

Impala Bidco Ltd

Unaudited Financial Statements

Period: Q4 2021

Overview

Impala Bondco Plc is a UK company created for the purpose of raising a public bond in order to drive further strategic acquisition and growth within the Group known as Impero Group, which is constructed of Impala Bidco Ltd and its subsidiaries.

Impero is a global cybersecurity provider of cloud-based, on-premise and hybrid, wellbeing and learner monitoring SaaS and filtering solutions into the education and corporate marketplaces. Designed to protect and save children in the school environment, as well as to improve the delivery of education and technology throughout a school, Impero's products can be purchased standalone or combined to meet the customer's needs. These solutions enable schools to keep students safe in an increasingly threatening world, improve the teaching environment and maximize efficiency for school network managers. The product suite, and its benefits, segue into the corporate market with ease, providing security features which exceed even the most stringent security and compliance standards. IT and HR managers can utilise the solution to great effect, whether monitoring and supporting employees with wellness or managing hardware.

Impero is headquartered in Nottingham (UK) with offices in Anaheim and Portland (USA), Canberra (Australia),

Bucharest (Romania) and Copenhagen (Denmark). The Group is one of the leading players in UK secondary schools, serving more than 1,400 secondary schools across the country, and has a significant footprint in the US. Globally, Impero has approximately 6,500 customers in 110 different countries and the software is used by c.2,500 School Districts and 50 percent of the Fortune 100 companies¹.

Impero was founded in 2002 to provide network management software to IT technicians in schools and has since been dedicated to solving complex problems with simple solutions for educational establishments across the globe. From 2015, Impero evolved its product set to include classroom management and online safety monitoring software solutions.

In recent years, Impero has been consolidating its footprint in the US. In 2018, Impero acquired Safeguarding Monitor, a developer of applications to help schools, colleges and multi-academy trusts meet their safeguarding responsibilities. On February 4th 2021, Impero acquired Netop, creating additional whitespace opportunities and providing a strong foothold in the corporate sector, primarily in financial services and retail. On December 31st 2021, Impero acquired ContentKeeper, again creating additional whitespace opportunities, strengthening the US footprint and securing a best-in-class web filtering solution.

¹ Including consideration of ContentKeeper Technologies Pty LLD, which was acquired at 31 Dec 2021.

Q4 Performance

The Group's predominant focus is on the Education market, providing the first line of defence in the digital world. In addition to this the Connect product, which was brought into the Group via the acquisition of Netop in February 2021, had a very strong Q4 providing secure remote access across the Retail, Banking and Healthcare verticals. This has been an area of growth throughout FY21 and continues to be an exciting area of opportunity with significant market potential with the current product, with additional opportunity arising from utilising the other Impero products in the Corporate sector. During the period, there were material sales with Gilbarco c. £0.6m and PG&E c.£0.2m.

With the strategic direction and market expectation for cloud products, the Group has seen, and will continue to see, increases in Cost of Sales due to the expansion and SaaS migration of customers and the associated requirement for cloud infrastructure. The increase in customers utilising the cloud infrastructure unlocks the opportunity to expand penetration of the full portfolio of modules, as such providing a benefit to the customer while also improving average revenue

per customer and customer attrition. In spite of the positives, the Group recognises the continual move in technology and the need to continually review efficiency through both research and development and procurement.

Operating expenses within the Group continued to be managed in line with expectations, having restructured and integrated Netop. As a Group providing SaaS products, the majority of operating costs are personnel related, which are continually monitored and controlled to ensure operational efficiency.

Mergers & Acquisitions

On December 31st 2021, Impero acquired ContentKeeper Technologies Pty Ltd, a leading web filtering, reporting and mobile security focused company based in Canberra, Australia. In addition to expanding Impero's product offering, reach and customer base in the United States, the acquisition will expedite Impero's strategy to build a fully integrated, device-agnostic, cloud-based product portfolio for education and corporate clients. Due to the timing of the acquisition, the ContentKeeper entities will be included in Group reporting as of January 1st 2022.

Consolidated Profit & Loss (Unaudited)

	1 October to 31 December 2021 £000
Turnover	3,570
Cost of Sales	(436)
Gross Profit	3,134
Administrative expenses	(2,742)
EBITDA (1)	391
Exceptional costs (2)	(407)
Depreciation and amortisation (3)	(1,323)
Interest payable and similar expenses	(760)
Loss before taxation	(2,099)
Tax on loss	77
Profit/(loss) for the period	(2,021)

Consolidated Balance Sheet (Unaudited)

	31 Dec 2021
	£000
Fixed Assets	
Intangible Assets	17,141
Tangible Assets	260
	<hr/> 17,401
Current Assets	
Debtors	6,739
Cash at bank and in hand (4)	53,599
	<hr/> 60,338
Creditors	(50,542)
Net Assets	<hr/> 27,197 <hr/>
Capital and reserves	
Called up share capital	27,575
Share premium account	1,959
Reserves	(2,337)
Total shareholders' funds	<hr/> 27,197 <hr/>

Consolidated Cash Flow Statement (Unaudited)

	1 October to 31 December 2021 £000
Profit/(Loss) for the Period	(2,021)
Adjustments for:	
Depreciation and amortisation	1,323
Taxation	(77)
Changes in working capital	(419)
Finance costs	637
Cashflow from operating activities	(557)
Purchase of tangible assets	(7)
Net cash used in investing activities	(7)
Issue of share capital (4)	13,991
Loans (5)	38,933
Interest paid	(162)
Net cash used in financing activities	52,762
Net increase/decrease in cash	52,198
Cash and cash equivalents at the beginning of period	1,401
Cash and cash equivalents at the end of period	53,599

Accounting Policies and Notes to the Financial Statements

Impala Bidco Ltd is registered and incorporated in the United Kingdom. The registered office is Seventh Floor, East West, Tollhouse Hill, Nottingham, NG1 5FS. The Group consists of Impala Bidco Ltd (the “parent company”) and all its subsidiaries, of which Impala Bondco Plc is one. The operations of the Group comprise of the development and provision of software to provide safe learning environments for learners globally.

The unaudited financial statements for the period have been prepared in compliance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

- (1) The Group capitalises elements of Research & Development spending, the EBITDA figure quoted is fully expensed and

therefore excludes the impact of such capitalisation.

- (2) Exceptional costs predominantly relate to nonrecurring expenses in the form of professional fees and costs associated with the raising of the bond and M&A activity.
- (3) As an acquisitive Group, the majority of Depreciation and Amortisation relates to the Amortisation of Goodwill.
- (4) The build-up of cash via the Bond issuance and additional Equity reflected in these statements indicates the cash position prior to completion of the acquisition.
- (5) Included within the Loan value is a \$10m USD Shareholder Loan from Investcorp Technology Partners which will be converted to Share Capital.

Company Information

Name: Impala Bidco Ltd

Address: Seventh Floor, East West
Tollhouse Hill
Nottingham
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United Kingdom

Company Registration: 10878303

Financial Year: January 1 – December 31

Website: www.imperosoftware.com

Board of Directors: Philip Walters, Chairman
Julian Bennet
Joe Ross
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Richard Fuller
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