

# **Impala Bidco Limited**

Company number: 10878303

## **Annual Report and Consolidated Financial Statements**

**For the year ended 31 December 2022**

# Impala Bidco Limited

## Company Information

### Directors

J C L Bennet

G B Kamieniecky

### Registered number

10878303

### Registered Office

Seventh Floor

East West

Tollhouse Hill

Nottingham

England

NG1 5FS

### Independent auditor

Mazars LLP

Chartered Accountant & Statutory Auditor

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Nottingham

NG1 5DW

# Impala Bidco Limited

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# Impala Bidco Limited

## Group Strategic Report For the year ended 31 December 2022

### Introduction

The Directors present their Group Strategic Report and consolidated financial statements of Impala Bidco Limited ("the Company") and of its subsidiaries (collectively "the Group") for the year ended 31 December 2022.

### Review of the business

Impero's strategy is to increase shareholder value through building a predictable, profitable and cash generative organisation that excels in the development and sale of software.

2022 was a strong year for the Group in terms of sales growth and significant development to core products. Having completed the ContentKeeper acquisition, 2022 focused on realising the strategic goals of this investment.

A transformation and integration project was initiated at the start of 2022, to deliver synergy savings for the business through headcount, systems, and process efficiency. While most of these savings are to be realised in 2023, the work undertaken in 2022 would enable this, ensuring minimal impact on business performance. Benefits of the combined sales organisation could be realised immediately with 2022 proving to be a high growth year in terms of bookings (+19.7% TCV on previous year). Pushing high value enterprise sales in the K12 filtering space, and cross-selling of Impero's Classroom solution into the existing ContentKeeper customer base, Impero was able to successfully deliver on the primary goal of the ContentKeeper acquisition strategy.

### Management team

The group management team remains consistent from FY21 with the exception of Ian Kelly, who joined the management team as Group CFO in February 2023. Ian is a big 4 trained FCA board level executive with experience across many sectors within international publicly traded and privately held companies. Since joining Ian has built a new permanent finance team, improving internal and external reporting and the financial control environment as well as improving our working capital position and supporting the management team in reducing the cost base. The team are also currently working on a new ERP implementation.

### Product

Following the acquisitions of Netop Solutions A/S and ContentKeeper Technologies Pty Ltd, the Group has expanded the product offering to both educational and corporate customers. The education offering now incorporates web filtering, classroom management, digital safeguarding, network management and device management.

In 2022, a strategic review of Impero's product portfolio for Education kicked off a multi-year, multifaceted product program, with the aim of rationalising the product portfolio, enhancing core products and integrating the Impero product suite for a unified user experience. The Product Vision for Impero, is being driven by the CEO, and will lead the business to generating user and commercial benefit from the data generated by the core portfolio. In 2022, projects in the program included the development of a product migration strategy, a re-prioritisation of the combined product roadmap, an extensive security audit and the design and implementation of two new UK data centres.

2022 also delivered strategic success in the corporate space, with a collaboration with Intel to conduct bespoke development work, porting Impero Connect's cloud modules into Intel's cloud infrastructure. By gaining access to a new market opportunity, Impero Connect can now offer cloud portability to all enterprise customers who wish to host and control their cloud infrastructure.

# Impala Bidco Limited

## Group Strategic Report For the year ended 31 December 2022 (continued)

### Business Acquisitions and Integrations

With specific focus on expanding global reach and opening new verticals, the business acquired 100% of the share capital of ContentKeeper Technologies Pty Ltd. Content Keeper is an Australian technology business with products serving both commercial and educational markets, and operations in Australia and the USA. This strategic acquisition further extends offerings and reach in the US market, while also increasing access to the APAC region.

The integration of Content Keeper into the business began in earnest in 2022, with the merging of teams under unified leadership, and the consolidation of systems to deliver greater visibility. The integration program will see the completion of data and system integration in 2023.

### Principal risks and uncertainties

The Group seeks to maintain knowledge of the current education practice and priorities by maintaining close relationships with customers and policy developments. The Group monitors the education policy environment regularly, incorporating developments in policy wherever possible to the enhancement of its products. The Group's strategy is to focus on areas of education which meet customers' objectives, continually reviewing and updating its products to ensure they are in line with market demand.

#### *Public Policy*

Changes in macro-economic conditions, political administration or policy, may result in changing priorities for the funding available to education institutions. The Group focuses on the provision of mission critical solutions to reduce such risks. In addition, the Group monitors the education policy environment, incorporating policy developments as product enhancements where possible.

#### *Education Practice*

Education practices and priorities may change and, as a result, the Group's products and services may no longer align with requirements. The Group Product team engages with education practitioners to identify such changes, and where necessary propose product enhancements that are prioritised on the roadmap.

#### *People*

As a technology developer and provider, the Group has a dependency on highly skilled employees. The Group seeks to be an attractive employer, regularly engaging with employees to continually improve retention. The Group also leverages the expanded geographic locations to offer greater flexibility and target regions where specific skill sets are most prevalent. Succession planning is reviewed and updated annually to mitigate the risk of any key personnel leaving the business.

#### *Cyber Security*

The Group's products handle sensitive student data and therefore any security breach or cyber-attack poses a serious risk to the business. The Group mitigates against this with annual pen testing and regular product security reviews. Compliant with ISO27001, the Group has a robust framework in place in which security is monitored and enhanced as part of all business processes.

#### *Technological Dependencies*

The Group's core product set is cross-platform and must maintain performance across all major operating systems. While an important market differentiator, this dependency means the Group's Product and Development team must be responsive to changes across a vast range of technology. This is done by developing under an Agile methodology and forging close relationships with technology partners.

# Impala Bidco Limited

## Group Strategic Report For the year ended 31 December 2022 (continued)

### Principal risks and uncertainties (continued)

#### *Key customers*

The Group targets a range of Education customers including large US school districts and notable key customers within this firmographic make up a significant portion of the Group's ARR. Key Account Managers are in place to maintain customer engagement across this customer segment, with regular communication and needs analysis, informing the product roadmap to ensure current and future requirements are met and customer satisfaction is high.

#### *Interest rate risk*

In 2021, Impala Bondco Plc issued a senior secured bond loan of SEK 375,000k on the Swedish bond market. The bonds carry a floating interest rate of STIBOR 3m + 9 per cent per annum. This is the principal source of the Group's exposure to interest rate risk and is monitored carefully.

#### *Currency / foreign exchange risks*

Due to the increased global presence, there is increased risk associated with foreign exchange rates. The Group receives most income in US Dollars, while operating costs are spread across several currencies and the bond interest payments are in Swedish Krona. The group operates a weekly cash forecasting process to identify liquidity requirements over both short- and long-term periods across different currencies. Based on this forecasting the Group utilises forward contracts to manage exposure.

#### *Inflation risk*

The group is also exposed to inflation across its cost-base. Significant increases in costs impacts financial performance and cash flows unless these are fully offset by increases in the price of sales contracts. Costs are regularly reviewed and managed through negotiation with suppliers and pricing decisions.

### Operating Performance

The board view trading revenue, adjusted EBITDA and cash as the key metrics to assess operational performance.

	<u>FY22</u>	<u>FY21</u>	<u>Variance</u>	<u>Variance</u>
	<u>£'000</u>	<u>£'000</u>	<u>£'000</u>	<u>%</u>
Trading Revenue (see note 8) *	24,590	12,287	12,303	100%
Adjusted EBITDA (see note 9) **	1,958	568	1,390	245%
Cash	6,127	3,408	2,719	80%

*\*Trading revenue is calculated as reported revenue excluding the impact of deferred revenue haircut. This reflects the revenue that would be recognised in accordance with accounting standards had the acquired entity always been a part of the group and is the reflective continuing revenue of the combined group on a normalised basis (see note 8)*

*The deferred revenue haircut is the fair value adjustment required to be recognised when accounting for business combinations under IFRS3, to discount the book value of deferred revenue acquired to remove the profit element relating to sales and marketing effort performed prior to the business combination, leaving an amount reflecting the fair valuation of the delivery element only.*

*\*\*Adjusted EBITDA is calculated as Earnings before net finance cost, tax, depreciation and amortisation, impairment, loss on disposal of assets, foreign exchange gain or loss, exceptional items and deferred revenue haircut (see note 9)*

# Impala Bidco Limited

## Group Strategic Report For the year ended 31 December 2022 (continued)

### Operating Performance (continued)

#### *Trading Revenue*

Trading revenue has increased by 100% from £12,287k in FY21 to £24,590k in FY22, primarily as a result of the acquisition of ContentKeeper Technologies PTY Ltd. On a like-for-like basis including a full year of Content Keeper revenue for FY21, revenue increased from £22,540k with growth of 9%. Trading revenue differs from reported revenue due to reported revenue including a deferred revenue haircut reduction of £2.1m relating to acquisition accounting, which we need to account for under IFRS. Under US GAAP we would expect this haircut to be removed due to an amendment of the standard for FY23 reporting.

#### *Adjusted EBITDA*

Adjusted EBITDA grew by £1,390k to £1,958k with growth of 245%. This improvement in adjusted EBITDA was driven by the integration of Content Keeper and the savings recognised through restructuring and removing duplicate costs and roles. The business is on track to take a further £4.2m of costs out by December FY23 which will lead to a higher adjusted EBITDA exit rate.

#### *Cash*

The increased cash position of £6,127k (2021: £3,408k) primarily arose from surplus cash after the acquisition of ContentKeeper from the Bond proceeds.

### Financial performance at the reporting date

Reported revenue has increased to £22,489k (2021 as restated: £12,287k), an increase of £10,202k (83%) in the year. Loss before tax increased to £12,158k (2021 as restated: £6,415k) an increase of £5,743k (90%) in the year.

### Future Developments

Looking forwards the Group is focused on realising the product strategy to unify its product portfolio. Using the data collected from all solutions, rich insights will then be used to enhance the learner journey and student outcomes. New market opportunity will be continually reviewed in response to a changing global education market, with high growth opportunities reviewed regularly for potential investment.


M&A activity remains an ongoing consideration where growth plans can be accelerated through the right acquisition more effectively than in-house development.

The Group will continually review office locations as tenancy agreements come up for renewal. Any future changes will reflect best value for money and the changing requirements of the Group's customer and employee base.

### Non-financial key performance indicators

The Directors do not consider there to be any non-financial key performance indicators that require disclosure within these financial statements.

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

DocuSigned by:  
  
7B9BD5782B8E64C2  
**J C L Bennet**

Director

Date: 28 September 2023

# **Impala Bidco Limited**

## **Directors' Report**

**For the year ended 31 December 2022**

### **Introduction**

The Directors present their Directors' Report and the audited consolidated financial statements for the year ended 31 December 2022.

### **Principal activity**

The principal activity of the Company is that of a holding company.

The principal activity of the Group is that of the provision of education software design and support services.

### **Results and dividends**

The loss for the year, after taxation, amounted to £11,200k (2021 as restated for IFRS: loss £6,832k).

No ordinary dividends were paid. The Directors do not recommend payment of a further dividend.

### **Directors**

The Directors who served during the year were:

G B Kamieniecky

J C L Bennet

### **Financial risk management and objectives**

The Directors constantly monitor the risks and uncertainties facing the Group with particular reference to the exposure to liquidity risk and foreign currency risk, in order to mitigate against these risks where appropriate and feasible.

The Group's principal financial instruments comprise cash and a listed bond. The purpose of the bond was to finance, together with additional equity investment, the acquisition of ContentKeeper Technologies Pty Ltd.

The Group has various other financial assets and liabilities such as trade debtors and trade creditors, which arise directly from its operations.

The Group has sufficient liquid assets to be able to meet its day-to-day working capital requirements through the normal course of trade.

The Group has net current liabilities of £5,039k (2021: net current assets as restated for IFRS of £6,981k) primarily due to contract liabilities of £11,747k (2021 as restated: £4,613k) which are to be settled not in cash but in services provided. Additionally, current assets in 2021 included a receivable of £16m owed from Impala Bondco plc, an external related party as at 31 December 2021 which has been merged into the Impala Bidco Group in 2022 as part of the Content Keeper acquisition.

The Directors are therefore confident that the Group will continue to pay its debts as they fall due for the foreseeable future.

### **Matters covered in the Group Strategic Report**

The Company has chosen, in accordance with section 41C(11) of the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 to set out in Group's Strategic Report certain information required by schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008.



# Impala Bidco Limited

## Directors' Report

For the year ended 31 December 2022 (continued)

### Future developments

Details of future developments can be found in the Group Strategic Report and form part of this report by cross reference.

### Going concern

The ability of the Company to operate as a going concern is inextricably linked with the ability of the Company and its subsidiaries (together the "Group") to continue to operate as a going concern.

The Group is primarily financed through a SEK 375m bond raised in 2021 which matures in October 2024. This bond has no maintenance covenants attached, just a leverage test to allow further borrowing from the remaining available SEK 125m. In 2023, parent entities have provided additional funding in the form of a \$2.5m working capital agreement and a \$2.5m shareholder loan (the details of which are outlined as post balance sheet events). This funding supports the ongoing operating cashflows as well as providing capacity to continue the expansion of Impero's global presence, product development and go-to-market capabilities.

The Directors have performed detailed, monthly cashflow forecasts for the Group, covering the period to December 2024. This includes a reasonable worst-case scenario, which factors in potential downside exposure to three key variables 1) the level of customer bookings 2) interest rates and 3) foreign exchange rates. The forecast shows the Group will be able to meet its obligations as they fall due throughout the forecast period. Additionally, cost saving initiatives have been identified that could be implemented to mitigate any further downside in forecast assumptions.

Based upon the current level of liquidity and the forecast performance in this scenario the Directors believe that there is sufficient evidence that the Group, and each company within the Group, will be able to meet its obligations, as and when they fall due, for the foreseeable future. Accordingly, the going concern basis of preparation has been adopted in these financial statements.

### Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under Company Law 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 Company and the Group 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 for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements and;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

# Impala Bidco Limited

## Directors' Report

For the year ended 31 December 2022 (continued)

### Directors' responsibilities statement (continued)

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

### Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Directors are aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the Directors have taken all the steps that ought to have been taken as Directors in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

### Subsequent events following the reporting date

On 17 April 2023 a working capital facility agreement totalling SEK 25M (c.USD 2.5M) was put in place, and accrues interest at SOFR + 2.65%.

On 7 July 2023 a further USD 2.5M was advanced in the form of a shareholder loan from the immediate parent entity Impala Holdings Limited. This loan is subordinated to the existing SEK bonds, and is only redeemable after the SEK bonds are fully discharged. The loan accrues interest at 15% per annum, with this interest accruing towards the ending debt balance (PIK interest).

### Independent auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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

DocuSigned by:  
  
7B9BD5782BE64C2...  
**J C L Bennet**  
Director

Date: 28 September 2023

## **Impala Bidco Limited**

# **Independent auditor's report to the members of Impala Bidco Limited**

### **Opinion**

We have audited the financial statements of Impala Bidco Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2022 which comprise consolidated statement of comprehensive income, consolidated and company statements of financial position, consolidated and company statements of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the 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 December 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006; and
- 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 and the parent company 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, 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.

### **Conclusions relating to going concern**

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

## **Impala Bidco Limited**

# **Independent auditor's report to the members of Impala Bidco Limited (continued)**

### **Other information**

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

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the 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 in relation to which 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.

## **Impala Bidco Limited**

# **Independent auditor's report to the members of Impala Bidco Limited (continued)**

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement set out on page 9, 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.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 the financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the group and the parent company which were contrary to applicable laws and regulations, including fraud.

## Impala Bidco Limited

# Independent auditor's report to the members of Impala Bidco Limited (continued)

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to, revenue recognition (which we pinpointed to the revenue occurrence assertion), acquisition accounting, consideration of impairment of investments and goodwill, the transition of the reporting framework from financial reporting standard 102 (UK GAAP) to international financial reporting standards (IFRS) and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Use of the audit 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.



Alistair Wesson (Sep 28, 2023 19:21 GMT+1)

Alistair Wesson (Senior Statutory Auditor)  
for and on behalf of Mazars LLP  
Chartered Accountants and Statutory Auditor  
Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW  
Date Sep 28, 2023

# Impala Bidco Limited

## Consolidated Statement of Comprehensive Income For the year ended 31 December 2022

		Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	Note	£'000	£'000
Revenue *	8	22,489	12,287
Cost of sales		(5,121)	(1,661)
<b>Gross profit</b>		<b>17,368</b>	<b>10,626</b>
Administrative expenses	9	(21,511)	(12,480)
Exceptional costs	10	(4,754)	(3,573)
Other operating income	11	234	-
<b>Operating loss</b>	<b>9</b>	<b>(8,663)</b>	<b>(5,427)</b>
Finance and similar costs	15	(3,503)	(991)
Finance and similar income		8	3
<b>Loss before tax</b>		<b>(12,158)</b>	<b>(6,415)</b>
Tax expense	16	958	(417)
<b>Loss for the year</b>		<b>(11,200)</b>	<b>(6,832)</b>
<b>Other comprehensive income for the year</b>			
Currency translation differences		429	192
<b>Total comprehensive loss for the year</b>		<b>(10,771)</b>	<b>(6,640)</b>

All results were derived from continuing activities.

The notes on pages 23 to 72 form part of these financial statements.

*\* Comprises reported revenue after deduction of deferred revenue haircut. Trading revenue, excluding the haircut, is £24,590,000. See note 8.*

**Impala Bidco Limited**

Company number: 10878303

**Consolidated Statement of Financial Position  
As at 31 December 2022**

		<b>Year Ended 31 December 2022</b>	<b>Year Ended 31 December 2021 (As restated)</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Non-current assets</b>			
Intangible assets	<b>17</b>	108,700	32,352
Property, plant and equipment	<b>18</b>	1,917	164
Right-of-use assets	<b>19</b>	1,220	895
<b>Total non-current assets</b>		<u>111,837</u>	<u>33,411</u>
<b>Current assets</b>			
Inventories	<b>22</b>	898	-
Trade and other receivables	<b>23</b>	8,229	20,528
Cash and cash equivalents	<b>24</b>	6,127	3,408
<b>Total current assets</b>		<u>15,254</u>	<u>23,936</u>
<b>Total assets</b>		<u><b>127,091</b></u>	<u><b>57,347</b></u>
<b>Current liabilities</b>			
Trade and other payables	<b>25</b>	7,738	10,799
Contract liabilities	<b>25</b>	11,747	4,613
Borrowings	<b>26</b>	416	1,306
Lease liabilities	<b>20</b>	391	237
<b>Total current liabilities</b>		<u>20,292</u>	<u>16,955</u>
<b>Non-current liabilities</b>			
Contract liabilities	<b>25</b>	7,856	1,545
Borrowings	<b>26</b>	30,979	1,073
Lease liabilities	<b>20</b>	1,012	702
Deferred tax liabilities	<b>27</b>	12,928	703
<b>Total non-current liabilities</b>		<u>52,775</u>	<u>4,023</u>
<b>Total liabilities</b>		<u><b>73,067</b></u>	<u><b>20,978</b></u>
<b>Net assets</b>		<u><b>54,024</b></u>	<u><b>36,369</b></u>



**Impala Bidco Limited**

Company number: 10878303

**Consolidated Statement of Financial Position  
As at 31 December 2022 (continued)**

		<b>31 December 2022</b>	<b>31 December 2021 (As restated)</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Capital and reserves</b>			
Called up share capital	<b>28</b>	2,235	1,041
Share premium	<b>29</b>	41,919	13,617
Other reserves	<b>29</b>	100	100
Retained earnings	<b>29</b>	10,840	21,611
Merger reserve	<b>29</b>	(1,070)	-
<b>Total equity</b>		<b>54,024</b>	<b>36,369</b>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

DocuSigned by:  
  
 7B9BD5782BE64C2...  
**J C L Bennet**  
 Director

Date: 28 September 2023

The notes on pages 23 to 72 form part of these financial statements.

**Impala Bidco Limited**

Company number: 10878303

**Company Statement of Financial Position  
As at 31 December 2022**

		31 December 2022	31 December 2021 (As restated)
	Note	£'000	£'000
<b>Assets</b>			
<b>Non-current assets</b>			
Investments	21	51,581	30,094
<b>Total non-current assets</b>		<u>51,581</u>	<u>30,094</u>
<b>Current assets</b>			
Trade and other receivables	23	35,633	33,752
Cash and cash equivalents	24	9	2,727
<b>Total current assets</b>		<u>35,642</u>	<u>36,479</u>
<b>Total assets</b>		<u><b>87,223</b></u>	<u><b>66,573</b></u>
<b>Current liabilities</b>			
Trade and other payables	25	1,238	7,899
<b>Total current liabilities</b>		<u>1,238</u>	<u>7,899</u>
<b>Total liabilities</b>		<u>1,238</u>	<u>7,899</u>
<b>Net assets</b>		<u><b>85,985</b></u>	<u><b>58,674</b></u>
<b>Capital and reserves</b>			
Called up share capital	28	2,235	1,041
Share premium	29	41,919	13,617
Share cancellation reserve	29	45,693	45,693
Other reserves	29	100	100
Retained earnings	29	(3,962)	(1,777)
<b>Total equity</b>		<u><b>85,985</b></u>	<u><b>58,674</b></u>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the Company for the period was £2,185k.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:

DocuSigned by:  
  
 7B9BD5782BE64C2...  
**J C L Bennet**  
 Director  
 Date: 28 September 2023

The notes on pages 23 to 72 form part of these financial statements.

# Impala Bidco Limited

## Consolidated Statement of Changes in Equity For the year ended 31 December 2022

	Called up share capital	Share premium	Share based payment reserve	Merger reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 January 2022 (as restated)</b>	<b>1,041</b>	<b>13,617</b>	<b>100</b>	<b>-</b>	<b>21,611</b>	<b>36,369</b>
<b>Comprehensive loss for the year</b>						
Loss for the year	-	-	-	-	(11,200)	(11,200)
Currency translation differences	-	-	-	-	429	429
<b>Total Comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,771)</b>	<b>(10,771)</b>
<b>Transactions with owners</b>						
Shares Issued during the year	1,194	28,302	-	-	-	29,496
Merger reserve	-	-	-	(1,070)	-	(1,070)
<b>Total transactions with owners</b>	<b>1,194</b>	<b>28,302</b>	<b>-</b>	<b>(1,070)</b>	<b>-</b>	<b>28,426</b>
<b>Balance at 31 December 2022</b>	<b>2,235</b>	<b>41,919</b>	<b>100</b>	<b>(1,070)</b>	<b>10,840</b>	<b>54,024</b>

	Called up share capital	Share premium	Share based payment reserve	Merger reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 1 January 2021 (as restated)</b>	<b>2,730</b>	<b>24,570</b>	<b>100</b>	<b>-</b>	<b>(17,442)</b>	<b>9,958</b>
<b>Comprehensive loss for the year</b>						
Loss for the year (as restated)	-	-	-	-	(6,832)	(6,832)
Currency translation differences (as restated)	-	-	-	-	192	192
<b>Total Comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,640)</b>	<b>(6,640)</b>
<b>Transactions with owners</b>						
Shares issued in the year (as restated)	2,471	30,580	-	-	-	33,051
Shares cancelled during the year	(4,160)	(41,533)	-	-	45,693	-
<b>Total transactions with owner</b>	<b>(1,689)</b>	<b>(10,953)</b>	<b>-</b>	<b>-</b>	<b>45,693</b>	<b>33,051</b>
<b>Balance at 31 December 2021 (as restated)</b>	<b>1,041</b>	<b>13,617</b>	<b>100</b>	<b>-</b>	<b>21,611</b>	<b>36,369</b>

The notes on pages 23 to 72 form part of these financial statements.

# Impala Bidco Limited

## Company Statement of Changes in Equity For the year ended 31 December 2022

	Called up share capital £'000	Share Premium £'000	Share based payment reserve £'000	Retained earnings £'000	Total equity £'000
<b>Balance at 1 January 2022 (as restated)</b>	<b>1,041</b>	<b>13,617</b>	<b>100</b>	<b>43,916</b>	<b>58,674</b>
<b>Comprehensive loss for the year</b>	-	-	-	-	-
Loss for the year	-	-	-	(2,185)	(2,185)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,185)</b>	<b>(2,185)</b>
<b>Transactions with owners</b>					
Shares issued during the year	1,194	28,302	-	-	29,496
<b>Total transactions with owners</b>	<b>1,194</b>	<b>28,302</b>	<b>-</b>	<b>-</b>	<b>29,496</b>
<b>Balance at 31 December 2022</b>	<b>2,235</b>	<b>41,919</b>	<b>100</b>	<b>41,731</b>	<b>85,985</b>

	Called up share capital £'000	Share Premium £'000	Share based payment reserve £'000	Retained earnings £'000	Total equity £'000
<b>Balance at 1 January 2021 (as restated)</b>	<b>2,730</b>	<b>24,570</b>	<b>100</b>	<b>(1,349)</b>	<b>26,051</b>
<b>Comprehensive loss for the year</b>	-	-	-	-	-
Loss for the year	-	-	-	(428)	(428)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(428)</b>	<b>(428)</b>
<b>Transactions with owners</b>					
Shares issued during the year (as restated)	2,471	30,580	-	-	33,051
Shares cancelled during the year	(4,160)	(41,533)	-	45,693	-
<b>Total transactions with owners</b>	<b>(1,689)</b>	<b>(10,953)</b>	<b>-</b>	<b>45,693</b>	<b>33,051</b>
<b>Balance at 31 December 2021 (as restated)</b>	<b>1,041</b>	<b>13,617</b>	<b>100</b>	<b>43,916</b>	<b>58,674</b>

The notes on pages 23 to 72 form part of these financial statements.

# Impala Bidco Limited

## Consolidated Statement of Cash Flows For the year ended 31 December 2022

		Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	Note	£'000	£'000
<b>Cash flows from operating activities</b>			
Loss for the year		(11,200)	(6,832)
<b>Adjustments in respect of:</b>			
Depreciation	18,19	1,117	369
Amortisation	17	7,157	2,011
Foreign exchange movement	9	(4,508)	-
Finance and similar costs	15	3,276	992
Taxation (credit)/ charge	16	(958)	417
Finance and similar income		(8)	(3)
Amortisation of debt fees	15	227	60
<b>Net cash flows used in operating activities</b>		<b>(4,897)</b>	<b>(2,986)</b>
<b>Movements in working capital:</b>			
Decrease in inventories	22	1,820	-
Increase in trade and other receivables	23	(1,213)	(18,012)
Increase in trade and other payables	25	4,451	4,217
Net movement in working capital		5,058	(13,795)
<b>Cash generated from/(used in) operating activities before tax</b>		<b>161</b>	<b>(16,781)</b>
Tax paid		(515)	(43)
<b>Net cash flows used in operating activities</b>		<b>(354)</b>	<b>(16,824)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	18	(1,170)	(82)
Purchase of intangible assets	17	(2,127)	(1,151)
Acquisition of subsidiary, net of cash acquired	32	(38,379)	(11,110)
<b>Net cash flows used in investing activities</b>		<b>(41,676)</b>	<b>(12,343)</b>

# Impala Bidco Limited

## Statement of Cash Flows

For the year ended 31 December 2022 (continued)

		Year ended 31 December	Year ended 31 December (As restated)
		2022	2021
	Note	£'000	£'000
<b>Cash flows from financing activities</b>			
Finance and similar costs	15	(2,836)	(299)
Cash on merger		46,609	-
Cash received on share issues	28	2,589	33,051
Repayment of leases	20	(534)	(318)
Loan repayments	26	(1,070)	(570)
Proceeds of new loans	26	-	10
<b>Net cash flows generated from financing activities</b>		<b>44,758</b>	<b>31,874</b>
<b>Net increase in cash and cash equivalents</b>		<b>2,728</b>	<b>2,707</b>
Cash and cash equivalents as at 1 January		3,408	701
Foreign exchange differences		(9)	-
<b>Cash and cash equivalents as at 31 December</b>	<b>24</b>	<b>6,127</b>	<b>3,408</b>

A Consolidated Analysis of Changes in Net Debt is presented on page 70.

The notes on pages 23 to 72 form part of these financial statements.

# **Impala Bidco Limited**

## **Notes to the Financial Statements For the year ended 31 December 2022**

### **1. General information**

Impala Bidco Limited ("the Company") is a private company limited by shares, registered and domiciled in England and Wales and incorporated in the United Kingdom.

The principal activity of the Company is disclosed on page 8.

The address of the Company's registered office is given on the Company information page.

The financial statements present the financial results of both the Company and of its subsidiaries, collectively "the Group".

These financial statements have been presented in Pounds Sterling (£), this being the functional currency of the Company and currency of the primary economic environment in which the Company operates and is rounded to the nearest thousand.

Monetary amounts included in these financial statements are rounded to the nearest thousand (£000's).

### **2. Basis of preparation**

The Company and Group financial statements have been prepared in accordance with International Accounting Standards (IASs) in conformity with the requirements of the Companies Act 2006 and were authorised for issue by the Company's Board of Directors on page 17 and 18.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The areas where judgements and estimates have been made in preparing the Company and Group financial statements and their effects are disclosed in note 7.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### **3. Basis of measurement**

The Company and Group's financial statements have been prepared under the historical cost convention unless otherwise specified within the accounting policies and in accordance with International Accounting Standards and the Companies Act 2006.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 4. Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries (“the Group”) as if they were for a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of Financial Position, the acquiree’s identifiable assets, liabilities and contingent liabilities are initially recognised at their fair value at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The merger accounting method has been used to incorporate the results of Impala Bondco plc. With the merger accounting method, carrying values of the assets and liabilities of the parties to the combination are not required to be adjusted to fair value, although appropriate adjustments are made to achieve uniformity of accounting policies in the combining the entities. The combining entities Statement of Financial Position, and Statement of Cash Flows are combined from the beginning of the financial period in which the combination occurred and accordingly adjusted to achieve uniformity. The difference, if any, between the nominal value of the shares issued plus the fair value of any other considerations given, and the nominal value of the shares received in exchange is shown as a movement in the merger reserve in the consolidated financial statements.

### 5. Changes to accounting policies

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Company nor are any of the below amendments or new Standards expected to have a significant impact on the Company’s financial statements.

#### **Amendments to IAS 1: Presentation of financial statements – *Classification of Liabilities as Current or Non-current***

Effective for reporting periods beginning on or after 1 January 2023. The amendments to IAS 1 are not expected to have a significant impact on the Group or Company’s financial statements.

#### **Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors – *Definition of Accounting Estimates***

Effective for reporting periods beginning on or after 1 January 2023. The amendments to IAS 8 are not expected to have a significant impact on the Group or Company’s financial statements.

#### **Amendments to IAS 12: Income Taxes—*Deferred Tax related to Assets and Liabilities arising from a Single Transaction***

Effective for reporting periods beginning on or after 1 January 2023. The amendments to IAS 12 are not expected to have a significant impact on the Group or Company’s financial statements.



# Impala Bidco Limited

## Notes to the Financial Statements

For the year ended 31 December 2022 (continued)

### 5. Changes to accounting policies (continued)

#### **Amendments to IFRS 10: Consolidated financial Statements and IAS 28 Investments in Associates and Joint Ventures – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture***

At the date of the publishing of these financial statements, the effective date has not yet been announced. The amendments to IFRS 10 are not expected to have a significant impact on the Group or Company's financial statements.

#### **Introduction of IFRS 17: Insurance contracts – Recognition, Measurement, Presentation and Disclosure of Insurance Contracts superseding IFRS 4 Insurance Contracts**

Effective for reporting periods beginning on or after 1 January 2023 (formerly 1 January 2021 but since extended). The introduction of IFRS 17 is not expected to have a significant impact on the Group or Company's financial statements.

### 6. Accounting policies

#### 6.1. Going concern

The ability of the Company to operate as a going concern is inextricably linked with the ability of the Company and its subsidiaries (together the "Group") to continue to operate as a going concern.

The Group is primarily financed through a SEK 375m bond raised in 2021 which matures in October 2024. This bond has no maintenance covenants attached, just a leverage test to allow further borrowing from the remaining available SEK 125m. In 2023, parent entities have provided additional funding in the form of a \$2.5m working capital agreement and a \$2.5m shareholder loan (the details of which are outlined as post balance sheet events). This funding supports the ongoing operating cashflows as well as providing capacity to continue the expansion of Impero's global presence, product development and go-to-market capabilities.

The Directors have performed detailed, monthly cashflow forecasts for the Group, covering the period to December 2024. This includes a reasonable worst-case scenario, which factors in potential downside exposure to three key variables 1) the level of customer bookings 2) interest rates and 3) foreign exchange rates. The forecast shows the Group will be able to meet its obligations as they fall due throughout the forecast period. Additionally, cost saving initiatives have been identified that could be implemented to mitigate any further downside in forecast assumptions.

Based upon the current level of liquidity and the forecast performance in this scenario the Directors believe that there is sufficient evidence that the Group, and each company within the Group, will be able to meet its obligations, as and when they fall due, for the foreseeable future. Accordingly, the going concern basis of preparation has been adopted in these financial statements.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.2. Revenue

The Group follows the principle-based five-step model of IFRS 15 and recognises revenue on transfer of control of promised goods or services to customer when or as the performance obligation is satisfied.

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for goods supplied, stated net of discounts, returns and value added taxes. The Group recognises revenue when performance obligations have been satisfied and for the Group this is when the products (perpetual licenses) or services (subscription, maintenance, professional services and warranties) have transferred to the customer and the customer has control of these.

Some contracts include multiple deliverables, such as the sale of licenses, maintenance and professional services. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices.

Perpetual license fee revenue is the sale of right to use software and is recognised at the point of invoicing as this is the point in time when the software is made available to the customer (i.e. when control of the asset is transferred and the performance obligation is satisfied).

Where contracts include hardware, this is a separate performance obligation and revenue is recognised upfront upon transfer of control.

Subscription license fees are recognised on a straight-line basis over the term of the relevant contract. In subscription arrangements, customers access the functionality of hosted software over the contract period without taking possession of the software, and performance obligations are satisfied over the contract term.

Maintenance fee revenue is recognised on a straight-line basis over the term of the contract, which in most cases is one year. Fees for extended warranties are recognised on a straight-line basis over the warranty period. For time and material-based professional services contracts, the Group recognises revenue as services are rendered.

# **Impala Bidco Limited**

## **Notes to the Financial Statements For the year ended 31 December 2022 (continued)**

### **6. Accounting policies (continued)**

#### **6.3. Contract related costs**

The Group capitalises the costs of obtaining a customer contract when they are incremental and, if expected to be recovered, they are amortised over the customer life or pattern of revenue for the related contract.

Amortisation of the capitalised costs of obtaining customer contracts is classified as cost of sales. Capitalised costs from customer contracts are classified as non-financial assets in the Statement of Financial Position.

#### **6.4. Finance and similar income**

Interest income is recognised in the Consolidated Statement of Comprehensive Income using the effective interest method.

#### **6.5. Finance and similar costs**

Interest expense is charged to Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

#### **6.6. Borrowing costs**

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

#### **6.7. Currency translation**

##### **Functional and presentation currency**

The Group and Company's functional and presentational currency is Pounds Sterling (£).

##### **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.8. Currency translation (continued)

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'administrative expenses'.

On consolidation, the results of overseas operations are translated into Pounds Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

#### 6.9. Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Statement of the Financial Position date in the countries where the Company operates and generates income.

Research and development grant income is accrued where there is reasonable certainty that the amount will be recoverable and the amount can be measured reliably.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Consolidated Statement of Financial Position date, except that:

The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;

Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

# Impala Bidco Limited

## Notes to the Financial Statements

### For the year ended 31 December 2022 (continued)

#### 6. Accounting policies (continued)

##### 6.10. Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if the following criteria are met:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

##### 6.11. Exceptional Items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidental nature.

##### 6.12. Intangible assets

###### Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised.

For the purposes of impairment testing, the Group is considered to be a single cash generating unit ("CGU") and as such is tested for impairment annually, or more frequently if there is an indication that the unit may be impaired.

Any impairment loss for goodwill is recognised directly in the Consolidated Statement of Comprehensive Income and not reversed in subsequent periods.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.13. Intangible assets (continued)

##### Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite, as below:

Intellectual property	–	20% on a straight line basis
Development costs	–	20% - 33% on a straight line basis
Customer relationships	–	5% - 10% on a straight line basis
Brand	–	5% - 33% on a straight line basis
Software	–	6% - 20% on a straight line basis

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

Other assets are tested 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 of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (CGU's). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period. The amortisation expense is charged to administrative expenses in the Consolidated Statement of Comprehensive Income.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.14. Property, Plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Leasehold improvements	- 10% on a reducing balance basis
Fixture and fittings	- 25% on a reducing balance basis
Computer equipment	- 33% on a reducing balance basis

Assets under construction are not depreciated until completion of the asset. Upon completion the asset in question is then transferred out of assets under construction and to another tangible asset category.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Consolidated Statement of Comprehensive Income.

The depreciation expense is charged to the administrative expenditure within the Consolidated Statement of Comprehensive Income.

#### 6.15. Valuation & Investments

Investments in subsidiaries and associates are measured at cost less accumulated impairment.

#### 6.16. Leases

The Group leases various offices and data centres. Assets and liabilities from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments less any lease incentives receivable, including reasonably certain extension options;
- variable lease payments that are based on an index or rate, initially measured using the index or rate at the commencement date;
- amounts expected to be payable by the Group under residual value guarantees;
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.17. Leases (continued)

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or 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.

Right-of-use assets are measured at cost comprising the following: the amount of the initial measurement of lease liability; any lease payments made at or before the commencement date less any lease incentives received; any initial direct costs; and restoration costs.

Right-of-use assets are generally depreciated over the lease term on a straight-line basis.

Payments associated with short-term leases and all leases of low-value assets are recognised on a straight-line basis as an expense in the Consolidated Statement of Comprehensive Income. Short-term leases are leases with a lease term of 12 months or less.

#### 6.18. Pension

##### Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.



# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.19. Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are determined on a first-in-first-out basis and comprise purchase cost, cost of direct material and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

#### 6.20. Trade and other receivables

Trade receivables are amounts due from customers for goods sold rendered in the ordinary course of business. They are recognised initially at transaction price and are subsequently stated at amortised cost, using the effective interest rate method, less allowance for expected credit losses.

The Group measures the loss allowance for its trade receivables at an amount equal to the lifetime expected credit losses. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to its recognised amount is recognised the Consolidated Statement of Comprehensive Income, as an impairment loss or a reversal of an impairment loss.

The Group does not consider that is materially exposed to credit risk, and thus, no allowance for expected credit losses has been made, given the Group's review of each trade receivable's financial condition and historical records of actual credit loss and amounts past due.

Prepayments and other receivables are stated at their nominal values.

#### 6.21. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less.

#### 6.22. Provisions

Provisions are recognised when the Group has a present obligation that arises as a consequence of a past event, it is probable that an outflow of resources will be required to settle that obligation and the obligation can be reliably estimated. The provisions are measured as the estimated expenditure that will be required to settle such obligations as at the date of the Statement of Financial Position. Discounting to present value is employed in the estimation process when the effect of the time value of money is material.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.23. Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

#### 6.24. Loans and borrowings

Loans and borrowings are initially measured at cost (which is equal to fair value at inception) and are subsequently measured at amortised cost using the effective interest method. Any difference between the proceeds, net of transaction costs, and the settlement or redemption of borrowings is recognised in the Consolidated Statement of Comprehensive Income over the term of the borrowings.

#### 6.25. Called up share capital

Ordinary shares are classified as equity. Shares are recorded at their nominal value with any surplus received on their issue taken to share premium. Incremental costs directly attributable to the issue are shown in equity as a deduction from proceeds.

#### 6.26. Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

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 the Consolidated Statement of Comprehensive Income) 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 the Consolidated Statement of Comprehensive Income.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.26. Financial instruments (continued)

##### Financial assets

All financial assets are measured at either amortised cost or fair value, depending on the classification of the financial assets.

The financial assets included within these financial statements include:

- Cash and cash equivalents (note 24)
- Trade and other receivables (note 23)
- Contract assets (note 23)

##### Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- 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.

##### Financial liabilities and equity instruments

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

The financial liabilities included within these financial statements include:

- Trade payables (note 25)
- Accrued liabilities (note 25)
- Borrowings (note 26)
- Lease liabilities (note 20)

##### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

The Group is not party to any equity instruments as at the year end (2021: £nil).

##### Financial liabilities

All financial liabilities are subsequently measured at amortised cost.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 6. Accounting policies (continued)

#### 6.26. Financial instruments (continued)

##### Financial liabilities (continued)

###### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred, or liabilities assumed, is recognised in profit or loss.

### 7. Critical accounting estimates and judgements

In applying the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. These estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods, if the revision affects both current and future periods.

#### ***Critical judgements in applying the Company's accounting policies***

The critical judgements that the Directors have made in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the statutory financial statements are discussed below.

#### **Revenue recognition**

Management judgement is required in assessing the point at which revenue should be recognised. Revenue is recognised at the point when the significant risk and rewards of ownership have passed to the buyer, the amount of revenue can be measured reliably, and it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably. The key judgement relates to the unbundling of the perpetual license and support elements of combined sales. The value of contract liabilities at the period end included with current liabilities is £11,747k and non-current liabilities £7,856k (2021: current liabilities is £4,613k and non-current liabilities £1,545k) (see note 25).

#### **Capitalised development costs**

Management judgement is required in assessing whether or not expenditure meets the recognition criteria for capitalisation of internally generated development costs as an intangible asset. The key judgement is assessing the technical feasibility such that the asset will be available for sale. The carrying value of development costs at the year end is £4,112k (2021 as restated: 3,374k) (see note 17).

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 7. Critical accounting estimates and judgements (continued)

#### IFRS 16 – Leases

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Under certain terms of its leases, the Group has a renewal and termination option to lease assets for an additional term. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease. The Group considers all relevant factors that create an economic incentive for it to either exercise the renewal or termination option.

After the commencement date, the Group reassesses the lease term to determine if there is a significant event or change in circumstances, within the Group's control, which affect the Group's ability to exercise (or not to exercise) the option to renew or terminate the lease.

The Group has applied an incremental borrowing rate for the purpose of computing lease liabilities based on its incremental borrowing rate. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term.

Upon the Group's adoption of IFRS 16, the Group applied a weighted average incremental borrowing rate of 12% to all leases existing as at the date of initial application.

During the year, interest was recognised in respect of lease liabilities of £191k (2021: £93k) (see note 15).

As at the year end, within the Consolidated Statement of Financial Position, right-of-use assets with a net book value of £1,220k (2021: £895k) were recognised within right-of-assets (as reflected in note 19). A current liability of £391k (2021: £237k) and a non-current liability of £1,012k (2021: £702) were also recognised on the Consolidated Statement of Financial Position in respect of the right-of-use assets (as reflected in note 20).

# Impala Bidco Limited

## Notes to the Financial Statements

### For the year ended 31 December 2022 (continued)

#### 7. Critical accounting estimates and judgements (continued)

##### *Key sources of estimation uncertainty*

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### **Business combinations**

Accounting for business combinations requires significant estimation with regards to recognising and measuring the identifiable assets and liabilities of the acquired entity, which are required to be measured at fair value in accordance with IFRS 3. The group uses external valuations experts to assist with this. The valuations adopted in the purchase price allocation for the Content Keeper acquisition are outlined in note 32 "Business combination".

##### **Impairment of goodwill and intangible assets**

Goodwill and other intangible assets are allocated to Cost Generating Units (CGUs) and tested for impairment annually. Impairment losses are recognised as a difference between the carrying value of the CGU and management's best estimates of future cash flows. The actual amount of future cash flows and the date they are received may differ from these estimates. No impairments have been identified in the year (2021: none). The carrying values of goodwill and other intangibles are shown in note 17.

##### **Assessing indicators of impairment**

In assessing whether there have been any indicators of impairment to assets, the Directors have considered both external and internal sources of information, such as market conditions, counter party credit ratings, and experience of recoverability and where applicable, the ability of the asset to operate as planned.

##### **Determining residual values and economic lives of tangible assets**

Tangible assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessment considers issues such as future market conditions, the remaining life of the asset and projected disposal values.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 8. Revenue

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Software and support services	22,489	12,287

Analysis of revenue by country of destination:

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
United Kingdom	3,180	3,500
Europe	2,228	2,250
Rest of World	17,081	6,537
	22,489	12,287

### Reconciliation of Reported revenue and Trading revenue

Trading revenue is calculated as reported revenue excluding the impact of deferred revenue haircut. This reflects the revenue that would be recognised in accordance with accounting standards had the acquired entity always been a part of the group and is reflective of the continuing revenue of the combined group on a normalised basis.

Deferred revenue haircut is the fair value adjustment required to be recognised when accounting for business combinations under IFRS3, to discount the book value of deferred revenue acquired to remove the profit element relating to sales and marketing effort performed prior to the business combination, leaving an amount reflecting the fair valuation of the delivery element only.

#### Group reconciliation of Reported and Trading revenue:

	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Reported revenue (as above)	22,489	12,287
Unwinding of deferred revenue haircut	2,101	-
Trading revenue	24,590	12,287

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 9. Operating loss

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
<b>The operating loss is stated after charging/(crediting):</b>		
Loss on disposal of fixed assets	25	-
Depreciation of fixed assets (note 18)	635	101
Depreciation of right of use assets (note 19)	482	268
Amortisation of intangible assets (note 17)	7,157	2,011
Foreign exchange (gains)/losses	(4,508)	42

### Reconciliation of operating loss to EBITDA and Adjusted EBITDA

EBITDA is defined as earnings before net finance costs, tax, depreciation and amortisation. The Group presents EBITDA because it is widely used by securities analysts, investors and other interested parties to evaluate the profitability of companies.

Adjusted EBITDA is calculated as earnings before net finance cost, tax, depreciation and amortisation, impairment, loss on disposal of assets, foreign exchange gain or loss, exceptional items and deferred revenue haircut.

### Group reconciliation of operating loss to EBITDA and Adjusted EBITDA

	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Operating loss	(8,663)	(5,427)
Depreciation (note 18 and 19)	1,117	369
Amortisation (note 17)	7,157	2,011
<b>EBITDA</b>	<b>(389)</b>	<b>(3,047)</b>
Foreign exchange (gain)/ loss	(4,508)	42
Exceptional costs (note 10)	4,754	3,573
Deferred revenue haircut (note 8)	2,101	-
<b>Adjusted EBITDA</b>	<b>1,958</b>	<b>568</b>



# Impala Bidco Limited

## 10. Exceptional Costs

	Year ended 31 December 2022	Year ended 31 December 2021
	£'000	£'000
M&A costs	2,827	3,573
Bond implementation costs	1,088	-
Finance projects	497	-
Restructuring costs	195	-
Other	147	-
	<u>4,754</u>	<u>3,573</u>

M&A costs primarily relate to costs incurred for the acquisition of ContentKeeper Technologies Pty Ltd and its wholly owned subsidiary (2021: acquisition of Netop Solutions A/S and its subsidiaries).

Bond implementation costs relate to costs incurred for the issue of the Swedish Bond (see note 26).

Finance project costs relate to improvements to reporting and existing systems following acquisitions.

Restructuring costs relate to costs of restructuring the Senior Management team.

Other costs comprise ad hoc costs, for example, those arising as a result of integrating acquisitions, which are considered to be exceptional but do not fall into the categories above.

## 11. Other operating income

	Year ended 31 December 2022	Year ended 31 December 2021
	£'000	£'000
Research and development grant income	<u>234</u>	<u>-</u>

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 12. Auditors remuneration

The fees payable to the Company's auditors in respect of the audit of the Group and subsidiary company's financial statements:

	Year ended 31 December 2022	Year ended 31 December 2021
	£'000	£'000
The audit of the Group's annual financial statements	145	57
Non-audit services	31	14
	<u>176</u>	<u>71</u>

### 13. Wages and salaries

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Wages and salaries	10,792	7,288
Social security costs	679	575
Other pension costs	730	193
Capitalised as intangible assets	(1,509)	(1,081)
	<u>10,692</u>	<u>6,975</u>

The average monthly number of employees during the period (including Directors) was made up as follows:

Group	Year ended 31 December 2022	Year ended 31 December 2021
	No.	No.
<b>By activity:</b>		
Sales and marketing	44	43
Technical	98	78
Finance and admin	19	27
	<u>161</u>	<u>148</u>

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 14. Directors' emoluments

The Directors received no remuneration in respect of their services to the Group in the current or prior year.

The Group considers its statutory Directors to be its only Key Management Personnel (KMP's) and as such, KMP's also received no remuneration.

### 15. Finance costs and similar expense

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Bond interest payable	2,933	
Loan note interest payable	152	-
Amortisation of debt fee capitalised	227	60
Finance lease liability interest (note 20)	191	93
Bank interest payable	-	239
Other finance costs	-	599
	<u>3,503</u>	<u>991</u>

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 16. Tax expense

Group	Year ended 31 December 2022 £'000	Year ended 31 December 2021 (As restated) £'000
<b>Corporation tax</b>		
Corporation tax charge	4	-
Adjustments in respect of prior periods	(570)	-
Foreign tax	613	595
<b>Total corporation tax charge</b>	<b>47</b>	<b>595</b>
<b>Deferred tax</b>		
Origination and reversal of timing difference	(1,460)	(178)
Adjustments in respect of prior periods	455	-
<b>Total deferred tax credit</b>	<b>(1,005)</b>	<b>(178)</b>
<b>Taxation on profit on ordinary activities</b>	<b>(958)</b>	<b>417</b>

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%). The differences are explained below:

Reconciliation of income tax charge to accounting profit	Year ended 31 December 2022 £'000	Year ended 31 December 2021 (As restated) £'000
Loss before taxation	(12,158)	(6,415)
Loss before income tax multiplied by the effective rate of taxation in the UK of 19% (2021: 19%)	(2,310)	(1,219)
Research and development tax credit	(44)	22
Expenses not deductible for tax purposes	282	816
Adjustments in respect of prior periods	(114)	-
Remeasurement of deferred tax for changes in tax rates	(724)	(318)
Deferred tax not recognised	1,963	897
Difference in overseas tax rates	(12)	57
Depreciation of assets not qualifying for tax allowances	1	162
<b>Total tax (credit)/charge for the year</b>	<b>(958)</b>	<b>417</b>

# **Impala Bidco Limited**

## **Notes to the Financial Statements For the year ended 31 December 2022 (continued)**

### **16. Tax expense (continued)**

#### ***Factors that may affect future tax charges***

The Company's profits for the accounting period to 31 December 2022 were taxed at the UK statutory rate of 19% (2021: 19%).

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50k or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50k and £250k, the higher 25% rate will apply but with a marginal relief applying as profits increase.

# Impala Bidco Limited

## Notes to the Financial Statements (continued)

### 17. Intangible Assets

Group	Intellectual Property £'000	Development Costs £'000	Customer relationships £'000	Software £'000	Brand £'000	Goodwill £'000	Total £'000
<b>Cost</b>							
At 1 January 2022 as originally stated	2	5,074	3,495	7,896	-	31,927	48,394
Conversion to IFRS (note 40)	-	260	-	-	-	-	260
Prior year adjustment (note 41)	-	988	-	-	-	(988)	-
At 1 January 2022 (as restated)	2	6,322	3,495	7,896	-	30,939	48,654
Additions	-	2,101	-	26	-	-	2,127
Added through acquisition (note 32)	-	-	21,399	17,570	962	32,471	72,402
FX movements	-	378	2,498	2,038	112	3,790	8,816
At 31 December 2022	2	8,801	27,392	27,530	1,074	67,200	131,998
<b>Accumulated amortisation</b>							
At 1 January 2022 as originally stated	1	2,200	1,193	5,483	-	9,870	18,747
Conversion to IFRS (note 40)	-	-	-	-	-	(2,445)	(2,445)
Prior year adjustment (note 41)	-	748	-	-	-	(748)	-
At 1 January 2022 (as restated)	1	2,948	1,193	5,483	-	6,677	16,302
Charge for the year	-	1,909	2,292	2,879	77	-	7,157
FX movements	-	(161)	-	-	-	-	(161)
At 31 December 2022	1	4,696	3,485	8,362	77	6,677	23,298
<b>Net book value</b>							
At 31 December 2022	1	4,105	23,907	19,168	997	60,524	108,700
At 31 December 2021 (as restated)	1	3,374	2,302	2,413	-	24,262	32,352

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 17. Intangible assets (continued)

The goodwill and intangibles arising on the 2022 acquisition of Content Keeper are held in a subsidiary with a USD functional currency giving rise to the majority of the foreign exchange variance shown above which arises on translation to the group's presentation currency.

### 18. Tangible assets

#### Group

	Leasehold improvements £'000	Fixtures and fittings £'000	Computer equipment £'000	Assets under construction £'000	Total £'000
<b>Cost</b>					
At 1 January 2022	174	115	535	-	824
Additions	86	140	55	889	1,170
Added through acquisition (note 32)	12	1,042	75	-	1,129
Disposals	-	(118)	(18)	-	(136)
FX Movement	4	153	9	-	166
At 31 January 2022	276	1,332	656	889	3,153
<b>Accumulated depreciation</b>					
At 1 January 2022	168	101	391	-	660
Charge for the year	19	491	125	-	635
Disposals	-	(101)	(8)	-	(109)
FX Movements	3	41	6	-	50
At 31 December 2022	190	532	514	-	1,236
<b>Net book value</b>					
At 31 December 2022	86	800	142	889	1,917
At 31 December 2021	6	14	144	-	164

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 19. Right-of-use assets

<b>Group</b>	<b>Office buildings £'000</b>
<b>Cost</b>	
At 1 January 2022 as originally stated	-
Conversion to IFRS (note 40)	1,163
At 1 January 2022 (as restated)	1,163
Additions	807
At 31 December 2022	1,970
<b>Accumulated depreciation</b>	
At 1 January 2022 as originally stated	-
Conversion to IFRS (note 40)	268
At 1 January 2022 (as restated)	268
Charge for the year	482
At 31 December 2022	750
<b>Net book value</b>	
At 31 December 2022	1,220
At 31 December 2021 (as restated)	895



# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 20. Lease liabilities

#### Nature of leases

The Group has leases in respect of office buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected in the Consolidated Statement of Financial Position as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate (such as lease payments based on a percentage of Company sales) are excluded from the initial measurement of the lease liability and asset. The Company classifies its right-of-use assets in a consistent manner to property, plant and equipment (see note 19).

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee.

Some leases contain an option to purchase the underlying leased asset outright at the end of the lease, or to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over office buildings and warehouse premises the Company must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Company must insure right-of-use assets and incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Company's leasing activities by type of right-of-use asset recognised in the Consolidated Statement of Financial Position:

Category of right-of-use asset	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of leases with options to purchase	No. of leases with variable payments linked to an index	No. of leases with termination options
Office buildings	7	1 – 9 years	35 months	6	-	1	1

#### Lease liabilities included in the Consolidated Statement of Financial Position:

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Non-current	1,012	702
Current	391	237
	<u>1,403</u>	<u>939</u>

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 20. Lease liabilities (continued)

#### Maturity analysis of lease liabilities:

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Within one year	391	237
Between two to five years	727	378
Over five years	285	324
	<u>1,403</u>	<u>939</u>

The Group does not face significant liquidity risk with regard to its lease liabilities.

#### Amounts recognised in the Consolidated Statement of Comprehensive Income in respect of lease liabilities:

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Depreciation charge on right-of-use assets (note 19)	482	268
Interest expense charge on lease liabilities (note 15)	191	93
	<u>673</u>	<u>361</u>

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 20. Lease liabilities (continued)

Amounts recognised in the Consolidated Statement of Cash flows in respect of lease liabilities:

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
Cash payment for the principal portion of the lease liabilities	343	225
Cash payment for the interest portion of the leases	191	93
	<u>534</u>	<u>318</u>

### Future cash flows for leases that have not yet commenced:

At 31 December 2022 the Group had not committed to any leases which had not yet commenced at the date of the Statement of Financial Position.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 21. Investments

<b>Company</b>	<b>Investments in subsidiaries</b>
	<b>£'000</b>
<b>Cost</b>	
At 1 January 2022	30,094
Additions	21,487
At 31 December 2022	<u>51,581</u>
<b>Accumulated impairment</b>	
At 1 January 2022	-
Charge for the year	-
At 31 December 2022	<u>-</u>
<b>Net book value</b>	
At 31 December 2022	<u>51,581</u>
At 1 January 2021	<u>30,094</u>

In January 2022, the Group acquired 100% of the share capital of ContentKeeper Technologies Pty Ltd and gained control of the company and its wholly owned subsidiary, ContentKeeper Technologies LLC. The acquisition was made by Impero Holdings Australia Pty, a wholly owned subsidiary of the Group. The fair value of the assets acquired and the resulting goodwill arising on acquisition is shown in note 32.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 21. Investments (continued)

The following companies are subsidiaries of the Company:

Name of subsidiary	Country of incorporation	Registered office	Principal activity	Share Holding	
Impero Holdings Limited	United Kingdom	1	Holding company	100%	Indirect Holding
Impero Developments Limited	United Kingdom	1	Holding company	100%	Indirect Holding
Impero Solutions Limited	United Kingdom	1	Provision of software design and support	100%	Indirect Holding
Impero International Limited	United Kingdom	1	Non-trading	100%	Indirect Holding
Impero Trustee Limited	United Kingdom	1	Non-trading	100%	Indirect Holding
Impero Solutions Inc	United States of America	2	Provision of software design and support	100%	Indirect Holding
Safeguarding Monitor Limited	United Kingdom	1	Provision of software design and support	100%	Indirect Holding
Impero Holdings Denmark A/S	Denmark	3	Holding company	100%	Indirect Holding
Netop Solutions A/S	Denmark	4	Holding company	100%	Indirect Holding
Netop Business Solutions A/S	Denmark	4	Provision of software design and support	100%	Indirect Holding
Netop Tech Inc	United States of America	5	Provision of software design and support	100%	Indirect Holding
Netop Tech Development Center SRL	Romania	6	Provision of software design and support	100%	Indirect Holding
Netop Tech SRL	Romania	6	Provision of software design and support	100%	Indirect Holding
Content Keeper Technologies PTY Ltd	Australia	7	Provision of software design and support	100%	Indirect Holding
Content Keeper Technologies LLC	United States of America	8	Provision of software design and support	100%	Indirect Holding
Impero Holdings Australia PTY Ltd	Australia	7	Holding company	100%	Indirect Holding
Impala Bondco plc	United Kingdom	1	Holding company and financing	100%	Direct Holding

# Impala Bidco Limited

## Notes to the Financial Statements

### For the year ended 31 December 2022 (continued)

#### 21. Investments (continued)

- 1) Seventh Floor, East West, Tollhouse Hill, Nottingham, England, NG1 5FS
- 2) 823 Congress Avenue, Suite 1410, Austin, TX, 78701
- 3) c/o Nivaro Law, Gustav Adolfs Gade 52100, Copenhagen, Denmark
- 4) Bregnerødvej 139, 3460 Birkerød, Denmark
- 5) 10300 SW Greenburg Rd, Bldg 1, Suite 303, Portland OR 97223
- 6) Str. Principatele Unite 46 48, Sector 4, Bucharest, Romania
- 7) 218 Northbourne Avenue, Canberra ACT 2612, Australia
- 8) 5241 E. Santa Ana Canyon Road, Suite 120 Anaheim, CA 92807, USA

#### Exemption from audit by parent guarantee

Under section 479A of the Companies Act 2006, exemptions from an audit of the financial statements for the financial year ended 31 December 2022 have been taken by the following companies:

<b>Name of subsidiary undertaking</b>	<b>Company registered number</b>
Safeguarding Monitor Limited	10861064
Impero Developments Limited	08939129
Impero International Limited	07092318

Impala Bidco Limited has issued a guarantee under section 479C of the Companies Act 2006, which guarantees all the outstanding liabilities to which the subsidiary companies listed above are subject in respect of the year ended 31 December 2022, until they are satisfied in full.

#### 22. Inventories

<b>Group</b>	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	<b>£'000</b>	<b>£'000</b>
Work in progress	898	-

Inventories of £1,891k (2021: £nil) were recognised as an expense in the year within cost of sales.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 23. Trade and other receivables

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
<b>Current</b>		
Trade receivables, gross	4,731	2,767
Allowance for credit losses	(350)	(350)
Trade receivables, net	4,381	2,417
Other receivables	915	17,369
Prepayments	2,257	366
Contract assets	676	376
	8,229	20,528

As at the year end, the Group recognised expected credit losses of £225k (2021: £ 225k). The Company adopts the simplified model of expected credit losses under IFRS 9. In the current and prior year, the Company does not consider that is materially exposed to credit risk given the Company's review of each trade receivable's financial condition and historical records of actual credit loss and amounts past due.

The other classes within trade and other receivables do not contain impaired assets. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Company does not hold any collateral as security. There is no difference between the fair values of trade and other receivables and their carrying values as stated above due to their relatively short maturity date.

### Company

	Year ended 31 December 2022	Year ended 31 December 2021
	£'000	£'000
Other Debtors	108	16,052
Amounts owed by group undertakings	35,525	17,700
	35,633	33,752

Amounts owed by group undertakings are interest free, unsecured and repayable within one year.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 24. Cash and cash equivalents

<b>Group</b>	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	<b>£'000</b>	<b>£'000</b>
Cash at bank	<u>6,127</u>	<u>3,408</u>
<b>Company</b>	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021</b>
	<b>£'000</b>	<b>£'000</b>
Cash at bank	<u>9</u>	<u>2,727</u>

### 25. Trade and other payables

<b>Group</b>	<b>Year ended 31 December 2022</b>	<b>Year ended 31 December 2021 (As restated)</b>
<b>Current:</b>	<b>£'000</b>	<b>£'000</b>
Trade payables	2,510	312
Other taxation and social security	127	181
Corporation tax	310	601
Accrued liabilities	2,607	1,394
Amounts owed to related undertakings	-	7,576
Other payables	2,184	735
Contract liabilities	11,747	4,613
	<u>19,485</u>	<u>15,412</u>



# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 25. Trade and other payables (continued)

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
<b>Non-current:</b>		
Contract liabilities	7,856	1,545

Amounts owed to group undertakings are interest free, unsecured and repayable on demand within one year.

Contract liabilities comprise revenue invoiced in the year which will be recognised in future period and primarily comprises subscription license fees and maintenance fees which are recognised on a straight-line basis over the contract term.

### Company

	Year ended 31 December 2022	Year ended 31 December 2021
	£'000	£'000
Amounts owed to group and related undertakings	1,238	7,576
Amounts owed to parent undertakings	-	246
Accrued liabilities	-	77
	1,238	7,899

Amounts owed to group and related undertakings are interest free, unsecured and repayable on demand within one year.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 26. Interest bearing loans and borrowings

#### Group

	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
<b>Non-current:</b>		
SEK Bond and loan arrangement fees	29,497	-
Other Loans	1,482	1,073
Lease liabilities (note 20)	1,012	702
	<u>31,991</u>	<u>1,775</u>

#### Group

	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
<b>Current:</b>		
SEK Bond interest and loan arrangement fees	416	-
Other loans	-	1,306
Lease liabilities (note 20)	391	237
	<u>807</u>	<u>1,543</u>

Lease liabilities are secured against the assets to which the lease liabilities relate.

Floating charges are held against the assets of the material group entities in respect of the SEK Bond.

Included within Other loans is a vendor loan note on which an annual interest rate is charged on a daily basis. The loan is repayable in full on 29 February 2024.

Included within Other loans is a 'Promise to Pay Loan' on which an annual interest rate of 1% is charged. The loan is repayable in full on 9 July 2025.

Included within SEK Bond is a bond on which interest is charged quarterly, at 9% plus STIBOR. Repayments are made on a quarterly basis and the Bond is repayable in full by 20 October 2024.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 27. Deferred tax liabilities

Group	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
At 1 January 2022	703	881
On acquisition of subsidiary undertakings (note 32)	11,834	-
Credited to the Statement of Comprehensive Income (note 16)	(1,460)	(178)
Adjustments in respect of prior years	455	-
Foreign exchange	1,396	-
<b>At 31 December 2022</b>	<b>12,928</b>	<b>703</b>
<b>Deferred taxation provided in the financial statements comprises:</b>		
Fair value adjustments of intangible assets at acquisition	12,928	703

Deferred tax liabilities are recognised to the extent that the related tax benefit through future taxable profits is probable based on projections and budgets. The group has unrecognised deferred tax assets relating to brought forward losses of £7,091k (2021: £6,398k).

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 28. Called up share capital

	Year ended 31 December 2022	Year ended 31 December 2021 (As restated)
	£'000	£'000
46,218,130, (2021: 46,218,130) ordinary shares of £0.01 each	462	462
17,727,347 (2021 as restated: 5,785,349) ordinary shares of £0.10 each	1,773	579
	<u>2,235</u>	<u>1,041</u>

Each ordinary share carries with it one equal voting right and no rights to any fixed income.

On 1 January 2022, the Company issued 7,753,080 ordinary 10p shares as part of the acquisition of Content Keeper. The aforementioned shares were valued at \$3.22 generating a share premium of £17,743k (£2.29 per share). The aggregate value of the rollover shares issued was \$25,000k (£18.5m).

On 27 June 2022, the Company issued 3,875 ordinary 10p shares for consideration of £2.42. The aforementioned shares were issued at a premium of £8,984 (£2.32 per share). The total consideration received on this share issue being £9,371.

On 27 June 2022, the Company issued 4,185,043 ordinary 10p shares for consideration of £2.62. The aforementioned shares were issued at a premium of £10,550,075 (£2.52 per share). The total consideration received on this share issue being £10,968,579.

### 29. Reserves

#### Retained earnings

Retained earnings represents the aggregate results for the Group and Company, after the payment of dividends.

#### Share premium

The share premium represents the amount above the nominal value received for issued share capital, less transaction costs.

#### Share based payment reserve

The share based payment reserve represents the fair value of options granted to employees.

#### Merger reserve

During 2022, the Company acquired 100% of the trade and assets of Impala Bondco plc. The transaction is considered to be a group reconstruction. Impala Bidco Ltd has applied merger accounting to the transaction and the consolidated financial statements include the assets and liabilities of the Impala Bondco plc group at their pre-combination values without any fair-value uplift. No new goodwill is recorded and the difference between the cost and carrying value of net assets acquired is recorded in equity in the merger reserve.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 30. Financial instruments

#### (a) By category

The accounting policies for financial instruments have been applied to the line items below:

Group 31 December 2022	Cash and cash equivalents	Loans and receivables	Total
<b>Financial Assets at amortised cost:</b>			
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade receivables	-	4,381	4,381
Other receivables	-	915	915
Contract assets	-	676	676
Cash and cash equivalents	6,127		6,127
	<u>6,127</u>	<u>5,972</u>	<u>12,099</u>

#### (a) By category

Group 31 December 2022	Other financial liabilities £'000	Total
<b>Financial Liabilities at amortised cost:</b>		
		<b>£'000</b>
Trade payables	2,510	2,510
Accrued liabilities	2,607	2,607
Lease liabilities	1,403	1,403
Borrowings	31,395	31,395
Other payables	2,184	2,184
	<u>40,099</u>	<u>40,099</u>

Group 31 December 2021 (as restated)	Cash and cash equivalents	Loans and receivables	Total
<b>Financial Assets at amortised cost:</b>			
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Trade and other receivables	-	2,417	2,417
Other receivables	-	17,369	17,369
Contract assets	-	376	376
Cash and cash equivalents	3,408	-	3,408
	<u>3,408</u>	<u>20,162</u>	<u>23,570</u>

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 30. Financial instruments (continued)

<b>Group</b>	<b>Other financial liabilities £'000</b>	<b>Total  £'000</b>
<b>31 December 2021 (as restated)</b>		
<b>Financial Liabilities at amortised cost:</b>		
Trade payables	312	312
Accrued liabilities	1,394	1,394
Lease liabilities	939	939
Borrowings	2,379	2,379
Amounts owed to related undertakings	7,576	7,576
Other payables	735	735
	<u>13,335</u>	<u>13,335</u>

#### (a) By category

<b>Company</b>	<b>Cash and cash equivalents £'000</b>	<b>Loans and receivables £'000</b>	<b>Total  £'000</b>
<b>31 December 2022</b>			
<b>Financial Assets at amortised cost:</b>			
Amounts due from group undertakings	-	35,525	35,525
Other Receivables	-	108	108
Cash at bank	9	-	9
	<u>9</u>	<u>35,633</u>	<u>35,642</u>

<b>Company</b>	<b>Other financial liabilities £'000</b>	<b>Total  £'000</b>
<b>31 December 2022</b>		
<b>Financial Liabilities at amortised cost:</b>		
Amounts due to group undertakings	1,238	1,238

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 30. Financial instruments (continued)

#### (b) Credit quality of financial instruments

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates. Receivables from related parties are of excellent quality with minimal defaults in the past.

The group has made an allowance of £350k (2021: £350k) for expected credit losses, based on the Group's review of each trade receivable's financial condition and historical records of actual credit loss and amounts past due.

Cash and cash equivalents are deposits with major global clearing banks and are considered of good credit quality.

### 31. Financial instruments - Financial risk management

The Group's principal financial assets include trade and other receivables, contract assets and cash and cash equivalents. The Group's principal financial liabilities include trade and other payables, borrowings, and lease liabilities.

The Group's activities expose it to a variety of financial risks: credit risk and liquidity risk. The Group has no material exposure to market risk. The overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by Group finance team. They identify, evaluate and hedge financial risks where appropriate.

#### a) Credit risk

Credit risk is managed on a corporate-wide basis. Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as credit risk exposures to customers, including outstanding receivables and committed transactions. For banks and financial institutions, generally only parties with a minimum rating of "A" are accepted. For customers with a large order volume an individual risk assessment to the credit quality of the customer is performed considering independent financial ratings, financial position past experience and other factors. The maximum credit risk is restricted to the reported amount of financial claims. For more details on the credit risk of trade receivables refer to note 23.

#### b) Liquidity risk

Prudent liquidity risk management includes maintaining sufficient cash, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions. Management monitors forecast figures of the Company's liquidity reserve on the basis of expected cash flow. Net cash flows used in operations was £354k (2021: £16,824k).

The table on the following page analyses the Group's financial liabilities that will be settled on a net basis into relevant maturity groupings based on the remaining period at the Statement of Financial Position to the contractual date. The amounts disclosed in the table below are the contractual undiscounted cash flows calculated with the year-end closing rates. Borrowings include the principal amount as well as interest payments.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 31. Financial instruments - Financial risk management (continued)

#### b) Liquidity risk (continued)

Group	2022				
£'000s	<1 year	1-2 yrs	2-5 yrs	> 5 yrs	Total
Amounts falling due	£'000	£'000	£'000	£'000	£'000
Trade and other payables	7,301	-	-	-	7,301
Borrowings	416	30,392	256	-	31,064
Lease liabilities	391	348	379	285	1,403
	8,108	30,740	635	285	39,768

	2021 (as restated)				
£'000s	<1 year	1-2 yrs	2-5 yrs	> 5 yrs	Total
Amounts falling due	£'000	£'000	£'000	£'000	£'000
Trade and other payables	10,017	-	-	-	10,017
Borrowings	1,306	1,073	-	-	2,379
Lease liabilities	237	210	168	324	939
	11,560	1,283	168	324	13,335

#### Company

	2022				
£'000s	<1 year	1-2 yrs	2-5 yrs	> 5 yrs	Total
Amounts falling due	£'000	£'000	£'000	£'000	£'000
Trade and other payables	1,238	-	-	-	1,238

	2021				
£'000s	<1 year	1-2 yrs	2-5 yrs	> 5 yrs	Total
Amounts falling due	£'000	£'000	£'000	£'000	£'000
Trade and other payables	7,899	-	-	-	7,899



# Impala Bidco Limited

## Notes to the Financial Statements

For the year ended 31 December 2022 (continued)

### 31. Financial instruments - Financial risk management (continued)

#### c) Foreign currency risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. For trading transactions monitoring of cash flows acts as an internal hedge whereby intercompany cash movements are timed to minimise adverse variances in exchange movements. The Group undertakes external hedging activities occasionally, when appropriate for the circumstances.

Foreign currency denominated financial assets and liabilities which expose the Group to currency risk are disclosed below. The amounts shown are translated into Pounds Sterling at the closing rate:

31 December 2022	Short term exposure						
	USD £'000	AUD £'000	DKK £'000	RON £'000	SEK £'000	EUR £'000	CHF £'000
Financial assets	2,731	255	37	8	-	616	8
Financial liabilities	(1,688)	(267)	(9)	(13)	(55)	(10)	-
Total exposure	1,043	(12)	28	(5)	(55)	606	8

31 December 2021	Short term exposure						
	USD £'000	AUD £'000	DKK £'000	RON £'000	SEK £'000	EUR £'000	CHF £'000
Financial assets	1,596	-	474	-	-	97	-
Financial liabilities	(337)	(8)	(1,079)	(12)	23	(27)	-
Total exposure	1,259	(8)	(605)	(12)	23	70	-

31 December 2022	Long term exposure						
	USD £'000	AUD £'000	DKK £'000	RON £'000	SEK £'000	EUR £'000	CHF £'000
Financial assets	-	-	-	-	-	-	-
Financial liabilities	(220)	(485)	(1,219)	-	(30,376)	-	-
Total exposure	(220)	(485)	(1,219)	-	(30,376)	-	-

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 31. Financial instruments - Financial risk management (continued)

#### c) Foreign currency risk (continued)

31 December 2021	Long term exposure						
	USD £'000	AUD £'000	DKK £'000	RON £'000	SEK £'000	EUR £'000	CHF £'000
Financial assets	-	-	-	-	-	-	-
Financial liabilities	(565)	-	(1,072)	-	-	-	-
Total exposure	(565)	-	(1,072)	-	-	-	-

The following table illustrates the sensitivity of profit and equity in relating to the Group's financial assets and financial liabilities and the exchange rate of AUD, USD, DKK, RON, SEK and EUR, 'all other things being equal', against Pound Sterling. It assumes a +/- 10% change of the respective exchange rate for the year ended at 31 December 2022 (2021: 10%).

Both of these percentages have been determined based on the average market volatility in exchange rates in the previous twelve months.

The sensitivity analysis is based on the Group's foreign currency financial instruments held at each reporting date.

If Pound Sterling had weakened or strengthened against either AUD, USD, DKK, RON, SEK and EUR or CHF, then the following would have been the impact on profit for the year and on equity.

31 December 2022	Weakened		Strengthened	
	Profit for the year £'000	Equity £'000	Profit for the year £'000	Equity £'000
AUD	(50)	(50)	45	45
USD	82	82	(75)	(75)
DKK	(119)	(119)	108	108
RON	-	-	-	-
SEK	(3,043)	(3,043)	2,766	2,766
EUR	61	61	(55)	(55)
CHF	1	1	(1)	(1)
	(3,068)	(3,068)	2,788	2,788

# Impala Bidco Limited

## Notes to the Financial Statements

For the year ended 31 December 2022 (continued)

### 31. Financial instruments - Financial risk management (continued)

#### c) Foreign currency risk (continued)

31 December 2021	Weakened		Strengthened	
	Profit for the year £'000	Equity £'000	Profit for the year £'000	Equity £'000
AUD	(1)	(1)	1	1
USD	69	69	(63)	(63)
DKK	(168)	(168)	152	152
RON	(1)	(1)	1	1
SEK	3	3	(2)	(2)
EUR	7	7	(6)	(6)
CHF	-	-	-	-
	(91)	(91)	83	83

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 32. Business combination

#### Acquisition ContentKeeper Technologies PTY LTD

In January 2022, the Group acquired 100% of the share capital of Content Keeper. The acquisition was made by Impero Holdings Australia Pty, a wholly owned subsidiary of Impala Bidco Limited. The fair value of the assets acquired and the resulting goodwill arising on acquisition is shown below. The consideration paid for the acquisition was £62,900k.

<b>Recognised amounts of identifiable assets acquired and liabilities assumed:</b>	<b>Book value £'000</b>	<b>Fair value adjustments</b>	<b>Fair value</b>
Intangible assets	112	39,819	39,931
Tangible assets	1,129	-	1,129
Right of use assets	807	-	807
Inventories	2,423	-	2,423
Trade and other receivables	2,661	-	2,661
Cash and cash equivalents	4,818	-	4,818
Trade and other payables	(2,737)	-	(2,737)
Contract liabilities	(10,744)	3,975*	(6,769)
Deferred tax	-	(11,834)	(11,834)
<b>Total identifiable net assets</b>	<b>(1,531)</b>	<b>31,960</b>	<b>30,429</b>
Goodwill			32,471
<b>Total purchase consideration</b>			<b>62,900</b>
<b>Consideration</b>			
Cash			43,197
Rollover equity			18,500
Deferred consideration			1,203
			<b>62,900</b>
Cash acquired on acquisition			4,818
Consideration paid on acquisition			(43,197)
<b>Net cash outflow on acquisition</b>			<b>(38,379)</b>

The goodwill will not be deductible for tax purposes. Following acquisition, previously recognised deferred tax assets of £1,506k were derecognised by the Impala Bidco Limited group. The fair value of the 7,753,080 shares issued as part of the consideration paid was based on a valuation of the Impala Bidco Group. The acquired business combined revenues of £11,275k and net profit of £1,242k to the group in the year ended 31 December 2022.

\* The deferred revenue haircut is the fair value adjustment required to be recognised when accounting for business combinations under IFRS3, to discount the book value of deferred revenue acquired to remove the profit element relating to sales and marketing effort performed prior to the business combination, leaving an amount reflecting the fair valuation of the delivery element only.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 33. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for their stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group does not have significant externally imposed capital requirements. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the same industry the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total financial debt divided by total equity (debt to equity ratio). The equity capital, as shown in the Statement of Financial Position, corresponds to the managed equity capital. The gearing ratio as at 31 December 2022 was 58.1% (2021 as restated: 6.5%).

### 34. Fair value estimation

Financial assets and financial liabilities measured at fair value in the Statement of Financial Position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities;

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices), or indirectly (that is, derived from prices); and

Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Within the financial statements, for the period ended 31 December 2022 financial assets and financial liabilities which are measured at fair value are measured using level 1 inputs. No financial assets or financial liabilities were measured using level 2 or level 3 inputs for the period ended 31 December 2022.

### 35. Pension commitments

The Group operates a defined contribution pension scheme for UK based employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension charge represents contributions payable by the Group to the fund and amounted to £126,000 (2021: £193,000).

At 31 December 2022, contributions totalling £50,000 (2021: £22,000) were payable to the fund and are recognised on the Statement of Financial Position within other payables (note 25).

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 36. Consolidated Analysis of changes in net debt

	At 1 January 2022 (as restated)	Cashflows	Non-cash changes	At 31 December 2022
	£'000	£'000	£'000	£'000
Cash at bank and in hand	3,408	2,728	(9)	6,127
Debt due after 1 year	(1,073)	-	(29,906)	(30,979)
Debt due within 1 year	(1,306)	1,070	(180)	(416)
Lease liabilities after 1 year	(702)	-	(310)	(1,012)
Lease liabilities within 1 year	(237)	534	(688)	(391)
	90	4,332	(31,093)	(26,671)

### 37. Related party transactions

During the year, the Group received services totalling £1,498k (2021: £961k) from Calligo (UK) Limited, a related company through common ownership. At 31 December 2022, £277k (2021: £133k) was owed to Calligo (UK) Limited. The invoices have 15 day payment terms and no interest has been charged.

### Key management compensation

The Group considers its key management personnel to be its executive Directors (note 14).

The remuneration of key management personnel of the Group, some of whom are also Directors of subsidiary companies, for the year was £nil (2021: £nil).

### 38. Subsequent events following the reporting date

On 17 April 2023 a working capital facility agreement totalling SEK 25M (c.USD 2.5M) was put in place, and accrues interest at SOFR + 2.65%.

On 7 July 2023 a further USD 2.5M was advanced in the form of a shareholder loan from the immediate parent entity Impala Holdings Limited. This loan is subordinated to the existing SEK bonds, and is only redeemable after the SEK bonds are fully discharged. The loan accrues interest at 15% per annum, with this interest accruing towards the ending debt balance (PIK interest).

### 39. Ultimate parent undertaking and controlling party

Impala Holdings Limited, an entity registered and incorporated in the Cayman Islands is the immediate controlling party.

Investcorp Technology Partners IV L.P., an entity registered and incorporated in the Cayman Islands is the largest company for which consolidated financial statements are prepared and include the results of Impala Bidco Limited.

The consolidated financial results of Investcorp Technology Partners IV L.P. are not publicly available.

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 40. Conversion to IFRS

The estimates at 1 January 2022 and at 31 December 2022 are consistent with those made for the same dates in accordance with UK GAAP (after adjustments to reflect any differences in accounting policies) apart from the following items where application of UK GAAP did not require estimation:

- Pensions and other past – employment benefits
- Investments in equity instruments – unquoted equity shares IFRS 1.14

The estimates used by the Group to present these amounts in accordance with IFRS reflect conditions at 1 January 2022, the date of transition to IFRS and as at 31 December 2022.

#### First-time adoption of IFRS

#### Group reconciliation of equity as at 1 January 2022 (date of transition to IFRS)

	UK GAAP £'000	Reclassification and remeasurements £'000	IFRS as at 1 January 2022 £'000
<b>Fixed assets</b>			
Intangible assets	29,647	2,705	32,352
Tangible assets	164	-	164
Right-of-use assets	-	895	895
<b>Current assets</b>			
Trade and other receivables	20,376	152	20,528
Cash at bank and in hand	3,408	-	3,408
<b>Total assets</b>	<b>53,595</b>	<b>3,752</b>	<b>57,347</b>
<b>Equity and liabilities</b>			
Called up share capital	520	-	520
Share premium	14,138	-	14,138
Retained earnings	19,573	2,038	21,611
Share based payment reserve	100	-	100
<b>Total equity</b>	<b>34,331</b>	<b>2,038</b>	<b>36,369</b>

# Impala Bidco Limited

## Notes to the Financial Statements For the year ended 31 December 2022 (continued)

### 40. Conversion to IFRS

	UK GAAP £'000	Reclassification and remeasurements £'000	IFRS as at 1 January 2022 £'000
<b>Non current liabilities</b>			
Trade and other creditors	3,539	484	4,023
<b>Current liabilities</b>			
Trade and other creditors	15,725	1,230	16,955
<b>Total liabilities</b>	<b>19,264</b>	<b>1,714</b>	<b>20,978</b>
<b>Total equity and liabilities</b>	<b>53,595</b>	<b>3,752</b>	<b>57,347</b>

As a result of IFRS 16, the company has recognised finance lease liabilities of £1,403k (2021: £939k) and right of use assets of £1,220k (2021: £895k) in relation to its lease agreements. Operating lease rentals are added back and the Company has recognised depreciation of its right-of-use assets and interest expense on finance lease liabilities instead.

As a result of adopting IFRS 15 there are changes in the period over which revenue is recognised thus resulting in adjustments to revenue, deferred revenue and retained earnings. Furthermore, the company has capitalised the costs of obtaining a contract (sales commissions) which are amortised over the revenue term.

IAS 38 requires capitalisation of development expenditure meeting the requirements of IAS 38 para 57. This has resulted in an increase in the amount of research and development costs capitalised under IFRS as compared with UK GAAP, along with adjustments to amortisation.

Goodwill was previously amortised under UK GAAP.

### 41. Prior Period adjustment

In the year ended 31 December 2021 an impairment of intangibles was recorded with a cost of £988k and carrying value of £240k. This was incorrectly recorded within Development Costs when the impairment should have been recognised within Goodwill. The comparatives have been restated to correct this. There was no impact on the net book value of intangible assets, other Statement of Financial Position items, cash flows or on the loss in the current or prior year.

On 6 May 2021 the Company undertook a capital reduction whereby the Share premium for its ordinary shares was reduced from £0.10 to £0.01. New Articles of Association should have been adopted to reflect that this had de facto created a new class of ordinary shares of £0.01 each. Following the capital reduction, in December 2021, the Company issued and allotted 5,785,349 ordinary shares. These were treated as £0.01 shares in the financial statements to the year ended 31 December 2021. As the new Articles of Association had not been adopted the only class of shares that existed was £0.10 ordinary shares. The comparatives have been restated to show the share issues as £0.10 ordinary shares. The impact is an increase in share capital and decrease in share premium of £521k. There was no impact on the net book value of intangible assets, other Statement of Financial Position items, cash flows or on the loss in the current or prior year.