



FY 2022 Results

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Presenting team



Mark Hodgkins

Chairman

- Started working with EnSilica in May 2016. He is a chartered accountant and was formerly a partner at both Grant Thornton and Ernst & Young. Since leaving Ernst & Young in 2005, Mark served as CEO of a number of engineering businesses and a privately held industry holdings company
- Experienced in leadership positions including publicly listed businesses and stood down in July as CFO of AIM-listed Trackwise Designs PLC



Ian Lankshear

Chief Executive Officer

- Co-founded EnSilica in 2001 as semiconductor design services business. Under his stewardship the company has enjoyed sustained growth based on market leading opportunities, innovation and export success
- Strong technical and commercial background covering semiconductors and adjacent markets. Having spent his early career in radar systems development for Siemens Plessey Systems, he moved into semiconductor development in 1996 working for Hitachi and subsequently Nokia



Matthew Wethey

Chief Financial Officer

- Started working for EnSilica in July 2021 and is a qualified chartered accountant and has held senior finance roles at Unipart Group, British American Tobacco PLC, Cosine UK Limited and PV Crystalox Solar PLC (PVCS)
- Between 2009 and 2020, Matthew was Chief Financial Officer and Group Secretary at PVCS, a long-established supplier of photovoltaic silicon wafers, formerly listed on the Main Market of the London Stock Exchange

EnSilica at a glance



A CLEAR MISSION

To be the premier **application specific chipmaker in Europe**



STRONG EXISTING Foothold

- EnSilica focuses on the design and supply of **customised chips (ASICs)**
- Supports a global client base
- Experienced management team with a strong track record of delivery and **c. 130 employees across five locations worldwide**



HIGH GROWTH MARKETS

- The global market for semiconductors is vast with the market for ASICs expected to grow to **\$27.6bn⁽¹⁾** by 2026 at a CAGR of **8.2%**
- High-growth opportunities in the **automotive, industrial, healthcare and satellite comms** sectors



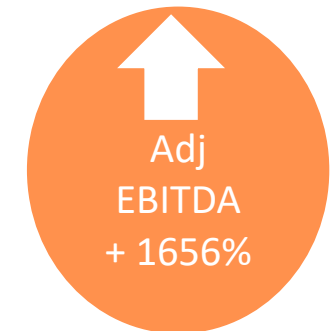
POSITIONED TO CAPITALISE

- EnSilica has a **growing pipeline and order book** of projects with investment expected to underpin future growth
- **Experts in complex mixed signal chip supply**, which is a proven model to scale and to deliver returns

(1) www.marketwatch.com, Global Application Specific Integrated Circuit (ASIC) Market 2020 share, June 2020

Strong operational progress delivered since IPO

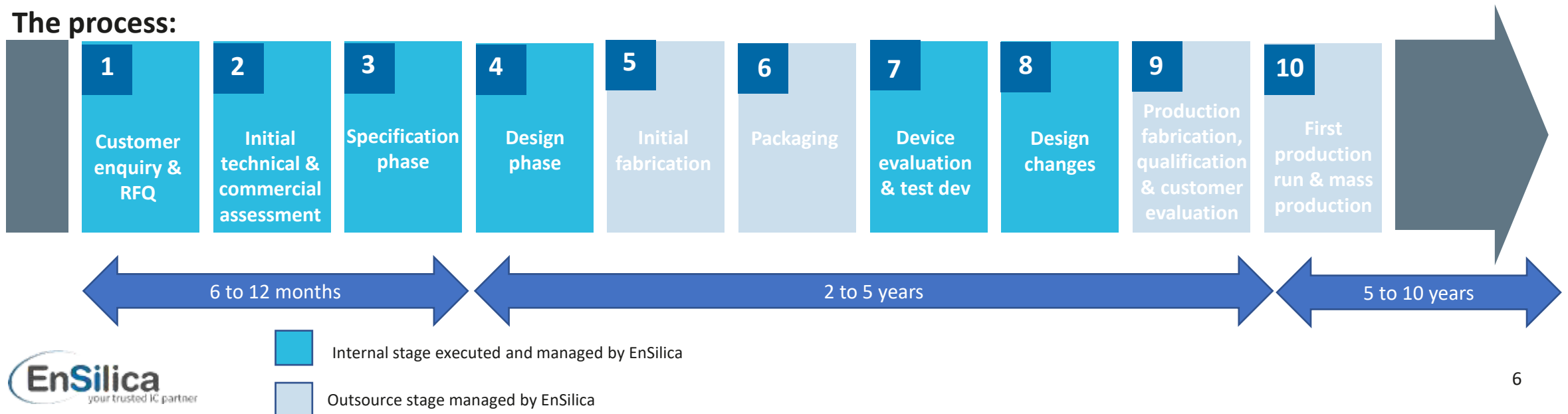
- Successfully floated on AIM raising £6 million
- Strengthened global sales network (sales pipeline grown to > £350m)
- Automotive ASIC supply customer started volume production (shipped 700k chips, forecast for the next 12 months of 2.7m chips)
- Expanded scope of agreement with global satellite communication customer (NRE majority funded alongside royalty income)
- Added Bristol based implementation team and the purchase of related IP assets (advanced node system-on-chip implementation)
- Awarded a significant contract in July with a leading European industrial OEM worth in excess of US\$30 million



EnSilica – a proven delivery model

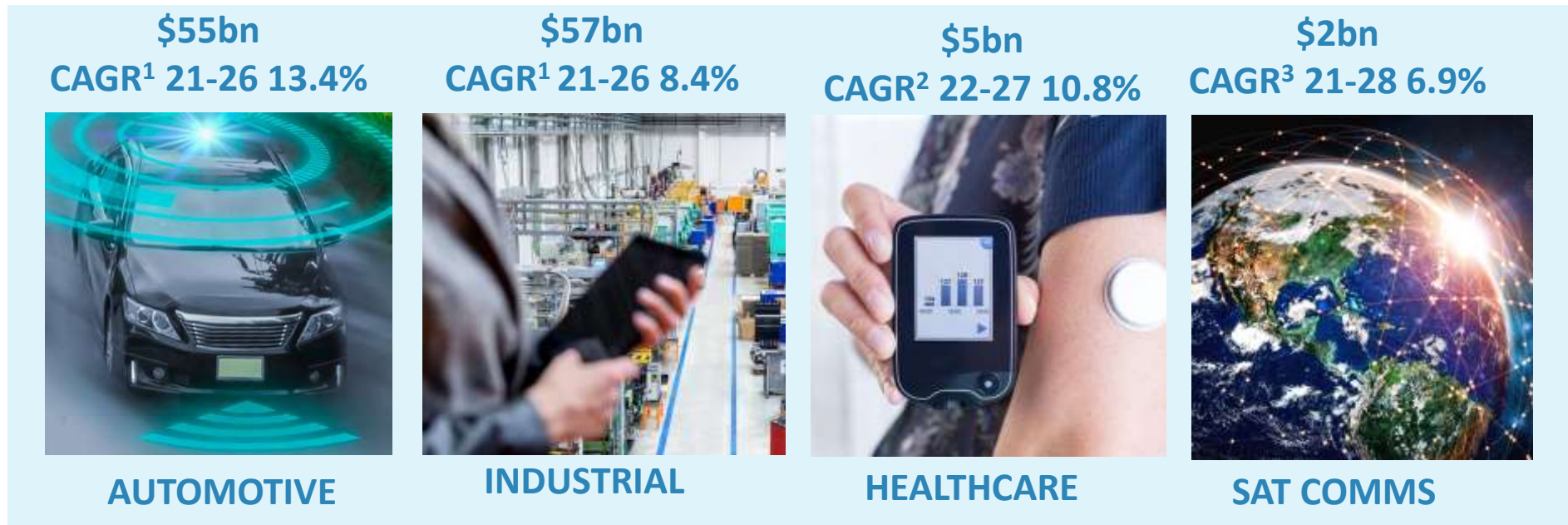
- EnSilica focuses on the end-to-end design and supply of chips through the **fabless semiconductor model**
- **Strong track record** of delivering custom chips to **established OEMs or well-funded start-ups**, reducing customer risk and time to market
- Strong relationships with supply chain partners for wafer fabrication, packaging, qualification and testing
- Fabless chipmaker model provides a **recurring ‘long-term’ revenue stream** which is **highly scalable**

The process:



Growing market opportunities in semiconductors

- World-wide semiconductor revenue was estimated to be \$600bn in 2021 and projected to grow to \$1tn by 2030⁴
- Custom chip are being widely used to differentiate market leading products
- EnSilica expertise and IP addresses the highest growth markets in the sectors:
 - Automotive: number of chips per car increasing massively for EV and advanced safety features
 - Industrial: automation control adopting sensor and AI chips to improve productivity, efficiency and safety
 - Healthcare: driven by aging population, telehealth, the move to wearable devices and the rise of AI
 - Satellite Comms: driven by global connectivity not being fulfilled by 5G alone and the use of phased arrays requiring 100s of chips



Sales pipeline now in excess of £350 million

- Three ASICs released for production now with anticipated long-term supply revenue
- Four new ASICs in the design stage and EnSilica currently working on several further design and supply opportunities

Snapshot of prospective customers in the Company's sales pipeline at October 2022*:

Customer type	ASIC Application	Revenue Type
Automotive Tier 1	Pressure sensor	Supply
Automotive Tier 2	Display controller	Supply
Industrial OEM	Industrial H-Bridge controller	Supply
Healthcare device supplier	Wearable wireless sensor	Supply
Healthcare device supplier	Pump controller	Supply
Industrial Tier 2	Torque sensor for e-bike	Supply
Fabless Semiconductor	Audio AI processor	Services
Satellite equipment provider	mmWave switching components	Supply
Satellite equipment provider	Ka-band payload beamformer	Supply
Satellite terminal provider	Ka-band Tx/Rx RF beamformer	Supply
Space Agency	Satellite digital beamformer	Supply



Financial highlights

- Turnover increased by 77% to £15.3m in 2022
- Adjusted EBITDA and EBIT both increased compared to last year
- Due to income for R&D Tax Credits, the Company receives cash each year from HMRC – for 2022 it is £1.7m (2021: £1.1m)
- Capitalised NRE (Intangibles) has additions of £2.2m in 2022 (2021: £1.7m)
- No impairment charge to Capitalised NRE in 2022 (2021: £2.0m)
- Net Cash £0.583m in 2022 (2021: Net Debt £4.7m)
 - £2.9m unsecured loan from Caple (BNP) taken out in Oct 2019
 - £2.1m Coronavirus Business Interruption Loan from Boost & Co taken out in Sept 2020

Year End May 31 - £'000	FY 2022	FY 2021
Turnover	15,293	8,607
Consultancy & IP Licensing	7,275	5,784
Design & Supply	8,018	2,823
Adjusted Operating profit	705	(169)
Adjusted EBITDA	1,036	59
Capitalised NRE (Intangibles)		
B/f	6,387	6,844
Additions	2,241	1,672
Amortisation	(148)	(110)
Impairment charge	(-)	(2,019)
C/f	8,480	6,387
Net Cash/(Debt)		
Cash	5,742	1,404
Caple (BNP)	(2,898)	(3,418)
CBILS	(2,068)	(2,381)
Other	(193)	(296)
	583	(4,691)

Income Statement

Year End May 31 - £'000	FY 2022	FY 2021
Turnover	15,293	8,607
Consultancy & IP Licensing	7,275	5,784
Design & Supply	8,018	2,823
Gross Profit	5,047	2,057
<i>Gross Profit Margin</i>	33.0%	23.9%
Total administrative expenses	(4,329)	(2,523)
IPO Costs	(699)	-
Impairment of intangible assets	-	(2,019)
Other operating income/expenses	(14)	297
EBIT	6	(2,188)
<i>EBIT Margin</i>	0.05%	-25.4%
Net Financial expenses	(540)	(545)
Loss before tax	(534)	(2,733)
Tax	683	658
PAT	149	(2,075)
Adjusted EBITDA*	1036	59
<i>EBITDA Margin</i>	6.9%	0.7%

*Adds back one off IPO costs plus depreciation and amortisation

- Design & Supply (“NRE”) represents customer-funded developments leading to future ASIC sales or royalties
- Higher revenues in 2021 and 2022 as benefits on the focus on Supply begin to show and impact of Covid reduces.
- Trend to higher margins from newly commenced supply sales
- IPO costs of £0.7m were expensed in 2022 and £0.5m were charged through the share premium account.
- No write down of intangibles in FY 2022 however the Group wrote £2.0m in 2021

Balance Sheet

Year End May 31 - £'000	FY 2022	FY 2021
Intangible assets	8,576	6,506
Tangible assets	382	262
Non-current assets	8,958	6,768
Inventories	215	30
Trade & other receivables	3,257	2,950
Corporation tax recoverable	1,671	2,203
Cash & cash equivalents	5,742	1,404
Current assets	10,885	6,587
Borrowings	(800)	(753)
Lease liabilities	(88)	(103)
Trade and other payables	(2,391)	(3,099)
Current liabilities	(3,279)	(3,955)
Net current assets	7,606	2,632
Total assets less current liabilities	16,565	9,400
Borrowings	(4,166)	(5,046)
Lease liabilities	(105)	(193)
Provisions	(140)	(149)
Deferred tax	-	(1,174)
Non-current liabilities	(4,411)	(6,562)
NET ASSETS	12,153	2,838
Capital & Reserves		
Called up share capital	134	2
Share premium account	6,900	-
Currency differences reserve	1	(39)
Retained earnings	5,118	2,875
TOTAL EQUITY	12,153	2,838

- Ongoing investment in capitalised development costs (intangible assets) and fixed asset capability
 - £2.2m additions in intangibles in FY 2022 (£1.7m in FY 2021)
 - Impairment in 2021 following review
- Corporation tax recoverable £1.7m in FY2022 is R&D tax credit claim for the year, in FY2021 it was the balance from FY2021 and FY2020.
- Cash position as of 31 May 2022 was £5.7m (FY 2021 £1.4m)
- Deferred tax provision reduced from £1.2m in FY 2021 to nil due to recognition of deferred tax asset due to tax treatment of options exercising ahead of the IPO.
- Borrowings reduced due to ongoing repayment of unsecured loan from Caple (BNP) and CBIL from Boost & Co
- Changes to share capital and share premium account due to IPO

Cash Flow

Year End May 31 - £'000	FY 2022	FY 2021
Profit/(loss) for the year	149	(2,075)
Adjustments for non cash items:	309	1,979
Op. cashflow pre movements in W.Cap	458	(96)
Working capital movements	(2,373)	(246)
Cash generated from operations	(1,915)	(342)
Tax received/(paid)	3,306	(92)
Net cash generated from/(used in) operating activities	1,391	(434)
Net cash used in investing activities	(2,492)	(1,710)
Net cash generated from financing activities	5,399	1,387
Net increase/(decrease) in cash and cash equivalents	4,298	(757)
Cash and cash equivalents at beginning of year	1,404	2,181
Foreign exchange gains/(losses)	40	(20)
Cash and cash equivalents at end of year	5,742	1,404

- Ongoing investment in capitalised development costs (intangible assets)
 - £2.2m in FY2022 (£1.7m in FY2021)
- Net IPO proceeds of £4.9m
- Payments relating to loans and leases
 - £1.5m in FY2022 (£1.1m in FY2021)
- Receipt of bank loan in FY2021
 - £2.45m for CBIL from Boost & Co taken out in Sept 2020

Key growth initiatives

- **Leverage EnSilica's strong positions within automotive, industrial, healthcare and satellite connectivity** applications for mixed signal ASICs
- **Scale the Company's successful Fabless ASIC Model** to fully exploit revenue opportunities from design and supply engagements
- **Develop application specific standard parts (ASSP)**, with two significant standard platforms already at the device evaluation stage
- **Expand EnSilica's offering** through consolidation and vertical integration



Further development of global sales network

- **Appointment of a Vice President of Worldwide Sales**, Peter Jeutter, based in Germany (EnSilica GmbH)
- **Signed sales representative agreements** with Quantum Leap Solutions and Cedar Technologies:
 - QLS, based in Silicon Valley and has **sales offices across North America**
 - Cedar specialises in **taking semiconductor related technologies to market across Northern Europe**
- EnSilica now has **sales and marketing representatives** covering 12 countries



Won a significant ASIC contract with major Industrial OEM

Awarded in July 2022

- EnSilica to design & supply an **ASIC for industrial and factory automation products for a leading European OEM**
- Value based on projected volumes by the customer, the contract expected to be **worth in excess of US\$30 million over seven years**
- **NRE design component has commenced** and is fully funded by the customer
- Production and supply expected to **start FY 2024**



Expanding capabilities and IP exposure

Extends core capabilities across the satellite and 5G markets

- **Recruited a team of skilled engineers**, and purchased related non-core IP assets from Blu Wireless Technologies for implementing advanced node system-on-chips (SoCs)
- **This team is located in EnSilica's new Bristol facility**, providing an opportunity to take advantage of engineering talent in the area
- EnSilica to partner Blu Wireless in the deployment of their high-performance communication processor IP solution 'HYDRA', with **EnSilica acting as ASIC design and fabless semiconductor supplier**



Outlook

Strong FY 22 performance underpinning FY23 momentum

- Having successfully delivered our **FY22 results ahead of market expectations**, the Company has reported strong progress in FY23
- **The strong 2022 performance underpins FY23 momentum** supported by existing contracts and ongoing new business momentum
- The Board firmly believes that the **Company is well placed to continue capitalising on the sizable growth opportunity within the semiconductor industry**



The background of the slide is a detailed, light-colored image of a printed circuit board (PCB) with intricate white traces and circular pads. A solid blue horizontal band is positioned across the middle of the image, serving as a background for the text.

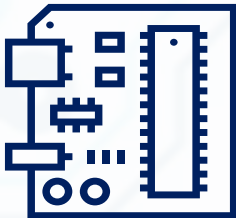
APPENDIX

What is an ASIC?

An application-specific integrated circuit (“ASIC”) is a custom chip that has a wide range of applications and benefits

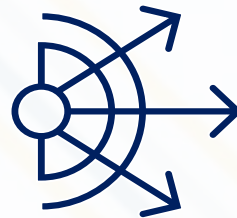
DIFFERENTIATORS

- Lower-power consumption
- Smaller form-factor
- Lower-cost (in large volumes)
- Higher functionality
- Improved data security
- Supply chain resilience
- Intellectual property protection



MAIN APPLICATIONS

- Automotive
- Connectivity for LEO satellite
- Industrial IoT and AI
- Smart healthcare
- Networking and 5G
- Consumer devices

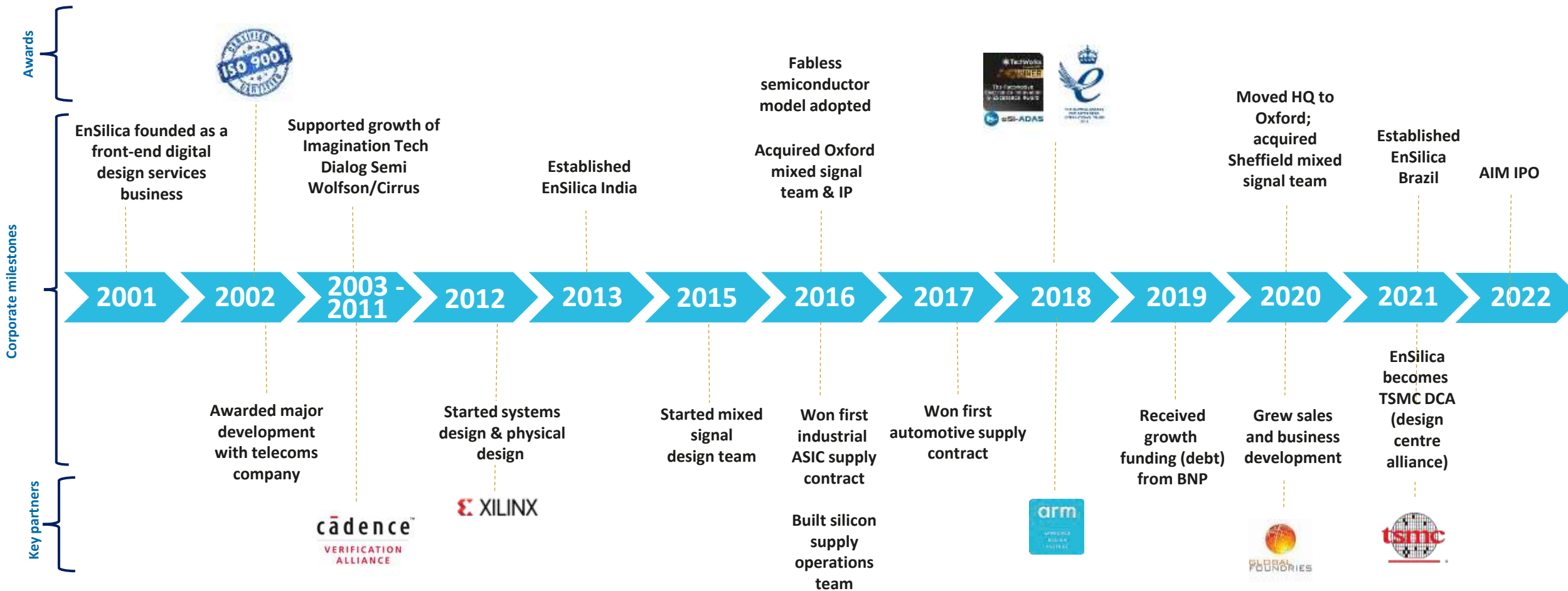


OEMs USING ASICs

- Google
- Microsoft
- Huawei
- Cisco
- Square
- Apple
- Siemens
- Tesla



A brief history of EnSilica



The Board of Directors



Ian Lankshear
Chief Executive Officer

- Co-founded EnSilica in 2001 as semiconductor design services business
- Under his stewardship the company has enjoyed sustained growth based on market leading opportunities, innovation and export success
- Spent early career at Siemens Plessey Systems, moving into semiconductor development working for Hitachi and Nokia



Matthew Wethey
Chief Financial Officer

- Started working for EnSilica in July 2021 and has held senior finance roles at Unipart Group, British American Tobacco PLC, Cosine UK Limited and PV Crystalox Solar PLC (PVCS)
- Between 2009 and 2020, Matthew was CFO and Group Secretary at PVCS, listed on the main market of the London Stock Exchange



Mark Hodgkins
Chairman

- Started working with EnSilica in May 2016. He is a chartered accountant and was formerly a partner at both Grant Thornton and Ernst & Young, with particular focus on M&A.
- Significant experience in leadership positions of listed businesses
- Focused on Board performance and evaluation governance and investor relations.



Janet Collyer
Senior Independent and Non-executive Director

- Experienced senior international group director with proven strategic and ecosystems management experience in the key aspects of the semiconductor systems industry.
- Spent 30 years working at NASDAQ-listed, Cadence Design Systems.
- Currently has the following non-executive roles, director at the Aerospace Technology Institute, Chair at Machine Discovery Ltd and Chair at Quantum Dice Limited.



David Tilston
Non-executive Director

- Qualified chartered accountant, starting career at KPMG
- Held several executive roles in a number of UK PLCs.
- Formerly non-executive director of Sepura PLC a wireless equipment manufacture.
- Currently non-executive director of AIM listed SDI Group PLC a designer and manufacturer of scientific products.



Noel Hurley
Non-executive Director

- Senior executive with over 10 years as a VP at Arm Ltd leading wide-ranging teams including the CPU group, Business Segments group and most recently Strategy and Incubation group.
- Previously Co-founder of XMOS Semiconductors and the COO of Toumaz PLC.
- Previously non-executive chair at Bodle Technologies and non-Executive Director of Blu Wireless



Wasim Ahmed
Non-executive Director

- Seasoned senior executive with a track record in the semiconductor industry, spanning strategy, M&A, marketing and business development
- Spent 15 years at Imagination Technologies, latterly as both Chief Strategy Officer and Chief of Staff, leading operations
- Previously held marketing management roles at Arc and Hitachi

Established and proven revenue model

The Group has two revenue streams each having 2 components:

DESIGN & SUPPLY (TURNKEY) - FABLESS ASIC MODEL REVENUE:

1

Non-recurring engineering costs (NRE)

- Customer contributes to the initial design and tooling (NRE)
- For ASSP development, the NRE is self-funded

Supply and royalty

- Revenue from the production and sales of the IC, or royalty paid for each IC manufactured by a third party
- Typically lasts for several years and generates predictable revenue streams

CONSULTANCY & IP - LEGACY REVENUE:

2

Consultancy

- Legacy activities charged on a daily rate or per project basis. This is expected to decrease as focus continues to shift

IP licensing

- Expect to remain constant but focus shifted towards utilising owned IP to differentiate our own ASICs

Anticipated that Design & Supply will become predominant over time

Competitive landscape for mixed signal ASICs

Category	Competitors	EnSilica
Fabless (mixed signal ASIC) companies	<ul style="list-style-type: none">• Indie Semi• AnSem• ICsense• Swindon Silicon Systems• Triad Semiconductor	Our IP & technology focus provide us with a competitive edge. We only pursue the opportunities aligned to our skills
Catalogue part companies customising ICs for a big customer	<ul style="list-style-type: none">• NXP• Infineon• ST Microelectronics• OnSemi• Renesas Electronics Co	Larger players are often not agile enough for custom ASIC opportunities
Design service companies	<ul style="list-style-type: none">• Synapse Design• ASIC North• CoreHW• ICAIps	Due to acquisitions, mixed signal design service companies are limited. This leads to high valuation multiples for ones with the right IP/technology focus

Income Statement

Year End May 31 - £'000	FY 2019	FY 2020	FY 2021	FY 2022
Turnover	6,270	6,452	8,607	15,293
Consultancy & IP Licensing	4,348	5,508	5,784	7,275
Design & Supply	1,922	944	2,823	8,018
Gross Profit	3,175	2,938	2,057	5,047
<i>Gross Profit Margin</i>	<i>50.6%</i>	<i>45.5%</i>	<i>23.9%</i>	<i>33.0%</i>
Total administrative expenses	(2,515)	(3,170)	(4,542)	(24,329)
Other operating income/expenses	(33)	58	297	(14)
EBIT	627	(174)	(2,188)	705
<i>EBIT Margin</i>	<i>10.0%</i>	<i>-2.7%</i>	<i>-25.4%</i>	<i>4.6%</i>
Net Financial expenses	(37)	(215)	(545)	(540)
Impairment of intangible assets	-	(450)	(2,019)	-
Profit before tax	590	(389)	(2,733)	165
Tax	544	550	658	683
PAT	1,134	161	(2,075)	888
EBITDA	795	520	59	1057
<i>EBITDA Margin</i>	<i>12.7%</i>	<i>8.1%</i>	<i>0.7%</i>	<i>6.9%</i>

*Unaudited

- NRE represents customer-funded developments leading to future ASIC sales or royalties
- Higher revenues in 2021 and 2022 as benefits of the focus on Supply begin to show and impact of Covid reduces.
- Trend to higher margins from newly commenced supply sales
- The Group has written down intangibles £2.0m in 2021 and £0.45m in 2020 – these are recorded as exceptional items.

Balance Sheet

Year End May 31 - £'000	FY 2019	FY 2020	FY 2021	HF 2022
Intangible assets	4,086	6,844	6,506	8,576
Tangible assets	319	275	262	382
Investments	-	-	-	-
Non-current assets	4,405	7,119	6,768	8,958
Inventories	31	94	30	215
Trade & other receivables	1,473	1,448	2,950	3,257
Corporation tax recoverable	954	1,195	2,203	1,671
Cash & cash equivalents	419	2,181	1,404	5,742
Current assets	2,877	4,918	6,587	10,885
Borrowings	(460)	(848)	(753)	(800)
Lease liabilities	(106)	(90)	(103)	(88)
Trade and other payables	(1,405)	(1,953)	(3,099)	(2,390)
Current liabilities	(1,971)	(2,891)	(3,955)	(3,278)
Net current assets	906	2,027	2,632	7,607
Total assets less current liabilities	5,311	9,146	9,400	16,565
Borrowings	-	(3,105)	(5,046)	(4,166)
Lease liabilities	(173)	(135)	(193)	(105)
Provisions	(75)	(70)	(149)	(140)
Deferred tax	(590)	(1,183)	(1,174)	-
Non-current liabilities	(838)	(4,493)	(6,562)	(4,411)
NET ASSETS	4,473	4,653	2,838	12,154
Capital & Reserves				
Called up share capital	2	2	2	134
Share premium account	-	-	-	6,275
Currency differences reserve	8	-	(39)	1
Retained earnings	4,463	4,651	2,875	5,744
TOTAL EQUITY	4,473	4,653	2,838	12,154

- Ongoing investment in fixed asset capability and intellectual property
 - Impairment in 2020 and 2021 following review
- Net cash position as of 31 May 2022 was £0.58m
 - £5.7m cash
 - £2.9m unsecured loan from Capel (BNP)
 - £2.1m Coronavirus Business Interruption Loan from Boost & Co

Cash Flow

Year End May 31 - £'000	FY 2022	FY 2021
Profit/(loss) for the year	848	(2,075)
Adjustments for:		
Depreciation	182	114
Amortisation of intangible assets	170	114
Impairment of intangible assets	0	2,019
Share based payments	120	32
Grant income not cash received	0	(187)
Net interest costs	540	545
Tax credit	(683)	(658)
Op. cashflow pre movements in W.Cap	1,177	(96)
(Increase)/decrease in inventories	(185)	64
Decrease/(increase) in trade and other receivables	(304)	(1,502)
Increase/(decrease) in trade and other payables	(721)	1,113
(Decrease)/increase in provisions	(1,183)	79
Cash generated from operations	(1,216)	(342)
Tax received/(paid)	3,306	(92)
Net cash generated from/(used in) operating activities	2,091	(434)

- Ongoing investment in fixed asset capability and intellectual property
 - Impairment in 2020 and 2021 following review
- Net cash position as of 31 May 2022 was £0.58m
 - £5.7m cash
 - £2.9m unsecured loan from Capel (BNP)
 - £2.1m Coronavirus Business Interruption Loan from Boost & Co

Cash Flow

Year End May 31 - £'000	FY 2022	FY 2021
Net cash generated from/(used in) operating activities	2,091	(434)
Purchase of property, plant and equipment	(276)	(45)
Additions to intangible assets	(2,241)	(1,672)
Proceeds from sale of tangible fixed assets	0	0
Interest received	25	7
Net cash used in investing activities	(2,492)	(1,710)
Proceeds from issuance of ordinary shares	6,216	0
Interest paid	(565)	(185)
Lease liability payments	(103)	(94)
Receipt of bank loans	0	2,450
Repayment of bank loans	(768)	(784)
Commitment fees	(80)	0
Net cash generated from financing activities	4,700	1,387
Net increase/(decrease) in cash and cash equivalents	4,298	(757)
Cash and cash equivalents at beginning of year	1,404	2,181
Foreign exchange gains/(losses)	40	(20)
Cash and cash equivalents at end of year	5,742	1,404

- Ongoing investment in capitalised development costs (intangible assets)
 - £2.2m in FY2022 (£1.7m in FY2021)
- IPO proceeds of £6.2m
- Payments relating to loans and leases
 - £1.5m in FY2022 (£1.1m in FY2021)
- Receipt of bank loan in FY2021
 - £2.45m for CBIL from Boost & Co taken out in Sept 2020

Our investment case

- 1. Delivered strong financial and operational progress since IPO**
- 2. Successfully engaging across automotive, industrial, healthcare and satellite communications sectors**
- 3. EnSilica's proven ASIC supply model now scaling at pace underpinned by IP and project revenues**
- 4. Experienced management team set to accelerate embedded growth strategy**
- 5. Further development of significant pipeline and order book – now valued at c. 350 million**

The background of the slide is a detailed, light-colored image of a printed circuit board (PCB) with intricate white traces and numerous circular pads. A solid blue horizontal band is overlaid across the middle of the image, serving as a background for the text.

Thank you – Q & A