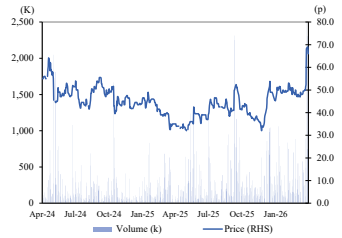
Company Note

Update
23 April 2026

Corporate

Current price	**66.0p**
Sector	**TMT**
Code	**ENSI.L**
Listing	**AIM**

Share Performance



% Change	1m	3m	12m
ENSI.L	+33%	+39%	+94%

Source: Reuters Eikon, Allenby Capital

Share Data		
Market Cap (£m)		**77.8**
Shares in issue (m)		**117.9**
52 weeks (p)	High	Low
	69.0	**32.0**
Financial year end		**MAY**

Source: Company Data, Allenby Capital

Key Shareholders	
Ian Lankshear (CEO)	13.6%
Esterhuyzen Ltd	13.6%
Richard Hamer	4.97%
Marc Castells	4.88%
Maven VCT	4.16%

Source: Company Data, Allenby Capital

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EnSilica Plc (ENSI.L)

Multi-chip space sector contract, largest win to date

EnSilica's latest contract win with a leading European satellite operator represents a significant validation of its growing position in the high-growth space semiconductor market. Building on its proven track record in satellite payload ASICs and a developing portfolio of user terminal IP, the award highlights the company's ability to secure complex, multi-chip design mandates across the full satellite value chain. While near-term revenues will be driven by NRE fees, the longer-term opportunity is materially more attractive, with high-margin recurring supply revenues expected as the programme moves into production. In our view, this win not only underpins forecast growth but also strengthens EnSilica's credentials in a strategically important and rapidly expanding end market.

- **Contract win fits perfectly with EnSilica's skillset.** EnSilica has already achieved much success in the space industry. It designed a successful payload chip for use in Nasdaq listed AST SpaceMobile's LEO satellites. The EnSilica designed chip, the AST5000, is noted as providing a 'tenfold improvement in processing bandwidth per satellite'. With regards to ground-based user terminals, EnSilica has been building, with the help of c.£20m in European Space Agency ("ESA") and UK Space Agency ("UKSA") funding, a portfolio of relevant IP. We believe this track record of success and focused IP portfolio provided the platform for today's successful contract win.

- **Delivering on prior guidance adds further to credibility.** This contract win represents clear delivery against previously signposted opportunities, reinforcing management credibility. The Company had flagged ongoing engagement with a major European satellite operator through a feasibility study (April 2025) and subsequent user-terminal programmes (November 2025). Today's award demonstrates successful conversion of that pipeline into a material contract. The counterparty for today's contract is not named but leading European satellite operators include Eutelsat (acquired Oneweb) and SES (acquired Intelsat) - see exhibit 1 on page 3.

- **Largest potential supply revenue opportunity to date.** NRE design revenues of $6.8m will commence in the current financial year and unlock up to $3m of matched funding from the UKSA. Of more significance is the estimated lifetime supply revenues in excess of $50m from c.2030 as the constellation enters service. The $50m figure relates solely to the user terminal elements of the contracts. Upside may arise from potential supply revenues associated with the payload chip for which the customer has committed to the next phase of development. While these supply revenues have not been disclosed, they are expected to be significantly lower.

- **EnSilica no longer deserves a sector discount.** We believe the stock's current c.40% discount to sector EV/Sales multiples is increasingly unjustified. The combination of a growing portfolio of chips moving towards high-margin supply, increased exposure to structurally attractive end markets such as space and a recently strengthened balance sheet supports a re-rating towards peer levels. Applying a sector median multiple of 3.5x 2027 revenues implies a valuation of 110.5p with significant further upside available on a takeout basis.

Year End: May					
(£'000)	**2024**	**2025**	**2026e**	**2027e**	**2028e**
Consultancy Design Services	7,112	6,551	7,500	7,500	7,500
NRE Design services	15,228	5,891	12,000	13,000	14,000
Supply of products	2,926	5,741	9,000	12,500	16,000
Total Revenues	**25,266**	**18,183**	**28,500**	**33,000**	**37,500**
Growth	23.4%	-28.0%	56.7%	15.8%	13.6%
EBITDA	**1,689**	**(49)**	**4,150**	**5,930**	**7,650**
EBITDA Margin	6.7%	-0.3%	14.6%	18.0%	20.4%
Net Debt/(Cash)	**(1,141)**	**3,321**	**(6,167)**	**(3,705)**	**(3,267)**
EV/Revenue (x)	2.8	3.9	2.5	2.2	1.9
EV/EBITDA (x)	42.4	na	17.3	12.1	9.4

Source: Company, Allenby Capital. Allenby Capital acts as Nomad & Joint Broker to EnSilica Plc.

Material space sector contract win

We view the space sector as EnSilica's most attractive end market given its strong structural growth and high barriers to entry. This contract win not only delivers incremental economic value but also enhances the Company's positioning in a sector where credibility and track record are critical to securing future programmes.

Multi-chip win with leading European satellite company

The contract win is for the design and supply of two distinct chips, targeting two different parts of the space industry:

i) **Payload -** the instruments, equipment or systems onboard a satellite

ii) **User terminal -** ground-based equipment each user uses to communicate with the satellite constellation

Payload chips – the added complexities of operating in space

Satellites in orbit contain many complex custom chips. Prime uses include: receiving, decoding and transmitting signals with earth; operating the spacecraft's power and navigational controls; processing the data collected by the satellite's instruments; tracking; and image processing. In addition to being highly sophisticated, the chips need to be able to handle the challenges created by radiation, extreme temperatures, power limitations, weight limitations and need for enhanced cyber security. With satellite life spans of c.5-7 years the opportunity exists for repeat business from LEO satellite manufacturers as constellations are replaced and updated.

EnSilica's payload experience – successful track record with AST SpaceMobile

EnSilica already has had much success in the space industry, predominantly through the contract to design an ASIC for use in AST SpaceMobile's LEO satellite constellation. The EnSilica designed chip is noted as providing up to a tenfold improvement in processing bandwidth per satellite and facilitating more efficient data handling and transmission. The contract was first announced in December 2021 and it was just shy of three years later (August 2024) that AST noted that the chip had completed its tape out phase with TSMC. It is assumed, based on the 12 June 2025 announcement, that this relates to the AST contract. This contract is expected to generate royalties and monthly service revenue for EnSilica of $28m.

Ground based user terminal chips - three critical components

There are three critical components, that play complementary roles, in satellite user terminals. All three of these components require multiple highly sophisticated chips:

- **Phased array antenna (also known as a electronically steerable antenna):** This consists of multiple antennas arranged in a specific configuration. The antennas transmit or receive radio waves. Each antenna can be adjusted (or phased) to steer the direction of the signal beam without physically rotating the antenna. The phased array contains multiple chips operating in the millimetre wave ("mmWave") radio frequency spectrum.

- **Beamformer chip:** The beamformer chip is key to the operation of the antenna and can be viewed as the 'brain' behind the phased array. It controls how the antennas are phased so as to steer the beam in the correct direction.

- **Modem (modulator-demodulator).** The Modem is used to convert the analogue or digital signal to and from the beamformer (depending on if it is an analogue or digital type of beamformer) into internet protocol (IP) packets so it provides a connection to the internet.

EnSilica user terminal experience – developing a family of novel chips

EnSilica has to date received c.£20m in European Space Agency ("ESA") and UK Space Agency ("UKSA") funding allowing it to build a broad portfolio of user terminal chips and IP. EnSilica has stated that it has the ability to design chips used in all key parts of user terminals, namely: mmWave chips and beamformer chips for use in the antennas; and modem chips. The Company believes that few other European companies have this capability to provide this full chipset solution.

We believe this point is particularly pertinent given the increased recent global political turmoil. In the current environment a European user terminal producer will likely have a preference to have European technology embedded in its products, even more so if they are to be used in European government and defence applications.

Prior company announcements indicated material space contract potential

Further to its established track record and portfolio of IP developed in the space industry, EnSilica has made several announcements to the market indicating it was progressing towards potential contract wins.

- **10 April 2025**. Announcement that it had signed an MOU with a 'major European satellite operator' for a feasibility study for a high-value payload ASIC.
- **27 November 2025.** EnSilica noted that it had been awarded two new user-terminal feasibility programmes for separate satellite service operators, as well as having three ongoing feasibility studies for satellite payload ASICs.

As such, today's contract win does not come as a complete surprise.

Counterparty not disclosed but named as a 'leading European satellite operator'

The sector remains incredibly active with multiple constellation owners increasing the amount of satellites they are targeting to deploy into space (exhibit 1 below). Whilst not specifically named, we know the counterparty is a European player which narrows it down to Eutelsat or SES, both of which are providing satellite services into the IRIS² programme.

Exhibit 1: LEO internet satellite providers

Constellation (alphabetical)	Owner	Comment
Amazon Leo (previously project Kuiper)	Amazon (US)	Amazon's large LEO broadband initiative aiming to deploy thousands of satellites to compete with Starlink. Initial (c.200) satellites have launched, with further launches planned to build out the full constellation (c.3k satellites).
AST SpaceMobile	Nasdaq listed (ASTS. Mkt Cap. $30bn)	Targeting 4G and 5G space-based cellular broadband to standard mobile phones everywhere, even in the most remote areas. Six satellites in orbit, target 45-60 in orbit by end 2026.
Blue Origin	Jeff Bezos	January 2025 announcement of a new constellation called TeraWave comprising of over 5,000 satellites. Deployment from Q1 2027. Targeting enterprise, data centre and government users.
IRIS²	**EU led satellite programme**	**IRIS² is an EU-led satellite programme which will comprise of 264 satellites in low orbit and 18 satellites in medium orbit. It is expected to be fully operational by the beginning of 2030. Participants in IRIS² include Eutelsat and SES.**
Eutelsat	**Eutelsat Group (Europe)**	**Eutelsat has its own constellation as well as acquiring the OneWeb LEO constellation. OneWeb was part owned by the UK government and has around 650 satellites in LEO. Eutelsat is focused on broadband and connectivity for enterprise, telecom backhaul, maritime, and aviation. Eutelsat is providing LEO coverage and low latency services to IRIS².**
Starlink	SpaceX (US)	World's largest satellite constellation with over 9k satellites currently in orbit, provides global broadband connectivity serving millions of active customers around the globe.
SES	**Luxembourg**	**SES currently has 70 satellites operating in two different orbits and is able to deliver video and data services to 99% of the world's population. Clients include 60 govt. organisations, 30 commercial airlines and 8 of the top 10 mobile operators. SES is contributing satellites (MEO) and ground infrastructure to IRIS².**
Telesat Lightspeed	Canada	Contracted 14 launches from SpaceX starting in mid-2026 to deploy all 198 Lightspeed satellites within a year, expected to be ready in 2027.

Source: Company data

Lifetime supply revenues potential in excess of $50m - largest to date

Ensilica will earn near term Non-Recurring Design ("NRE") fees of $6.8m, commencing in the current financial year, as the chips are developed. This will unlock up to $3m of matched funding from the UKSA. The real upside comes when the chips go into long term production from 2030 when the constellation is up and running. During this stage Ensilica will earn a fee per chip and the Company estimates that the lifetime revenues from the user terminal contract will be in excess of $50m. We expect these revenues to be earned over a c.5 year period. The $50m figure relates only to the user terminal elements of the contracts, further upside could come from supply revenues from the payload chip. The supply revenue for this is not disclosed but is however expected to be much lower.

2027 EV/Revenue multiple – implied price of 110.5p

Despite recent strong share price performance, EnSilica trades at an approximate 40% discount to its peer group on an EV/Revenue basis, which we believe is unjustified. The Company is transitioning towards higher-margin chip supply, supported by a growing portfolio of designs moving into production, while its revenue base is becoming more diversified with increasing exposure to structurally attractive end markets such as space. In addition, the recent £10m equity raise at 47p has alleviated balance sheet concerns. As a result, we believe EnSilica warrants at least a sector peer multiple and expect a re-rating towards these levels. Applying a sector median multiple of c.3.5x to 2027 revenues implies a share price of 110.5p.

Exhibit 2: Peer group valuation multiples

						EV/Revenue			EV/EBITDA		
Name	**Ticker**	**Share price**	**Mkt. Cap.(£m)**	**Net Debt/ (cash) (£m)**	**Enterprise Value (£m)**	**2025**	**2026**	**2027**	**2025**	**2026**	**2027**
Allegro Microsystems (cal.)	ALGM.O	£41.17	£5,608	£73.2	£5,682	8.6x	7.2x	6.1x	38.2x	24.3x	88.1x
Analog Devices	ADI	$351.00	£126,110	£3,631.6	£129,741	16.0x	13.5x	12.3x	26.6x	25.2x	22.9x
DiscoverIE (cal.)	DSCV.L	£6.58	£641	£100.7	£741	1.6x	na	na	9.8x	na	na
Elmos Semiconductor	ELGG.F	£172.60	£2,572	-£25.2	£2,547	4.4x	4.0x	3.6x	15.6x	13.3x	11.7x
Filtronic (cal.)	FTC	£2.68	£589	£12.3	£602	10.8x	10.2x	8.7x	45.5x	52.2x	41.7x
Indie Semiconductor	INDI.O	$3.35	£541	£139.9	£681	4.3x	3.3x	2.4x	na	na	15.5x
IQE	IQE.L	£0.63	£616	£87.2	£703	6.5x	6.1x	5.7x	70.3x	59.9x	42.6x
Melexis	MELE.BR	£65.00	£2,256	£164.8	£2,421	2.9x	2.8x	2.6x	12.9x	11.6x	9.8x
Nordic Semiconductor	NOD.OL	NOK 183.40	£2,810	-£107.2	£2,703	5.5x	4.5x	3.8x	55.3x	33.7x	21.9x
Qorvo Inc.	QRVO	NOK 84.74	£5,777	£118.8	£5,895	2.2x	2.2x	2.3x	9.7x	9.4x	9.2x
Silicon Motion Technology	SIMO.O	$141.73	£4,816	-£148.4	£4,614	5.2x	3.7x	3.4x	28.4x	19.2x	15.5x
Sivers Semiconductors AB	SIVE	$2.78	£821	£0.1	£822	2.7x	2.2x	1.6x	-23.7x	685.1x	8.8x
STMicroelectronics	STM	$43.93	£39,043	-£2,456.6	£35,702	3.0x	2.7x	2.4x	14.8x	10.6x	8.4x
					Mean	**5.7x**	**5.2x**	**4.6x**	**25.3x**	**85.9x**	**24.7x**
					Median	**4.4x**	**3.9x**	**3.5x**	**21.1x**	**24.3x**	**15.5x**
EnSilica (cal.)	**ENSI.L**	**£0.66**	**£77.8**	**-£6.2**	**£71.6**	**3.0x**	**2.3x**	**2.0x**	**29.8x**	**13.8x**	**10.3x**
				(Discount)/Premium to median		**-32.3%**	**-40.3%**	**-42.3%**	**41.3%**	**-43.2%**	**-33.3%**

Source: Company data, Allenby Capital forecasts, Reuters Eikon.

Exhibit 3: Implied valuation based on peer group EV/Revenue multiples

	2025	**2026**	**2027**
EnSilica Revenues (£m)	18.18	28.50	33.00
EnSilica Revenues (£m) Cal	24.20	31.13	35.63
Sector median EV multiple	4.4x	3.9x	3.5x
Implied Enterprise Value (£m)	105.77	120.01	124.05
Less Net Debt/(cash) (£m)	-6.17	-6.17	-6.17
Implied Market Cap.(£m)	111.9	126.2	130.2
Shares (m)	117.88	117.88	117.88
Implied value per share (p)	**95.0**	**107.0**	**110.5**

Source: Company data, Allenby Capital forecasts, Reuters Eikon

INCREASING NUMBER OF CHIPS MOVING TO SUPPLY

EnSilica is transitioning from a design-led revenue model towards one increasingly driven by high-margin, recurring supply revenues. As more programmes move through the 2–5 year ASIC design lifecycle into production, revenues become increasingly visible and scalable. Crucially, the growing pipeline of chips in the design phase – including today's contract win – represents the next wave of supply revenues, providing a clear runway for sustained top-line growth.

Achievement of 'Tape-out' a key milestone in a chip's lifecycle

Tape-out refers to the milestone at which the ASIC design is finalised and released to the semiconductor foundry for fabrication. At this point, the complete design database is delivered to the foundry, which uses it to generate the mask set. The mask set consists of a series of patterned masks that define how the circuit is transferred onto silicon wafers during fabrication. Following tape-out, the foundry produces engineering samples, which are then tested and validated to ensure the ASIC operates as intended. Once the design is fully validated, the chip can proceed to volume production and large-scale supply.

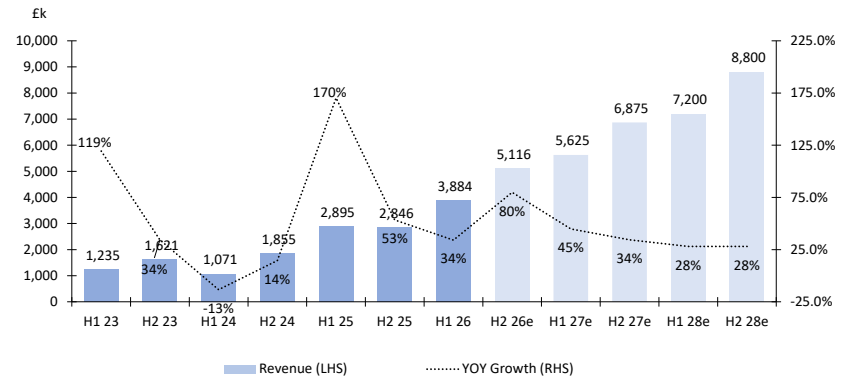
Exhibit 4: Supply revenues contracts included in Allenby Capital forecasts

	Contract	Tape-out achieved	Key RNS dates	Financials guidance/ comments
1	Industrial - electronic timing	✓	Pre IPO contract	In supply from mid-2020
2	Aerospace - gyroscope component	✓	Pre IPO contract	In supply from mid-2021
3	Autos - chassis control (assumed to be JLR)	✓	22 May 2023, 10 Sept 2024	Vehicle launch June 22. > $40m/7yrs
4	Satellite Comms - LEO Sat. component (assumed to be AST Space Mobile)	✓	11 April 2023 12 June 2025	$28m/10 years from end 2025
5	Industrial - factory automation (assumed to be Siemens)	✓	25 Jul 22, 10 Oct 23, 3 Sept 24	$30m/7 years from end 2025
6	Industrials (Siemens)	✓	12 Sept 24, 5 Feb 26	Tape-out Feb 2026, supply from Jan 27. No financials given.
7	Edge AI chip (Design done by client)	Imminent	15 July 2024, 3 Nov 2025	$7m NRE from FY25, $50m supply/5 years from FY 27

Source: Company data, Allenby Capital forecasts.

EnSilica has six chips that have reached the point of tape-out (and one imminent). The revenues from these chips are included in our supply forecasts.

Exhibit 5: Supply revenue forecast (May year-end)



Source: Allenby Capital, Company data

Further upside as contracts achieve tape-out

We exclude from our supply forecasts the supply revenues associated with the seven contracts listed below in exhibit 4. These contract wins have been announced but have not yet reached the tape-out stage. The contract with SIAE Microelettronica is currently on hold as the client is awaiting the receipt of EU funding. The other contracts remain on track with tape-out achievements expected from between Q4 2026 and 2029. Until the contracts reach tape-out, we conservatively exclude them from our supply forecasts.

Exhibit 6: Seven contracts won and in progress but not yet included in supply forecasts as tape-out not yet reached

	Contract	Tape-out timing Allenby Capital estimate	Key RNS dates	Financials guidance/comments
1	Oriole Networks Ltd (Photonics controller ASIC)	Q4 FY26	11 Nov 2024	Financials not disclosed
2	Automotive & Industrials - supplier to OEMs	Q1/Q2 FY27	15 Oct 2024	$31m over 7 years (NRE + Supply)
3	Automotive & Industrials (electromechanical products)	Q1/Q2 FY27	27 March 2025	$18m / 7 years (NRE + Supply)
4	Industrial Test Equipment Timing Controller ASIC	Q2/Q3 FY27	6 Dec 2024 4 Nov 2025	$30m/10 years (NRE + Supply)
5	Design & Supply Telecoms - (SIAE Microelettronica)- currently on hold	-	22 Dec 2023 2 Nov 2024	$30m/10 years (NRE + Supply)
6	Healthcare – UK publicly quoted life-science technology company	Q1 FY28	10 March 2026	Financials not disclosed
7	Space industry, Multi-chip (payload and user terminal) with a leading European satellite operator	FY29	23 April 2026	NRE of $6.8m, Supply in excess of $50m from 2030

Source: Company data, Allenby Capital forecasts

There is clearly upside to our forecasts as the contracts reach tape out and we then include in our forecasts. For example, should the first four contracts achieve tape-out in line with expectations and then move into production we could be increasing our 2028 supply forecast by c.£5m from the current forecast of £16m. The contract announced today could add a further $10m per annum once in production.

Exhibit 7: Income statement - Y/E 31 May

	2023	2024	2025	2026e	2027e	2028e	Comments
Revenues							
Consultancy Design services	9,445	7,112	6,551	7,500	7,500	7,500	
NRE Design services	8,175	15,228	5,891	12,000	13,000	14,000	Contribution towards cost of designing ASICs
Supply of products	2,856	2,926	5,741	9,000	12,500	16,000	Recurring revenue stream as chips enter production
	20,476	**25,266**	**18,183**	**28,500**	**33,000**	**37,500**	
Revenue growth (yoy)	33.9%	23.4%	-28.0%	56.7%	15.8%	13.6%	
Cost of sales	(12,307)	(16,267)	(10,850)	(17,100)	(19,470)	(21,750)	
Gross Profit	**8,169**	**8,999**	**7,333**	**11,400**	**13,530**	**15,750**	
Gross Profit Margin	39.9%	35.6%	40.3%	40.0%	41.0%	42.0%	Margin expansion with move away from Consultancy
Administrative expenses	**(7,267)**	**(8,165)**	**(8,893)**	**(10,850)**	**(12,100)**	**(13,100)**	
Of which D&A	(730)	(817)	(1,671)	(2,200)	(3,100)	(3,600)	As ASICs move to revenue generation R&D amortised
Of which 'other' Admin expenses	(6,537)	(7,348)	(7,222)	(8,650)	(9,000)	(9,500)	Employee, Property, PLC costs
Credit loss allowance	-	-	(1,783)	-	-	-	Customer receivable assessed to be at risk of non-payment.
Exceptional Items	(85)	-	(910)	-	-	-	2021 write down of R&Ds
Total operating expenses	**(7,352)**	**(8,165)**	**(11,586)**	**(10,850)**	**(12,100)**	**(13,100)**	
Other operating income	8	38	1,623	1,400	1,400	1,400	Government grants, 2025 R&D tax credit
EBIT (pre exceptionals)	**910**	**872**	**(1,720)**	**1,950**	**2,830**	**4,050**	
EBIT Margin (pre exceptionals)	4.4%	3.5%	-9.5%	6.8%	8.6%	10.8%	
Lease liability financing charge	(201)	(219)	(329)	(300)	(300)	(300)	
Net interest on bank and other borrowings	(577)	(705)	(578)	(575)	(200)	-	
Profit before tax (pre exceptionals)	**132**	**(52)**	**(2,627)**	**1,075**	**2,330**	**3,750**	
Tax	1,745	(130)	811	400	(200)	(350)	
Profit/(loss) for the year (pre exceptionals)	**1,877**	**(182)**	**(1,816)**	**1,475**	**2,130**	**3,400**	
Fully diluted number of shares	80,157	80,747	83,512	100,147	117,877	117,877	
Diluted EPS (p) - pre exceptionals	**2.34**	**(0.23)**	**(2.17)**	**1.47**	**1.81**	**2.88**	
EBITDA (pre exceptionals)	**1,640**	**1,689**	**(49)**	**4,150**	**5,930**	**7,650**	
EBITDA Margin	8.0%	6.7%	-0.3%	14.6%	18.0%	20.4%	

Source: Company data, Allenby Capital forecasts

Exhibit 8: Balance sheet - Y/E 31 May

	2023	2024	2025	2026e	2027e	2028e	Comments
Assets							
Property, plant and equipment	2,566	2,997	3,373	3,173	3,023	2,873	
Intangible assets	12,433	18,565	22,828	27,178	31,678	35,678	Increases with capitalised investment in R&D
Total non-current assets	**14,999**	**21,562**	**26,201**	**30,351**	**34,701**	**38,551**	
Inventories	304	753	439	700	1,200	1,700	
Trade & other receivables	7,025	8,390	10,108	9,405	10,890	12,375	
Of which trade receivables	3,893	1,743	5,868	4,295	4,973	5,651	
Corporation tax recoverable	2,064	1,349	1,363	1,400	1,400	1,400	
Cash & cash equivalents	3,095	5,156	1,963	10,651	7,389	6,151	
Total current assets	**12,488**	**15,648**	**13,873**	**22,156**	**20,879**	**21,626**	
TOTAL ASSETS	**27,487**	**37,210**	**40,074**	**52,507**	**55,580**	**60,177**	
Borrowings	(883)	(1,717)	(3,862)	(3,862)	(3,684)	(2,884)	Up to £9m Lloyds' facility, post 4/26 £10m
Lease liabilities	(171)	(199)	(571)	(571)	(571)	(571)	fundraise we assume debt gradually paid down
Trade and other payables	(4,723)	(7,118)	(10,492)	(12,825)	(14,408)	(16,095)	
Total current liabilities	**(5,777)**	**(9,034)**	**(14,925)**	**(17,258)**	**(18,663)**	**(19,550)**	
Borrowings	(3,284)	(2,298)	(1,422)	(622)	-	-	Lloyds' facility paid down
Lease liabilities	(2,104)	(1,904)	(2,126)	(1,826)	(1,526)	(1,226)	
Provisions	(199)	(206)	(235)	(200)	(200)	(200)	
Deferred tax	(160)	(1,365)	(466)	(466)	(466)	(466)	
Total non-current liabilities	**(5,747)**	**(5,773)**	**(4,249)**	**(3,114)**	**(2,192)**	**(1,892)**	
TOTAL LIABILITIES	**(11,524)**	**(14,807)**	**(19,174)**	**(20,372)**	**(20,855)**	**(21,442)**	
Net assets	**15,963**	**22,403**	**20,900**	**32,135**	**34,725**	**38,735**	
Issued share capital	137	153	156	156	156	156	
Share premium	8,752	14,957	16,181	25,781	25,781	25,781	
Currency differences reserve	(49)	(117)	(107)	(107)	(107)	(107)	
Retained earnings	7,123	7,410	4,670	6,305	8,895	12,905	
Total equity	**15,963**	**22,403**	**20,900**	**32,135**	**34,725**	**38,735**	
Balance sheet ratios	**FY 2023**	**FY 2024**	**FY 2025**	**FY 2026e**	**FY 2027e**	**FY 2028e**	
Cash	3,095	5,156	1,963	10,651	7,389	6,151	
ST Debt	(883)	(1,717)	(3,862)	(3,862)	(3,684)	(2,884)	
LT debt	(3,284)	(2,298)	(1,422)	(622)	-	-	
Net Debt/(Cash)	**1,072**	**(1,141)**	**3,321**	**(6,167)**	**(3,705)**	**(3,267)**	

Source: Company data, Allenby Capital forecasts

Exhibit 9: Cashflow statement - Y/E 31 May

	2023	2024	2025	2026e	2027e	2028e	Comments
Profit/(loss) for the year	**1,792**	**(182)**	**(2,726)**	**1,475**	**2,130**	**3,400**	
Adjustments for:							
Depreciation	454	495	633	600	600	600	
Amortisation of intangible assets	276	322	1,038	1,600	2,500	3,000	
Share based payments	213	248	261	260	260	260	Non-cash items removed from
Impairment of intangible assets	-	-	910	-	-	-	operating cashflow calculations
Net interest costs	778	924	908	875	500	300	
R&D Expenditure credit	-	-	(1,278)	(1,400)	(1,400)	(1,400)	
Tax credit	(1,745)	130	(811)	(400)	200	350	
Op. cashflow pre movements in working cap.	**1,768**	**1,937**	**(1,065)**	**3,060**	**4,790**	**6,510**	
(Increase)/decrease in inventories	(89)	(448)	313	(261)	(500)	(500)	
Dec/(Inc) in trade and other receivables	(3,770)	(997)	(1,718)	666	(1,485)	(1,485)	
Increase in trade and other payables	2,322	1,983	3,374	2,333	1,583	1,687	
Decrease in provisions	59	7	29	(35)	-	-	
Movements in Working capital	**(1,478)**	**545**	**1,998**	**2,703**	**(402)**	**(298)**	
Op. cashflow post movement in working cap.	**290**	**2,482**	**933**	**5,763**	**4,388**	**6,212**	
Tax received/(paid)	1,512	1,788	1,177	1,400	1,400	1,400	Tax credits aiding positive operating cashflow
Net cash generated from operating activities	**1,802**	**4,270**	**2,110**	**7,163**	**5,788**	**7,612**	
Purchase of P,P & E	(395)	(927)	(681)	(400)	(450)	(450)	
Additions to intangible assets	(4,133)	(6,425)	(5,797)	(6,000)	(7,000)	(7,000)	Investment in R&D (increased post 4/26 £10m raise)
Interest received	7	1	-	25	200	200	
Net cash used in investing activities	**(4,521)**	**(7,351)**	**(6,478)**	**(6,375)**	**(7,250)**	**(7,250)**	
Interest paid	(785)	(925)	(908)	(600)	(700)	(500)	
Lease liability payments	(166)	(172)	(309)	(300)	(300)	(300)	
Receipt of bank loans	-	713	5,710	-	-	-	
Repayment of bank loans	(832)	(865)	(4,436)	(800)	(800)	(800)	
Proceeds from issue of equity	1,855	6,480	1,228	9,600	-	-	
Net cash generated from financing activities	**72**	**5,231**	**1,285**	**7,900**	**(1,800)**	**(1,600)**	
Net movement in cash and cash equivalents	**(2,647)**	**2,150**	**(3,083)**	**8,688**	**(3,262)**	**(1,238)**	
Cash and cash equivalents - beg. of the year	**5,742**	**3,095**	**5,156**	**1,963**	**10,651**	**7,389**	
Foreign exchange losses	-	(89)	(110)	-	-	-	
Cash and cash equivalents - end of the year	**3,095**	**5,156**	**1,963**	**10,651**	**7,389**	**6,151**	

Source: Company data, Allenby Capital forecasts

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