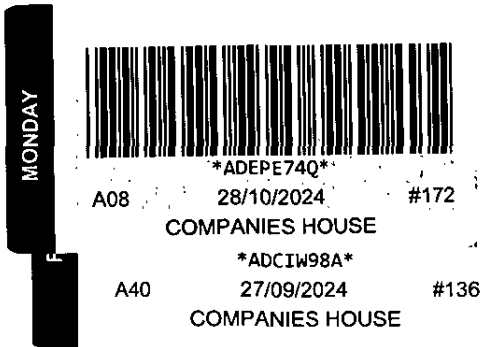


Gravity Global Digital Ltd

Unaudited Financial Statements

For the year ended 31 December 2023

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Gravity Global Digital Ltd

Company Information

Directors	A Daynes P Anderson M Letherbridge B Korcz S Williams
Company number	08057930
Registered office	69 Wilson Street London United Kingdom EC2A 2BB
Business address	69 Wilson Street London United Kingdom EC2A 2BB

Gravity Global Digital Ltd

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Gravity Global Digital Ltd

Directors' Report

For the year ended 31 December 2023

The directors present their annual report and financial statements for the year ended 31 December 2023.

Principal activities

The principal activity of the company continued to be that of specialised B2B digital marketing services.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

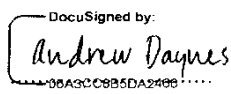
A Daynes
P Anderson
M Letherbridge
B Korcz
R Watts
S Williams

(Resigned 13 January 2024)

Small companies exemption

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

DocuSigned by:

38A3CC8B5DA2496
A Daynes
Director

26/9/2024

Date:

Gravity Global Digital Ltd

Balance Sheet

As at 31 December 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	3		9,223		9,764
Current assets					
Debtors	4	4,630,666		3,615,119	
Cash at bank and in hand		32,878		479,907	
		4,663,544		4,095,026	
Creditors: amounts falling due within one year	5	(1,321,061)		(1,371,992)	
Net current assets			3,342,483		2,723,034
Total assets less current liabilities			3,351,706		2,732,798
Creditors: amounts falling due after more than one year	6		(328,557)		-
Net assets			3,023,149		2,732,798
Capital and reserves					
Called up share capital	8		78		78
Capital redemption reserve			22		22
Other reserves			221,463		221,463
Profit and loss reserves			2,801,586		2,511,235
Total equity			3,023,149		2,732,798

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2023 the company was entitled to exemption from audit under section 479a of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

Gravity Global Digital Ltd

Balance Sheet (Continued)

As at 31 December 2023

26/9/2024

The financial statements were approved by the board of directors and authorised for issue on
and are signed on its behalf by:

DocuSigned by:

Andrew Daynes

.....06A3CC8B5DA2486.....

A Daynes

Director

Company Registration No. 08057930

Gravity Global Digital Ltd

Statement of Changes in Equity

For the year ended 31 December 2023

	Share capital £	redemption reserve £	Other reserves £	Profit and loss reserves £	Total £
Balance at 1 January 2022	78	22	221,463	1,567,860	1,789,423
Year ended 31 December 2022:					
Profit and total comprehensive income for the year	-	-	-	943,375	943,375
Balance at 31 December 2022	78	22	221,463	2,511,235	2,732,798
Year ended 31 December 2023:					
Profit and total comprehensive income for the year	-	-	-	290,351	290,351
Balance at 31 December 2023	78	22	221,463	2,801,586	3,023,149

Gravity Global Digital Ltd

Notes to the Financial Statements

For the year ended 31 December 2023

1 Accounting policies

Company information

Gravity Global Digital Ltd is a private company limited by shares incorporated in England and Wales. The registered office is 69 Wilson Street, London, United Kingdom, EC2A 2BB.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Gravity Global Limited. These consolidated financial statements are available from its registered office, 69 Wilson Street, London, United Kingdom, EC2A 2BB.

Gravity Global Digital Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2023

1 Accounting policies

(Continued)

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company has positive cash reserves at the date of approval of the financial statements and has been trading profitably since the year end. This will enable it to continue to meet its liabilities as they fall due for at least the next twelve months.

As a result the directors are confident that they have the ability to respond effectively to continued uncertainty and as a result, the directors believe that the company will be able to continue to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	20% straight line
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Gravity Global Digital Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2023

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Gravity Global Digital Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2023

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Gravity Global Digital Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2023

1 Accounting policies

(Continued)

1.9 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.11 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.12 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Total	10	12

Gravity Global Digital Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2023

3 Tangible fixed assets

	Plant and machinery etc £
Cost	
At 1 January 2023	53,822
Additions	1,681
At 31 December 2023	55,503
Depreciation and impairment	
At 1 January 2023	44,058
Depreciation charged in the year	2,222
At 31 December 2023	46,280
Carrying amount	
At 31 December 2023	9,223
At 31 December 2022	9,764

4 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	954,957	730,581
Amounts due from group undertakings	3,224,995	2,341,826
Other debtors	450,531	541,628
	4,630,483	3,614,035
Amounts falling due after more than one year:		
Deferred tax asset (see note 6)	183	1,084
Total debtors		
	4,630,666	3,615,119

Gravity Global Digital Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2023

5 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	196,237	162,578
Amounts due to group undertakings	55,048	352,661
Corporation tax	186,537	175,944
Other taxation and social security	164,603	217,745
Other creditors	718,636	463,064
	<u>1,321,061</u>	<u>1,371,992</u>

6 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Other creditors	<u>328,557</u>	<u>-</u>

7 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2023 £	Assets 2022 £
Balances:		
Accelerated capital allowances	<u>183</u>	<u>1,084</u>
Movements in the year:		2023 £
Asset at 1 January 2023		(1,084)
Charge to profit or loss		<u>901</u>
Asset at 31 December 2023		<u>(183)</u>

8 Called up share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital Issued and fully paid				
Ordinary A shares of 10p each	<u>779</u>	<u>779</u>	<u>78</u>	<u>78</u>

Gravity Global Digital Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2023

9 Financial commitments, guarantees and contingent liabilities

A composite guarantee has been given to the group's bank loan lenders in respect of any debts or liabilities owing to the lenders by any party to the guarantee. The parties to the guarantee are the companies listed below:

Gravity Global Limited
 Gravity London Limited
 Gravity Oxford Ltd
 Gravity Global Performance Marketing Ltd
 Gravity Global Digital Ltd
 Larsen Walsh Consultants Limited
 Newton Topco Limited
 Newton Midco Limited
 Gravity Global US Holdings Inc
 Gravity Global Holdings LLC
 Fogarty & Klein, Inc.
 9th Wonder Global LLC
 Morsekode LLC
 Gravity Global Houston LLC
 Mojo Media Labs LLC
 Dailey & Associates
 9th Wonder West Coast LLC

At the balance sheet date, the group's indebtedness to its lenders was £22,745,620 (2022: £11,687,735).

10 Operating lease commitments

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2023 £	2022 £
Within one year	-	17,253
	-	17,253

11 Related party transactions

As permitted by FRS 102 Section 33 "related party disclosures", the financial statements do not disclose transactions with the immediate parent company and wholly owned fellow subsidiaries on the basis that group financial statements are prepared.

During the year, the group made purchases totalling £194,470 (2022: £193,086) from Sitebox Ventures Limited, which is a related party by virtue of common directorship. As at 31 December 2023, an amount of £84,626 (2022: £109,086) was outstanding at the year end.

As at 31 December 2023, there was a balance of £128 (2022: £128) due from one of the Directors.

Gravity Global Digital Ltd

Notes to the Financial Statements (Continued)

For the year ended 31 December 2023

12 Controlling Party

The immediate parent undertaking of the company is Gravity Global Limited, a company incorporated in England and Wales. The immediate parent company of Gravity Global Limited is Newton Bidco Limited, a company registered in England and Wales. The immediate parent company of Newton Bidco Limited is Newton Midco Limited, a company registered in England and Wales. The ultimate parent company of the group is Newton Topco Limited, a company incorporated in England and Wales.

Gravity Global Limited is the smallest group for which consolidated financial statements including the company are prepared. The consolidated financial statements of Gravity Global Limited are available from its registered office, 69 Wilson Street, London, United Kingdom, EC2A 2BB.

Newton Topco Limited is the largest group for which consolidated financial statements including the company are prepared. The consolidated financial statements of Newton Topco Limited are available from its registered office, 69 Wilson Street, London, United Kingdom, EC2A 2BB.

The company is controlled by Elysian Capital III LP of 1 Southampton Street, London, WC2R 0LR, on the basis that it controls a controlling interest in the voting rights of the share capital of Newton Topco Limited.