs. Software development costs capitalised in the year relate to products and product improvements which are yet to be ready for use. They are not yet amortised.

(e) Valuation of Investments

Investments held as non-current assets are stated at cost less provision for impairment.

(f) Cash and cash equivalents

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

(g) Goodwill

Business combinations on or after 1 April 2006 are accounted for under IFRS 3 using the acquisition method. Any excess of the cost of business combinations over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in the balance sheet as goodwill and is not amortised.

Notes to the Financial Statements (continued)

(g) Goodwill - continued

After initial recognition, goodwill is not amortised but is stated at cost less accumulated impairment loss, with the carrying value being reviewed for impairment, at least annually and whenever events or changes in circumstance indicate that the carrying value may be impaired.

For the purposes of impairment testing, goodwill is allocated to the related cash generating units monitored by management. Where the recoverable amount of the cash generating unit is less than its carrying amount, including goodwill, an impairment loss is recognised in the statement of comprehensive income.

(h) Property, plant and equipment

All property, plant and equipment is stated at historical cost less depreciation. Depreciation on other assets is provided on cost or valuation less estimated residual value in equal annual instalments over the estimated lives of the assets. The rates of depreciation are as follows:

Computer and office equipment	10 – 50% p.a.
-------------------------------	---------------

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

(i) Foreign currency

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. These translation differences are dealt with in the income statement.

(j) Revenue recognition

Sales transactions include software installation, software licenses, scientific and software support and consultancy. Revenue is measured at the fair value of the contractually agreed consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of VAT. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the company's activities, as described below. The sales invoice is raised when the customer's purchase order is received, and the debt is typically payable within 30-60 days of the invoice date. In practice the debt is paid when the software installation has been completed. There are no obligations for returns, refunds or warranties.

Revenue relating to software consultancy and similar services is recognised as the services are performed and completed. The invoice is recognised on a linear basis over the duration of the contract.

Revenue relating to the sale of software licences or associated support services is recognised over the contractual period to which the licence relates or the duration of the support contract.

Revenue recognised from the sale of TexRAD software and related scientific support services are recognised over the estimated duration of the Group's involvement in a customer's project which is considered to represent its performance obligation. There are no explicit performance obligations as such but a clear understanding that the Group will provide the support required as agreed when the sale was made.

The difference between the amount of revenue from contracts with customers recognised and the amount invoiced on a particular contract is included in the statement of financial position as contract liabilities. Normally, the full contract value is invoiced when the customer's purchase order is received. Cash payments received as a result of this advance billing are not representative of revenue earned on the contract as revenues are recognised over the duration of the contract (typically twelve months). Contract liabilities which are expected to be recognised within one year are included within current liabilities. Contract liabilities which are expected to be recognised after one year are included within non-current liabilities.

Notes to the Financial Statements (continued)

(k) Pension Costs

The Group operated a defined contribution pension scheme during the year. The pension charge represents the amounts payable by the Group to the scheme in respect of that year.

(l) Taxation

The tax credit represents the sum of the current tax credit and deferred tax credit.

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

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction which affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

(m) Financial instruments

Financial assets

Financial assets are measured at amortised cost, fair value through other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL). The measurement basis is determined by reference to both the business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. The group's financial assets comprise of trade and other receivables and cash and cash equivalents.

Trade receivables

Trade receivables are measured at amortised cost and are carried at the original invoice amount less allowances for expected credit losses. Expected credit losses are calculated in accordance with the simplified approach permitted by IFRS 9, using a provision matrix applying lifetime historical credit loss experience to the trade receivables. The expected credit loss rate varies depending on whether, and the extent to which, settlement of the trade receivables is overdue and it is also adjusted as appropriate to reflect current economic conditions and estimates of future conditions. For the purposes of determining credit loss rates, customers are classified into groupings that have similar loss patterns. The key drivers of the loss rate are the aging of the debtor, the geographic location and the company sector (public vs private). When a trade receivable is determined to have no reasonable expectation of recovery it is written off, firstly against any expected credit loss allowance available and then to the income statement. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive

Notes to the Financial Statements (continued)

income. Subsequent recoveries of amounts previously provided for or written off are credited to the income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash at hand and deposits with maturities of three months or less.

Financial liabilities

The Group's financial liabilities consist of trade payables and other financial liabilities. Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as FVTPL if it is held-for trading, it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense is recognised in profit or loss.

(n) Employee share options and warrants

The Group has applied the requirements of IFRS 2 Share-based Payment.

The Group has issued equity-settled share-based payment transactions to certain employees and previously issued warrants to the vendors of the acquired subsidiary, TexRAD Limited. Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. Fair value is measured by use of the Black Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

(o) Key areas of judgement

The preparation of financial statements requires the Board of Directors to make estimates and judgments that affect reported amounts of assets, liabilities, revenues and expenses. These estimates and judgements are based on historical experience and various other assumptions that management and the Board of Directors believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. The key areas of judgement are:

- Intangible assets – Patent and trademark applications are included at cost less amortisation and impairment. Other intangible assets including development costs are recognised only when it is probable that a project will be a success. There is a risk therefore that a project previously assessed as likely to be successful fails to reach the desired level of commercial or technological feasibility. Where there is no probable income to be generated from these assets an estimation of the carrying value and the impairment of the intangible assets and development costs, including goodwill, has been made.
- Fair value measurement – share options and warrants issued included in the Group's and Company's financial statements require measurement at fair value. The calculation of fair values requires the use of estimates and judgements.
- Revenue recognition-revenue on the sale of TexRAD software and provision of related scientific support services is recognised over the expected duration of the group's involvement in customer's projects as the group's staff contribute significant support, analysis and input to those customers using TexRAD software for research purposes. Judgement based on past experience is used to determine the expected duration of involvement over which income should be deferred and recognised however the duration of the group's involvement may vary from expectations.

4. Segmental reporting

The Directors have determined that the operating segments based on the management reports which are used to make strategic decisions are medical imaging and head office. The trading activities of the Company solely relate to Medical Imaging and the Head Office covers the costs of running the parent company, Feedback PLC.

Year ended 31 May 2021	Medical Imaging £	Head Office £	Total £
Revenue			
External	287,415	-	287,415
Expenditure			
External (excluding depreciation and amortisation)	(1,546,183)	(752,323)	(2,298,506)
Depreciation and amortisation	(48,755)	-	(48,755)
Loss before tax	(1,307,523)	(752,323)	(2,059,846)
Balance sheet			
External Assets	3,700,845	2,120,593	5,821,438
External Liabilities	(487,308)	(65,521)	(552,829)
	3,213,537	2,055,072	5,268,609
Capital expenditure (all located in the UK)	(1,435,554)	-	(1,435,554)
Year ended 31 May 2020	Medical Imaging £	Head Office £	Total £
Revenue			
External	449,983	-	449,983
Expenditure			
External	(1,233,767)	(630,673)	(1,864,440)
Loss before tax	(783,784)	(630,673)	(1,414,457)
Balance sheet			
External Assets	1,996,581	501,347	2,497,928
External Liabilities	(599,157)	(129,515)	(728,672)
	1,397,424	371,832	1,769,256
Capital expenditure (all located in the UK)	883,139	-	883,139

4. Segmental Reporting (continued)

Reported segments' assets are reconciled to total assets as follows:

	External revenue by location of customer		Non-current assets by location of assets		Total liabilities location of assets	
	2021 £	2020 £	2021 £	2020 £	2021 £	2020 £
United Kingdom	217,394	229,073	2,695,414	1,308,614	552,829	728,672
Europe	5,364	57,073	-	-	-	-
Rest of the world	64,657	163,837	-	-	-	-
Total	287,415	449,983	2,695,414	1,308,614	552,829	728,672

£227,000 of revenue recognised in the current year was recorded in contract liabilities in the prior year.

Major customers

During the year ended 31 May 2021, the Group generated £153,000 (2020: £172,000) of revenue from one customer in the United Kingdom, which is equal to 53% (2020: 35%) of total Group revenues in the year.

5. Other operating expenses

	2021 £	2020 £
Administrative costs:		
Employment and other costs	2,273,763	1,832,987
Amortisation and depreciation costs	48,755	30,193
	2,322,518	1,863,180

6. Operating loss

	2021 £	2020 £
This is stated after charging		
Depreciation and amortisation		
Owned assets	14,140	1,530
Amortisation of intangible assets	34,615	28,663
Provision for doubtful debts	266	28,000
Foreign exchange differences	24,573	14,646
Auditors' remuneration		
Audit of parent company and group financial statements	10,000	10,000
Audit of subsidiaries	6,800	7,000

7. Net finance income

	2021 £	2020 £
Interest received	281	606
	281	606

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

8. Directors and employees

	2021 Average	2020 Average
Number of employees		
Selling and distribution	1	2
Administration	11	4
Research and development	6	6
	18	12
	2021 £	2020 £
Staff costs		
Wages and salaries	1,033,975	882,197
Social security costs	121,736	95,085
Payments to defined contribution pension scheme	108,796	81,499
Share based payment expense	162,615	50,000
	1,427,122	1,108,781

The value of all elements of remuneration received by each Director in the year was as follows:

Year ended 31 May 2021:	Salary	Fees	Pension	Benefits in Kind	Total
	£	£	£	£	£
<i>Executive Directors</i>					
T Oakley (including £30,000 performance bonus)	168,334	-	-	-	168,334
L Melvin	59,280	-	6,672	825	66,777
<i>Non-Executive Directors</i>					
R Shaw	-	5,000	-	-	5,000
T Irish ⁽¹⁾	-	25,000	-	-	25,000
S Sturge	-	-	-	-	-
A Denning	25,000	-	-	-	25,000
P Prince (appointed 15 July 2020) ⁽²⁾	-	21,875	-	-	21,875
Total	252,614	51,875	6,672	825	311,986

1. T Irish was paid consultancy fees through an agreement with Pembrokeshire Retreats Limited.

2. P Prince was paid consultancy fees through an agreement with NAM Financial.

During the year, retirement benefits under money purchase pension schemes were accruing to 1 director (2020: 1)

The value of all elements of remuneration received by each Director in the prior year was as follows:

Year ended 31 May 2020	Salary	Fees	Pension	Benefits in Kind	Total
	£	£	£	£	£
<i>Executive Directors</i>					
T Oakley (including £40,000 performance bonus)	170,000	-	-	-	170,000
L Melvin	59,240	-	6,671	711	66,622
A Riddell (1 June 2019 - 29 August 2019) ⁽¹⁾	-	8,500	-	-	8,500

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Notes to the Financial Statements (continued)

8. Directors and employees (continued)

<i>Non-Executive Directors</i>	30,000	-	-	-	30,000
R Shaw (appointed 29 August 2019)					
T Irish ⁽²⁾	-	25,000	-	-	25,000
S Sturge	-	-	-	-	-
A Riddell (29 August - 18 November 2019) ⁽¹⁾	-	10,168	-	-	10,168
A Denning (appointed 3 February 2020)		8,333	-	-	8,333
Total	259,240	52,001	6,671	711	318,623

1. A Riddell was paid consultancy fees through an agreement with AJR & Associates limited.
2. T Irish was paid consultancy fees through an agreement with Pembrokeshire Retreats Limited.

During the year, retirement benefits under money purchase pension schemes were accruing to 1 director (2019: 2)

The following share options were outstanding as at 31 May 2021 for the Directors. Further information is provided in Note 18.

	2021 Number	2020 Number
R Shaw	7,800,000	7,800,000
L Melvin	4,300,000	4,300,000
T. Oakley	22,830,829	9,332,081
S Sturge	2,500,000	2,500,000

9. Taxation on loss

	2021 £	2020 £
(a) The tax credit for the year:		
UK Corporation tax	(439,589)	(327,000)
Current tax credit	(439,589)	(327,000)
Adjustments in respect of prior periods	(744)	-
	(440,333)	(327,000)
(b) Tax reconciliation		
Loss before tax	(2,059,846)	(1,414,457)
Loss at the standard rate of corporation tax in the UK of 19% (2018 – 19%)	(391,371)	(268,747)
Effects of:		
Fixed asset differences	(5,872)	-
Expenses non-deductible for tax purposes	37,558	8,916
Other permanent differences	118	-
Additional deduction for R&D expenditure	(325,572)	(242,737)
Surrender of tax losses for R & D tax credit refund	136,424	102,458
Adjustments to tax charge in respect of previous periods	(744)	-
Deferred tax not recognised	332,069	128,605
Adjusting opening and closing deferred tax to average rate	(222,943)	(55,495)
Tax charge for the year	(440,333)	(327,000)

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

9. Taxation on loss (continued)**(c) Factors which may affect future tax charges**

In view of the tax losses carried forward there is a deferred tax amount of approximately £928,928 (2020: £596,000) which has not been recognised in these Financial Statements. This contingent asset will be realised when the Group makes sufficient taxable profits in the relevant company.

(d) Deferred tax – company

In view of the tax losses carried forward there is a deferred tax amount of approximately £838,906 (2020: £584,000) which has not been recognised in these Financial Statements. This contingent asset will be realised when the Company makes sufficient taxable profits.

10. Results of Feedback Plc

As permitted by Section 408 of the Companies Act 2006, the income and expenditure account of the parent company is not presented as part of these financial statements. The Company's loss for the financial year is £437,373 (2020: £1,906,671)

11. Loss per share

Basic loss per share is calculated by reference to the loss on ordinary activities after taxation of £1,619,513 (2020: £1,087,457) and on the weighted average of 1,023,499,123 (2020: 498,854,027) shares in issue.

	2021 £	2020 £
Net loss attributable to ordinary equity holders	(1,619,513)	(1,087,457)
	2021	2020
Weighted average number of ordinary shares for basic earnings per share	1,023,499,123	498,854,027
Effect of dilution:		
Share Options	-	-
Warrants	-	-
Weighted average number of ordinary shares adjusted for the effect of dilution	1,023,499,123	498,854,027
Loss per share (pence)		
Basic	(0.16)	(0.22)
Diluted	(0.16)	(0.22)

There is no dilutive effect of the share options and warrants as the dilution would be negative.

12. Investments

	Share in Group undertakings £	Shares in joint venture £	Total £
Company Cost			

Notes to the Financial Statements (continued)

12. Investments (continued)

At 31 May 2019	2,334,455	1,000	2,335,455
Addition (see note below)	46,000	-	46,000
At 31 May 2020	2,380,455	1,000	2,381,455
Addition (see note below)	59,913	-	59,913
As at 31 May 2021	2,440,368	1,000	2,441,368

Provision for impairment

At 31 May 2019	2,334,455	1,000	2,334,455
Additional impairment included in operating expenses (see note below)	46,000		46,000
At 31 May 2020	2,380,455	1,000	2,381,455
Additional impairment included in operating expenses (see note below)	59,913	-	59,913
At 31 May 2021	2,440,368	1,000	2,441,368

Net Book Value

At 31 May 2021	-	-	-
At 31 May 2020	-	-	-

All of the above investments are unlisted

The directors have made full provision against the cost of investment in the subsidiaries due to the net liabilities shown in the subsidiary financial statements. The additions in the current and prior year are related to options in Feedback Medical Limited which would be satisfied with Feedback Plc shares if/when they are exercised

Particulars of principal subsidiary companies during the year, all the shares of which being beneficially held by Feedback Plc, were as follows:

Company	Activity	Country of incorporation and operation	Proportion of Shares held
Feedback Black Box Company Limited	Dormant	England	100% Ordinary £1
Brickshield Limited	Dormant	England	100% Ordinary £1
Bleepa Limited	Dormant	England	100% Ordinary £2
Feedback Medical Limited	Medical Imaging	England	100% A Ordinary £1

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Notes to the Financial Statements (continued)

12. Investments (continued)

100% B Ordinary 1p

TexRAD Limited Medical Imaging England 100%
Ordinary 1p

TexRAD Limited is owned 100% by virtue of a direct holding by Feedback plc of 91% and an indirect holding via Feedback Medical Ltd of 9%.

All the subsidiary companies have been included in these consolidated financial statements. Each subsidiary's registered office is Health Foundry, Canterbury House, 1 Royal Street, London SE1 7LL.

13. Property, plant and equipment

Group	Computer Equipment £	Total £
Cost		
At 31 May 2019	23,233	23,233
Additions	7,189	7,189
At 31 May 2020	30,422	30,422
Additions	16,083	16,083
As 31 May 2021	46,505	46,505
Depreciation		
At 31 May 2019	17,062	17,062
Charge for the year	1,530	1,530
At 31 May 2020	18,592	18,592
Charge for the year	14,140	14,140
At 31 May 2021	32,732	32,732
Net Book Value		
At 31 May 2021	13,773	13,773
At 31 May 2020	11,830	11,830

14. Intangible assets

Group Cost	Software development £	Customer relationships £	Intellectual Property £	Goodwill £	Total £
At 31 May 2019	1,038,070	100,000	154,420	271,415	1,563,905

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Notes to the Financial Statements (continued)

14. Intangible assets (continued)

Additions	865,035	-	10,915	-	875,950
Re-class	(22,000)	-	22,000	-	-
At 31 May 2020	1,881,105	100,000	187,335	271,415	2,439,855
Additions	1,419,472	-	-	-	1,419,472
Re-class	(30,904)	-	30,904	-	-
At 31 May 2021	3,269,673	100,000	218,239	271,415	3,859,327
Amortisation					
At 31 May 2019	645,516	100,000	97,477	271,415	1,114,408
Impairment charge	-	-	-	-	-
Amortisation charge for year	-	-	28,663	-	28,663
At 31 May 2020	645,516	100,000	126,140	271,415	1,143,071
Impairment charge	-	-	-	-	-
Amortisation charge for year	-	-	34,615	-	34,615
At 31 May 2021	645,516	100,000	160,755	271,415	1,177,686
Net Book Value					
At 31 May 2021	2,624,157	-	57,484	-	2,681,641
At 31 May 2020	1,235,589	-	61,195	-	1,296,784

15. Trade and other receivables

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year				
Trade receivables	26,946	99,560	-	-
Other receivables	65,263	7,648	65,209	7,648
Prepayments	45,833	22,669	34,697	19,890
	138,042	129,877	99,906	27,538

16. Trade and other payables

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Amounts falling due within one year				
Trade payables	197,340	119,424	491	20,227
Other payables	39,575	8,490	-	6,672
Other taxes and social security	22,645	165,667	13,701	52,082
Accruals	174,151	135,101	51,317	50,534
Contract liabilities	115,125	290,107	-	-
	548,836	718,789	65,509	129,515
Amounts falling due after one year				
Contract liabilities	3,993	9,884	-	-

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

16. Trade and other payables (continued)

Neither the Group or the Company have any borrowings and so there are no changes in liabilities arising from financing activities.

17. Financial instruments

The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance.

The Group's financial instruments comprise cash and cash equivalents and various items such as trade payables and receivables that arise directly from its operations. The Group is exposed through its operations to the following financial risks:

- Credit risk
- Foreign currency risk
- Liquidity risk
- Cash flow interest rate risk
- Reliance on one major customer

Fair value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
- Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data

The share options and warrants issued by the group during the current year and prior years were valued under level three above as noted in note 18 below.

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

There have been no substantive changes in the Group's exposure to financial instrument risks and consequently the objectives, policies and processes are unchanged from the previous period.

The Board has overall responsibility for the determination of the Group's risk management policies. The objective of the Board is to set policies that seek to reduce the risk as far as possible without unduly affecting the Group's competitiveness and effectiveness. Further details of these policies are set out below:

Credit risk

The Group is exposed to credit risk primarily on its trade receivables, which are spread over a range of countries, a factor that helps to dilute the concentration of the risk. Group policy, implemented locally, is to assess the credit risk of each new customer before entering into binding contracts. Each customer account is then reviewed on an ongoing basis (at least once a year) based on available information and payment history.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables. The provision for credit losses on trade receivables is based on an expected credit loss model that calculates the expected loss applicable to the receivable balance over its lifetime.

17. Financial instruments (continued)

Each debt was reviewed in detail, reviewing correspondence and customer engagement and a view was taken on which debts should be provided for and which debts should be realised. No additional allowance for expected credit losses has been recognised during the year (2020: £18,000), due to the Group's customers primarily being the NHS, for which the risk of default has been assessed to be immaterial.

The Group holds no collateral. It has a minimal risk policy with funds held following fund raises so it holds the cash with mainstream UK banks.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade and other receivables	138,042	129,877	99,906	27,538
Loans to subsidiary companies	-	-	2,998,240	-
Cash and cash equivalents	2,220,862	732,650	2,020,688	473,809
	2,358,904	862,527	5,118,834	501,347

	Analysis of trade receivables				
	Total	Current	30 days	60 days	90 days
	£	£	past due	past due	past due
	£	£	£	£	£
Group					
2021	26,946	-	26,946	-	-
2020	99,560	4,959	-	22,513	72,088
Company					
2021	-	-	-	-	-
2020	-	-	-	-	-

Foreign currency risk

Foreign exchange transaction risk arises when the Group enters into transactions denominated in a currency other than the functional currency. Foreign currency amounts generated from trading are converted back to sterling and required foreign currency amounts for suppliers will be converted from sterling and the use of forward currency contracts is considered. However, the Group does not currently use any forward contracts.

The Group's main foreign currency risk is the short-term risk associated with accounts receivable and payable denominated in currencies that are not the subsidiaries' functional currency. The risk arises on the difference in the exchange rate between the time invoices were raised/received and the time invoices were settled/paid.

The following table shows the net assets, stated in pounds sterling, exposed to exchange rate risk that the Group and Company had at 31 May 2021

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Trade Receivables	26,946	99,560	-	-

17. Financial instruments (continued)

As at 31 May 2021 £10,557 of Feedback Medical's net trade receivables are denominated in foreign currency. A 5% increase/fall in exchange rates would lead to a profit/loss of £503. The foreign currencies are US dollars and Euros. The Directors do not generally consider it necessary to enter into derivative financial instruments to manage the exchange risk arising from its operations, but from time to time where the Directors consider foreign currencies are weak and it is known that there would be a requirement to purchase those currencies, forward arrangements may be entered into. There were no outstanding forward currency arrangements as at 31 May 2021 or at 31 May 2020.

Liquidity risk

Cash flow forecasting is performed for both the Group and in the operating entities of the Group. Rolling forecasts of the Group's liquidity requirements are monitored to ensure it has sufficient cash to meet operational needs.

Financial liabilities measured at amortised cost

	Group		Company	
	2021	2020	2021	2020
	£	£		
Trade and other payables	236,915	127,914	491	26,899

The following are maturities of financial liabilities, including estimated contracted interest payments.

	Carrying amount £	Contractual cash flow £	6 months or less £
Group			
2021	236,915	236,915	236,915
2020	127,914	127,914	127,914
Company			
2021	491	491	491
2020	26,899	26,899	26,899

Cash flow interest rate risk

The Group presently has no substantial interest rate risk exposure.

Capital under management

The Group considers its capital to comprise its ordinary share capital, share premium, capital reserve, and accumulated retained earnings.

The Group's objectives when managing the capital are:

- To safeguard the Group's ability to remain a going concern.
- To maximise returns for shareholders in order to meet capital requirements and appropriately adjust the capital structure, the Group may issue new shares, dispose of assets to pay down debt, return capital to shareholders and vary dividend payments.

There have been no changes to the group's capital management objectives in the year, and there have been no changes to the group's exposure to financial instrument risk in the year.

18. Share capital and reserves

Allotted, called up and fully paid ordinary shares of 0.25 pence each:

	Number	Number
As at start of period (01 June)	539,949,917	373,283,250
Issued during year	526,981,769	166,666,667
As at end of period (31 May)	1,066,931,686	539,949,917

Share Options

Share options are granted to directors and employees. Options are conditional on the employee completing a specific length of service (the vesting period). The options are exercisable from the end of the vesting period and lapse after ten years after the grant date. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

During the year, the Company had the following share options in issue:

Grant Date	No. options as at 31 May 2020 (restated)	Granted in year	Lapsed in year	No. options as at 31 May 2021	Exercise price (pence)	Exercisable period
21 May 14 ⁽¹⁾	2,400,000		-	2,400,000	1.25	21 May 15 - 19 May 24
21 May 14 ⁽¹⁾	4,000,000		-	4,000,000	3.00	21 May 15 - 19 May 24
21 May 14 ⁽¹⁾	4,000,000		-	4,000,000	5.00	21 May 15 - 19 May 24
26 June 18 ⁽²⁾	2,500,000		-	2,500,000	1.86	26 June 18 - 26 June 28
26 June 18 ⁽³⁾	2,800,000		-	2,800,000	1.86	01 March 19 - 26 June 28
26 June 18 ⁽³⁾	2,800,000		-	2,800,000	1.86	01 March 19 - 26 June 28
09 April 19 ⁽²⁾	9,332,081		-	9,332,081	1.09	09 April 19 - 09 April 29
23 April 20 ⁽⁴⁾	19,000,000		1,500,000	17,500,000	1.20	01 June 20 - 24 April 30
06 August 20 ⁽⁵⁾	-	13,498,748	-	13,498,748	1.20	06 August 20 - 06 August 30
	46,382,081	13,948,748	1,500,000	58,830,829		

1. Options vest in full on the anniversary of the date of grant
2. Options vest immediately upon date of grant.
3. Options vest in full on 01 March 19.
4. Options vest over three years as to one-third on 01 June 20, one-third on 01 June 21, and one-third on 01 June 22
5. Options vest over three years as to one-third on 06 August 20, one-third on 06 August 21, and one-third on 06 August 22

18. Share Capital and Reserves (continued)

Share options are valued using the Black-Scholes option pricing model and no performance conditions are included in the fair value calculations.

For the options granted on 23 April 2020, the following assumptions were made for valuation purposes:

- Risk-free rate: 0.29% based on the ten-year UK gilt
- Expected volatility: 124.32% based on annualised daily historical volatility
- Option period: Ten years
- Estimated fair value of each option at measurement date: £0.01

For the options granted on 6 August 2020, the following assumptions were made for valuation purposes:

- Risk-free rate: 0.21% based on the ten-year UK gilt
- Expected volatility: 48.22% based on annualised daily historical volatility
- Option period: Ten years
- Estimated fair value of each option at measurement date: £0.01

The following table illustrates the number and weighted average exercise prices of, and movements in, share options during the year:

	Number		Weighted average exercise price	
	2021	2020	2021 Pence	2020 Pence
Outstanding at 01 June	46,832,081	34,632,081	1.77	2.10
Granted in year	13,498,748	19,000,000	1.20	1.20
Lapsed in year	1,500,000	6,800,000	1.20	1.86
Outstanding at 31 May	58,830,829	46,832,081	1.66	1.77

Warrants

Warrants were issued to the vendors of TexRAD Limited at the time of acquisition. The warrants are exercisable from the end of the vesting period and lapse ten years after the grant date. The Group has no legal or constructive obligation to repurchase or settle the warrants in cash.

Number of warrants					
At 31 May 2020	Granted	Exercised	At 31 May 2021	Exercise price (pence)	Exercisable period
4,200,000	-	-	4,200,000	1.25	19/05/16 to 19/05/24
18,200,000	-	-	18,200,000	3.00	19/05/17 to 19/05/24
22,400,000	-	-	22,400,000		

Reserves

The nature and purpose of each reserve within equity is as follows:

Share premium	<ul style="list-style-type: none"> • Amount subscribed for share capital in excess of nominal value
Capital reserve	<ul style="list-style-type: none"> • Reserve on consolidation of subsidiaries
Translation reserve	<ul style="list-style-type: none"> • Gains and losses on the translation of overseas operations into GBP

Feedback PLC

Annual report and accounts for the year ended 31 May 2021

Notes to the Financial Statements (continued)

18. Share capital and reserves (continued)

Retained earnings	<ul style="list-style-type: none">• All other net gains and losses and transactions with owners not recognised elsewhere
Share Option Reserve	<ul style="list-style-type: none">• Fair value of share options issued

19. Pensions

The Company operated a defined contribution scheme during the year and the assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost represents contributions payable and amounted to £108,796 (2020: £81,499). A balance of £9,660 (2020: £8,491) was payable at the year end.

20. Related party transactions

Key management personnel

Refer to note 8 for detail on directors' remuneration.

The Directors interests in shares of the Company are contained in the Directors' Report

21. Post balance sheet events

On 2 November 2021, the Company announced an accelerated bookbuild to raise a minimum of £10 million (before expenses) with closing of the placing expected on the same day. Subject to closing, the placing is conditional on shareholder approval at the forthcoming Annual General Meeting.

22. Ultimate controlling party

There is no ultimate controlling party.

Company Information

Directors	Prof R Shaw Dr T Oakley L Melvin A Denning Prof T N Irish P Prince (appointed 15 July 2020) S Sturge (resigned 30 June 2021)
Secretary	L Melvin
Registered Office	The Health Foundry Canterbury House 1 Royal Street London SE1 7LL
Registered Number	00598696
Auditors	Price Bailey LLP Tennyson House Cambridge Business Park Cambridge CB4 0WZ
Nominated Adviser and Sole Broker	Panmure (UK) Gordon Limited One New Change London EC4M 9AF
Bankers	NatWest Conqueror House Vision Park Cambridge CB24 9NL
Registrars	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR



The Health Foundry, Canterbury House,
1 Royal Street, London SE1 7LL

www.fbk.com