This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ("MAR"), and is disclosed in accordance with the Company's obligations under Article 17 of MAR.

Big Technologies PLC

("the Company" or "the Group")

Unaudited interim results for the six months ended 30 June 2022

Big Technologies PLC (AIM: BIG), the leading, integrated technology platform for the remote monitoring of individuals, is pleased to announce its interim results for the six-month period to 30 June 2022 (the "period").

	H1 2022 £m	H1 2021 £m	FY 2021 £m
Revenue	22.9	18.0	37.6
Gross margin (%)	71.4%	71.3%	70.8%
Statutory operating profit	8.8	8.0	13.8
Adjusted operating profit[1]	12.1	8.9	17.9
Adjusted EBITDA[2]	13.7	10.2	20.6
Adjusted EBITDA[2] margin (%)	60.1%	56.7%	54.7%
Adjusted cash generated from operating activities[3]	11.3	9.1	18.2
Net cash	56.9	23.8	48.0
	Pence	**Pence**	**Pence**
Adjusted diluted earnings per share[4]	3.7p	2.8p	5.5p
Adjusted basic earnings per share[4]	3.9p	2.8p	5.6p
Statutory diluted earnings per share	3.0p	2.4p	4.4p
Statutory basic earnings per share	3.1p	2.5p	4.5p

[1]Before share-based payments expense, amortisation of acquired intangibles, IPO preparation costs and national insurance on warrant exercise.[2]Before share-based payments expense, IPO preparation costs and national insurance on warrant exercise. [3]Before IPO preparation costs and national insurance on warrant exercise. [4]Before share-based payments expense, amortisation of acquired intangibles, IPO preparation costs, national insurance on warrant exercise and the tax effect of these adjusting items.

A reconciliation to statutory measures is presented in the notes to the unaudited interim results.

Financial performance

- Revenue increased by 27% in H1 2022 versus H1 2021 as a result of new contract wins and an increase in business from existing customers;
- Monthly Recurring Revenue of £4.3m, an increase of 43% versus June 2021;
- Gross margin stable at 71.4% in H1 2022 versus 71.3% in H1 2021. The Group's scalable SaaS-like operating model means that increases to labour, freight and manufacturing costs have been offset by the additional profit earned on incremental revenue;
- Adjusted EBITDA margins of 60.1% in H1 2022 versus 56.7% in H1 2021 due to increased scale and favourable foreign-exchange movements;
- Adjusted operating profit increased by 36% in H1 2022 versus H1 2021;
- Adjusted cash generated from operating activities of £11.3m, which includes an investment in working capital and long lead-time inventory to support future growth. Significant net cash balance of £56.9m at 30 June 2022, provides support for future growth objectives.

Operational performance and strategy

- Continued growth in the number of electronic monitoring devices deployed with customers across the world;
- Successful implementation of new contracts drives growth in Asia-Pacific and Americas;
- Successful navigation of continuing global supply-side challenges to ensure no delays in deliveries of products to customers;

Current trading and outlook

- Active engagement continues with a number of potential new customers, which are expected to contribute to revenue from 2023;
- New contract win using our periodic bio-metric detection device, with first revenue expected in November 2022;
- Based on current Monthly Recurring Revenue (MRR), the Board expects the Group to deliver a full-year revenue of at least £48 million with an adjusted EBITDA margin of in excess of 58%, which is ahead of current market expectations[(1)]. Our long-term customer relationships and focus on high levels of customer service, allows the Board to remain confident in the longer-term prospects for growth.

(1) Latest company compiled view of market expectations show adjusted EBITDA of £25.0m to £26.6m (stated before share based payments).

Commenting on the results, Sara Murray OBE, Chief Executive Officer said:

"I am very pleased with our continued growth in revenue and profit during the first half of the financial year, which clearly illustrates the progress we are making against our strategic objectives. The successful implementation of a significant national monitoring contract in New Zealand received positive feedback from the end customer and diversified our global footprint and enhanced our strong reputation in the criminal justice sector. Against a backdrop of external challenges, we have continued to support new and existing customers with our technologies, helping them to make societies safer. Market drivers remain strong and we are confident of delivering further growth in the second half of 2022 and beyond."

For further information please contact:

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Jamie Peel / Dan Bate / Kieran Russell (Investment Banking)

Benjamin Robertson (Equity Capital Markets)

The person responsible for arranging the release of this information is Daren Morris, Chief Financial Officer and Company Secretary.

Half Year Review

Overview

The Group has delivered another strong performance of double-digit revenue and profit growth against a backdrop of global macroeconomic conditions that remain challenging. The Group continued to manage supply chain disruptions through careful long-term planning and by additional investments in long lead-time inventory to ensure it can continue to support both new and existing customers in the second half of 2022 and beyond.

Financial Performance

Revenue

Revenue in the first half of 2022 grew by 27% to £22.9m (H1 2021: £18.0m), driven by new contract wins in the Asia-Pacific and Americas regions and an increase in revenues earned from existing customers. The majority of revenues continue to be derived from customers in the criminal justice sector, which accounts for more than 98% of reported revenue (H1 2021: 97%).

Revenue growth was primarily driven by the Asia-Pacific and America regions, which grew at 44% and 12% respectively. The Group's eight-year national monitoring contract with the New Zealand Department of Corrections, signed in 2021, started to deliver revenue in the first quarter and is now close to achieving its full run-rate. The group has received positive feedback from the customer on our partnership approach and they are on-track to generate significant cost savings as a result of the introduction of the Group's technology solution. There were also new contract wins during the period in the Americas region.

On a constant currency basis, revenue grew by 26% in the first half of 2022. The Group benefited from a strengthening US dollar versus the same period last year.

MRR, which is the exit run rate of monthly recurring revenue in the last month of the reporting period, was £4.3m (H1 2021: £3.0m), an increase of 43%. The MRR figure gives the Group visibility over its future revenues derived from its base of long-term contracts.

Profitability

Gross margins were steady at 71.4% (H1 2021: 71.3%). Additional profits earned on incremental revenue from the Group's SaaS-like operating model, were able to offset increases in labour, freight and manufacturing costs caused by supply chain inefficiencies and inflationary pressures in the labour market.

Adjustments made to the interim results (before tax) totalled £3.3m (H1 2021: £0.9m) and are related to amortisation of acquired intangible assets and share-based payments. See note 3 for further details.

Adjusted operating profit of £12.1m increased 36% against H1 2021, with an increase in adjusted operating margin to 52.8% (H1 2021: 49.4%). The increase in adjusted operating margin was driven by the Group's continuing ability to grow revenues organically without significant increases to adjusted administrative expenditures and a positive contribution from favourable foreign currency movements in the first half of 2022. Part of this gain was due to a significant move in Sterling versus the US Dollar which caused our US Dollar denominated cash deposits to be revalued resulting in a one-off gain which is not expected to repeat in the second half of the year.

Adjusted administrative expenses (defined as administrative expenses before share-based payments and IPO preparation costs) increased from £4.2m in H1 2021 to £4.5m in in H1 2022 reflecting additional PLC costs following the IPO. Adjusted administrative expenses include the benefit of a one-off foreign currency gain on the revaluation of US dollar denominated cash balances of £0.9m.

Adjusted EBITDA (quoted before share-based payments) of £13.7m increased by 34% versus H1 2021 with adjusted EBITDA margin increasing by 340bps to 60.1% (H1 2021: 56.7%).

Adjusted diluted earnings per share, which excludes the adjusting items outlined in note 3 and includes the dilutive impact of shares potentially issuable in the future, was 3.7p (H1 2021: 2.8p), an increase of 32%, reflecting the increase in adjusted earnings.

Cash flow

The Group's liquidity and net cash position increased to £56.9m at 30 June 2022. Operating activities, underpinned by the strong trading performance, generated adjusted cash inflows of £11.3m (H1 2021: £9.1m) with cash conversion (defined as adjusted operating cash flow divided by adjusted EBITDA of 82% (H1 2021: 89%). The Group increased levels of long lead-time inventory in the second quarter to protect against continuing global supply chain disruption. Increases in the Group's trade and other receivables are linked to the continuing revenue growth and timing of cash collection from customers at the period end.

Net cash utilised in investing activities of £2.4m (H1 2021: £1.1m) reflects the continued increase in the number of electronic monitoring devices, which are manufactured in-house and leased to the Group's customers. The Group continued to invest in the research and development of new products and technologies and has continued development on new products including MiniID and SecureBand.

Russia/Ukraine

At this stage the longer-term consequences for the global economy of the tragic events in Ukraine are still uncertain. Whilst the Group has no operations in this part of the world and no direct exposure to customers and suppliers in the region, we continue to monitor the situation carefully and in particular any effects on wider supply chains and energy prices. We do not anticipate any adverse effect on our business as a result of increased energy prices. The Group has also reviewed the current sanctions regime relating to Russia and Ukraine and can confirm the Group has no exposure to any sanctioned entities or individuals.

Operational performance and strategy

In the first half of 2022, the Group continued to deliver its hardware and software solutions to customers and saw ongoing growth in the number of electronic monitoring devices deployed across the world, increasing its international footprint and global presence in the criminal justice sector.

The Group continued to support both new and existing customers during the period and saw a number of important customer renewals and contract wins, which will enhance the future visibility of the Group's revenue stream.

The Group successfully implemented an eight-year national monitoring contract with the New Zealand Department of Corrections, won from a competitor in 2021, which started to deliver revenue in the first quarter of 2022.

Careful long-term planning with suppliers ensured minimal impact in terms of delays of products to customers as a result of continuing global supply-side challenges. The Group invested in long lead-time inventory in the period to ensure it can continue to support new and existing customers in the second half of 2022 and beyond.

The Group is committed to ensuring that its products maintain their competitive advantage in the criminal justice sector and continues to invest in research and development to support its future product roadmap. This roadmap includes developing substance monitoring technologies and combining these with existing location solutions to provide an integrated monitoring device for customers, an industry-first in the sector. The Group has launched our periodic bio-metric detection device and expect revenue from a major customer from November 2022 onwards.

The Directors continue to pursue an active pipeline of organic growth opportunities with governmental customers across Europe and the rest of the world.

Alternative performance measures

In the analysis of the Group's financial performance and position, operating results and cash flows, alternative performance measures are presented to provide readers with additional information. The principal measures presented are adjusted measures of earnings including adjusted operating profit, adjusted EBITDA and adjusted earnings per share. See note 3 for further details.

Research and development

The Group continues to invest in research and development activities in relation to new products. Development costs of £0.5m (H1 2021: £0.5m) have been capitalised. Other research and development costs, all of which have been written off to the income statement as incurred totalled £0.7m (H1 2021: £0.8m).

Foreign currency exposure

The Group faces currency exposure on its foreign currency transactions and translation exposure in relation to its overseas subsidiaries. The Group maintains a natural hedge to transactional exposure by matching the cash inflows and outflows in the respective currencies wherever possible.

Foreign exchange translation has provided a tailwind for revenue and profit during the period, with the US dollar strengthening against pound sterling compared with the comparative period. The Group held a significant cash balance in US dollars at 31 December 2021, which has subsequently been exchanged to pound sterling at favourable exchange rates during the current period.

The Group's most material exposures are to US dollars, Australian dollars and New Zealand dollars. The sensitivity to a 10% weakening/strengthening of pound sterling against these currencies in aggregate (excluding amounts held on the balance sheet) equates to an annualised profit increase/decrease of circa £2.4m. The Group's forward exposure is currently unhedged.

Summary and outlook

The Group has delivered a strong financial and operational performance in the first half of the year. Based on current MRR, the Board expects the Group to deliver a full-year revenue of at least £48 million with an adjusted EBITDA margin of in excess of 58%, which is ahead of current market expectations[(1)].

Our long-term customer relationships and focus on high levels of customer service, allows the Board to remain confident in the longer-term prospects for growth.

(1) Latest company compiled view of market expectations show adjusted EBITDA of £25.0 to £26.6 million (stated before share-based payments).

Sara Murray OBE	Daren Morris
Chief Executive Officer	Chief Financial Officer
15 September 2022	15 September 2022

Unaudited condensed consolidated statement of comprehensive income for the six months ended 30 June 2022

	Note	Unaudited six months ended 30 June 2022 £'000	Unaudited six months ended 30 June 2021 £'000	Year ended 31 December 2021 £'000
Revenue	2	22,862	18,034	37,628
Cost of sales		(6,530)	(5,184)	(10,971)
Gross profit		**16,332**	**12,850**	**26,657**
Administrative expenses		(7,494)	(4,864)	(12,884)
Other operating income		1	-	1
Operating profit		**8,839**	**7,986**	**13,774**
Analysed as:				
Adjusted EBITDA		13,742	10,222	20,567
Amortisation of acquired intangibles		(234)	(234)	(468)
Amortisation of development costs		(404)	(352)	(703)
Depreciation		(1,241)	(973)	(1,931)
IPO preparation costs		-	(578)	(1,192)
National insurance on warrant exercise		-	-	(1,076)
Share-based payments charge		(3,024)	(99)	(1,423)
Operating profit		**8,839**	**7,986**	**13,774**
Finance income		39	-	-
Finance expenses		(17)	(21)	(47)
Share of (loss)/profit of joint venture		(2)	(2)	(5)
Profit before taxation		**8,859**	**7,963**	**13,722**
Taxation	4	244	(1,076)	(934)
Profit for the period		**9,103**	**6,887**	**12,788**
Other comprehensive income:				
Exchange differences on translation of foreign operations		264	42	27
Total comprehensive income for the period		**9,367**	**6,929**	**12,815**
Profit for the period attributable to:				
Owners of the company		9,103	6,853	12,788
Non-controlling interest		-	34	-
		9,103	**6,887**	**12,788**
Total comprehensive income for the period attributable to:				
Owners of the company		9,367	6,895	12,815
Non-controlling interest		-	34	-
		9,367	**6,929**	**12,815**
Basic earnings per share (pence)	5	3.1p	2.5p	4.5p
Diluted earnings per share (pence)	5	3.0p	2.4p	4.4p

Unaudited condensed consolidated statement of financial position as at 30 June 2022

	Note	Unaudited 30 June 2022	Unaudited 30 June 2021	31 December 2021
		£'000	£'000	£'000
Assets				
Goodwill		13,359	13,359	13,359
Acquired and other intangible assets		6,039	6,229	6,142
Property, plant and equipment		3,026	1,928	2,265
Right-of-use assets		314	443	345
Interests in joint ventures		-	389	363
Deferred tax assets		2,079	790	1,039
Other receivables		1,702	1,629	1,612
Non-current assets		**26,519**	**24,767**	**25,125**
Inventories		5,862	2,324	3,079
Trade and other receivables		8,007	5,161	6,620
Cash and cash equivalents	6	57,170	24,233	48,317
Current assets		**71,039**	**31,718**	**58,016**
Total assets		**97,558**	**56,485**	**83,141**
Liabilities				
Lease liabilities		205	197	195
Trade and other payables		8,812	5,463	6,875
Current liabilities		**9,017**	**5,660**	**7,070**
Lease liabilities		108	244	154
Deferred tax liabilities		498	-	501
Trade and other payables		879	1,635	1,185
Non-current liabilities		**1,485**	**1,879**	**1,840**
Total liabilities		**10,502**	**7,539**	**8,910**
Net assets		**87,056**	**48,946**	**74,231**
Equity				
Share capital	7	2,902	2,742	2,885
Share premium		38,969	19,052	38,535
Other reserves		539	70	275
Retained earnings		44,646	26,742	32,536
Equity attributable to owners of the company		**87,056**	**48,606**	**74,231**
Non-controlling interest		-	340	-
Total equity		**87,056**	**48,946**	**74,231**

Unaudited condensed consolidated statement of changes in equity for the six months ended 30 June 2022

	Share capital £'000	Share premium £'000	Other reserves £'000	Retained earnings £'000	Total owners' equity £'000	Non-controlling interest £'000	Total equity £'000
Balance at 1 January 2021	27	21,767	28	18,335	40,157	306	40,463
Profit for the year	-	-	-	12,788	12,788	-	12,788
Other comprehensive income for the year	-	-	27	-	27	-	27
Total comprehensive income for the year	**-**	**-**	**27**	**12,788**	**12,815**	**-**	**12,815**
Share-based payments	-	-	-	1,413	1,413	-	1,413
Transactions with non-controlling interests	-	-	220	-	220	(306)	(86)
Issue of shares, net of share issue costs	143	19,483	-	-	19,626	-	19,626
Bonus issue of shares	2,715	(2,715)	-	-	-	-	-
Balance at 31 December 2021	**2,885**	**38,535**	**275**	**32,536**	**74,231**	**-**	**74,231**
Balance at 1 January 2021	27	21,767	28	18,335	40,157	306	40,463
Profit for the period	-	-	-	6,853	6,853	34	6,887
Other comprehensive income for the period	-	-	42	-	42	-	42
Total comprehensive income for the period	**-**	**-**	**42**	**6,853**	**6,895**	**34**	**6,929**
Share-based payments	-	-	-	99	99	-	99
Tax on share-based payments	-	-	-	1,455	1,455	-	1,455
Bonus issue of shares	2,715	(2,715)	-	-	-	-	-
Balance at 30 June 2021	**2,742**	**19,052**	**70**	**26,742**	**48,606**	**340**	**48,946**

Balance at 1 January 2022	2,885	38,535	275	32,536	74,231	-	74,231
Profit for the period	-	-	-	9,103	9,103	-	9,103
Other comprehensive income for the period	-	-	264	-	264	-	264
Total comprehensive income for the period	**-**	**-**	**264**	**9,103**	**9,367**	**-**	**9,367**
Share-based payments	-	-	-	3,007	3,007	-	3,007
Issue of shares, net of share issue costs	17	434	-	-	451	-	451
Balance at 30 June 2022	**2,902**	**38,969**	**539**	**44,646**	**87,056**	**-**	**87,056**

Unaudited condensed consolidated statement of cash flows for the six months ended 30 June 2022

	Note	Unaudited six months ended 30 June 2022 £'000	Unaudited six months ended 30 June 2021 £'000	Year ended 31 December 2021 £'000
Cash flows from operating activities				
Profit before tax		**8,859**	**7,963**	**13,722**
Adjustments for:				
Depreciation of property, plant and equipment		1,142	838	1,698
Depreciation of right-of-use assets		99	135	233
Amortisation of intangible assets		638	586	1,171
Share of loss/(profit) of joint venture		2	2	5
Investment write-down		426	-	-
Share-based payments charge	8	3,007	99	1,413
Finance income		(39)	-	-
Finance costs		5	9	15
Interest expense		12	12	32
Changes in:				
Inventories		(2,783)	(103)	(859)
Trade and other receivables		(1,444)	(835)	(2,867)
Trade and other payables		1,367	(188)	1,401
Cash generated from operating activities		11,291	8,518	15,964
Taxes paid		(409)	(932)	(1,926)
Net cash flows from operating activities		**10,882**	**7,586**	**14,038**
Cash flows from investing activities				
Purchase of property, plant and equipment		(35)	(36)	(135)
Own work capitalised		(1,867)	(705)	(1,833)
Capitalised development costs		(535)	(472)	(969)
Finance income		39	-	-
Dividends from joint ventures and associates		-	64	64
Net cash used in investing activities		**(2,398)**	**(1,149)**	**(2,873)**
Cash flows from financing activities				
Proceeds from issues of shares	7	362	-	19,626
Transactions with non-controlling interests		-	-	(86)
Repayment of lease liabilities		(109)	(141)	(239)
Interest paid		(12)	(12)	(32)
Cash flows from financing activities		**241**	**(153)**	**19,269**
Net increase in cash and cash equivalents		8,725	6,284	30,434
Cash and cash equivalents at the beginning of the period		48,317	17,999	17,999
Effects of exchange rate changes on cash and cash equivalents		128	(50)	(116)
Cash and cash equivalents at the end of the period	6	**57,170**	**24,233**	**48,317**

Notes to the unaudited condensed interim consolidated financial statements
For the six months ended 30 June 2022

1. General information and basis of preparation

Big Technologies PLC is a public limited company incorporated in the United Kingdom, listed on the Alternative Investment Market ('AIM') of the London Stock Exchange. The Company is domiciled in the United Kingdom and its registered office is Talbot House, 17 Church Street, Rickmansworth, Hertfordshire, WD3 1DE. The unaudited interim consolidated financial statements comprise the Company and its subsidiaries (together referred to as the 'Group').

The principal activity of the Group is the development and delivery of remote monitoring technologies and services to a range of domestic and international customers.

The Directors confirm that, to the best of their knowledge, the interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the United Kingdom and the AIM Rules for Companies, and that the interim report includes a fair review of the information required.

The condensed interim financial statements should be read in conjunction with the Group's latest annual consolidated financial statements, for the year ended 31 December 2021.

These interim financial statements do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements.

The financial information provided for the six-month period ended 30 June 2022 is unaudited, however, the same accounting policies, presentation and methods of computation have been followed in these interim financial statements as those which were applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2021.

These interim financial statements do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. A copy of the most recent statutory accounts for the year ended 31 December 2021 has been delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified and did not contain a statement under section 498 of the Companies Act 2006.

These interim financial statements were authorised for issue by the Company's board of directors on 13 September 2022.

1.1 Going concern

The Directors have, at the time of approving these interim financial statements, a reasonable expectation that the Company and the Group have adequate resources to continue in operation for the foreseeable future. The Group's forecasts and projections, taking into account reasonable possible changes in trading performance, show that the Group has sufficient financial resources, together with assets that are expected to generate cash flow in the normal course of business. Accordingly, the Directors have adopted the going concern basis in preparing these interim financial statements.

2. Segment reporting

The Group derives revenue from the delivery of remote monitoring technologies and services to a range of domestic and international customers. The income streams are all derived from the utilisation of these products which, in all aspects except details of revenue, are reviewed and managed together within the Group and as such are considered to be the only segment. The Group operates across three regions: Europe, Asia Pacific and The Americas, and the Board of Directors monitors revenue on this basis.

Revenue for each of the geographical areas is as follows:

	H1 2022 £'000	H1 2021 £'000	FY 2021 £'000
Europe	2,476	2,379	4,988
Asia-Pacific	12,847	8,924	18,230
Americas	7,539	6,731	14,410
	22,862	**18,034**	**37,628**

Assets and liabilities by segment are not regularly reviewed by the Board of Directors on a monthly basis and, therefore, are not used as a key decision-making tool and are not disclosed here.

Revenues are disaggregated as follows:

	H1 2022 £'000	H1 2021 £'000	FY 2021 £'000
Sales of goods	45	83	165
Delivery of services	22,817	17,951	37,463
	22,862	**18,034**	**37,628**

The nature of the Group's operations mean that recorded financial performance is not seasonal or cyclical in nature. The majority of revenues are derived from delivery of services to customers over time under long-term contracts.

3. Alternative performance measures

These items are included in normal operating costs of the business, but are significant cash and non-cash expenses that are separately disclosed because of their size, nature or incidence. It is the Group's view that excluding them from operating profit gives a better representation of the underlying performance of the business in the period.

	H1 2022 £'000	H1 2021 £'000	FY 2021 £'000
Amortisation of acquired intangibles	234	234	468
IPO preparation costs	-	578	1,192
National insurance on warrant exercise	-	-	1,076
Total adjusting operating items	**234**	**812**	**2,736**
Share-based payments expense	3,024	99	1,423
Total adjusting items and share-based payments before tax	**3,258**	**911**	**4,159**
Tax effect of adjusting items and share-based payments	(1,040)	-	(1,050)
Total adjusting items and share-based payments after tax	**2,218**	**911**	**3,109**

Share-based payments expense

These costs are excluded from the adjusted results of the Group since the costs are non-cash charges arising from recognition of the fair value of share options and other share-based incentives granted to employees of the Group. As such, they are not considered reflective of the core trading performance of the Group.

Amortisation of acquired intangibles
These costs are excluded from the adjusted results of the Group since the costs are non-cash charges arising from investment activities. As such, they are not considered reflective of the core trading performance of the Group.

IPO preparation costs (comparative periods only)
Attributable costs relating to the IPO performed during 2021 have been recognised within the consolidated statement of comprehensive income as an exceptional cost. These costs are excluded from the adjusted results of the Group since the costs are one-off in nature and will not repeat in future years.

National insurance on warrant exercise (comparative periods only)
Warrants were exercised in respect of 5,858,500 shares by the Chief Executive Officer immediately prior to the IPO in 2021. The acquisition of shares under the warrant were deemed to be within the Employment Related Securities rules and, therefore, a charge has been recognised in respect of Employer's national insurance. This cost is excluded from the adjusted results of the Group since the cost is one-off in nature and will not repeat in future years.

4. Taxation

Current tax is charged at 9.0% for the period (H1 2021: 13.1%) representing the best estimate of the average annual effective current tax rate expected to apply for the full year, applied to the pre-tax income of the current period.

The effective current tax rate is lower than the current UK corporation tax rate due to allowances claimed for research and development, patent box and the deductibility of exercised employee share awards, offset by overseas tax at higher rates than in the UK.

Deferred tax recognised in the period relates to share options, acquired intangible assets and fixed asset timing differences.

	H1 2022 £'000	H1 2021 £'000	FY 2021 £'000
Current tax			
For the financial period	796	1,047	1,457
Adjustments in respect of prior periods	-	-	648
	796	**1,047**	**2,105**
Deferred tax			
Origination and reversal of temporary timing differences	(44)	128	(127)
Adjustments in respect of prior periods	-	-	(83)
Related to share-based payments	(996)	(99)	(961)
	(1,040)	**29**	**(1,171)**
Total taxation	**(244)**	**1,076**	**934**

5. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data:

	H1 2022 £'000	H1 2021 £'000	FY 2021 £'000
Profit for the purpose of basic and diluted earnings per share being net profit attributable to equity holders of the parent	9,103	6,853	12,788
Adjustments for:			
Adjusting items	234	812	2,736
Share-based payments expense	3,024	99	1,423
Tax effect of adjusting items and share-based payments	(1,040)	-	(1,050)
Adjusted earnings	**11,321**	**7,764**	**15,897**

	H1 2022 No. shares	H1 2021 No. shares	FY 2021 No. shares
Weighted average number of Ordinary shares for the purpose of basic earnings per share	289,600,756	274,202,600	282,853,610
Effect of dilutive potential Ordinary shares/share options	15,963,014	6,667,285	6,373,277
Weighted average number of Ordinary shares for the purpose of diluted earnings per share	**305,563,770**	**280,869,885**	**289,226,887**

Basic earnings per share	H1 2022 Pence	H1 2021 Pence	FY 2021 Pence
Basic earnings per share	3.1	2.5	4.5
Adjustments for:			
Adjusting items	0.1	0.3	1.0
Share-based payments expense	1.1	-	0.5
Tax effect of adjusting items and share-based payments	(0.4)	-	(0.4)
Adjusted basic earnings per share	**3.9**	**2.8**	**5.6**

Diluted earnings per share	H1 2022 Pence	H1 2021 Pence	FY 2021 Pence
Diluted earnings per share	3.0	2.4	4.4
Adjustments for:			
Adjusting items	0.1	0.4	1.0
Share-based payments expense	1.0	-	0.5
Tax effect of adjusting items and share-based payments	(0.4)	-	(0.4)
Adjusted diluted earnings per share	**3.7**	**2.8**	**5.5**

The adjusted earnings per share has been calculated on the basis of profit before adjusting items and share-based payments, net of tax. The Directors consider that this calculation gives a better understanding of the Group's earnings per share in the current and prior periods.

6. Cash and cash equivalents

The carrying amounts of the cash and cash equivalents are denominated in the following currencies:

	H1 2022 £'000	H1 2021 £'000	FY 2021 £'000
Pound sterling	47,688	10,917	30,587
US dollar	2,557	8,097	11,186
Australian dollar	2,995	3,958	3,942
New Zealand dollar	2,447	-	27
Colombian peso	1,077	736	1,280
Euro	158	201	579
Canadian dollar	167	324	635
Other	81	-	81
	57,170	**24,233**	**48,317**

Net cash

Net cash comprises cash and cash equivalents and lease liabilities.

	H1 2022 £'000	H1 2021 £'000	FY 2021 £'000
Cash and cash equivalents	57,170	24,233	48,317
Lease liabilities	(313)	(441)	(349)
	56,857	**23,792**	**47,968**

7. Share capital

The allotted, called up and fully paid share capital is made up of 290,158,082 ordinary shares of £0.01 each. During the period the Group issued 1,653,000 shares, generating cash proceeds of £0.4m to satisfy the exercise of options by employees under EMI and non-EMI share option plans.

8. Share-based payments

The Group has a number of equity-settled share-based payment arrangements in operation, the details of which are disclosed in note 23 on pages 79-81 of the 2021 Annual Report. The schemes were established to reward and incentivise the senior management team and employees to deliver share price growth.

The charge made in respect of share-based payments is as follows:

	H1 2022 £'000	H1 2021 £'000	FY 2021 £'000
EMI Plan	-	-	181
Non-EMI Plan (Chair)	56	99	200
LTIP	67	-	37
Growth Share Plan	2,884	-	995
Share-based payments charge (IFRS 2)	**3,007**	**99**	**1,413**
Employers' tax charge in relation to share awards	17	-	9
Total charge in respect of share-based payments	**3,024**	**99**	**1,422**

9. Principal risks and uncertainties

The principal risks and uncertainties impacting the Group are described on pages 16-19 of the 2021 Annual Report and remain unchanged at 30 June 2022.

They include: reliance on key customers, failure to manage growth, change in government policy, failure to develop new products, competitor actions, reliance on third-party technology and communication systems, reputational risk, dependence on partners, loss of key personnel, supply chain, product liability, foreign exchange risk, credit risk, business taxation, bid pricing, cyber security/business interruption, intellectual property/patents and operating in global markets.