

Registered number: 03882621

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2022

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

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INSIG AI PLC (FORMERLY CATENA GROUP PLC)

COMPANY INFORMATION

Directors	Richard Bernstein – Non-Executive Chairman (appointed 12 August 2021) Colm McVeigh – Chief Executive Officer (appointed 9 December 2021) Steven Cracknell – Executive Director (appointed 10 May 2021) Warren Pearson – Chief Technical Officer (appointed 10 May 2021) John Murray – Non-Executive Director Richard Cooper – Non-Executive Director (appointed 11 April 2022)
Company Secretary	Westend Corporate LLP
Registered Office	30 City Road London EC1Y 2AB
Company Number	03882621
Bankers	Natwest Bank plc 135 Bishopsgate London EC2M 3UR
Nominated Adviser and Broker	Zeus Capital Limited 82 King Street Manchester M2 4WQ
Independent Auditor	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW
Solicitors	Eversheds Sutherland LLP 1 Wood Street London EC2V 7WS

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CHAIRMAN'S REPORT

The year under review has been one of considerable change for the Company as we have evolved and refined our technology offerings and sales processes to better position us to take advantage of the considerable opportunities available to us in our addressable markets.

When I was appointed Chairman last August, two separate elements of the business became clear. Firstly, that the Company has developed scalable machine learning technology with a skilled, talented and dedicated workforce. Secondly, that the executive team at the time lacked experience in selling scalable software, being more skilled in delivering consultancy and complex projects. The business required commercial focus and leadership. I am pleased to report that under Colm McVeigh, initially as Chief Commercial Officer and now as CEO, this is what we now have. It is common for young businesses to make missteps. What is important is that swift and decisive action is taken. That is what we have done.

As the asset management industry itself increasingly uses technology to deliver competitive differentiation and adapts to evolving standards, we are able to apply our advanced analytical tools, machine learning innovative data gathering and processing in ways that can benefit our target customer base, offering asset managers competitive advantage as well as efficiencies. We apply our deep domain expertise in ESG, data science, machine learning and cloud data infrastructure so our customers can achieve sustainable investment decisions and high impact operational transformation through AI and data solutions.

We have focused our strategy on securing high quality, substantial recurring revenue, prioritising this over more modest one-off contract wins. Whilst the former has a longer sales cycle, if successfully delivered will, we believe, form the bedrock of a valuable business.

Partnership opportunities with asset managers as they launch new funds across the ESG spectrum provide potential revenues that are of a magnitude several times more than the traditional product licence sale. I am pleased to report tangible success in this regard. In February, we announced a landmark agreement with CarVal Investors, L.P. ("CarVal") to develop and launch a new line of high yield ("HY") and investment grade ("IG") ESG scoring tools to be used by CarVal to optimise HY and/or IG portfolios based on ESG considerations. In April, these scoring tools were successfully delivered. We now expect the coming quarters to begin the payback of our considerable investment. Our share of fees are based on CarVal's assets under management ("AUM") raised in connection with these HY and/or IG focused investment pools. We anticipate that as CarVal secures mandates, our fees will increase commensurably and continue for several years.

In July, CarVal was acquired by Alliance Bernstein which we hope will provide further opportunities.

In March, we announced that we were in early stage discussions with a UK based investment manager with the objective of launching an ESG Global Opportunities Equities Fund. The investment manager undertook a detailed review of our entire fintech and machine learning capability. This has included involvement from not only the Head of Equities but also the CEO. I am pleased to report that feedback from the CEO and investigating team was favourable, that discussions continue and indeed have extended beyond a potential fund launch.

In March, we also reported that we were establishing a New Funds Launch division. In recent weeks, we have commenced early stage discussions with two further investment asset managers, with combined AUM of over \$1 trillion dollars. Whilst it is important to manage expectations as to the timelines and pathways required to secure such substantial agreements, the transformation in our ability to engage with and hopefully conclude and deliver such agreements augurs well.

Alongside our desire and focus to conclude agreements with other asset managers, we are now targeting recurring revenues of £4 million per annum from new fund launches. Taking account of lead times and in particular those of establishing a new fund, we believe that this run rate can be achieved before the end of our next financial year. Of course, our longer-term aspirations are to continue growing revenues substantially beyond this, but we need to remain focused on the more immediate hurdles to overcome, not least securing sufficient working capital and retaining the dedicated and skilled team that Colm, Steve and Warren in particular have put together.

Whilst our fintech capability can be applied to markets beyond ESG disclosures, focus is critical. It is important to realise not only our capability but our capacity. A year ago, our discussions with a number of asset managers were met with the requirement to go away with portfolio details and develop a data base of scores and analysis for their portfolios. Then we had just 200 companies in our database. Now, our repository stands at more than 2,000 companies. Using natural language processing machine readable classifiers, we have an accessible and detailed analysis and scoring of every public disclosure

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made by these companies dating back several years. Source data can be instantly accessed. As a result, now when we demonstrate our offering, we are able to show portfolio constituents there and then.

Why does this matter? It is because it is all too easy for an asset manager to label a fund "ESG compliant" but to do so, without a methodology that drills down to each element of ESG, exposes the asset manager to a lack of evidence of compliance. This can expose not only a business but also its directors to immense reputational and financial damage. In May 2022, the US Securities and Exchange Commission ("SEC") fined investment adviser BNY Mellon. The SEC stated that at the time of investment, 67 out of 185 investments made by a mutual fund advised by BNY Mellon, allegedly lacked any ESG quality review score. That did not prevent BNY Mellon profiting by charging fees to manage these so called ESG compliant investments. In June 2022, the SEC launched an investigation into the asset management division of Goldman Sachs regarding potential "greenwashing."

Regulatory oversight is not confined to the US. In Europe, a combined 50 officials from BaFin, the German regulator, the federal criminal police office and the public prosecutor's office searched the offices of Deutsche Bank and DWS regarding alleged false ESG claims. In June 2022, DWS's Chief Executive resigned.

Whilst there is no shortage of asset managers who are responsible investors, Insig AI is at the "coal face" of this ESG mine(field) of corporate disclosures. The most reliable, comparable and objective evidence based diagnosis of ESG compliance is how a business sets out and explains its ESG credentials. This is our positioning.

Our close interaction with asset managers allows us to differentiate between those investment advisers who regard responsible investing as both a commercial opportunity as well as being a good corporate citizen and those making such claims but lack the tools to do so. We consider that it will still be a number of years until the global regulatory framework is sufficiently advanced to provide comparable disclosure requirements. A generation ago, international accounting standards required developing and extending. ESG adherence will also adapt to evolving standards of what is regarded as good practice. Until then, we believe that our ESG scoring tools and machine learning based analysis provide an essential measure of ESG corporate conduct.

We are also seeing the emergence of progressive asset managers who are creating innovative ESG high impact thematic funds based on selecting companies whose strategies are to substantially improve their ESG outcomes. For such investment managers, our technologies facilitate deep detailed analysis of company ESG issues, optimisation for financial and ESG outcomes when creating the fund, and in-life management for performance.

The year under review has been transformative. On 10 May 2021, the Company acquired the entire issued share capital of Insight Capital Partners Limited ("Insight"). The business is transitioning from consulting as its sole revenue source to one with a higher quality, recurring value stream, capable of delivering visible and reliable growth over the medium and long term. In the shorter term, this transition has had a disproportionate impact on our results as we have increased our investment in sales and marketing alongside the product development required to secure significant and sustainable revenues.

Financial performance

For the year ended 31 March 2022, we are reporting a total comprehensive loss from all activities of £4.2 million which includes depreciation and amortisation of £2.2 million and a profit from the Group's school sport coaching facility, Sport in Schools Limited ("SSL") of £0.2 million. The Directors are not recommending the payment of a dividend.

Board restructure

During the early part of the year under review, upon the acquisition of Insight, directors David Hillel, David Coldbeck and John Zucker resigned. The Company appointed two new Executive Directors and one new Non-Executive Director. Steve Cracknell, the Chief Executive of Insight was appointed as Chief Executive of the Company and Warren Pearson was appointed as Chief Technology Officer. Peter Rutter was also appointed as a Non-Executive Director. In August 2021, Matthew Farnum-Schneider resigned as Executive Chairman and I was appointed as interim Non-Executive Chairman.

Shortly after my appointment, it was clear that changes were required: most importantly, the need to bring greater commercial focus. Having a strong machine learning capability and scalable technology is a necessary condition for success. However, it is an insufficient condition on its own. Hence in November, Colm McVeigh was appointed to the Board, initially as Chief

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Commercial Officer and in April 2022, as Chief Executive. This has enabled Colm to lead the business, whilst Steve, as Chief Product Officer, is able to focus on product development and delivery.

In December 2021, Peter Rutter stepped down as a director due to his increasing responsibilities and workload as Head of Equities at Royal London Asset Management. In April 2022, we were pleased to announce that Richard Cooper was appointed to the Company's board of directors as an independent non-executive director and chair of the Audit Committee. Richard has over 25 years' experience as a Chief Financial Officer across both publicly-traded and privately-owned companies in a variety of service industries, including gaming and financial services. He is currently CFO of Equals Group plc, an AIM-quoted fintech company.

Acquisition of FDB Systems Limited

In November, the Company announced that it had entered into a conditional share purchase agreement to acquire the entire issued share capital of FDB Systems Limited ("FDB Systems"). FDB Systems specialises in the collection and structuring of financial market data for investors and other capital markets participants. which is the process of transforming raw data so that it can be more easily and effectively used as an input to machine learning, data science and AI processes.

The initial consideration comprised £0.3 million cash plus the issue of 7,022,471 ordinary shares at 52.7p per share.

FDB Systems has been successfully integrated allowing the Company to offer a complete end-to-end financial data solution to its customers. FDB Systems no longer operates as a stand alone business and all of its activities have been combined with those of Insig AI. The combination has directed greater focus to Insig AI's existing clients as opposed to exclusively the FDB Systems clients acquired.

Pantheon Leisure Plc ("Pantheon")

Insig holds 85.87% of the issued share capital of Pantheon which in turn owns 100% of Sport in Schools Limited ("SSL"). Pantheon as a group made a profit for the year ended 31 March 2022 of £0.1 million (15 months ended 31 March 2021: loss £0.01 million). Pantheon's results are consolidated into the Group accounts.

Sport in Schools Limited ("SSL")

Profit recognised in the year was £0.2 million compared with £0.1 million during the comparable pre-Covid 12 months.

Funding

In March 2022, we announced that the Board had decided to secure a long-term revenue agreement based on AUM at the expense of revenues that could have been recognised in the year under review. Whilst this had a detrimental effect on immediate cash flows, the quantum and longevity of receipts is expected to be considerably more than those foregone short term revenues.

The Company ended its financial year on 31 March 2022 with net cash of £0.5 million. In March 2022, the Company announced that I was providing an unsecured convertible loan facility of £1.0 million. The key terms that the independent directors considered to be fair and reasonable were conversion at the higher of 35p per share and the prevailing share price at the time of conversion and a coupon of 5 per cent. per annum on funds drawn down. The first draw down took place in early May. In June, the Company announced that it had been approached by David Kyte, a long term shareholder with an offer of funding of £0.5 million, on the same terms as my own facility. As at 8 September 2022, Group cash was approximately £0.12 million and £0.31 million remained available for draw down.

The Board recognises that further working capital is required to support the Group over both the short and potentially medium term. The Board notes that despite no adverse news announcements, since the end of May, the share price has halved. Therefore, the Board believes that it would not be in the best interests of all stakeholders to carry out an equity raise in the very short term. Instead, the Board is considering a proposal with regard to a new convertible loan facility from myself of £0.75 million. The facility terms include a conversion price of 35p, which represents a premium of 62 per cent. to the current share price, interest of 5 per cent. per annum on amounts drawn down. The facility would also be secured on the Group's shareholding in Sport in Schools Limited. Based upon the board's cash flow projections, which includes the anticipated receipt of a substantial R&D Tax Credit, this facility is expected to provide sufficient working capital through to Q2 (calendar) 2023,

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by which time, the Company will hopefully have secured and announced substantial contracts providing the necessary visibility of the Company's sales growth trajectory.

Prospects

The corrective action we took is now expected to convert into a number of contract wins: these are anticipated to close before the end of October. Today, we have set out our expectations for revenue from asset management partnerships: a run rate of £4 million per annum before the end of our next financial year. We are also now receiving positive feedback from the corporate market, with our ESG proprietary scoring and comparison capabilities assisting disclosure reporting requirements. Of greater significance will be our ability to sell bespoke data science fintech projects which can develop into long term partnerships. We therefore are expecting to report a significant jump up in our second half revenues and for the following financial year and beyond. Despite the current unhelpful macro-economic background, the scale of our opportunity combined with the solutions that we provide, gives us confidence for the future.

Richard Bernstein
Chairman
8 September 2022

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STRATEGIC REPORT

The Directors of the Company present their Strategic Report on the Group for the year ended 31 March 2022.

Principal activities

The principal activity of Insig AI Plc (the “Company” or the “Group”) during the period was the provision of data science and machine learning development. Since the completion of the acquisition of Insig Partners on 10 May 2021, the legacy sports coaching business has continued.

Organisation overview

The Group’s business is directed by the Board and is managed on a day-to-day basis by the Chief Executive Officer. The Board monitors compliance with objectives and policies of the Group through monthly performance reporting, budget updates and periodic operational reviews.

The Board comprises of one Non-Executive Chairman, three Executive Directors and two Non-Executive Directors.

The Corporate Head Office of the Group is located in London, UK. In January 2021 the Company changed its accounting period end to 31 March.

Review of business

The Chairman’s statement starting on page 3 provide a review of the business and future prospects.

Financial performance review

The total comprehensive loss of the Group for the year ended 31 March 2022 was £4,185,000 (15 months to 31 March 2021 loss of £1,062,000). The loss of the Company for the year was £269,000 (15 months to 31 March 2021 loss of £234,000).

The Board monitors the activities and performance of the Group on a regular basis. The Board uses financial indicators based on budget versus actual to assess the performance of the Group.

Administrative expenses are the expenses related to the Group’s ability to run the corporate functions to ensure they can perform their operational commitments.

The four main KPIs for the Group are as follows. These allow the Group to monitor costs and plan future development activities:

KPI	31 March 2022 £	31 March 2021 £
Cash and cash equivalents	473,000	935,000
Administrative expenses as a percentage of total assets	13%	52%
Research and Development costs incurred during the year	2,304,000	-
Revenue	1,708,000	1,043,000

Principal risks and uncertainties

The management of the business and the execution of the Group’s strategy are subject to a number of risks. The key business risks affecting the Group are set out below.

Risks are formally reviewed by the Board, and appropriate processes are put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the Group.

Requirement for future R&D investment and availability of working capital given current cash burn of business

To remain competitive, the Board recognises that investment in research and development (“R&D”) may result in increased pressure on working capital. Working capital levels are constantly monitored by means of budgetary and financial controls. Without R&D expenditure, the business may suffer if it is unable to successfully introduce new products to the market in a timely fashion or if any new or enhanced products or services are introduced by its competitors that its customers find more

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advanced and better suited to their needs. As such, the Board closely monitors investment in R&D and working capital levels. Further, the Board monitors the sales and product market penetration and the impact this has on sufficient working capital.

Credit risk

Credit risks arise from trade receivables where the party fails to discharge their obligation in relation to the financial instrument. To minimise this risk, management has appropriate credit assessment methods to establish credit worthiness of new customers and monitor receivables by regularly reviewing aged receivable reports.

Liquidity risk

Liquidity risk arises in relation to the Group's management of working capital and the risk that the Company or any of its subsidiary undertakings will encounter difficulties in meeting financial obligations as and when they fall due. To minimise this risk, the liquidity position and working capital requirements are regularly reviewed by management. Further explanation of these risks is set out in Note 3 to the financial statements.

The Group also recognises several additional risks that arise with the newly acquired business operation, these include:

Customer concentration

The Group is dependent on certain key customers who may seek lower prices or may reduce their demand for the Insig AI software or services provided. The Group plans to extend its offerings to larger key customers which will assist in building a stronger and more diverse sales pipeline to mitigate customer concentration risk.

IP rights and know-how of employees

The Group's ability to protect its intellectual property rights, its brand, and to preserve the confidentiality of its own know-how and business information.

Rights over intellectual property are protected by registering patents and trademarks whenever considered applicable. All personnel are made aware of the importance of business confidentiality in relation to both know-how and business information generally.

Dependence on key personnel

The newly acquired business relies on its senior management team. If the business was unable to retain its current personnel and hire additional personnel with the requisite skills and experience, its ability to implement its growth strategy and compete in its industry could be harmed.

Whilst all businesses are dependent on key personnel, the Group also has access to external services that could, if needed, provide the required skills to assist senior management.

Information technology ("IT") / cyber security breaches

The Group relies on IT systems to conduct its operations. Accordingly, Insig and its software may be at risk from cyber-attacks. Cyber-attacks can result from deliberate attacks or unintentional events and may include (but are not limited to) third parties gaining unauthorised access to software for the purpose of misappropriating financial assets, IP or sensitive information, corrupting data, or causing operational disruption. If a cyber-attack occurred, it could expose both the business and the Company to potential financial and reputational harm.

The Board continually monitor their computer software protection systems to minimise this risk. Insig AI has a nominated Information Security Officer who is required to report any data security breach to the CEO. No data breaches or performance incidents that had a material impact on the business were experienced during the reporting period. Insig AI's Sustainability Report 2022 contains more detail on our information security management system regarding data security, technology disruptions, risk assessment and mitigation, cyber security and data privacy.

New competition

The business is primarily focused on the financial services sector which is highly competitive. Whilst the current and future suite of products will be highly valued by certain financial services companies, other software development companies may look to enter the market with competing technologies.

Management looks for signs of increased competition and actions by competitors or customers that could have an adverse effect on the Group's financial performance, hinder growth and affect future sales volumes and margins. Whilst the Board is aware of several companies across the world claiming to have certain similar software and other technology solutions not

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dissimilar to those of the Group, management believe such companies are small and have to date, not found themselves in direct competition with any of them when negotiating with investment managers on prospective services or licence arrangements

Details of the Group's financial risk management policies are set out in Note 3 to the Financial Statements.

Corporate responsibility

Approach to Environmental, Social and Governance

The Board believes that businesses have a duty to behave sustainably and responsibly and understand that the Company must 'walk the talk' on Environmental, Social and Governance ("ESG") matters while at the same time seeking to contribute a positive impact through its activities.

Impact

The Group has developed a software tool to support ESG research and analysis to drive best practice, transparency and evidence-based decision making in the sustainable investment space. It is expected that the information provided by this tool will ultimately facilitate investment into companies with better ESG credentials and contribute to a macro environment that will benefit all parties.

Risks

Insig AI's Sustainability Report 2022 provides detail on our identification of material risks in line with the Sustainability Accounting Standards Board (SASB), and measures taken to mitigate them. The below is a summary.

Data security and privacy

The Company has an approach to Information Security Management System (ISMS) which supports the governance and oversight of critical incident risk management and systemic risk management which covers both data privacy and security. The Company does not use any of its users' data for secondary purposes and has not had any incidents or legal proceedings associated with data privacy, and experienced no data breaches or material performance incidents during the reporting period.

Workforce

As innovators in software development, the Company depends on the skilled technical knowledge of its staff and their wellbeing and retention are a priority. Insig AI has over 20 workforce policies available internally for staff which are set out in the Sustainability Report and some of which are also published on our website.

The Company is committed to the principles of diversity, inclusion and equality and Insig AI's Equal Opportunity Policy is available on our website. Bullying and harassment are not tolerated and we seek to ensure that everyone is treated with the same dignity and respect. Insig AI's Bullying and Harassment Policy can be found on our website.

Environment

While the Company has a relatively low environmental impact due to the nature of its operations and hybrid working policy, the Board are committed to reducing any negative impacts.

Insig AI's Sustainability Report 2022 contains estimates of its two main sources of carbon emissions (both Scope 2); cloud computing data storage centres and unavoidable international travel for key staff, and consideration of how to minimise these further before potentially offsetting residual emissions.

Corporate Governance

The Group is committed to operating ethically across all the various jurisdictions in which it operates and adheres to the 2018 QCA Corporate Governance Code. The Statement of Compliance and Policies including regarding Whistleblowing, Ethics and Integrity, Anti-Bribery and Corruption and Criminal Finances Act can be found on our website.

Health and safety

The Company as a whole recognises the importance of safeguarding the health, safety and welfare of all clients and employees. SSL in particular has the following policies in place:

- SSL follows a health and safety policy for venues and children. All venues are risk assessed prior to the activity commencing ensuring the correct measures are taken to provide a safe area of practical work.
- SSL obtains copies of a school's H&S policy before commencing the provision of service.
- All staff are fully enhanced DBS checked every 3 years which is common practice when working with children. These checks and applications are carried out by SSL.
- SSL staff are First Aid qualified and safeguard trained every three years with annual courses arranged to refresh and share best practice.
- Before bookings for children on courses, enquiries are made and notes taken in relation to children with special needs or disabilities thus ensuring measures are in place to allow safe participation.

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Insig AI's Health and Safety Policy can be on our website.

Internal controls

The Board recognises the importance of both financial and non-financial controls and has reviewed the Group's control environment and any related shortfalls during the period. Since the Group was established, the Directors are satisfied that, given the current size and activities of the Group, adequate internal controls have been implemented. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in light of the current activity and proposed future development of the Group, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Further details of corporate governance can be found in the Corporate Governance Report on page 16

Going concern

The preparation of financial statements requires an assessment on the validity of the going concern assumption. The Directors have reviewed projections for a period of at least 12 months from the date of approval of the financial statements as well as potential opportunities. Any potential short falls in funding have been identified and the steps to which Directors are able to mitigate such scenarios and/or defer or curtail discretionary expenditures should these be required have been considered. In approving the financial statements, the Board have recognised that these circumstances create a level of uncertainty. However, having made enquiries and considered the uncertainties outlined above, the Directors have a reasonable expectation that the Group will continue to be able to raise finance as required over this period to enable it to continue in operation and existence for the foreseeable future. Accordingly, the Board believes it is appropriate to adopt the going concern basis in the preparation of the financial statements.

The Group's business activities together with the additional factors likely to affect its future development, performance and position are set out in the Chairman's Report on page 3. In addition, Note 3 to the Consolidated Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposure to market, credit and liquidity risk.

Directors' and Officers' indemnity insurance

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors and Officers. These were made during the period and remain in force at the date of this report.

Financial Risk Management Objectives

The Group has disclosed the financial risk management objectives within Note 3 to these Financial Statements.

Events after the reporting period

Events after the reporting period are set out in Note 32 to the Financial Statements.

Future developments

Details of future developments for the Group are disclosed in the Chairman's Report on page 3.

Section 172(1) Statement - Promotion of the Company for the benefit of the members as a whole

The Companies (Miscellaneous Reporting) Regulations 2018 require Directors to explain how they considered the interests of key stakeholders and the broader matters set out in section 172(1) of the Companies Act 2006 ("S172") when performing their duty to promote the success of the Company under S172. This includes considering the interest of other stakeholders which will have an impact on the long-term success of the Company.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term,
- Act fairly between the members of the Company,
- Maintain a reputation for high standards of business conduct,
- Consider the interests of the Company's employees,
- Foster the Company's relationships with suppliers, customers and others, and
- Consider the impact of the Company's operations on the community and the environment.

Directors are fully aware of their duty to promote the success of the Company in accordance with section 172 of the Companies Act 2006. Section 172 of the Companies Act 2006 requires Directors to take into consideration the interests of shareholders and employees, considered the key stakeholders of the Company, in their decision making.

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This section should be read in conjunction with the rest of the Group Strategic Report and the Corporate Governance Statements.

S172 (1) *“The likely consequences of any decision in the long term”*

The application of the Section 172 (1) requirements can be demonstrated in relation to some of the key decisions made during the reporting period, including:

- completion of the reverse acquisition of Insig Partners Limited
- completion of the acquisition of FDB Acquisitions
- continued assessment of corporate overheads and expenditure

S172(1) *“The need to act fairly as between members of the Company”*

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of our strategy over the long-term, taking into consideration the impact on stakeholders. The Directors believe they have acted in the way they consider most likely to promote the success of the Company for the benefit of its members as a whole.

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with key private shareholder, analysts and brokers, providing the opportunity to discuss issues and provide feedback at meetings with the Company. All shareholders are encouraged to attend the Company's Annual General Meeting and any general meetings held by the Company.

S172(1) *“The desirability of the Company maintaining a reputation for high standards of business conduct”*

The Board periodically reviews and approves clear frameworks, such as the Company's Code of Business Ethics, to ensure that its high standards are maintained both within the Group and the business relationships we maintain. This, complemented by the various ways the Board is informed and monitors compliance with relevant governance standards, help ensure its decisions are taken and that the Group acts in ways that promote high standards of business conduct.

S172(1) *“The interests of the company's employees”*

The Board recognises that the Company's employees, are fundamental and core to our business and delivery of our strategic ambitions. The success of our business depends on attracting, retaining and motivating employees. From ensuring that we remain a responsible employer, from pay and benefits to our health, safety and workplace environment, the Directors factor the implications of decisions on employees and the wider workforce, where relevant and feasible.

S172(1) *“The need to foster the Company's business relationships with suppliers, customers and others”*

Delivering on our strategy requires strong mutually beneficial relationships with suppliers and customers. The Group values all of its suppliers and aims to build strong positive relationships through open communication and adherence to trade terms. The Group is committed to being a responsible entity and doing the right thing for its customers, suppliers and business partners.

S172(1) *“The impact of the Company's operations on the community and the environment”*

The Group is committed to the highest environmental, social and governance standards both internally within the Group and externally with customers. The Group is committed to being a responsible entity in terms of the community and the wider environment.

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STRATEGIC REPORT

The Strategic Report comprises the Chairman's Report, the Strategic Report and was approved by the Board of Directors for issuance on 8 September 2022.

Colm McVeigh
Chief Executive Officer
8 September 2022

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DIRECTORS' REPORT

The Directors present their Annual Report on the affairs of Insig AI plc together with the Financial Statements for the year ended 31 March 2022.

Dividends

The Directors do not recommend the payment of a dividend for the year (15 months to 31 March 2021: £Nil).

Directors & Directors' interests

The Directors who served during the year ended 31 March 2022 are shown below and had, at that time the following beneficial interests in the shares of the Company:

	12 months to 31 March 2022		15 months to 31 March 2021	
	Ordinary shares	Share options & warrants	Ordinary shares	Share options & warrants
Richard Bernstein (Appointed 12 August 2021)	12,892,500	-	12,435,000	-
Steven Cracknell (Appointed 10 May 2021)	10,839,798	-	10,818,293	-
Warren Pearson (Appointed 10 May 2021)	4,828,082	-	4,808,131	-
Colm McVeigh (Appointed 9 December 2021)	29,550	2,000,000	-	-
John Murray	40,000	-	40,000	-
Richard Cooper (Appointed 11 April 2022)	-	-	-	-
Matthew Farnum-Schneider (resigned 12 August 2021)	-	-	100,000	4,000,000
David Hillel (Resigned 10 May 2021)	-	-	109,607	-
John Zucker (Resigned 10 May 2021)	-	-	449,373	-
David Coldbeck (Resigned 10 May 2021)	-	-	100,000	-
Peter Rutter (Resigned 31 December 2021)	-	-	-	-

Further details on options can be found in Note 22 to the Financial Statements.

Substantial shareholders

The substantial shareholders with more than a 3% shareholding at 7 September 2022 are shown below:

	Holding	Percentage
Richard Bernstein	13,467,500	12.7%
Steven Cracknell	10,839,798	10.2%
Nikhil Srinivasan	7,599,936	7.2%
Anna Mann	5,438,600	5.1%
Mark Woodhouse	5,048,537	4.8%
Warren Pearson	4,828,082	4.6%
Jaco Venter	3,365,961	3.2%

Provision of information to Auditor

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

DIRECTORS' REPORT

Auditor

Crowe U.K. LLP has signified its willingness to continue in office as auditor.

This report was approved by the Board on 8 September 2022 and signed on its behalf.

Colm McVeigh
Chief Executive Officer
8 September 2022

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Parent Company Financial Statements in accordance with International Accounting Standards in conformity with the Companies Act 2006. The Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company, and of the profit or loss of the Group for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the Companies Act 2006 have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company, and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Company is compliant with AIM Rule 26 regarding the Company's website.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

CORPORATE GOVERNANCE REPORT

The Company has adopted the QCA Governance Code (the “QCA Code”) as the basis of the Company’s governance framework. It is the responsibility of the Board led by the Chairman to ensure that the Company is managed for the long-term benefit of all shareholders and stakeholders, with effective and efficient decision-making. Corporate governance is an important aspect of this, reducing risk and adding value to our business.

Corporate Governance Report

The QCA Code sets out 10 principles that should be applied. These are listed below together with a short explanation of how the Company applies each of the principles:

Principle One

Business Model and Strategy

Insig AI’s business model is designed to promote long-term value for customers, shareholders and other stakeholders. Its business strategy is the development of Artificial Learning (AL) and Machine Learning (ML) SaaS products and services to enable asset managers to optimise their investment decisions and business performance through the use of enhanced technologies and data science techniques.

The Company has developed a suite of products to support client needs to as they transition to a data-centric and machine learning enabled business model and advance and scale their analytical capabilities driving value, speed and strategic leverage.

As well as executing its new strategic focus in artificial intelligence and machine learning, the Company through its non-core subsidiary Sport In Schools Ltd has a long-established reputation in the field of school sports coaching for children and related activities.

However, the priority of the Group remains focusing on the enormous growth potential in artificial intelligence and machine learning. Following the Company’s initial acquisition of a 9.1% stake In Insight Capital Partners Ltd (now known as Insig Partners Ltd) in March 2020, the company completed the acquisition of the remaining shares in May 2021.

Principle Two

Understanding Shareholder Needs and Expectations

The Company recognises the importance of engaging with its shareholders and reports formally to them through the publication of its full-year and half-year results and via additional updates throughout the year. The Chairman presents the results to existing shareholders, potential investors, brokers and the media, where appropriate. The Non-Executive Directors are also available to discuss any matter with shareholders.

Meetings with these stakeholders are reported on at monthly board meetings by the Chairman to ensure that shareholders’ views are communicated. This process enables the Board to be kept aware of shareholders’ opinions on strategy and governance, and for them to understand any issues or concerns.

Shareholders are encouraged to attend the annual general meeting at which the Company’s activities and results are considered, and shareholders questions are encouraged and answered by the Directors. General information about the Company is also available on the Company’s website: <https://insg.ai>.

Since January 2020, the Board of Insig AI has announced detailed results of shareholder voting to the market shortly after each shareholder vote.

Principle Three

Considering Wider Stakeholder and Social Responsibilities

The Board considers the interests of shareholders and all relevant stakeholders in line with section 172 of the Companies Act 2006. The Company is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholder groups, which include the Company’s employees, customers, suppliers, and regulatory authorities.

The Company’s operations take account of the need to balance the needs of all stakeholder groups while maintaining focus on the Board’s primary responsibility to promote the success of the Company for the benefit of its shareholders. The Company endeavours to take account of feedback received from stakeholder groups, making amendments to working arrangements and operational plans where appropriate and where such amendments are consistent with the Company’s long-term strategy.

Customer engagement and satisfaction is core to Insig AI’s success; thus, we maintain consistent and constructive dialogue with our clients. We regularly review the customer communication channels and will continue to adapt the customer

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CORPORATE GOVERNANCE REPORT

engagement structure as the Company and its customer base grows to ensure that customer feedback is easily received and addressed.

The Company prioritises the satisfaction and engagement of its employees. “All Hands” meetings are held regularly as well as individual employee “check-ins” to ensure employees are kept informed and supported. The Board regularly considers employee issues raised via feedback sessions. The Company has established a share option scheme which allows for employees to share in the creation of long-term shareholder value through the grant of options to employees.

The Company considers its actions and likely impact that they may have on the environment and seeks to mitigate any negative impact wherever practicable. Through the various procedures and operating systems, the Company complies with health and safety, safeguarding, and environmental legislation relevant to its activities.

Principle Four

Risk Management

The Board has overall responsibility for the Group’s internal control systems and for monitoring their effectiveness. The Board, with the assistance of the Audit Committee, maintains a system of internal controls to safeguard shareholders’ investment and the Group’s assets, and has established a continuous process for identifying, evaluating and managing the significant risks the Group faces.

The Directors are responsible for the Group’s system of internal control. Although no system of internal control can provide absolute assurance against material misstatement or loss, the Group’s system is designed to provide the Directors with reasonable assurance that problems are identified on a timely basis and dealt with appropriately. The key procedures that have been established and which are designed to provide effective internal control are as follows:

- Management structure – the Board meets at least 10 times per annum and minutes of its meetings are maintained;
- Financial reporting – budgets are prepared annually and then presented to and, if appropriate, approved by, the Board. Forecasts are prepared monthly and presented to the Board. The financial reporting pack is presented to the Board monthly and any material variances from budgeted or forecast to actual results are investigated; and
- Investment appraisal – the Company has a clearly defined framework for capital expenditure requiring approval of the Board where appropriate.

Further details of the business risks and how they are mitigated as far as possible are contained in the Strategic Report section of the Annual Report. Both the Board and senior management are responsible for reviewing and evaluating risk on an ongoing basis and the Executive Directors regularly review trading performance, discuss budgets and forecasts and any new risks associated with trading, the outcome of which is reported to the Board.

Principle Five

A Well Functioning Board of Directors

The members of the Board have a collective responsibility and legal obligation to promote the interests of the Company and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the Chairman of the Board.

The QCA Code requires that the Boards of AIM companies have an appropriate balance between executive and non-executive Directors of which at least two should be independent. The Board has considered its current establishment – being three non-executive directors, and three executive Directors – and is satisfied it meets this requirement. John Murray and Richard Cooper are considered to be independent. The time commitment of the non-executive directors is at least two days per month. All executive directors are full time.

The Board is supported by two committees, the Audit and Risk Committee and the Remuneration Committee. In August 2021, the Board appointed Richard Bernstein to act as the non-executive Chairman. The members of the committees are as follows:

Audit and Risk Committee:

- Richard Cooper (Chairman)
- John Murray

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Remuneration Committee:

- John Murray (Chairman)
- Richard Bernstein

The Audit and Risk Committee aims to meet three times per year and the Remuneration Committee meets on an as required basis.

The Non-Executive Chairman is responsible for leadership of the Board, ensuring its effectiveness on all aspects of its role, setting its agenda and ensuring that the Directors receive accurate, timely and clear information. He also ensures effective communication with shareholders and facilitates the effective contribution of the other Non-Executive Directors. The Company is satisfied that the current Board is sufficiently resourced to discharge its governance obligations on behalf of all stakeholders.

Non-executive Directors are required to attend all Board and Board Committee meetings convened each year and to be available at other times as required for face-to-face and virtual meetings with the executive team and investors.

To enable the Board to discharge its duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board and Committee meetings. In addition, procedures are in place to enable the Directors to obtain independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

The Board is responsible to the shareholders and sets the Company's strategy for achieving long-term success. It is ultimately responsible for the management, governance, controls, risk management, direction and performance of the Company.

Details of the Directors' attendance at the Board meetings are set out below:

	Board Meetings attended
Matthew Farnum-Schneider	7
Richard Bernstein	10
Steven Cracknell	15
Warren Pearson	16
Colm McVeigh	5
John Murray	17
Peter Rutter	12
David Hillel	1
David Coldbeck	1
John Zucker	1

Principle Six

Appropriate Skills and Experience of the Directors

The board currently comprises three Executive and three Non-Executive Directors with an appropriate balance of sector, financial and public market skills and experience.

The experience and knowledge of each of the Directors gives them the ability to constructively challenge the strategy and to scrutinise performance. The Board also has access to external advisors where necessary.

The Directors are consistently updated on the Group's and Company's business and operations, and legal, regulatory and governance requirements through briefings and meetings with senior executives and advisers.

The Company's Nominated Adviser assists with AIM and related regulatory matters and ensures that all Directors are aware of their responsibilities. The Directors also have access to the Company's lawyers and auditors as and when required and can obtain advice from other external bodies when necessary.

Board composition is always a factor for contemplation in relation to succession planning. The Board will seek to take into account any Board imbalances for future nominations as well as board independence.

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The Company has engaged Westend Corporate LLP who handle the outsourced accounting and finance functions of the Group and fulfil the role of CFO. Given the Groups current size and revenues, the Board considers an outsourced accounting function appropriate.

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

The Company considers that at this stage of its development and given the current size of its Board, it is not necessary to establish a formal Nominations Committee. Instead, appointments to the Board are made by the Board as a whole. This position, however, is reviewed on a regular basis by the Board. The biographies of each directors are below:

Richard Bernstein - *Non-Executive Chairman*

Richard Bernstein qualified as a chartered accountant in 1989 and between 1994 and 1996 ran his own specialist research house, Amber Analysis. Amber Analysis provided a risk management service for UK institutions managing over £100 billion in assets. Mr Bernstein subsequently joined Schroder Securities as an equities analyst and became the Chief Executive Officer of AIM-listed Eurovestech plc, a high technology development capital fund. In 2008, Mr Bernstein was appointed as an investment manager of Crystal Amber Fund Limited, an AIM-listed activist fund investing predominately in small to mid-cap UK equities.

Steven Cracknell – *Chief Product Officer*

Steve began his career with Thomson Reuters before being headhunted to work at Goldman Sachs. Steve worked at Goldman Sachs for nearly 10 years developing strategic analytical tools for use across the global investment bank, from Sales and Trading applications to front end website optimisation for clients. Steve latterly led a global sales team for Goldman Sachs in relation to Sales Technology before he left to become an entrepreneur. Steve subsequently moved to California to become CPO and then CEO of Zenti, Inc, a Silicon Valley based tech-start-up focussing on big data analytics solutions, utilising human pattern recognition and machine intelligence. The products he designed helped analyse millions of documents to surface patterns of behaviour and human intent. These products were successfully used by The United States Senate (Permanent Subcommittee for Investigation) as part of a major financial fraud investigation and the National Veterans Foundation for a Veteran Suicide Prevention campaign. Steve left Zenti in 2016 to focus on artificial intelligence and machine learning within the financial markets space, before co-founding Insight with Warren Pearson in 2017.

Warren Pearson - *Chief Technical Officer*

Warren began his career working as a programmer for the British Civil Service in 1992, before writing code in the telecoms industry and then for a series of investment banks. Moving to Goldman Sachs in 1999, he worked initially in Global Economic Research in London and subsequently for the Firmwide Internet Group in New York. His principal responsibilities were to develop and support the firm's institutional client-facing website, and to oversee the digital distribution of all client research globally. Warren left Goldman Sachs in 2011 after 12 years to pursue freelance projects for clients including Barclays and the London Stock Exchange. In 2012, Warren joined Steve Cracknell at Zenti Inc, a Silicon Valley based tech-start-up as DevOps Engineer, strengthening the company's artificial intelligence and machine learning capabilities. In 2017, Warren co-founded Insight with Steve Cracknell and assumed the role of Chief Technical Officer, overseeing the company's software engineering proposition.

Colm McVeigh - *Chief Executive Officer*

Colm has held senior commercial roles in software and telecoms sectors with a strong record of driving growth and business transformation. He has worked for Misys, Oracle and later for Vodafone and BT leading commercial teams responsible for commercial strategy, marketing, proposition development, product management and sales. From 2016 until September 2021, Colm was the Chief Commercial Officer of BT One Phone, the mobile Cloud SaaS joint venture in which he led the commercial turnaround resulting in a high multiple EBITDA minority interest sale valued at £320 million. Colm has an MBA from University of Reading, B.Sc (mgmt.) from Trinity College Dublin, and a Diploma in Mediation from Law Society of Ireland.

John Murray - *Independent Non-Executive Director*

John Murray was most recently a Managing Director at Credit Suisse acting as Senior Adviser to the CEO. He joined Credit Suisse in 2015 from Prudential plc where he served as Group Director of Communications and member of the Group Executive Committee. John was previously Director of Communications at the Financial Services Authority, a founding partner of London-based financial PR consultancy, Powerscourt Limited, and Director of Strategy and Communications at Telewest plc (now part of Virgin Media). Prior to this, John had a successful career in journalism, culminating in the position of Executive Editor of The Daily Express. John is currently a senior advisor to AIM listed activist fund, Crystal Amber Fund, alongside holding the position of Trustee for the Barbican Centre.

Richard Cooper - *Independent Non-Executive Director*

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Richard Cooper has over 25 years' experience as a Chief Financial Officer across both publicly-traded and privately-owned companies in a variety of service industries, including gaming and financial services. He is currently CFO of Equals Group plc, an AIM-quoted Fintech company. He also holds the role of Chairman and non-executive director of Engage XR Holdings Plc, also quoted on AIM. From December 2008 until February 2017, Mr Cooper was the Chief Financial Officer of GVC Holdings plc (now Entain plc). He also served as a non-executive director, and Chair of the Audit Committee of Sportech plc from May 2017 until October 2018.

Principle Seven

Evaluation of Board Performance

Given the small size and complexity of the Company, the Board has not appointed external consultants to evaluate the performance of the Directors and board overall. It however evaluates performance through peer evaluation and will continue to review this requirement as the size and the complexity of the Company evolves.

Principle Eight

Corporate Culture

The Board and executive management are committed to maintaining the highest standards of integrity in the conduct. Culture is key to successfully implementing the Company's strategy and achieving its objectives.

The executive management consistently reviews its employee training and communication practices to ensure these values continue to form an integral part of the day-to-day operations and that any misalignment is rapidly addressed. This is further enhanced by whistleblowing, equal opportunity and anti harrasment policies.

The Group is committed to providing a safe environment for its staff and all other parties for which the Group has a legal or moral responsibility.

Principle Nine

Maintenance of Governance Structures and Processes

The Non-Executive Chairman ensures effective communication with shareholders. The Company's Chief Executive, Colm McVeigh, is responsible for the operational management of the Company and the implementation of Board strategy and policy. By dividing responsibilities in this way, no one individual has unfettered powers of decision-making.

The appropriateness of the Board's composition and corporate governance structures are regularly reviewed by the Board as a whole, and these will evolve in parallel with the Company's objectives, strategy and business model.

The Board has established the following committees:

Audit and Risk Committee

The Audit and Risk Committee is comprised of the non-executive Directors and is chaired by Richard Cooper (appointed 11 April 2022). Its primary responsibility is to monitor the quality of internal controls, ensuring that the financial performance of the Company is properly measured and reported on, and for reviewing reports from the Company's auditors relating to the Company's accounting and internal controls, in all cases having due regard to the interests of shareholders.

In accordance with the QCA Code, the Audit and Risk Committee aims to meet at least three times a year to review the Company's interim and final results and liaises with the Company's Auditors.

Remuneration Committee

The Remuneration Committee is comprised of the non-executive Directors and is chaired by John Murray. Its primary responsibility is to set the level of remuneration for both Directors and Key management personnel, determining terms and conditions of service, including the grant of share options, having due regard to the interests of shareholders.

Nominations Committee

The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors

The Board has adopted guidelines for the appointment of Non-Executive Directors which have been in place and which have been observed throughout the year. These provide for the orderly and constructive succession and rotation of the Chairman and non-executive Directors insofar as both the Chairman and non-executive Directors will be appointed for an initial term of

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three years and may, at the Board's discretion believing it to be in the best interests of the Company, be appointed for subsequent terms. The Chairman may serve as a Non-Executive Director before commencing a first term as Chairman.

In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten

Shareholder Communication

Aside from the distribution to shareholders of an Annual Report and an Interim Report at the half year, shareholders are invited to attend an annual general meeting each year and other meetings where their input and approval is required.

The Company encourages two-way communication with both its institutional and private investors and responds quickly to all queries received. The Chairman is available to the Group's major shareholders and ensures that their views are communicated fully to the Board.

The Board recognises the Annual General Meeting as an important opportunity to meet private shareholders. The Directors are available to listen to the views of shareholders informally immediately following the Annual General Meeting.

The Company will disclose outcomes of all votes at general meetings of shareholders in a clear and transparent manner either on the website or via an announcement.

Where a significant proportion of votes (20% of independent votes) have been cast against a resolution at any general meeting, the Company will provide an explanation of what actions it intends to take to understand the reasons behind that vote result, and, where appropriate, any different action it has taken, or will take, as a result of the vote.

Insig AI's website is regularly updated for regulatory announcements and other required information and is accessible online at: <https://insg.ai>.

The Board has ultimate responsibility for reviewing and approving the Annual Report and Financial Statements and it has considered and endorsed the arrangements for their preparation, under the guidance of its Audit and Risk Committee.

Colm McVeigh
Chief Executive Officer
8 September 2022

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

INDEPENDENT AUDITORS REPORT

To the shareholders of Insig AI Plc

Opinion

We have audited the financial statements of Insig AI Plc (the “Parent Company”) and its subsidiaries (the “Group”) for the year ended 31 March 2022, which comprise:

- the consolidated and company statement of financial position as at 31 March 2022;
- the consolidated income statement for the year ended 31 March 2022;
- the consolidated statement of comprehensive income for the year ended 31 March 2022;
- the consolidated statement of changes in equity for the year then ended;
- the company statement of changes in equity for the year then ended
- the consolidated and company statement of cash flows for the year then ended; and
- the notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards, and as regards the parent company, as applied in accordance with the provision of then 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 March 2022 and of the Group’s loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted International Accounting Standards 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to the going concern paragraph in note 2.5 in the consolidated financial statements, the funding section of the Chairman’s Report on page 5 and the going concern paragraphs in the Strategic Report on page 10, which explains that the Board has considered the potential shortfall in funding over the following 12 months from date of approval of these financial statements.

The Board acknowledge their expectation that further working capital is required to support the Group over both the short and potentially medium term. In addition to this there are also inherent uncertainties over future projected revenue growth including the timing of the receipt for significant research and development credit. Together the above indicates 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.

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 company’s ability to continue to adopt the going concern basis of accounting included:

- Discussions with management with regards to future funding requirements.
- Reviewing the directors’ going concern assessment including the worst-case scenario cash flow forecast that covers at least 12 months from the date we expect to sign the audit report.
- Assessing the cash flow requirements of the Company based on budgets and forecasts.
- Understanding what forecast expenditure is committed and what could be considered discretionary.
- Considering the liquidity of existing assets in the statement of financial position.
- Considering the options available to management for further fundraising, or additional sources of finance.
- Making enquiries of management as to its knowledge of events or conditions beyond the period of their assessment that may cast significant doubt on the Company’s ability to continue as a going concern, and evaluating the reliability of the data underpinning the forecast cash flows along with the numerical accuracy of the calculations.

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INDEPENDENT AUDITORS REPORT

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

Overview of our audit approach

Materiality

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

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be £95,000, based on 5% of adjusted EBITDA benchmark which we consider to be the most appropriate measure of performance for the entity

Overall Parent Company materiality was set at £40,000 based on based on net assets and restricted so as not to exceed group materiality.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Performance materiality was set at £66,500 for the Group and £28,000 for the Parent Company.

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

We agreed with the Audit Committee to report to it all identified errors in excess of £1,900. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The audit scope was established during the planning stage and was based around the key matters set out below. The scope involved tests of detail selecting transactions via random sampling techniques.

The audit field work was completed on client premises and remotely.

Key Audit Matters

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

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

Key audit matter	How the scope of our audit addressed the key audit matter
During the year, the group acquired the entire share capital of Insig Partners Limited and Insig Data Limited (formerly FDB Systems Limited) as set out in note 30. There is a risk that the acquisition has not been accounted for in accordance with IFRS 3 "Business Combinations" and / or adequate disclosures have not been made.	We have obtained a copy of the share purchase agreement and have ensured that the acquisition has been correctly accounted for in accordance with IFRS 3 in the financial statements. At the group level we have audited goodwill and intangibles that arise from the acquisition. All assumptions made have been audited using our knowledge of the group, similar clients and the wider sector. We have discussed and challenged management on the assumptions used for their calculations and identification of intangible assets and have agreed the underlying numbers to supporting evidence. For deferred consideration we have ensured that this has been correctly calculated and that any changes in the estimates have been correctly reflected within the financial statements. We have ensured that the disclosures required by IFRS 3 have been made completely and accurately.

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We have completed our testing in conjunction with our corporate finance team, utilising their specialised expertise.

The Group has a high level of intangible assets and goodwill from the acquisitions noted above as set out in note 13.

There is a risk that these assets may be impaired.

For goodwill we have audited the impairment review prepared by management.

We have examined in detail the basis of the impairment model and the inputs used to ensure that the amounts included are consistent with our knowledge of the business and the sector it operates in with reference to the treatment used by other similar entities.

For intangible assets we have assessed the amortisation rates used to ensure that the amounts included are consistent with our knowledge of the business and the sector it operates in.

We have reviewed the disclosures within the financial statements to ensure they are complete and accurately stated in line with appropriate accounting standards.

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

Other information

The directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 14, 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.

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INDEPENDENT AUDITORS REPORT

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management and the recognition of revenue. Our audit procedures to respond to these risks included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the board meeting minutes;
- enquiry of management and review and inspection of relevant correspondence with any legal firms;
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- detailed testing of a sample of sales made during the year and around the year end and agreeing these through to invoices and despatch records.
- testing the appropriateness of a sample of significant journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements; and
- review of accounting estimates for biases.

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

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

Use of our report

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

Mark Sisson (Senior Statutory Auditor)
For and on behalf of Crowe U.K. LLP
Statutory Auditor

Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW

8 September 2022

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION For the year ended 31 March 2022

	Note	Group		Company	
		31 March 2022 £	31 March 2021 £	31 March 2022 £	31 March 2021 £
Non-Current Assets					
Property, plant and equipment	11	66,000	3,000	-	-
Right of Use Assets	12	38,000	51,000	-	-
Intangible assets	13	38,217,000	60,000	-	-
Unlisted investments		-	1,500,000	-	1,500,000
Investment in subsidiaries	14	-	-	39,179,000	220,000
		38,321,000	1,614,000	39,179,000	1,720,000
Current Assets					
Trade and other receivables	15	289,000	397,000	90,000	685,000
Cash and cash equivalents	16	473,000	935,000	61,000	484,000
		762,000	1,332,000	151,000	1,169,000
Total Assets		39,083,000	2,946,000	39,330,000	2,889,000
Non-Current Liabilities					
Lease liabilities	18	29,000	38,000	-	-
Borrowings > 1 year	18	-	204,000	-	-
Deferred tax liabilities	19	4,160,000	-	-	-
		4,189,000	242,000	-	-
Current Liabilities					
Trade and other payables	17	809,000	566,000	308,000	304,000
Lease liabilities	18	8,000	8,000	-	-
Unsecured convertible loan notes	18	-	414,000	-	414,000
Borrowings < 1 year	18	-	36,000	-	-
		817,000	1,024,000	308,000	718,000
Total Liabilities		5,006,000	1,266,000	308,000	718,000
Net Assets		34,077,000	1,680,000	39,022,000	2,171,000
Equity attributable to owners of the Parent					
Share capital	21	3,110,000	2,480,000	3,110,000	2,480,000
Share premium	21	39,077,000	3,040,000	39,077,000	3,040,000
Other reserves	22, 23	326,000	428,000	326,000	428,000
Retained losses		(8,383,000)	(4,202,000)	(3,491,000)	(3,777,000)
Equity attributable to shareholders of the parent		34,130,000	1,746,000	39,022,000	2,171,000
Non-controlling interests		(53,000)	(66,000)	-	-
Total Equity		34,077,000	1,680,000	39,022,000	2,171,000

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Parent Company Income Statement and Statement of Comprehensive Income. The profit for the Company for the year ended 31 March 2022 was £269,000 (15 months ended 31 March 2021: loss of £1,050,000).

The Financial Statements were approved and authorised for issue by the Board of Directors on 8 September 2022 and were signed on its behalf by:

Colm McVeigh
Chief Executive Officer

The Notes on pages 32 to 60 form part of these Financial Statements.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

CONSOLIDATED INCOME STATEMENT For the year ended 31 March 2022

		12 month period ended 31 March 2022	15 month period ended 31 March 2021
Continued operations	Note	£	£
Revenue	5	1,708,000	1,043,000
Cost of sales	5	(719,000)	(798,000)
Gross profit		989,000	245,000
Administrative expenses	6	(5,256,000)	(1,548,000)
Other gains/(losses)	7	7,000	-
Other income	8	119,000	602,000
Operating loss		(4,141,000)	(701,000)
Finance income	9	4,000	1,000
Finance costs	9	(14,000)	(48,000)
Loss before exceptional item		(4,151,000)	(748,000)
Exceptional items	10	908,000	(314,000)
Loss before income tax		(3,243,000)	(1,062,000)
Deferred tax	26	(942,000)	-
Loss for the year after income tax		(4,185,000)	(1,062,000)
Loss for the year attributable to owners of the Parent		(4,198,000)	(1,060,000)
Profit/(Loss) for the year attributable to Non-controlling interests		13,000	(2,000)
Basic and Diluted Loss Per Share attributable to owners of the Parent during the period (expressed in pence per share)	27	(3.55)p	(2.67)p

The Notes on pages 32 to 60 form part of these Financial Statements.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
For the year ended 31 March 2022

	12 month period ended 31 March 2022 £	15 month period ended 31 March 2021 £
Loss for the year	(4,185,000)	(1,062,000)
Other Comprehensive Income:		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	-	-
Other comprehensive loss for the year, net of tax	-	-
Total comprehensive loss	(4,185,000)	(1,062,000)
Total comprehensive loss attributable to owners of the Parent	(4,198,000)	(1,060,000)
Total comprehensive profit/(loss) attributable to Non-controlling interests	13,000	(2,000)

The Notes on pages 32 to 60 form part of these Financial Statements.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY For the year ended 31 March 2022

Note	Share capital £	Share premium £	Other reserves £	Retained earnings /(losses) £	Total £	Non Controlling Interest £	Total £
Balance as at 1 January 2020	2,409,000	1,048,000	326,000	(3,165,000)	618,000	(64,000)	554,000
Loss for the period	-	-	-	(1,060,000)	(1,060,000)	(2,000)	(1,062,000)
Other comprehensive loss for the period							
Items that may be subsequently reclassified to profit or loss							
Total comprehensive loss for the period	-	-	-	(1,060,000)	(1,060,000)	(2,000)	(1,062,000)
Issue of new shares	71,000	1,992,000	-	-	2,063,000	-	2,063,000
Equity component of CLN issued in period	-	-	124,000	-	124,000	-	124,000
Share based payments	-	-	-	23,000	23,000	-	23,000
Share issue costs	-	-	(22,000)	-	(22,000)	-	(22,000)
Total transactions with owners, recognised directly in equity	71,000	1,992,000	102,000	23,000	2,188,000	-	2,188,000
Balance as at 31 March 2021	2,480,000	3,040,000	428,000	(4,202,000)	1,746,000	(66,000)	1,680,000
Balance as at 1 April 2021	2,480,000	3,040,000	428,000	(4,202,000)	1,746,000	(66,000)	1,680,000
Profit/(Loss) for the year	-	-	-	(4,198,000)	(4,198,000)	13,000	(4,185,000)
Other comprehensive loss for the year							
Items that may be subsequently reclassified to profit or loss							
Total comprehensive loss for the year	-	-	-	(4,198,000)	(4,198,000)	13,000	(4,185,000)
Issue of shares	630,000	36,201,000	-	-	36,831,000	-	36,831,000
Equity component of CLN redeemed in period	-	-	(124,000)	-	(124,000)	-	(124,000)
Share based payments	-	-	-	17,000	17,000	-	17,000
Share issue costs	-	(164,000)	22,000	-	(142,000)	-	(142,000)
Total transactions with owners, recognised directly in equity	630,000	36,037,000	(102,000)	17,000	36,582,000	-	36,582,000
Balance as at 31 March 2022	3,110,000	39,077,000	326,000	(8,383,000)	34,130,000	(53,000)	34,077,000

The Notes on pages 32 to 60 form part of these Financial Statements.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 31 March 2022

	Note	Share capital £	Share premium £	Other reserves £	Retained losses £	Total equity £
Balance as at 1 January 2020		2,409,000	1,048,000	326,000	(2,750,000)	1,033,000
Loss for the period		-	-	-	(1,050,000)	(1,050,000)
Total comprehensive loss for the period		-	-	-	(1,050,000)	(1,050,000)
Issue of new shares		71,000	1,992,000	-	-	2,063,000
Share based payments		-	-	-	23,000	23,000
Share issue costs		-	-	(22,000)	-	(22,000)
Equity component of CLN issued in the period		-	-	124,000	-	124,000
Total transactions with owners, recognised directly in equity		71,000	1,992,000	102,000	23,000	2,188,000
Balance as at 31 March 2021		2,480,000	3,040,000	428,000	(3,777,000)	2,171,000
Balance as at 1 April 2021		2,480,000	3,040,000	428,000	(3,777,000)	2,171,000
Profit for the year		-	-	-	269,000	269,000
Total comprehensive loss for the year		-	-	-	269,000	269,000
Issue of shares		630,000	36,201,000	-	-	36,831,000
Equity component of CLN redeemed in period		-	-	(124,000)	-	(124,000)
Share based payments		-	-	-	17,000	17,000
Share issue costs		-	(164,000)	22,000	-	(142,000)
Total transactions with owners, recognised directly in equity		630,000	36,037,000	(102,000)	17,000	36,582,000
Balance as at 31 March 2022		3,110,000	39,077,000	326,000	(3,491,000)	39,022,000

The Notes on pages 32 to 60 form part of these Financial Statements.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

CONSOLIDATED AND COMPANY STATEMENTS OF CASH FLOWS For the year ended 31 March 2022

	Note	Group		Company	
		12 month period ended 31 March 2022 £	15 month period ended 31 March 2021 £	12 month period ended 31 March 2022 £	15 month period ended 31 March 2021 £
Cash flows from operating activities					
(Loss)/profit before income tax		(4,185,000)	(1,062,000)	269,000	(1,050,000)
Adjustments for:					
Depreciation and amortisation		2,239,000	20,000	-	-
Share based payments	22	17,000	23,000	17,000	23,000
Net finance (income)/costs		13,000	47,000	(58,000)	17,000
Indebtness with subsidiaries (waived)/written off		-	-	-	(193,000)
Investment in subsidiaries written off		-	-	-	192,000
Provision for deferred tax liabilities		942,000	-	-	-
Proceeded from R&D tax credits		683,000	-	-	-
Fair value uplift on unlisted investment		(1,759,000)	-	(1,759,000)	-
Loss on disposal of lease liability		(7,000)	-	-	-
Changes in working capital:					
(Increase)/Decrease in trade and other receivables		36,000	(288,000)	52,000	(335,000)
Increase/(Decrease) in trade and other payables		(172,000)	299,000	(57,000)	277,000
Net cash used in operating activities		(2,193,000)	(961,000)	(1,536,000)	(1,069,000)
Cash flows from investing activities					
Sale/(Purchase) of property, plant and equipment	11	(34,000)	(2,000)	-	-
Investment in unlisted shares		-	(1,500,000)	-	(1,500,000)
Acquisition of subsidiaries net of cash acquired	30	(1,529,000)	-	(1,742,000)	-
Purchase of intangible assets	13	(2,304,000)	-	-	-
Loans granted to subsidiaries		-	-	(3,148,000)	-
Finance income		-	1,000	-	1,000
Net cash used in investing activities		(3,867,000)	(1,501,000)	(4,890,000)	(1,499,000)
Cash flows from financing activities					
Proceeds from issue of share capital		6,145,000	2,063,000	6,145,000	2,063,000
Transaction costs of share issue		(142,000)	(22,000)	(142,000)	(22,000)
Proceeds from Borrowings		-	740,000	-	500,000
Repayment of borrowings		(290,000)	-	-	-
Repayment of leasing liabilities		(115,000)	(11,000)	-	-
Finance expense		-	(10,000)	-	-
Net cash generated from financing activities		5,598,000	2,760,000	6,003,000	2,541,000
Net decrease/(increase) in cash and cash equivalents		(462,000)	298,000	(423,000)	(27,000)
Cash and cash equivalents at beginning of year		935,000	637,000	484,000	511,000
Cash and cash equivalents at end of year	12	473,000	935,000	61,000	484,000

Major Non-Cash Transactions:

On 10 May 2021, 44,819,161 new ordinary shares were issued at 59 pence per share, as consideration shares to the owners of Insig Partners Limited for total consideration of £26,448,000.

On 10 May 2021, convertible loan notes issued by the Company were converted, resulting in 2,000,000 new ordinary shares issued at 25 pence per share for a total consideration of £500,000,

The Notes on pages 32 to 60 form part of these Financial Statements.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

1. General information

Insig AI plc is a public company limited by shares, domiciled and incorporated in England and Wales and its activities are as described in the strategic report on pages 7 to 12.

These financial statements are prepared in pounds sterling being the currency of the primary economic environment in which the Group operates. Monetary amounts are rounded to the nearest thousand.

2. Summary of significant accounting policies

The principal Accounting Policies applied in the preparation of these Consolidated Financial Statements are set out below. These Policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1. Basis of preparation of Financial Statements

The Group and Company Financial Statements have been prepared in accordance with UK-adopted international accounting standards. The Group and Company Financial Statements have also been prepared under the historical cost convention, except as modified for assets and liabilities recognised at fair value on an asset acquisition.

The Financial Statements are presented in Pound Sterling rounded to the nearest pound.

The preparation of Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Group and Company Financial Statements are disclosed in Note 4.

2.2. New and amended standards

(i) *New and amended standards adopted by the Group and Company*

The International Accounting Standards Board (IASB) issued various amendments and revisions to International Financial Reporting Standards and IFRIC interpretations. The amendments and revisions were applicable for the period ended 31 March 2022 but did not result in any material changes to the financial statements of the Group or Company.

Of the other IFRS and IFRIC amendments, none are expected to have a material effect on future Group or Company Financial Statements.

(ii) *New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted*

Standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

Standard	Impact on initial application	Effective date
IAS 8 (Amendments)	Accounting estimates	1 January 2023

None are expected to have a material effect on the Group or Company Financial Statements.

2.3. Basis of Consolidation

The Consolidated Financial Statements consolidate the financial statements of the Company and its subsidiaries made up to 31 March 2022. Subsidiaries are entities over which the Group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Investments in subsidiaries are accounted for at cost less impairment within the parent company financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group. All significant intercompany transactions and balances between Group enterprises are eliminated on consolidation.

2.4. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represent amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. Under IFRS 15 there is a five-step approach to revenue recognition which is adopted across all revenue streams. The process is:

- Step 1: Identify the contract(s) with a customer;
- Step 2: Identify the performance obligations in the contract;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations in the contract; and
- Step 5: Recognise revenue as and when the entity satisfies the performance obligation.

The Group has two types of revenue streams being machine learning and data services and sports activities.

Machine learning and Data services revenue comprises of:

1. ESG Research Tool
Charged on a licence fee basis and the fees are recognised once the services have been provided to the client over the period of time the work is conducted.
2. Machine Readable Data
Charged on a licence fee basis and the fees are recognised once the services have been provided to the client over the period of time the work is conducted.
3. Bespoke Data Science Solutions
Charged on a project basis and includes work related to data migration, design fees, communication fees and technological services. The fees are recognised once the services have been provided to the client over the period of time the work is conducted.

Sports activities revenue is recognised once performance obligations have been satisfied and work is completed with payment due in advance of the performance obligations. Under the Group's standard contract terms, customers may be offered refunds for cancellation of sports and leisure activities. It is considered highly probable that a significant reversal in the revenue recognised will not occur given the consistent low level of refunds in prior years.

2.5. Going concern

The preparation of financial statements requires an assessment on the validity of the going concern assumption. The Directors have reviewed projections for a period of at least 12 months from the date of approval of the financial statements as well as potential opportunities. Any potential short falls in funding have been identified and the steps to which Directors are able to mitigate such scenarios and/or defer or curtail discretionary expenditures should these be required have been considered.

In approving the financial statements, the Board have recognised that these circumstances create a level of uncertainty. However, having made enquiries and considered the uncertainties outlined above, the Directors have a reasonable expectation that the Group will continue to be able to raise finance as required over this period to enable it to continue in operation and existence for the foreseeable future. Accordingly, the Board believes it is appropriate to adopt the going concern basis in the preparation of the financial statements.

2.6. Foreign currencies

(a) Functional and presentation currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The functional currency of the UK parent

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

entity and UK subsidiaries is Pounds Sterling, The Financial Statements are presented in Pounds Sterling which is the Company's functional and Group's presentational currency.

(b) Transactions and balances

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

2.7. Intangible assets

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of subsidiary entities at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in the statement of comprehensive income and is not subsequently reversed.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units expected to benefit from synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary, associate or jointly controlled entity, the amount of goodwill is included in the determination of the profit or loss on disposal.

Goodwill arising on acquisitions before the date of transition to IFRS's has been retained at the previous UK GAAP amounts subject to being tested for impairment at that date.

Development costs are expensed in arriving at the operating profit or loss for the year unless the Directors are satisfied as to the technical, commercial and financial viability of individual project. In this situation, the expenditure is recognised as an asset and is reviewed for impairment on an annual basis. Amortisation is provided on all development costs to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Technology assets – 7 years straight line
Customer relationships – 13 years straight line
Databases – 7 years straight line

Any impairment is recognised immediately in the income statement in administrative expenses and is not subsequently reversed.

2.8. Investments in subsidiaries

Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision.

2.9. Property, plant and equipment

Property, Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all property, plant and equipment to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Office Equipment – 25% and 10% straight line
Plant and Equipment – 25% and 10% straight line

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

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. If an impairment review is conducted following an indicator of impairment, assets which are not able to be assessed for impairment individually are assessed in combination with other assets within a cash generating unit.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains' in the Income Statement.

2.10. Impairment of non-financial assets

Assets that have an indefinite useful life, for example, intangible assets not ready to use, and goodwill, are not subject to amortisation and are tested annually for impairment. Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11. Financial Instruments

Financial assets and financial liabilities are recognised in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets and financial liabilities are only offset and the net amount reported in the consolidated statement of financial position and income statement when there is a currently enforceable legal right to offset the recognised amounts and the Group intends to settle on a net basis or realise the asset and liability simultaneously.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the company's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is recognised.

Financial assets

All Group's recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Financial assets that meet the following conditions are measured subsequently at amortised cost using the effective interest rate method:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The company classifies the following financial assets at fair value through profit or loss (FVPL):

- debt instruments that do not qualify for measurement at either amortised cost (see above) or FVOCI;
- equity investments that are held for trading; and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

The Group does not hold any financial assets that meet conditions for subsequent recognition at fair value through other comprehensive income ("FVTOCI").

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Impairment of financial assets

The Group recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Financial liabilities

The classification of financial liabilities at initial recognition depends on the purpose for which the financial liability was issued and its characteristics. All purchases of financial liabilities are recorded on trade date, being the date on which the Group becomes party to the contractual requirements of the financial liability. Unless otherwise indicated the carrying amounts of the Group's financial liabilities approximate to their fair values.

The Group's financial liabilities consist of financial liabilities measured at amortised cost and financial liabilities at fair value through profit or loss.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held for trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method. The Group's financial liabilities measured at amortised cost comprise convertible loan notes, trade and other payables, and accruals.

The effective interest method is a method of calculating the amortised cost of a financial asset/liability and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash receipts/payments through the expected life of the financial asset/liability or, where appropriate, a shorter period.

Convertible loan notes

On issue of a convertible loan, the fair value of the liability component is determined by discounting the contractual future cash flows using a market rate for a non-convertible instrument with similar terms. This value is carried as a liability on the amortised cost basis unless is designated as a Fair Value Through Profit and Loss ("FVTPL") at inception.

Financial instruments designated as FVTPL are classified in this category irrevocably at inception and are derecognised when extinguished. They are initially measured at fair value and transaction costs directly attributable to their acquisition are recognised immediately in profit or loss. Subsequent changes in fair values are recognised in the income statement with profit or loss.

Equity instruments are instruments that evidence a residual interest in the assets of an entity after deducting all of its liabilities. Therefore, when the initial carrying amount of a compound financial instrument is allocated to its equity and liability components, the equity component is assigned the residual amount after deducting from the fair value of the instrument as a whole the amount separately determined for the liability component. The value of any derivative features (such as a call option) embedded in the compound financial instrument other than the equity component (such as an equity conversion option) is included in the liability component.

Derecognition of financial liabilities

A financial liability (in whole or in part) is recognised when the Group has extinguished its contractual obligations, it expires or is cancelled. Any gain or loss on derecognition is taken to the income statement.

Fair value measurement hierarchy

The Group classifies its financial assets and financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the fair value measurement (note 7). The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3).

The level in the fair value hierarchy within the financial asset or financial liability is determined on the basis of the lowest level input that is significant to the fair value measurement.

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2.12. Leases

The Group leases certain property, plant and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid. Lease payments generally include fixed payments less any lease incentives receivable. The lease liability is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group estimates the incremental borrowing rate based on the lease term, collateral assumptions, and the economic environment in which the lease is denominated. The lease liability is subsequently measured at amortized cost using the effective interest method. The lease liability is remeasured when the expected lease payments change as a result of new assessments of contractual options and residual value guarantees.

The right-of-use asset is recognised at the present value of the liability at the commencement date of the lease less any incentives received from the lessor. Added to the right-of-use asset are initial direct costs, payments made before the commencement date, and estimated restoration costs. The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in lease liabilities, split between current and non-current depending on when the liabilities are due. The interest element of the finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Assets obtained under finance leases are depreciated over their useful lives. The lease liabilities are shown in Note 18.

Exemptions are applied for short life leases and low value assets, with payment made under operating leases charged to the Consolidated Statement of Comprehensive Income on a straight-line basis of the period of the lease.

2.13. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

2.14. Equity

Equity comprises the following:

- "Share capital" represents the nominal value of the Ordinary shares;
- "Share Premium" represents consideration less nominal value of issued shares and costs directly attributable to the issue of new shares;
- "Other reserves" represents the merger reserve, revaluation reserve and share option reserve where:
 - "Merger reserve" represents the difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange;
 - "Revaluation reserve" represents a non-distributable reserve arising on the acquisition of Insig Partners Limited;
 - "Share option reserve" represents share options awarded by the group;
- "Retained earnings" represents retained losses.

2.15. Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity, as a deduction, net of tax, from the proceeds provided there is sufficient premium available. Should sufficient premium not be available placing costs are recognised in the Income Statement.

2.16. Share based payments

The Group operates a number of equity-settled, share-based schemes, under which the Group receives services from employees or third party suppliers as consideration for equity instruments (options and warrants) of the Group. The fair value of the third party suppliers' services received in exchange for the grant of the options is recognised as an expense in the Income Statement or charged to equity depending on the nature of the service provided. The value of the employee services received is expensed in the Income Statement and its value is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability or sales growth targets, or remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

The fair value of the share options and warrants are determined using the Black Scholes valuation model.

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For the year ended 31 March 2022

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense or charge is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Income Statement or equity as appropriate, with a corresponding adjustment to a separate reserve in equity.

When the options are exercised, the Group issues new shares. The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium when the options are exercised.

2.17. Taxation

No current tax is yet payable in view of the losses to date.

Deferred tax is recognised for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets (including those arising from investments in subsidiaries), are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be used.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in 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 assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is calculated at the tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply to the period when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are not discounted.

3. Financial risk management

3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. None of these risks are hedged.

Risk management is carried out by the management team under policies approved by the Board of Directors.

Market risk

The Group is exposed to market risk, primarily relating to interest rate and foreign exchange. The Group has not sensitised the figures for fluctuations in interest rates and foreign exchange as the Directors are of the opinion that these fluctuations would not have a significant impact on the Financial Statements at the present time. The Directors will continue to assess the effect of movements in market risks on the Group's financial operations and initiate suitable risk management measures where necessary.

Credit risk

Credit risk arises from cash and cash equivalents as well as loans to subsidiaries and outstanding receivables. Management does not expect any losses from non-performance of these receivables. The amount of exposure to any individual counter party is subject to a limit, which is assessed by the Board.

The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

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For the year ended 31 March 2022

Impairment provisions for loans to subsidiaries are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. At year end it was assessed credit risk was low due to future profits forecast therefore no provision was required.

For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised. At year end all receivables were less than 60 day outstanding and deemed highly likely to be received therefore no provision was required.

Liquidity risk

In keeping with similar sized groups, the Group's continued future operations depend on the ability to raise sufficient working capital through the issue of equity share capital or debt. The Directors are reasonably confident that adequate funding will be forthcoming with which to finance operations. Controls over expenditure are carefully managed.

With exception to deferred taxation, financial liabilities are all due within one year.

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to enable the Group to continue its activities, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the issue of shares or sell assets to reduce debts.

The Group defines capital based on the total equity of the Company. The Group monitors its level of cash resources available against future activities and may issue new shares in order to raise further funds from time to time.

4. Critical accounting estimates and judgements

The preparation of the Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the period.

Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Items subject to such estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, include but are not limited to:

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which the goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill is the deemed cost on first time application of IFRS.

Details of the carrying value of goodwill at the period end and the impairment review assessment are given in Note 13.

Identification of intangible assets

The Company follows the guidance of IAS 36 to determine when impairment indicators exist for its intangible assets. When impairment indicators exist, the Company is required to make a formal estimate of the recoverable amount of its intangible assets. This determination requires significant judgement. In making this judgement, management evaluates external and internal factors, such as significant adverse changes in the technological market, economic or legal environment in which the Company operates as well as the results of its ongoing development programs. Management also considers the carrying amount of the Company's net assets in relation to its market capitalisation as a key indicator.

Share based payment transactions

The Company has granted options to acquire its shares to a Director. On valuing the fair value of the share options granted and hence the cost charged to profit or loss, judgements are required regarding key assumptions applied.

The valuation of these options and warrants involves making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and forfeiture rates. These assumptions have been described in more detail in Note 22.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

Deferred tax asset

At the present time the Directors' do not consider that there is sufficient certainty regarding the utilisation of tax losses available in the Group. As a result, no deferred tax asset has been recognised.

Intangibles

The allocation of the value of the excess consideration less the net assets acquired are identified as intangible assets arising as part of a business combination; these require judgement in respect of the separately identifiable intangible assets that have been acquired. These judgements are based upon the directors' opinion of the identifiable assets from which economic benefits are derived.

5. Segment information

Business segments are identified according to the different trading activities in the Group.

During the year, the Group's trading segments were machine learning and data services representing revenue of £374,000 and its sports and leisure activities, comprising sports tuition at schools representing its revenue of £1,334,000 (15 months to 31 March 2021: £1,043,000). All revenue was generated in the UK. The prior period had one segment which was sports and leisure activities, therefore no comparative has been provided.

31 March 2022	Machine learning and Data services £	Sport in Schools £	Total £
Revenue	374,000	1,334,000	1,708,000
Cost of sales	(14,000)	(705,000)	(719,000)
Administrative expenses	(4,697,000)	(559,000)	(5,256,000)
Other gains/(losses)	7,000	-	7,000
Other income	10,000	109,000	119,000
Finance income	4,000	-	4,000
Finance costs	(11,000)	(3,000)	(14,000)
Exceptional items	908,000	-	908,000
Profit/(Loss) before tax per reportable segment	(3,419,000)	176,000	(3,243,000)
Additions to intangible asset	38,217,000	-	38,217,000
Reportable segment assets	38,633,000	450,000	39,083,000
Reportable segment liabilities	4,780,000	226,000	5,006,000

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

6. Administrative expenses

	Year ended 31 March 2022 £	15 months ended 31 March 2021 £
Employee salaries and costs	1,149,000	559,000
Director remuneration	430,000	477,000
Office and expenses	77,000	32,000
Travel & subsistence	30,000	5,000
Professional & consultancy fees	927,000	335,000
IT & Software	71,000	15,000
Subscriptions	175,000	17,000
Insurance	85,000	29,000
Depreciation and amortisation	2,239,000	20,000
Share option expense	17,000	24,000
Other expenses	56,000	35,000
Total administrative expenses	5,256,000	1,548,000

Services provided by the Company's auditor and its associates

During the year, the Group (including overseas subsidiaries) obtained the following services from the Company's auditors and its associates:

	Group	
	Year ended 31 March 2022 £	15 months ended 31 March 2021 £
Auditors' remuneration	49,000	21,000

7. Other gain/(losses)

	Group	
	Year ended 31 March 2022 £	15 months ended 31 March 2021 £
Loss on disposal of Right of Use asset	7,000	-
Other gain/(losses)	7,000	-

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

8. Other operating income

	Group	
	Year ended 31 March 2022	15 months ended 31 March 2021
	£	£
Coronavirus Job Retention Scheme	-	575,000
Local Government grants	119,000	20,000
Government support towards CBILS loan interest	-	7,000
	119,000	602,000

9. Finance income/costs

	Group	
	Year ended 31 March 2022	15 months ended 31 March 2021
	£	£
Interest received from cash and cash equivalents	4,000	1,000
Finance Income	4,000	1,000
Loan interest	(14,000)	(48,000)
Finance Costs	(14,000)	(48,000)

10. Exceptional Items

	Group	
	Year ended 31 March 2022	15 months ended 31 March 2021
	£	£
Fair value uplift upon acquisition	1,759,000	-
Readmission and acquisition costs	(851,000)	(314,000)
	908,000	(314,000)

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

11. Property, plant and equipment

Group

	Plant and equipment £	Total £
Cost		
As at 1 January 2020	104,000	104,000
Additions	2,000	2,000
As at 31 March 2021	106,000	106,000
As at 1 April 2021	106,000	106,000
Additions	34,000	34,000
Acquired upon acquisition	66,000	66,000
As at 31 March 2022	206,000	206,000
Depreciation		
As at 1 January 2020	96,000	96,000
Charge for the year	7,000	7,000
As at 31 March 2021	103,000	103,000
As at 1 April 2021	103,000	103,000
Charge for the year	17,000	17,000
Acquired upon acquisition	20,000	20,000
As at 31 March 2022	140,000	140,000
Net book value as at 31 March 2021	3,000	3,000
Net book value as at 31 March 2022	66,000	66,000

All tangible assets shown above are assets in use by the Group's subsidiary undertakings.

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NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2022

12. Right of use Assets

Group

	Office assets	Other	Total
	£	£	£
Cost			
As at 1 January 2020	-	154,000	154,000
Additions	-	-	-
As at 31 March 2021	-	154,000	154,000
As at 1 April 2021	-	154,000	154,000
Additions	294,000	-	294,000
Acquired upon acquisition	407,000	-	407,000
Disposal	(701,000)	-	(701,000)
As at 31 March 2022	-	154,000	154,000
Depreciation			
As at 1 January 2020	-	90,000	90,000
Charge for the year	-	13,000	13,000
As at 31 March 2021	-	103,000	103,000
As at 1 April 2021	-	103,000	103,000
Charge for the year	117,000	13,000	130,000
Acquired upon acquisition	101,000	-	101,000
Disposal	(218,000)	-	(218,000)
As at 31 March 2022	-	116,000	116,000
Net book value as at 31 March 2021	-	51,000	51,000
Net book value as at 31 March 2022	-	38,000	38,000

Right of Use Assets represent leasehold premises from which the Group operates in relation to its sports and leisure activities.

All right of use assets shown above are assets in use by the Group's subsidiary undertakings.

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

13. Intangible assets

Intangible assets comprise goodwill and development costs.

Assets - Cost and Net Book Value	Goodwill £	Development Costs £	Technology assets £	Customer relationships £	Databases £	Total £
Cost						
As at 1 April 2021	60,000	1,085,000	-	-	-	1,145,000
Additions	-	-	2,304,000	-	-	2,304,000
Acquired from business combination	21,561,000	-	14,081,000	1,207,000	1,094,000	37,943,000
As at year 31 March 2022	21,621,000	1,085,000	16,385,000	1,207,000	1,094,000	41,392,000
Amortisation						
As at 1 April 2021	-	1,085,000	-	-	-	1,085,000
Amortisation	-	-	1,964,000	74,000	52,000	2,090,000
As at 31 March 2022	-	1,085,000	1,964,000	74,000	52,000	3,175,000
Net book value	21,621,000	-	14,421,000	1,133,000	1,042,000	38,217,000

- Goodwill of £60,000 included above relates to the acquisition of Pantheon Leisure Plc which is included at its deemed cost on first time application of IFRS.
- Goodwill of £19,041,000 included above relates to the acquisition of Insig Partners Limited (see Note 30)
- Goodwill of £2,520,000 included above relates to the acquisition of Insig Data (formerly FDB Systems Limited) (see Note 30)

Development costs are predominantly capitalised staff costs associated with enhancements to the technology being developed by Insig Partners Limited. The Group's technology, customer relationships and database technology are acquired from the acquisitions undertaken during the period. During the year a purchase price allocation exercise relating to the purchase of Insig Partners Limited and Insig Data Limited by the Company was completed as per the requirements of IFRS 3 which valued the Group's technology, customer relationships and database technology at £16,486,000.

Goodwill is recognised when a business combination does not generate cash flows independently of other assets or groups of assets. As a result, the recoverable amount, being the value in use, is determined at a cash-generating unit (CGU) level. These CGUs represent the smallest identifiable group of assets that generate cash flows. Our CGUs are deemed to be the assets within the operating units. Each CGU to which goodwill is allocated represents the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The total intangible value in use for each CGU, incorporating goodwill and the intangible asset value, is determined using discounted cash flow projections derived from the total historical revenue profile of each identifiable CGU. The assumptions which are applied to each CGU including the useful economic life are set out in Note 2.7.

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

The key assumptions for the value in use calculations are those regarding growth rates particularly in respect of the growth in revenue and discount rates. The discount rate is reviewed annually to take into account the current market assessment of the time value of money and the risks specific to the cash generating units and rates used by comparable companies. The discount rate used to calculate the value in use is 20%. The long term growth rate used for the terminal value calculation was 2%.

An impairment review of the Group's development costs, technology, customer relationships and database technology is carried out on an annual basis. The recoverable amounts of the cash-generating units are determined from value in use calculations. The key assumptions for the value in use calculations are those regarding forecast revenues and operating costs. Management have considered the following elements:

- (i) Based on current assessments of the Insig Partners and Insig Data activities made by the Directors they consider that revenues will grow in 2023 and exponentially grow from 2024-2027;
- (ii) Operational costs are monitored and controlled

Further, given both acquisitions took place during the financial year at arms length, it is deemed reasonable there has been no diminution in the carrying values. Following their assessment, the Directors concluded that no impairment charge was required at 31 March 2022.

14. Investments in subsidiary undertakings

	Company	
	31 March 2022	31 March 2021
	£	£
Shares in Group Undertakings		
Cost		
Investment in group subsidiaries	-	1,948,000
Investment Insig Partners Limited	31,145,000	-
Investment in Insig Data	4,000,000	-
Shares in companies removed from the Companies House register	-	(1,848,000)
Provision for impairment	-	(100,000)
At end of period	35,145,000	-
Loans to Group undertakings	4,034,000	220,000
Total	39,179,000	220,000

Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision. Please refer to Note 30 for details of the investments in Insig Partners Limited and Insig Data Limited.

The Company has provided a guarantee in respect of the outstanding liabilities of the subsidiary companies listed below in accordance with Section 479A – 479C of the Companies Act 2006 as these subsidiary companies of the Group are exempt from the requirements of the Companies Act 2006 relating to the audit of the accounts by virtue of Section 479A of this Act.

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

Subsidiaries

The following companies were subsidiaries at the balance sheet date and the results and year end position of these companies have been included in these consolidated financial statements.

Name of subsidiary	Registered office address	Country of incorporation and place of business	Proportion of ordinary shares held (%)	Nature of business
Insig Partners Limited	30 City Road, London, United Kingdom, EC1Y 2AB	United Kingdom	100%	Artificial Intelligence
Westside Sports Limited	30 City Road, London, United Kingdom, EC1Y 2AB	United Kingdom	100%	Holding company
Insight Capital Consulting Limited***	30 City Road, London, United Kingdom, EC1Y 2AB	United Kingdom	100%	Artificial Intelligence
Insig Data Limited	30 City Road, London, United Kingdom, EC1Y 2AB	United Kingdom	100%	Artificial Intelligence
Insig AI Corporation	16192 Coastal Hwy, Lewes, Delaware 19958	United States	100%	Dormant
Ultimate Player Limited	30 City Road, London, United Kingdom, EC1Y 2AB	United Kingdom	100%	Dormant
Pantheon Leisure Plc *	30 City Road, London, United Kingdom, EC1Y 2AB	United Kingdom	85.87%	Activities of head office
Sport In Schools Limited**	30 City Road, London, United Kingdom, EC1Y 2AB	United Kingdom	100%	Sports coaching in schools
The Elms Group Limited **	30 City Road, London, United Kingdom, EC1Y 2AB	United Kingdom	100%	Dormant

* Shares held indirectly through Westside Sports Limited

** Shares held indirectly through Pantheon Leisure Plc

*** Shares held indirectly by Insig Partners Limited

15. Trade and other receivables

	Group		Company	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Current	£	£	£	£
Trade receivables	240,000	79,000	-	-
Amounts due from subsidiary undertakings	-	-	31,000	382,000
Amounts due from related company	-	220,000	-	220,000
Prepayments	8,000	13,000	-	8,000
VAT receivable	25,000	-	59,000	-
Other receivables	16,000	85,000	-	75,000
Total	289,000	397,000	90,000	685,000

The ageing of trade receivables is as follows:

	As at 31 March 2022	As at 31 March 2021
	£	£
Up to 3 months	240,000	-
3 to 12 months	-	-
Total	240,000	-

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For the year ended 31 March 2022

16. Cash and cash equivalents

	Group		Company	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£	£	£	£
Cash at bank and in hand	473,000	935,000	61,000	484,000

17. Trade and other payables

	Group		Company	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£	£	£	£
Trade payables	271,000	10,000	197,000	-
Accruals	185,000	149,000	108,000	22,000
Deferred income	100,000	-	-	-
Other creditors	70,000	150,000	-	147,000
Taxes and social security	183,000	257,000	3,000	135,000
	809,000	566,000	308,000	304,000

The ageing of trade and other payables is as follows:

	As at 31 March 2022	As at 31 March 2021
	£	£
Up to 3 months	412,000	309,000
3 to 6 months	114,000	-
6 to 12 months	-	-
Total	526,000	309,000

18. Loan and borrowings

	Group		Company	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	£	£	£	£
Not later than one year:				
Bank loan	-	36,000	-	-
Convertible loan note	-	414,000	-	414,000
Right of use liability	8,000	8,000	-	-
Later than one year:				
Bank loan	-	204,000	-	-
Right of use liability	29,000	38,000	-	-
Total	37,000	700,000	-	414,000

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

Bank loan

On 20 May 2020, the Group was granted a 6 year Coronavirus Business Interruption Loan of £240,000. Repayments of capital of £4,000 per month commenced in July 2021 with full repayment originally due by June 2026.

This loan was fully repaid during the year.

Convertible loan notes

In the prior year a loan note instrument dated 3 March 2020 was drawn up creating unsecured convertible loan notes up to a nominal amount of £2,000,000. Convertible loan notes were issued on 4 March 2020 at an issue price of £500,000. The notes were convertible into ordinary shares of the Company at any time between the date of issue of the notes and their redemption date. On issue, the loan notes were convertible at 1 share per £0.25 loan note. The conversion price is at a 9 per cent discount to the share price of the ordinary shares at the date the convertible loan notes were issued.

If the notes had not been converted, they would have been redeemed on 4 March 2023 at par. No interest was charged on the loan notes.

The net proceeds received from the issue of the convertible loan notes had been split between the financial liability element, representing the net present value of the liability element and an equity component, representing the fair value of the embedded option to convert the financial liability into equity of the Company, as follows:

	£
Proceeds of issue of convertible loan notes	500,000
Equity component	(124,000)
Liability component at date of issue	376,000
Interest charged	38,000
Interest paid	-
Liability component at 31 March 2021	414,000

Further to the reverse takeover of Insig Partners Limited (formerly Insight Capital Partners Limited) during the year the £500,000 of issued loan notes were converted into 2,000,000 new ordinary shares as fully paid-up shares. Please refer to Note 21.

19. Deferred tax

An analysis of the deferred tax liability is set out below.

	Cost £
Deferred tax liability	
As at 31 March 2020	-
Deferred tax liability for development costs	-
As at 31 March 2021	-
Deferred tax acquired on acquisition	3,218,000
Deferred tax liability for intangibles	942,000
As at 31 March 2022	4,160,000

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

20. Financial Instruments by Category

Group

	31 March 2022		31 March 2021	
	Amortised cost £	Total £	Amortised cost £	Total £
Assets per Statement of Financial Position				
Trade and other receivables	258,000	258,000	134,000	134,000
Due from loans	-	-	220,000	220,000
Cash and cash equivalents	473,000	473,000	935,000	935,000
	731,000	731,000	1,289,000	1,289,000

	31 March 2022		31 March 2021	
	Amortised cost £	Total £	Amortised cost £	Total £
Liabilities per Statement of Financial Position				
Trade and other payables	526,000	526,000	309,000	309,000
Right of use lease liabilities	37,000	37,000	47,000	47,000
	563,000	563,000	356,000	356,000

Company

	31 March 2022		31 March 2021	
	Amortised cost £	Total £	Amortised cost £	Total £
Assets per Statement of Financial Position				
Trade and other receivables	31,000	31,000	46,000	46,000
Due from subsidiary undertakings	4,034,000	4,034,000	382,000	382,000
Due from loans	-	-	220,000	220,000
Cash and cash equivalents	61,000	61,000	484,000	484,000
	4,126,000	4,126,000	1,132,000	1,132,000

	31 March 2022		31 March 2021	
	Amortised cost £	Total £	Amortised cost £	Total £
Liabilities per Statement of Financial Position				
Trade and other payables	305,000	305,000	169,000	169,000
Loans and borrowings	-	-	414,000	414,000
	305,000	305,000	583,000	583,000

The Company's financial instruments comprise cash and cash equivalents, receivables and payables which arise in the normal course of business. As a result, the main risks arising from the Company's financial instruments are credit and liquidity risks. Please refer to Note to 3.1.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

21. Share capital and premium

Group and Company	Number of shares		Share capital	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Ordinary shares	105,675,645	42,661,638	1,056,000	426,000
Deferred shares	22,811,638	22,811,638	2,054,000	2,054,000
Total	128,487,283	65,473,276	3,110,000	2,480,000

Issued at 0.01 pence per share	Number of Ordinary shares	Share capital £	Share premium £	Total £
As at 31 March 2021	42,661,638	426,000	3,040,000	3,466,000
10 May 2021 - Reserves adjustment for convertible loan notes	-	-	42,000	42,000
10 May 2021 - Placing shares *	9,172,375	92,000	6,053,000	6,145,000
10 May 2021 - Consideration shares Insig Partners Limited - 10 May 2021**	44,819,161	448,000	25,996,000	26,444,000
10 May 2021 - Convertible loan note shares – 10 May 2021***	2,000,000	20,000	480,000	500,000
10 May 2021 – share issue costs	-	-	(164,000)	(164,000)
18 November 2021 -Consideration shares Insig Data Limited ****	7,022,471	70,000	3,630,000	3,700,000
As at 31 March 2022	105,675,645	1,056,000	39,077,000	40,133,000

*In order to facilitate the acquisition of Insig Partners Limited, in May 2021 the Group raised £6.1 million (before expenses) via a placing of 9,172,375 new ordinary shares at 67 pence per share, a 14 per cent. premium to the closing share price of the shares in the Company which was 59 pence per share on 3 September 2020, being the last business day before the Company's ordinary shares were suspended from trading.

** In addition to the cash consideration, 44,819,161 new ordinary shares were issued at 59 pence per share, the closing middle market price of 59 pence per ordinary share on 3 September 2020 (being the last business day before the ordinary shares were suspended) as consideration shares to the owners of Insig Partners Limited.

***The convertible loan notes issued by the Company in the period were converted on the same date, resulting in 2,000,000 new ordinary shares issued at 25 pence per share, a 58 per cent. discount to closing share price of the Company of 59 pence per share on 3 September 2020, being the last business day before the Company's ordinary shares were suspended from trading.

**** On 18 November 2021, the Company issued 7,022,471 ordinary shares at a price of 51 pence per share as part of the consideration for Insig Data Limited for a total of £3,700,000

Deferred Shares (nominal value of 0.09 pence per share)	Number of Deferred shares	Share capital £
As at 31 March 2021	22,811,638	2,054,000
New shares issued in the period	-	-
As at 31 March 2022	22,811,638	2,054,000

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

22. Share based payments

The Company has established a share option scheme for Directors, employees and consultants to the Group. Share options and warrants outstanding and exercisable at the end of the period have the following expiry dates and exercise prices:

Grant Date	Vesting Date	Expiry Date	Exercise price in £ per share	Options & Warrants	
				31 March 2022	31 March 2021
Options					
1 August 2019	31 January 2020	31 July 2023	0.20	666,666	666,666
1 August 2019	31 July 2021	31 July 2023	0.20	333,333	333,333
1 August 2019	31 July 2020	31 January 2024	0.40	333,333	333,333
1 August 2019	31 July 2021	31 January 2024	0.40	666,666	666,666
1 August 2019	31 January 2022	31 January 2025	0.60	666,666	666,666
1 August 2019	31 January 2022	31 July 2025	0.60	666,666	666,666
1 August 2019	31 July 2022	31 July 2025	0.60	666,670	666,670
8 March 2022	4 October 2024	7 March 2032	0.48	2,000,000	-
8 March 2022	4 August 2024	7 March 2032	0.48	900,000	-
8 March 2022	4 January 2025	7 March 2032	0.48	150,000	-
8 March 2022	4 March 2025	7 March 2032	0.48	300,000	-
Warrants					
5 October 2021	5 October 2021	10 May 2027	0.84	396,582	-
				7,746,582	4,000,000

The Company and Group have no legal or constructive obligation to settle or repurchase the options or warrants in cash.

Warrants

	2022	2021
Outstanding at beginning of period	-	500,000
Exercised	-	(500,000)
Vested	396,582	-
Outstanding as at period end	396,582	-
Exercisable at period end	396,582	-

The movements in the weighted average exercise price of the warrants were as follows:

	2022	2021
Outstanding at beginning of period	-	-
Granted	0.84	-
Outstanding as at period end	0.84	-
Exercisable at period end	0.84	-

In addition to costs settled by cash, warrants were issued to settle costs of the acquisition, readmission and placing to subscribe for 396,582 ordinary shares in the Company at an exercise price of 83.75p per share. These warrants are exercisable in whole or in part between the first and sixth anniversary following the re-admission of the Company's shares trading on AIM. The fair value of the warrants issued were recognised as an expense against profit and loss as at the date of issue in May 2021.

In accordance with IFRS2, the fair value of the warrants issued and recognised as a charge in the accounts for the 12 month period is £Nil (15 months ended 31 March 2021 - £Nil). In arriving at this amount, the expected volatility is based on historical volatility, the expected life is the average expected period to exercise, and the risk-free rate of return is the yield on a zero-coupon UK government bond for a term consistent with the assumed option life.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

Options

In January 2011, the Company adopted an unapproved share option scheme and on 1 August 2019, the Company granted options over 4,000,000 ordinary shares in the Company as part of a Director's compensation agreement. In March 2022, the Company granted options over 3,350,000 ordinary shares to a Director and certain employees. Details of the options are set out below:

	2022	2021
Outstanding at beginning of period	4,000,000	4,160,000
Lapsed during period	-	(160,000)
Exercised	-	-
Granted	3,350,000	-
Outstanding as at period end	7,350,000	4,000,000
Exercisable at period end	3,333,000	666,666

The movements in the weighted average exercise price of the options were as follows:

	2022	2021
Outstanding at beginning of period	45.0	44.3
Lapsed	45.0	26.6
Exercised	-	-
Granted	48.0	-
Outstanding as at period end	46.0	45.0
Exercisable at period end	46.0	45.0

The fair value of the equity instruments granted was determined using the Black Scholes Model. The only conditions attached to the options is continuing employment. The inputs into the model for options outstanding at the year-end were as follows:

Share options granted on 1 August 2019 to M Farnum-Schneider and options granted to Directors and employees on the 8 March 2022:

	2019 Options	2019 Options	2019 Options	2022 Options
Granted on:	1 August 2019	1 August 2019	1 August 2019	8 March 2022
Life (years)	3 years	3 years	3 years	10 years
Share price (pence per share)	17p	17p	17p	27.5p
Exercise price	20p	40p	60p	48p
Shares under option	1,000,000	1,000,000	2,000,000	3,350,000
Risk free rate	0.57%	0.57%	0.57%	0.57%
Expected volatility	43.1%	43.1%	43.1%	43.1%
Vesting period (years)	1 to 3 years	1 to 4 Years	2 to 5 Years	8 to 9 years
Small company discount factor	35%	35%	35%	35%
Total fair value (pence per option)	2.5	2.5	0.7	0.02

The expected volatility is based on historical volatility, the expected life is the average expected period to exercise, and the risk-free rate of return is the yield on a zero-coupon UK government bond for a term consistent with the assumed option life.

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

In accordance with IFRS 2, the fair value of the share options issued and recognised as a charge in the accounts for the 12 month period is £17,000 (15 months to 31 March 2021 - £23,750). The 2022 options tranche have not been charged yet as they do not vest until 2024-2025.

The weighted average contractual life of options outstanding on 31 March 2022 was 2.4 years (31 March 2021: 3.4 years).

23. Other reserves

	Merger reserve £	Other reserve £	Total £
At 31 March 2021	326,000	102,000	428,000
Equity component of CLN issued in period	-	(124,000)	(124,000)
Share issue costs reversal	-	22,000	22,000
Share based payment	-	-	-
At 31 March 2022	326,000	-	326,000

24. Employee benefit expense

	Group		Company	
	Year ended 31 March 2022 £	15 months ended 31 March 2021 £	Year ended 31 March 2022 £	15 months ended 31 March 2021 £
Staff costs (excluding Directors)				
Salaries and wages	2,227,000	1,643,000	-	-
Social security costs	271,000	108,000	-	-
Pension contributions	108,000	29,000	-	-
Other employment costs	6,000	-	-	-
	2,612,000	1,780,000	-	-

The average monthly number of employees for the Group during the year was 119 (15 months ended 31 March 2021: 106) and the average monthly number of employees for the Company was nil (15 months ended 31 March 2021: 2).

Of the above Group staff costs, £1,463,000 (15 months ended 31 March 2021: £nil) has been capitalised in accordance with IAS 38 as development costs and are shown as an intangible addition in the year.

There were no employees in the Company apart from Directors whose remuneration is disclosed in Note 25.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

25. Directors' remuneration

	31 March 2022		
	Remuneration £	Share based payments £	Total £
Executive Directors			
Richard Bernstein	22,000	-	22,000
Steven Cracknell	217,000	-	217,000
Warren Pearson	229,000	-	229,000
Colm McVeigh	125,000	-	125,000
Matthew Farnum-Schneider	140,000	17,000	157,000
Non-executive Directors			
John Murray	31,000	-	31,000
Peter Rutter	22,000	-	22,000
David Coldbeck	10,000	-	10,000
John Zucker	10,000	-	10,000
David Hillel	16,000	-	16,000
	822,000	17,000	839,000

Directors who were appointed during the year:

- Richard Bernstein – appointed 12 August 2021
- Colm McVeigh – appointed 9 December 2021
- Steven Cracknell – appointed 10 May 2021
- Warren Pearson – appointed 10 May 2021
- Richard Cooper – appointed 11 April 2022

Directors who resigned during the year:

- Peter Rutter – resigned 31 December 2021
- David Coldbeck – resigned 10 May 2021
- John Zucker – resigned 10 May 2021
- David Hillel – resigned 10 May 2021
- Matthew Farnum-Schneider – resigned 12 August 2021

Of the above Group directors' remuneration, £375,000 (15 months ended 31 March 2021: £nil) has been capitalised in accordance with IAS 38 as development related costs and are shown as an intangible addition in the year. The fair value of the share options issued to Matthew Farnum-Schneider and recognised as a charge in the accounts for the 12 month period is £17,000.

	31 March 2021		
	Remuneration £	Share based payments £	Total £
Executive Directors			
Matthew Farnum-Schneider	313,000	-	313,000
R Owen	5,000	-	5,000
Non-executive Directors			
David Coldbeck	6,000	-	6,000
John Zucker	6,000	-	6,000
David Hillel	9,000	-	9,000
	339,000	-	339,000

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The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

26. Income tax expense

	Group	
	Year ended 31 March 2022 £	15 months ended 31 March 2021 £
Deferred Tax		
Fixed assets and short-term temporary difference	(538,000)	-
Intangibles on business combinations	(404,000)	-
Total deferred tax	(942,000)	-
Total income tax expense	(942,000)	-

No current tax charge arose in the current or prior period.

	Group	
	Year ended 31 March 2022 £	15 months ended 31 March 2021 £
Loss before tax	(3,243,000)	(1,060,000)
Tax at the applicable rate of 19% (2021: 19%)	(616,000)	(202,000)
Effects of:		
Expenditure not deductible for tax purposes	1,456,000	76,000
Effect of tax rate change on deferred tax acquired in business combinations	226,000	-
Temporary differences in respect of depreciation and capital allowances not reflected in deferred tax	-	1,000
Unutilised tax losses not recognised as a deferred tax asset	(2,008,000)	125,000
Tax charge	(942,000)	-

The Group has unutilised tax losses of approximately £11,707,000 (5 months to 31 March 2021 £6,610,000) available to carry forward against future taxable profits. No deferred tax asset has been recognised on accumulated tax losses because of uncertainty over the timing of future taxable profits against which the losses may be offset.

27. Loss per share

Group

The calculation of the total basic loss per share of (3.55) pence (15 months to 31 March 2021: (2.67) pence) is based on the loss attributable to equity holders of the parent company of £4,198,000 (15 months to 31 March 2021: £1,060,000) and on the weighted average number of ordinary shares of 118,079,507 (15 months to 31 March 2021: 39,689,000) in issue during the year.

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For the year ended 31 March 2022

In accordance with IAS 33, basic and diluted loss per share are identical for the Group as the effect of the exercise of share options would be to decrease the loss per share. Details of share options that could potentially dilute earnings per share in future periods are set out in Note 22.

28. Contingent liabilities

There is an ongoing legal dispute between the Company and a former employee for breach of contract. The damages being sought by the former employee are £160,000 plus costs. The Company is defending the claim and has issued a counter-claim.

29. Related party transactions

Loans to Group undertakings

Amounts receivable as a result of loans granted to subsidiary undertakings are as follows:

	Company	
	31 March 2022	31 March 2021
	£	£
Insig Partners	3,333,000	220,000
Insig Data (formerly FDB Systems Limited)	72,000	-
Insight Capital Consulting Limited	-	-
Pantheon Leisure	539,000	512,000
Westside Sports Limited	90,000	90,000
	4,034,000	822,000

Insig Partners Limited

Loans totalling £3,113,000 were provided to Insig Partners Limited from Insig AI Plc during the year to cover operating costs (15 months to 31 March 2021: £220,000).

Insig Data Limited (formerly FDB Systems Limited)

Loans totalling £72,000 were provided to Insig Data from Insig AI Plc during the year to cover operating costs (15 months to 31 March 2021: £nil).

Insight Capital Consulting Limited

Loans totalling £16,000 were provided to Insight Capital Consulting from Insig Partners Limited during the year to cover operating costs (15 months to 31 March 2021: £1,111,000).

Pantheon Leisure Plc

Loans totalling £27,000 were provided to Pantheon Leisure from Insig AI Plc during the year to cover operating costs (15 months to 31 March 2021: £512,000).

These amounts are unsecured and repayable on demand.

All intra Group transactions are eliminated on consolidation.

Other transactions

The Group defines its key management personnel as the Directors of the Company as disclosed in the Directors' Report.

Following his appointment as Chief Commercial Officer on 9 December 2021, the Company granted Colm McVeigh options over 2 million ordinary shares under the Company's existing share option scheme. He was also paid a consultancy fee of £30,000 during the year, prior to his appointment as a Director.

Following the completion of the Company's acquisition of Insig Partners Limited in May 2021 and prior to his appointment as a director in August 2021, a payment of £352,629 (including VAT) was paid to Richard Bernstein in accordance with an introduction agreement made between himself and the Company in February 2018 in which he as introducer would become entitled to a fee of 1% of the value from this first acquisition by the Company.

INSIG AI PLC (FORMERLY CATENA GROUP PLC)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

30. Business Combinations

Insig Partners Limited

During the period ended 31 March 2021, the Company acquired a 9.1 per cent interest (on a fully diluted basis) of the ordinary shares of Insig Partners Limited (formerly Insight Capital Partners Limited) along with an option to increase the interest owned to 32.5 per cent.

On 10 May 2021, the Company acquired the balance of Insig Partners Limited's shares not already owned and obtained control.

Insig Partners Limited is a data science and machine learning solutions company that combines quantitative research, machine learning and technology infrastructure to deliver bespoke analytical tools to clients enabling them to extract data from outdated platforms and improve the accessibility and insight locked within. Machine learning is widely recognised as having the potential to fundamentally benefit performance and profitability in many, if not all, industries. The investment is in line with the Company's refocused strategy of investing in quality, fast growing companies and is the Company's first step toward a broader strategy to capitalise on growth opportunities in AI and machine learning. Connected to the acquisition of Insig Partners Limited were changes in directors and change in Company name.

The acquisition is classified as a reverse takeover under the AIM rules. The directors have given consideration of the method of accounting to be applied and concluded that it meets the definition of a business combination under IFRS 3 and Insig AI Plc has been identified as the accounting acquirer for the purposes of IFRS 3. In determining the accounting treatment to be applied, the directors have carefully reviewed the relevant factors to be considered in determining whether a business has been acquired and the change in control, including consideration, inter-alia, of the voting rights held by the former Insig Partners shareholders after the Business combination was completed, the composition of the new Board and rights relating to appointments to the Board. As a result the Company will reflect an investment in Insig Partners Limited as a wholly owned subsidiary on its Balance Sheet and the Group has accounted for the acquisition by applying the acquisition method of accounting, rather than applying reverse accounting rules under IFRS 3.

The investment in Insig Partners Limited is recognised at the fair value of the consideration given:

	£
Initial cash consideration for 9.4%	1,500,000
Fair value uplift of initial cash consideration	1,759,000
Consideration shares issued (44,819,161)	26,444,000
Additional cash consideration	1,442,000
Total consideration	31,145,000

The value of the consideration shares has been determined in accordance with IFRS 3 applying the acquisition-date fair values of the equity interests issued by the acquirer. The fair value on the acquisition date is considered to be 67 pence per share, being the price at which the placing shares were issued on the same day.

As the Company held an interest in Insig Partners Limited prior to the acquisition in May 2021, the fair value of which amounted to £3,259,000. The Group effectively recognised a gain of £1,759,000 over the original cost of investment as a result of measuring at fair value its 9 per cent. equity interest in Insig Partners Limited held before the business combination.

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

Details of the fair value of the assets acquired at completion and the consideration payable is as follows:

	Book Value	Fair Value
	£	£
Intangible assets	4,749,000	14,615,000
Cash and cash equivalents	94,000	94,000
Property, plant and equipment	344,000	344,000
Trade & other receivables	869,000	869,000
Trade & other payables	(1,040,000)	(1,040,000)
Deferred tax	(902,000)	(2,778,000)
Net assets	4,114,000	12,104,000
Cash		2,942,000
Considerations shares		28,203,000
Fair value of consideration		31,145,000
Goodwill		19,041,000

The fair value of the receivables is considered to equate to the gross contractual amount receivable. The acquired receivable is £869,000, of which £nil is expected to be uncollectable.

Goodwill of £19,041,000 that would arise from the acquisition based on the fair values of Insig Partners Limited as set out above arises largely from the expected growth in the AI and machine learning industry and collective expertise of the workforce in developing and delivering the Business's product range. None of the goodwill recognised is expected to be deductible for income tax purposes.

The loss for Insig Partners Limited since the date of acquisition was £2,018,000. The full year loss was £2,046,000.

Insig Data Limited (formerly FDB Systems Limited)

On 18 November 2021 the Company entered into a conditional share purchase agreement to acquire the entire issued share capital of FDB Systems Limited.

FDB Systems specialises in structuring data, which is the process of transforming raw data so that it can be more easily and effectively used as an input to machine learning, data science and AI processes. In addition, FDB Systems owns FilingDB. FilingDB is the first productised source of global company filings optimised for Natural Language Processing ("NLP") use cases. FilingDB aggregates, parses and structures information including annual reports, interim reports and press releases enabling users to access relevant data more easily.

The investment in FDB Systems has been recognised at the fair value of the consideration given:

	£
Consideration shares issued (7,022,471)	3,700,000
Cash consideration	300,000
Total Consideration	4,000,000

As part of the acquisition the following contingent consideration based on revenue projections was agreed:

- Year one deferred consideration of up to £760,000 and deferred equity of up to 4,251,442 ordinary shares conditional upon minimum revenue of £900,000 being generated by Insig Data during the 12 month period 1 January 2022 to 31 December 2022.
- Year two deferred consideration of up to £900,000 and deferred equity of up to 3,985,727 ordinary shares conditional upon minimum revenue of £1,700,000 being generated by Insig Data during the 12 month period 1 January 2023 to 31 December 2023.

Based on the current revenue projections it is considered highly improbable these revenue projections will be met therefore the deferred consideration has not been recognised.

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NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2022

Details of the fair value of the assets acquired at completion and the consideration payable is as follows:

	Book Value	Fair Value
	£	£
Intangibles	-	1,769,000
Property, plant and equipment	6,000	6,000
Cash and cash equivalents	119,000	119,000
Trade and other receivables	40,000	40,000
Trade and other payables	(12,000)	(12,000)
Deferred tax	-	(442,000)
Net assets	153,000	1,480,000
Cash		300,000
Considerations shares		3,700,000
Fair value of consideration		4,000,000
Goodwill		2,520,000

The Acquisition was funded out of existing cash resources and the issuance of 7,022,471 ordinary shares of the Company.

Should audited third party revenues fail to exceed 75% of target, no more than 33% of deferred consideration will be paid. If audited third party revenues fail to exceed 50% of target, no deferred consideration will be payable.

Goodwill of £2,520,000 that would arise from the acquisition based on the book values of Insig Data Limited as set out above. None of the goodwill recognised is expected to be deductible for income tax purposes.

Connected to the acquisition of FDB Systems Limited was a change in Company name to Insig Data Limited.

The loss for Insig Data Limited since the date of acquisition was £284,759. The full year loss was £363,000.

31. Ultimate controlling party

The Directors believe there is no ultimate controlling party.

32. Events after the reporting date

On the 11 April 2022, the Company appointed Richard Cooper to the Board as a Non-Executive Director and Chair of the Audit Committee.

On the 4 May 2022, the Company entered into a formal agreement for a £1.0m convertible loan note to be provided by Richard Bernstein, Non-Executive Chairman of the Company. A total of £793,334 has been drawn down by the Company.

On 17 June 2022, the Company entered into a convertible loan facility agreement with David Kyte, a long-term shareholder in the Company for £500,000. A total of £396,66 has been drawn down by the Company.