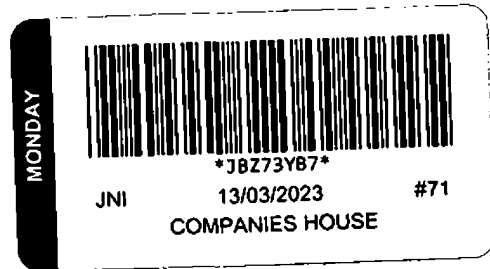


COMPANIES HOUSE  
13 MAR 2023  
BELFAST



**Aryza Holdings Limited**

**Directors' Report and  
Consolidated Financial Statements  
for the financial year ended  
31 December 2021**

*Company Number 11002926*

**ARYZA HOLDINGS LIMITED**

**DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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**ARYZA HOLDINGS LIMITED**

**DIRECTORS AND OTHER INFORMATION**

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**DIRECTORS**

Andrew Blazye  
Colin Brown  
Robert Doherty  
Michael England

**COMPANY NUMBER**

11002926

**REGISTERED OFFICE**

11 - 12 Hanover Square  
London  
England  
W15 1JJ

**AUDITORS**

Deloitte Ireland LLP  
Chartered Accountants and Statutory Audit Firm  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2

**BANKERS**

Allied Irish Banks, p.l.c.  
10 Molesworth Street  
Dublin 2  
Ireland

Ulster Bank  
11-16 Donegall Square East  
BT1 5UB  
Northern Ireland

**SOLICITORS**

McCann Fitzgerald  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2

## **INTRODUCTION**

The directors present their report for the year ended 31 December 2021. This is in accordance with the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

Aryza Group ("the Group") is a technology company that provides advanced software solutions across the Lending & Debt cycles, designed to manage complex processes, navigate financial journeys, and positively impact the financial wellbeing of its users.

Aryza Group provides software solutions for all stages of the Lending & Debt Cycles including:

- Credit application
- Loan management
- Arrears processing
- Collections
- Debt Advice & Referral
- Insolvency

Aryza's customers include participants across the credit value chain, including banks, alternative lenders, debt purchasers, debt collection agencies, insolvency administrators, public sector and utilities.

In 2021 the Group operated in the UK, Ireland, Canada, Australia, New Zealand and the Cayman Islands and continues to seek to expand into new geographies. Subsequent to the year end, we entered DACH and Benelux markets via the acquisition of the Collenda Group.

## **PRINCIPAL RISKS AND UNCERTAINTIES**

The Board of Directors of Aryza Holdings Limited ("AHL") have the responsibility to monitor the overall risk management process within its subsidiaries.

The Directors acknowledge that the economic environment can impact the performance of the Group both in terms of underlying liquidity and market growth impacts. The Group operates in a diversified range of insolvency and lending sectors with a customer base that considers our software solutions as a critical tool leading to low levels of customer churn.

The principal risks and uncertainties of AHL and its subsidiaries relate, primarily, to the pace of technological change, disruptive technologies and its impact on the intellectual property of AHL and its subsidiaries; and ensuring its technology remains compliant with regulatory requirements associated with the sectors in which the Group's customers operate. The Group invests significantly in research and development to maintain and enhance its product offering and maintains a core technical expertise within its staff.

Aryza Group is committed to preserving the confidentiality, integrity, and availability of all the group's physical and electronic information assets. The Aryza Information Security Management Systems (ISMS) covers all the group's information assets associated with the provision of products and services which are ISO/IEC 27001:2013 certified, and the group has also have been certified to Cyber Essentials Plus. The Directors have implemented a broad range of technical and organisation measures to ensure the protection of our information assets and business continuity.

**PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)**

The Company's IT infrastructure is protected through a "defence in depth" approach, from deployment of perimeter firewalls, intrusion prevention technologies, vulnerability scanning and anti-malware through to thorough staff awareness training. The Group has secure development practices and regularly scan IT infrastructure and web platforms for vulnerabilities. The Group's IT teams employ in depth back-up and recovery solutions, with active fail-over as necessary, and ensure our systems are patched with the latest protections against known and evolving threats.

The Board of Directors of AHL is ultimately responsible for identifying and controlling risks. Management is responsible for the overall risk management approach and have implemented processes and procedures to address the risks identified. The Board of Directors of AHL conduct ongoing risk assessments and have formed a risk committee that operate under an Aryza Risk Management Framework.

**REVIEW OF THE BUSINESS**

Aryza Group is a global business operating in 9 countries on 3 continents, with currently over 430 employees at the date of approval of these financial statements. Aryza's offering covers the full credit lifecycle serving 1,200+ enterprises and SMEs. The Group's strategy is to grow organically and through acquisitions, continuing to expand its end-to-end suite of products and services and sell these to its wide and growing international customer base.

The Group's acquisition strategy is to acquire software solutions appealing to its existing customer base and broaden its geographical reach. Acquisitions are identified through thorough research and completed only after detailed diligence. The Directors place a specific emphasis on effectively integrating the newly acquired businesses into Group operations. The Group had good experience to date with cross-selling of products into both the new customers and geographies; this demonstrates success in delivering a valuable end-to-end offering to Aryza's customers and evidences potential for significant further growth within the business through cross-sell.

In 2020, the Group completed the acquisition of Anchor Computer Systems Group Limited, a UK based lending software business. During the year ended 31 December 2021, the Group completed three further acquisitions to further expand Aryza's presence across the Lending & Debt Cycles as well as extend its geographic reach:

- Hubsolv Limited (completed in January 2021), a UK based personal insolvency software business;
- Insol 6 Pty Ltd (completed in September 2021), an Australian based corporate insolvency software business; and
- Evolve Servicing Limited (completed in December 2021), a leading UK based creditor servicing business.

Subsequent to the year end date, in March 2022 the Group acquired Saturn Topco S.a.r.l. which is the holding company of the Collenda Group, a lending and collections software business serving the DACH and Benelux countries.

All of the above acquisitions were strategic, helping enhance Aryza Group's product set and accelerate geographical expansion. The acquisitions are expected to deliver cost synergies and drive significant cross-sell opportunities over time.

### REVIEW OF THE BUSINESS (CONTINUED)

In the current year, the Group also refinanced its loan facilities. As part of this refinancing, on 16th August 2021, the Group was released from all charges with its former lender, Allied Irish Bank. The Group is subject to new charges as Guarantor to a new loan facility agreement with Global Loan Agency Services Limited acting as agent for certain Permira Credit Solutions entities.

On the 16th of November 2017, Aryza Ireland Limited a wholly owned subsidiary, entered into an asset purchase agreement to acquire the goodwill and intellectual property of Partnerlink which featured an element of contingent consideration. The contingent consideration and related goodwill of £16,549,954 crystallised when the Aryza Group was acquired post year-end, which meant that it became probable and measurable as at 31 December 2021 after signing the share purchase agreement associated with the transaction during 2021. Refer to notes 18 and 21 for further details.

### FINANCIAL KEY PERFORMANCE INDICATORS

The Directors are pleased that the Group has had a successful period delivering strong revenue and adjusted EBITDA performance through a combination of organic and inorganic growth. The Group's financial key performance indicators are revenue growth and adjusted EBITDA.

The Board utilises adjusted EBITDA (a new KPI introduced in 2021) as a key KPI for the Group. Adjusted EBITDA is defined as earnings from operations before (i) net interest costs (interest income and interest expense), (ii) tax expense, (iii) depreciation and amortisation charge, (iv) share-based payment cost and (v) non-trading items including non-capitalised M&A related costs.

Revenue for 2021 was £31,191,595, an increase of 61% over 2020, driven by the new acquisitions in the year and new customer contracts within the existing business. Adjusted EBITDA for 2021 was £13,322,638 (2020: £8,299,004), an increase of 60% over the previous year.

Adjusted EBITDA is calculated as loss for the year after tax of £5,050,125 (2020: loss of £535,214) before net interest costs of £2,707,931 (2020: £1,094,903), tax expense of £795,871 (2020: £1,062,743), depreciation of £841,156 (2020: £184,218), amortisation of £9,941,934 (2020: £6,492,354), share-based payment costs of £2,811,143 (2020: £nil) and expensed M&A costs of £1,274,428 (2020: £nil).

### FUTURE DEVELOPMENTS

On 4<sup>th</sup> March 2022, the shareholders sold the Aryza Group to Atlas Bidco 1 Limited, which is a 100% owned subsidiary of Atlas Midco 1 Limited and in turn is wholly owned by Atlas Topco 1 Limited – a company which is jointly owned by MPRC Europe Limited ("Macquarie Capital Principal Finance"), PSC III Pooling, LP, Ocorian Corporate Services (Mauritius) Limited and members of Aryza Management.

Macquarie Capital Principal Finance brings substantial institutional expertise and operational experience, as well as an extensive network in Australia, New Zealand, US and Asia and flexible capital to support the continued growth of Aryza.

As part of the sale of the Aryza Group, the business completed a further refinancing of its loan facilities. On 4<sup>th</sup> March 2022, the Company signed a new term loan facility agreement, along with an acquisition facility to fund future M&A, with Global Loan Agency Services Limited acting as agent for certain Permira Credit Solutions entities. The Aryza Group also secured a revolving credit facility with National Westminster Bank plc.

**RESEARCH AND DEVELOPMENT**

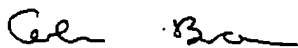
The strong performance of the Group is supported by continued investment in product development to support its strategy of providing customer with increased functionality, scalable solutions and complimentary products. Development is undertaken through its own internal development team and supported through additional external development resources, with customers receiving end to end software and service provision.

The Group spent £3.9m on capitalised research and development during 2021 and 2022 saw a further increase in research and development activities. This investment has resulted in a number of new products and services expected to be launched in the coming years which we expect to make significant contributions to the profit of the business. The Directors regard investment in this area as a prerequisite for achievement of Aryza Group's strategic goals in the medium to long-term.


**GOING CONCERN**

The Directors have a reasonable expectation that the Group and Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements. See note 2 for further details.

Approved by the Board and signed on its behalf by:



Colin Brown  
Director



Andrew Blazye  
Director

09 March 2023

Date

## ARYZA HOLDINGS LIMITED

### DIRECTORS' REPORT

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The Directors present their report and the audited consolidated financial statements for the financial year ended 31 December 2021.

#### PRINCIPAL ACTIVITY

The primary activities of the Group during 2021 were the development and sale of software applications to customers in the UK, Canada, Ireland, Australia and New Zealand.

#### DIRECTORS

The Directors who served throughout the financial year, except as noted, were as follows:

Andrew Blazye  
Colin Brown  
Keith Dignam (resigned 04/03/2022)  
Robert Doherty  
Michael England  
James Scott (resigned 31/01/2023)

#### DIRECTORS' INTERESTS IN SHARE CAPITAL

The Directors' interests in the shares of Aryza Holdings Limited at 31 December 2021 and 1 January 2021 were as follows:

Directors Name	Company	Class of Shares	Numbers held at	
			31/12/2021	01/01/2021
Andrew Blazye	Aryza Holdings Limited	A Ordinary Shares	571	571
	Aryza Holdings Limited	C Ordinary Shares	4,500	4,500
Colin Brown	Aryza Holdings Limited	A Ordinary Shares	1,513	1,513
	Aryza Holdings Limited	B Ordinary Shares	5,000	5,000
	Aryza Holdings Limited	C Ordinary Shares	2,500	2,500
Keith Dignam	Aryza Holdings Limited	A Ordinary Shares	571	571
	Aryza Holdings Limited	C Ordinary Shares	1,250	1,250
Robert Doherty	Aryza Holdings Limited	A Ordinary Shares	179	179
	Aryza Holdings Limited	B Ordinary Shares	2,000	2,000
	Aryza Holdings Limited	C Ordinary Shares	2,500	2,500

## ARYZA HOLDINGS LIMITED

### DIRECTORS' REPORT (CONTINUED)

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Following the completion of the of the acquisition of the company's parent, Aryza Holdings Limited in March 2022, the above shareholding of directors in Aryza Holdings Limited was reduced to nil with a shareholding in the new parent Atlas TopCo 1 Limited being recognised as follows:

- Andrew Blazye: 21,516 Ordinary shares; 228,415 B1 Preference shares; 1,980,947 B2 Preference shares; 49,575 C1 Shares and 49,575 C2 shares.
- Colin Brown: 52,547 Ordinary shares; 2,519,369 B1 Preference shares; 4,837,732 B2 Preference shares; 123,937 C1 Shares and 123,937 C2 shares.
- Keith Dignam: 8,516 Ordinary shares; 228,415 B1 Preference shares; 784,083 B2 Preference shares.
- Rob Doherty: 22,430 Ordinary shares; 709,728 B1 Preference shares; 2,065,085 B2 Preference shares; 61,969 C1 Shares and 61,968 C2 shares.

### KEY TRANSACTIONS AND DIVIDENDS

On 26 July 2021, pursuant to company law requirements, the Company completed a share premium reduction of £40,000,000 by means of a summary approval procedure, transferring this amount to its distributable reserves.

On 17 September 2021, the convertible loan notes issued during the financial year and the convertible loan notes in issue as at 31 December 2020, which amounted to £19,464,673 were converted to 14,275 "A" shares (see Note 20).

On 27 September 2021, the Company declared a final dividend amounting to £19,464,311 (2020: £Nil) which was paid to the "A" Shareholders.

No further dividends have been paid or proposed.

### POLITICAL CONTRIBUTIONS

The Company did not make any disclosable political donations in the current financial year.(2020: £Nil).

### EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

On 4th March 2022, the shareholders sold the Aryza Group to Atlas Bidco 1 Limited, which is a 100% owned subsidiary of Atlas Midco 1 Limited and in turn is wholly owned by Atlas Topco 1 Limited – a company which is jointly owned by MPRC Europe Limited, PSC III Pooling, LP, Ocorian Corporate Services (Mauritius) Limited and members of Aryza Management.

As part of the sale of the Aryza Group, the business completed a further refinancing of its loan facilities. On 4th March 2022, the Company signed a new term loan facility agreement with Global Loan Agency Services Limited acting as agent for certain Permira Credit Solutions entities. The Aryza Group also secured a revolving credit facility with National Westminster Bank plc.

On 18<sup>th</sup> March 2022, the Company acquired Saturn Topco S.a.r.l. which is the holding company of the Collenda Group, a lending and collections software business serving the DACH and Benelux countries. The value of the acquisition has not been provided on the basis that it is commercially sensitive information.

There have been no other significant events affecting the Group and Company since the financial year end.

**SUBSIDIARIES**

Details of subsidiary undertakings are contained within note 15 to the financial statements.

**DISCLOSURE OF INFORMATION TO AUDITOR**

Each of the persons who is a Director at the date of approval of this report confirms that:


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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

**AUDITORS**

The auditors, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, have signified their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board and signed on its behalf by:



Colin Brown  
Director



Andrew Blazye  
Director

09 March 2023

Date

## ARYZA HOLDINGS LIMITED

### DIRECTORS' RESPONSIBILITIES STATEMENT

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The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2006.

UK Company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued by the Financial Reporting Council ("relevant financial reporting framework"). 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 assets, liabilities and financial position of the Group and Company as at the financial year end date and of the profit or loss of the Group and Company for the financial year and otherwise comply with the Companies Act 2006.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies for the Group and Company Financial Statements and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with the applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Group and Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Group and Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2006 and enable the financial statements to be audited.

They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Independent auditor's report to the members of Aryza Holdings Limited

### Report on the audit of the financial statements

#### Opinion

In our opinion the financial statements of Aryza Holdings Limited (the 'parent company') and its subsidiaries (the 'Group'):

- give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2021 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated statement of financial position;
- the parent company statement of financial position;
- the consolidated statement of changes in equity;
- the parent company statement of changes in equity;
- the consolidated statement of cash flows; and
- the related notes 1 to 32, including a summary of significant accounting policies as set out in note 2.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

#### 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 Financial Reporting Council's (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 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.

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## **Independent auditor's report to the members of Aryza Holdings Limited**

### **Report on the audit of the financial statements (Continued)**

#### **Other information**

The other information comprises the information included in the Directors' Report and Consolidated Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Directors' Report and Consolidated Financial Statements. 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 these financial statements.

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

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## **Independent auditor's report to the members of Aryza Holdings Limited**

### **Report on the audit of the financial statements (Continued)**

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

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

We considered the nature of the Group's industry and its control environment, and reviewed the Group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of the directors and management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory framework that the Group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the UK and Irish Companies Act and tax legislation in the UK and Ireland; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or to avoid a material penalty. These included the Group and Parent Company's compliance with personal insolvency legislation through its software solutions.

We discussed among the audit engagement team including relevant internal specialists such as tax and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the following areas, and our procedures performed to address them are described below:

#### **Revenue Recognition**

- We assessed the design and determined the implementation of the key control over the posting of revenue at year-end; and
- We selected a sample of revenue transactions posted in December 2021 and January 2022 and traced them to relevant documentation in order to assess whether the transactions were recorded in the appropriate period.

#### **Allowance for Doubtful Receivables**

- We assessed the design and determined the implementation of the key control over the review of doubtful receivables at the year-end; and
- We assessed the judgements and estimates used by management as well as the method of calculation of the allowance, in order to verify that the allowance was appropriately valued and calculated.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and external legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance

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## Independent auditor's report to the members of Aryza Holdings Limited

### Report on other legal and regulatory requirements

#### 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.

In the light of the knowledge and understanding of the Group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### Matters on which we are required to report by exception

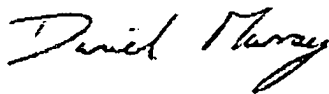
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.

We have nothing to report in respect of these matters.

#### Use of our 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.



Daniel Murray FCA (Senior statutory auditor)  
For and on behalf of Deloitte Ireland LLP  
Statutory Auditor  
Deloitte & Touche House, Earlsfort Terrace, Dublin 2

Date: 9 March 2023

**ARYZA HOLDINGS LIMITED****CONSOLIDATED INCOME STATEMENT  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**

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	<i>Notes</i>	<b>2021</b> £	<b>2020</b> £
<b>TURNOVER</b>	<b>4</b>	<b>31,191,595</b>	<b>19,390,320</b>
Cost of sales		<b>(4,033,914)</b>	<b>(2,403,186)</b>
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		<b>27,157,681</b>	<b>16,987,134</b>
Administrative expenses		<b>(28,704,004)</b>	<b>(15,364,702)</b>
		<hr/>	<hr/>
<b>OPERATING (LOSS)/PROFIT</b>	<b>5</b>	<b>(1,546,323)</b>	<b>1,622,432</b>
Net finance costs	<b>9</b>	<b>(2,707,931)</b>	<b>(1,094,903)</b>
		<hr/>	<hr/>
<b>(LOSS)/ PROFIT BEFORE TAXATION</b>		<b>(4,254,254)</b>	<b>527,529</b>
Tax on (loss)/profit	<b>10</b>	<b>(795,871)</b>	<b>(1,062,743)</b>
		<hr/>	<hr/>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(5,050,125)</b>	<b>(535,214)</b>
		<hr/>	<hr/>

All of the above results are in respect of continuing operations.

The notes on pages 22 to 57 form part of these financial statements.

ARYZA HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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	<i>Notes</i>	2021 £	2020 £
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(5,050,125)</b>	<b>(535,214)</b>
Exchange differences on translation of foreign operations		<u>534,880</u>	<u>134,988</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>		<b><u>(4,515,245)</u></b>	<b><u>(400,226)</u></b>
Attributable to: Owners of the Company		<b><u>(4,515,245)</u></b>	<b><u>(400,226)</u></b>

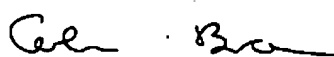
The notes on pages 22 to 57 form part of these financial statements.

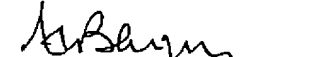
ARYZA HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	13	104,392,468	53,249,417
Tangible assets	14	1,093,403	1,865,930
Investment in associate	15	814,032	-
		<u>106,299,903</u>	<u>55,115,347</u>
<b>Current assets</b>			
Debtors	17	13,901,461	12,670,633
Cash at bank and in hand		4,991,277	3,402,454
		<u>18,892,738</u>	<u>16,073,087</u>
Creditors: Amounts falling due within one year	18	(25,056,551)	(11,107,974)
		<u>(6,163,813)</u>	<u>4,965,113</u>
<b>Net current (liabilities)/assets</b>			
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>100,136,090</u>	<u>60,080,460</u>
Creditors: Amounts falling due after more than one year	19	(62,664,956)	(28,888,743)
Provision for liabilities	23	(12,164,429)	(3,626,813)
<b>NET ASSETS</b>		<u>25,306,705</u>	<u>27,564,904</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital presented as equity	25	850	700
Share premium account	26	19,921,122	40,454,447
Equity reserves	27	2,811,144	974,515
Capital redemption reserve	27	296	296
Translation reserve	27	171,307	(363,572)
Profit and loss account – surplus/ (deficit)	27	2,401,986	(13,501,482)
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<u>25,306,705</u>	<u>27,564,904</u>

The financial statements of Aryza Holdings Limited were approved and authorised for issue by the Board of Directors on 09 March 2023 and signed on its behalf by:

  
Colin Brown  
Director

  
Andrew Blazye  
Director

The notes on pages 22 to 57 form part of these financial statements.


ARYZA HOLDINGS LIMITED

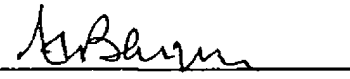
COMPANY STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021

	Notes	2021 £	2020 £
<b>Fixed assets</b>			
Financial assets	15	103,947,965	72,290,175
<b>Current assets</b>			
Debtors	17	9,911,038	9,601,937
Cash and cash equivalents		1,504,190	1,056,276
		11,415,228	10,658,213
Creditors: Amounts falling due within one year	18	(7,795,082)	(10,606,313)
<b>Net current assets</b>		3,620,146	51,900
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		107,568,111	72,342,075
Creditors: Amounts falling due after more than one year	19	(62,664,956)	(28,816,180)
Provision for liabilities	23	(5,999,900)	(3,150,351)
<b>NET ASSETS</b>		38,903,255	40,375,544
<b>CAPITAL AND RESERVES</b>			
Called up share capital presented as equity	25	850	700
Share premium account	26	19,921,122	40,454,447
Equity reserves	27	2,811,144	974,515
Capital redemption reserve	27	296	296
Profit and loss account – surplus/ (deficit)	27	16,169,843	(1,054,414)
<b>EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		38,903,255	40,375,544

The loss for the financial year dealt within the financial statements of the parent Company was £3,729,335 (2020: loss of £1,332,628).

The financial statements of Aryza Holdings Limited (registered number 11002926) were approved and authorised for issue by the Board of Directors on 09 March 2023 and signed on its behalf by:

  
Colin Brown  
Director

  
Andrew Blazye  
Director

The notes on pages 22 to 57 form part of these financial statements.

ARYZA HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Share capital £	Capital redemption reserve £	Share premium account £	Translation reserve £	Equity reserve £	Profit and loss account (deficit)/surplus £	Total £
At 1 January 2020	551	296	38,754,171	(498,561)	-	(12,966,267)	25,290,190
Loss for the financial year	-	-	-	-	-	(535,214)	(535,214)
Shares issued during the financial year	149	-	1,700,276	-	-	-	1,700,425
Recognition of equity component of convertible loan notes	-	-	-	-	974,515	-	974,515
Exchange differences on translation of foreign operations	-	-	-	134,988	-	-	134,988
At 31 December 2020	700	296	40,454,447	(363,573)	974,515	(13,501,481)	27,564,904
Loss for the financial year	-	-	-	-	-	(5,050,125)	(5,050,125)
Dividend paid (Note 12)	-	-	-	-	-	(19,464,311)	(19,464,311)
Shares issued during the financial year (Note 25)	150	-	19,466,675	-	-	-	19,466,825
Share premium reduction (Note 26)	-	-	(40,000,000)	-	-	40,000,000	-
Recognition of equity component of convertible loan notes (Note 20)	-	-	-	-	739,297	-	739,297
Settlement of equity component of convertible loan notes (Note 20)	-	-	-	-	(1,713,812)	417,903	(1,295,909)
Share options issued in the period (Note 22)	-	-	-	-	2,811,144	-	2,811,144
Exchange differences on translation of foreign operations	-	-	-	534,880	-	-	534,880
At 31 December 2021	850	296	19,921,122	171,307	2,811,144	2,401,986	25,306,705

The notes on pages 22 to 57 form part of these financial statements.

ARYZA HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Share Capital	Capital redemption reserve	Share premium account	Equity reserve	Profit and loss account (deficit)/surplus	Total
	£	£	£	£	£	£
At 1 January 2020	551	296	38,754,171	-	278,214	39,033,232
Loss for the financial year	-	-	-	-	(1,332,628)	(1,332,628)
Recognition of equity component of convertible loan notes	-	-	-	974,515	-	974,515
Shares issued during the financial year	149	-	1,700,276	-	-	1,700,425
At 31 December 2020	700	296	40,454,447	974,515	(1,054,414)	40,375,544
Loss for the financial year	-	-	-	-	(3,729,335)	(3,729,335)
Dividend paid (Note 12)	-	-	-	-	(19,464,311)	(19,464,311)
Shares issued during the financial year (Note 25)	150	-	19,466,675	-	-	19,466,825
Share premium reduction (Note 26)	-	-	(40,000,000)	-	40,000,000	-
Recognition of equity component of convertible loan notes (Note 20)	-	-	-	739,297	-	739,297
Settlement of equity component of convertible loan notes (Note 20)	-	-	-	(1,713,812)	417,903	(1,295,909)
Share options issued in the period (Note 22)	-	-	-	2,811,144	-	2,811,144
At 31 December 2021	850	296	19,921,122	2,811,144	16,169,843	38,903,255

The notes on pages 22 to 57 form part of these financial statements.

ARYZA HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
<b>Net cash inflow from operating activities</b>	28	9,767,815	3,923,200
<b>Cash flows from investing activities</b>			
Payments to acquire tangible fixed assets	14	(117,168)	(516,398)
Payments to acquire intangible fixed assets	13	(800,010)	(2,688,279)
Acquisition of subsidiaries (net cash flow)		(38,602,554)	(10,945,516)
Investment in associates	15	(814,032)	-
<b>Net cash outflows from investing activities</b>		<u>(40,333,764)</u>	<u>(14,150,193)</u>
<b>Cash flows from financing activities</b>			
Proceeds on issue of shares		-	1,700,425
Proceeds on issue of convertible loan notes		8,532,948	10,931,785
New bank loans raised		64,000,000	-
Repayment of borrowings		(21,553,039)	(718,119)
Dividends paid	12	(19,464,311)	-
<b>Net cash inflows from financing activities</b>		<u>31,515,598</u>	<u>11,914,091</u>
<b>Net increase in cash and cash equivalents</b>		949,649	1,687,098
<b>Cash and cash equivalents at beginning of financial year</b>		3,402,454	1,515,857
Effect of foreign exchange rate changes		639,164	199,499
<b>Cash and cash equivalents at end of financial year</b>		<u>4,991,267</u>	<u>3,402,454</u>
<b>Reconciliation to cash at bank and in hand:</b>			
Cash at bank and in hand		4,991,277	3,402,454
Cash equivalents		-	-
<b>Cash and cash equivalents</b>		<u>4,991,277</u>	<u>3,402,454</u>

The notes on pages 22 to 57 form part of these financial statements.

## ARYZA HOLDINGS LIMITED

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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#### 1. GENERAL INFORMATION

Aryza Holdings Limited is a company limited by shares incorporated in United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 2. The nature of the Company's operations and its principal activities are set out in the strategic report and Directors' report on pages 7 to 9.

#### 2. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Group's financial statements:

##### **Basis of Accounting**

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with the Companies Act 2006 and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Aryza Holdings Limited is considered to be pound (£) sterling because that is the currency of the primary economic environment in which the Company operates. The consolidated financial statements are also presented in pound sterling. Foreign operations are included in accordance with the policies set out below.

Aryza Holdings Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements, which are presented alongside the consolidated financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

For the year ending 31 December 2021 the following subsidiaries of the Company were entitled to certain exemptions under Section 479A of the Companies Act 2006 relating to subsidiary companies.

<i>UK Subsidiary Name</i>	<i>Companies Registration Office Number</i>
Aryza UK Services Limited	10810071
Samepage Group Limited	09539989
My Money Options Limited	11855792
Anchor Computer Systems (Holdings) Limited	05428062
Anchor Computer Systems Group Limited	11971476
Anchor Computer Systems Limited	01582278
Databax Limited	04085248
Evolve Servicing Limited	11042250
Hubsolv Limited	SC470544

## 2. ACCOUNTING POLICIES (CONTINUED)

### Basis of Consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed.

Business combinations are accounted for under the purchase method. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

### Going Concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the directors' report. The Group incurred a consolidated loss before tax of £4,254,254 for the financial year (2020: profit of £527,529). The Group has net current liabilities of £6,163,813 (2020: £4,965,113) and net assets of £25,306,705 (2020: £27,564,904) as at the year-end date. Based on unaudited management accounts prepared for the year ended 31 December 2022, the Group has generated a positive EBITDA for the financial year.

In 2021, the Group refinanced its loan facilities. As part of this refinancing, on 16th August 2021, the Group was released from all charges with Allied Irish Bank. The Group is subject to new charges as Guarantor to a new loan facility agreement with Global Loan Agency Services Limited acting as agent for certain Permira Credit Solutions entities. As part of the sale of the Aryza Group, the business completed a further refinancing of its loan facilities. On 4th March 2022, the Group signed a new term loan facility agreement with Global Loan Agency Services Limited.

The Directors are confident that based on their future forecasts, the Group and Company will have sufficient funds to meet their financial obligations as they fall due for the foreseeable future being a period of at least 12 months from the date of approval of these financial statements. Accordingly, these financial statements have been prepared on a going concern basis.

### Turnover

Turnover represents sales to the customers and excludes Value Added Tax. Activation fees are recognised once an Individual Voluntary Arrangement ("IVA") case is accepted by the customer as there is no further obligation due from the Group after this point. After the customer has confirmed acceptance of the IVA the licence fees are recognised on a straight-line basis over the life of an active IVA. Where the customer has not been invoiced at the financial year end date and service delivery has occurred prior to the financial year end turnover is recorded as accrued income. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred revenue and included as part of creditors due within one year.

2. ACCOUNTING POLICIES (CONTINUED)

**Intangible fixed assets – goodwill**

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which is 10 years. Provision is made for any impairment.

Negative goodwill is similarly included in the statement of financial position and is credited to the income statement in the periods in which the acquired non-monetary assets are recovered through depreciation or sale. Negative goodwill in excess of the fair values of the non-monetary assets acquired is credited to the income statement in the periods expected to benefit.

**Intangible Assets – Research and Development**

Research expenditure is recognised as an expense when incurred. Development expenditure is also recognised as an expense, except where the Directors are satisfied as to the technical, commercial and financial viability of individual projects. In such cases, the identifiable expenditure is capitalised as an intangible asset and amortised over the period (5 years) during which the Group is expected to benefit.

An impairment review is performed whenever there is an indication that the recoverable value is below the carrying value of the intangible asset. If the impairment review indicates that the asset is impaired, an allowance is made for impairment.

**Intangible Assets – general**

Intangible fixed assets are stated at cost or at valuation, less accumulated amortisation. The charge to amortisation is calculated to write off the original cost, less their estimated residual value, over their expected useful lives as follows:

Software	20% Straight line
Other intangibles	20% Straight line

The carrying values of intangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

2. ACCOUNTING POLICIES (CONTINUED)

**Tangible fixed assets**

Tangible fixed assets are stated at cost or at valuation, less accumulated depreciation. The charge to depreciation is calculated to write off the original cost or valuation of property, plant and equipment, less their estimated residual value, over their expected useful lives as follows:

Office equipment	20% Straight line
Fixtures and fittings	20% Straight line
Motor Vehicle	25% Straight line
IT Equipment	25% Straight line

The carrying values of tangible fixed assets are reviewed annually for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

**Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each statement of financial position date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

*Non-financial assets*

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

2. ACCOUNTING POLICIES (CONTINUED)

**Impairment of assets (continued)**

Where indicators exist for a decrease in impairment loss previously recognised for assets other than goodwill, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets of the CGU, except for goodwill, on a pro-rata basis. Impairment of goodwill is never reversed.

*Financial assets*

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

**Financial instruments**

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

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

**(i) Trade and other receivables**

Trade and other receivables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest method less impairment losses for bad and doubtful debts except where the effect of discounting would be immaterial. In such cases the receivables are stated at cost less impairment losses for bad and doubtful debts.

**2. ACCOUNTING POLICIES (CONTINUED)**

**(ii) Trade and other payables**

Trade and other payables are initially recognised at fair value and thereafter stated at amortised cost using the effective interest rate method, unless the effect of discounting would be immaterial, in which case they are stated at cost.

**(iii) Financial assets**

In the Company statement of financial position, investments in subsidiaries are measured at cost less impairment.

**(iv) Equity instruments**

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable, net of direct issue costs.

**(v) Convertible loan notes**

The component parts of compound instruments issued by the company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. On initial recognition the financial liability component is recorded at its fair value. At the date of issue, in the case of a convertible bond denominated in the functional currency of the issuer that may be converted into a fixed number of equity shares, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity and is not subsequently remeasured.

Transaction costs are apportioned between the liability and equity components of the convertible instrument based on their relative fair values at the date of issue. The portion relating to the equity component is charged directly against equity. Where the financial liability component meets the criteria in (i) above, the finance costs of the financial liability are recognised over the term of the debt using the effective interest method. If those criteria are not met, the financial liability component is measured at fair value through profit or loss.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the Statement of Financial Position bank overdrafts are shown within creditors.

2. ACCOUNTING POLICIES (CONTINUED)

Employee benefits

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

A provision is recognised for those matters for which the tax determination is uncertain, but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Group supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date. *Timing differences are differences between the Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.*

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Group intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Group has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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2. ACCOUNTING POLICIES (CONTINUED)

Share capital of the Company

(i) Ordinary share capital

The ordinary share capital of the Company is presented as equity.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the Statement of Financial Position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated at the rates of exchange ruling at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The resulting exchange differences are dealt with in the Statement of Comprehensive Income.

Leases

*The Group as lessee*

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased asset (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the income statement over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Provisions

Provisions, included deferred consideration, are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

**2. ACCOUNTING POLICIES (CONTINUED)**

**Government Grants**

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

**3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below:

*Key source of estimation uncertainty*

**(a) Provision for doubtful debts**

The Group makes an estimate of the recoverable value of trade and other debtors. The Group uses estimates based on historical experience in determining the level of debts, which the Group believes will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact of the operating results. The level of provision required is reviewed on an on-going basis.

**(b) Deferred Consideration**

The determination of the final amount payable is based on management estimates. Payments of such consideration is usually contingent on the future performance of the acquired company. Management's estimate is based on forecasts and projections which are reviewed on an on-going basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY  
(CONTINUED)

Significant accountancy judgments

(a) Capitalised development costs

Distinguishing the research and development phase of new customised software projects and determining whether the recognition requirements for the capitalisation of development costs, as set out in section 27 of FRS102, have been met requires judgement. Subsequent to this initial capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

4. TURNOVER

The whole of the Group's turnover is derived from the principal activity of the development and sale of software applications.

An analysis of the Group's turnover by geographical market is set out below:

	2021	2020
	£	£
United Kingdom	28,285,907	17,329,434
Republic of Ireland	554,132	255,586
Canada	1,931,269	1,791,279
Australia	410,729	-
New Zealand	9,558	14,021
	<u>31,191,595</u>	<u>19,390,320</u>

5. OPERATING (LOSS)/ PROFIT

Group:

	2021	2020
	£	£
Operating (loss)/ profit is stated after charging/(crediting):		
Amortisation of intangible fixed assets (Note 13)	9,941,934	6,492,354
Depreciation of tangible fixed assets (Note 14)	841,156	184,218
(Gain)/ loss on foreign currencies	(263,348)	37,775
Operating lease rentals	599,198	450,252
Research & Development Costs (not capitalised)	885,093	252,377
Equity-settled share option schemes (Note 22)	2,811,143	-
Expensed M&A transaction costs (a)	1,274,428	-
Government grant received	(98,262)	(261,210)
	<u>                    </u>	<u>                    </u>

(a) Expensed M&A transaction costs relate to the costs incurred during 2021 by the group relating to the sale of the group subsequent to the year-end to Atlas Bidco 1 Limited as described in note 32.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

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5. OPERATING (LOSS)/ PROFIT (CONTINUED)

The analysis of the auditor's remuneration is as follows:

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	48,235	15,853
Fees payable to the Company's auditor and its associates for other services to the Group		
The audit of the Company's subsidiaries	127,165	95,117
<b>Total audit fees</b>	<u>175,400</u>	<u>110,970</u>
Taxation compliance services	49,024	30,611
Other taxation advisory services		42,791
<b>Total non-audit fees</b>	<u>49,024</u>	<u>73,402</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

6. EMPLOYEES AND REMUNERATION

Group:

Number of employees

The average number of persons employed (including executive directors) during the financial year was as follows:

	2021 Number	2020 Number
Employees	200	104
Directors	6	6
	<u>206</u>	<u>110</u>

The staff costs comprise

	2021 £	2020 £
Wages and salaries	8,314,243	5,111,332
Social security costs	817,158	513,324
Pension costs	315,320	186,614
	<u>9,446,721</u>	<u>5,811,270</u>

Analysed as follows:

	2021 £	2020 £
Capitalised into assets	1,299,302	765,817
Expensed in financial year	8,147,419	5,045,453
	<u>9,446,721</u>	<u>5,811,270</u>

7. EMPLOYEE BENEFITS

The Group operates a defined contribution retirement benefit scheme for all qualifying employees. The total expense charged to the income statement in the financial year ended 31 December 2021 was £315,320 (2020: £186,614). An amount of £62,903 (2020: £23,066) was outstanding as at 31 December 2021.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 8. DIRECTORS' REMUNERATION AND TRANSACTIONS

	2021 £	2020 £
<i>Directors' remuneration</i>		
Emoluments	816,960	822,705
Company contributions to defined contribution pension schemes	25,328	28,351
	<u>842,288</u>	<u>851,057</u>
<i>Remuneration of the highest paid Director:</i>		
Emoluments	259,249	264,562
Company contributions to defined contribution pension schemes	12,718	15,055
	<u>271,967</u>	<u>279,617</u>
<i>Directors' advances, credits and guarantees</i>		

There were no other transactions with directors' during the financial year, other related party transactions are disclosed in Note 30.

## 9. NET FINANCE COSTS

	2021 £	2020 £
Interest payable on bank loans and overdrafts	1,760,002	948,200
Amortisation on convertible loan notes (Note 20)	417,903	-
Arrangement fee amortised	530,179	147,357
Interest receivable	(153)	(654)
	<u>2,707,931</u>	<u>1,094,903</u>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

10. TAX ON (LOSS)/ PROFIT

Group	2021 £	2020 £
<b>Analysis of charge in the financial year</b>		
<b>Current tax:</b>		
UK corporation tax at 19%	48,595	-
Foreign tax	496,397	586,281
<b>Total current tax</b>	<b>544,992</b>	<b>586,281</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	250,879	476,462
<b>Total deferred tax</b>	<b>250,879</b>	<b>476,462</b>
<b>Total tax on (loss)/ profit on ordinary activities</b>	<b>795,871</b>	<b>1,062,743</b>

**Factors affecting tax charge for the financial year:**

The tax assessed for the financial year differs from the standard rate of corporation tax in the United Kingdom at 19%. The differences are explained below:

(Loss)/ Profit before tax	(4,254,254)	527,529
(Loss)/ Profit before tax multiplied by the standard rate of corporation tax in the United Kingdom at 19% (2020: 19%)	(808,308)	100,231
<b>Effects of:</b>		
Expenses not deductible for tax purposes	248,922	833,339
Depreciation in excess of capital allowances	141,659	185,525
Losses carried forward	2,028,583	264,459
Losses forward used	(426,195)	(17,002)
Lower rates on overseas earnings	(20,437)	(190,930)
Other timing differences	(314,956)	(235,796)
R&D tax credit	(304,276)	(353,545)
<b>Total current tax charge for the financial year</b>	<b>544,992</b>	<b>586,281</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 13. INTANGIBLE FIXED ASSETS

Group			Development	Other	Total
	Goodwill	Software	Costs	Intangible	
	£	£	£	£	£
<b>Cost</b>					
At 1 January 2021	61,302,768	513,011	4,947,773	3,200,000	69,963,552
Additions on acquisition (Note 16)	28,458,037	11,301,829	-	-	39,759,866
Additions (i)	16,549,954	1,190,348	3,891,458	-	21,631,760
Translation adjustment	-	(65,085)	(368,527)	-	(433,612)
<b>At 31 December 2021</b>	<b>106,310,759</b>	<b>12,940,103</b>	<b>8,470,704</b>	<b>3,200,000</b>	<b>130,921,566</b>
<b>Accumulated Amortisation</b>					
At 1 January 2021	14,685,805	441,761	946,569	640,000	16,714,135
Charge for the financial year	7,233,533	783,955	1,284,446	640,000	9,941,934
Translation adjustment	-	(41,914)	(85,057)	-	(126,971)
<b>At 31 December 2021</b>	<b>21,919,338</b>	<b>1,183,802</b>	<b>2,145,958</b>	<b>1,280,000</b>	<b>25,529,097</b>
<b>Carrying amount</b>					
<b>At 31 December 2021</b>	<b>84,391,421</b>	<b>11,756,301</b>	<b>6,324,746</b>	<b>1,920,000</b>	<b>104,392,468</b>
At 31 December 2020	46,616,963	71,250	4,001,204	2,560,000	53,249,417

Development costs have been capitalised in accordance with the requirements of FRS102 and are therefore not treated, for dividend purposes, as a realised loss.

- i) The Group has recognised goodwill of £16,549,954 in respect of intellectual property purchased in previous years.

This contingent consideration and related goodwill was recognised at the year-end date, when the circumstances related to the transaction became probable and could be reliably measured, in accordance with FRS 102 Business Combinations and Goodwill Section 19.13. This goodwill recognised will be amortised over its remaining useful life, ending in 2027.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 14. TANGIBLE FIXED ASSETS

Group	Fixtures and Fittings £	Office Equipment £	IT Equipment £	Motor and Vehicle £	Total £
<b>Cost</b>					
At 1 January 2021	862,808	1,091,150	2,355,258	243,579	4,552,795
Additions on acquisition (Note 15)	-	38,855	-	-	38,855
Additions	8,027	124,568	-	-	132,595
Disposals	-	(17,758)	-	(109,075)	(126,833)
Translation adjustment	(34,660)	(15,063)	-	-	(49,723)
<b>At 31 December 2021</b>	<b>836,175</b>	<b>1,221,752</b>	<b>2,355,258</b>	<b>134,504</b>	<b>4,547,689</b>
<b>Accumulated Depreciation</b>					
At 1 January 2021	432,472	819,413	1,317,710	117,270	2,686,865
Additions on acquisition (Note 15)	-	15,427	-	-	15,427
Charge for the financial year	112,085	120,289	588,815	19,967	841,156
Disposals	-	(4,968)	-	(62,633)	(67,601)
Translation adjustment	(13,648)	(7,913)	-	-	(21,561)
<b>At 31 December 2021</b>	<b>530,909</b>	<b>942,248</b>	<b>1,906,525</b>	<b>74,604</b>	<b>3,454,286</b>
<b>Carrying amount</b>					
At 31 December 2021	305,266	279,504	448,733	59,900	1,093,403

**Assets held under finance leases**

The Group has leased IT equipment on hire purchase contracts which are considered to meet the definition of finance leases and are accounted for accordingly. The cost of finance leases which were included within IT equipment and motor & vehicle amounted to £1,064,626 (2020: £1,064,626) and £62,658 (2020: £62,658) respectively with a net carrying amount of £80,898 (2020: £347,055) and £37,203 (2020: £49,604) respectively.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

15. FINANCIAL ASSETS	2021	2020
	£	£
<b>Subsidiary undertakings - Company</b>		
At 1 January 2021	72,290,175	59,378,021
Subsidiaries acquired during the financial Year (Note 16)	31,234,190	12,912,154
	<u>103,524,365</u>	<u>72,290,175</u>

The parent Company and the Group have investments in the following subsidiary undertakings:

Subsidiary Name	Location	Holding	%
Aryza Ireland Limited	Republic of Ireland	Ordinary Shares	100
Aryza UK Limited*	Republic of Ireland	Ordinary Shares	100
Aryza UK Services Limited*	United Kingdom	Ordinary Shares	100
Vision Blue Services (Canada) Limited	Canada	Ordinary Shares	100
Uberbase.com Inc	Canada	Ordinary Shares	100
Aryza Services Mauritius Limited	Mauritius	Ordinary Shares	100
Samepage Group Limited	United Kingdom	Ordinary Shares	100
My Money Options Limited	United Kingdom	Ordinary Shares	100
Anchor Computer Systems Group Ltd	United Kingdom	Ordinary Shares	100
Anchor Computer Systems (Holdings) Ltd*	United Kingdom	Ordinary Shares	100
Anchor Computed Systems Limited*	United Kingdom	Ordinary Shares	100
Databax Limited*	United Kingdom	Ordinary Shares	100
Hubsolv Limited	United Kingdom	Ordinary Shares	100
Evolve Limited	United Kingdom	Ordinary Shares	100
Insol6 Pty Limited*	Australia	Ordinary Shares	100
Exalt Technology PTY Limited	Australia	Ordinary Shares	100

\*Indirect shareholding

All subsidiary undertakings have been included in the consolidation. See Note 16 for details on acquisitions during the financial year. The directors are of the opinion that the recoverable value of these investments is at least equal to their carrying value at the year-end date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 15. FINANCIAL ASSETS (CONTINUED)

## Associates - Group

	2021	2020
	£	£
At 1 January 2021	-	-
Associates acquired during the financial Year	814,032	-
	<u>814,032</u>	<u>-</u>

The parent Company and the Group have investments in the following associate undertakings:

Associate Name	Location	Holding	%
InsureStreet Limited	United Kingdom	Ordinary Shares	3.3
B2C Finance Limited	United Kingdom	Ordinary Shares	19

## Associates - Company

	2021	2020
	£	£
At 1 January 2021	-	-
Associates acquired during the financial Year	423,600	-
	<u>423,600</u>	<u>-</u>

The parent Company and the Group have investments in the following associate undertakings:

Associate Name	Location	Holding	%
B2C Finance Limited	United Kingdom	Ordinary Shares	19

## 16. ACQUISITION OF SUBSIDIARIES

## Evolve Acquisition:

On the 17<sup>th</sup> of December 2021, the Company acquired 100% of the issued share capital of Evolve Limited an entity whose primary activities are the provision of insolvency services, for consideration of £17,400,000 and deferred consideration of £2,000,000. Other costs capitalized and directly attributable to the acquisition amounted to £929,171. The fair value of the total consideration is £20,329,171.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

16. ACQUISITION OF SUBSIDIARIES (CONTINUED)

The acquisition in the current financial year has been accounted for under the acquisition method. The following table sets the book value of the identifiable assets and liabilities acquired in the current year and their fair value to the Group:

	Book value £	Fair value to the Group £
<b>Current Assets</b>		
Debtors	76,752	76,752
Cash	2,331,581	2,331,581
<b>Total Assets</b>	<u>2,408,333</u>	<u>2,408,333</u>
Creditors	(62,998)	(62,998)
<b>Total Liabilities</b>	<u>(62,998)</u>	<u>(62,998)</u>
Goodwill (Note 13)		17,983,836
		<u>20,329,171</u>
<b>Satisfied by:</b>		<b>31/12/2021</b> £
Cash consideration		17,400,000
Deferred consideration (Note 22)		2,000,000
Other costs directly attributable to the acquisition		929,171
		<u>20,329,171</u>

In the financial year ended 31 December 2021, turnover of £334,965 and profit of £283,640 in relation to Evolve Limited was included in the consolidated income statement since the acquisition date. Fair value amounts are provisional and in accordance with FRS102, Section 19.19, may be revised over the allowed 12-month period post acquisition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
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16. ACQUISITION OF SUBSIDIARIES (CONTINUED)

**Hubsolv Acquisition:**

On the 20<sup>th</sup> of January 2021, the Company acquired 100% of the issued share capital of Hubsolv Ltd, an entity whose primary activities are the development and sale of software applications for the insolvency market, for consideration of £9,139,831, a directors loan of £577,173 and deferred consideration of £2,000,000. Other costs directly attributable to the acquisition amounted to £329,400. The fair value of the total consideration is £12,046,404.

The acquisition in the current financial year has been accounted for under the acquisition method. The following table sets the book value of the identifiable assets and liabilities acquired in the current year and their fair value to the Group:

	Book value £	Fair value to the Group £
<b>Fixed Assets</b>		
Tangible fixed assets	56,177	56,177
<b>Current Assets</b>		
Debtors	799,677	799,677
Cash	1,261,196	1,261,196
<b>Total Assets</b>	<u>2,117,050</u>	<u>2,117,050</u>
Creditors	(347,757)	(347,757)
<b>Total Liabilities</b>	<u>(347,757)</u>	<u>(347,757)</u>
Goodwill (Note 13)		10,277,111
		<u>12,046,404</u>
<b>Satisfied by:</b>		<b>31/12/2021</b> £
Cash consideration		9,139,831
Deferred consideration (Note 22)		2,000,000
Directors' loans		577,173
Other costs directly attributable to the acquisition		329,400
		<u>12,046,404</u>

In the financial year ended 31 December 2021, turnover of £1,825,369 and profit of £812,273 in relation to Hubsolv Limited was included in the consolidated income statement since the acquisition date. Fair value amounts are provisional and in accordance with FRS102, Section 19.19, may be revised over the allowed 12-month period post acquisition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

16. ACQUISITION OF SUBSIDIARIES (CONTINUED)

**Insol6 Acquisition:**

On 9<sup>th</sup> of June 2021 the Company registered Exalt Technology PTY Limited ("Exalt"), a company incorporated in Western Australia.

On the 10<sup>th</sup> of September 2021, Exalt acquired 100% of the issued share capital of Insol6 Pty Ltd, a company whose primary activities are the development and sale of corporate insolvency software applications, for consideration of £5,585,515 and deferred consideration of £5,411,897. Other costs directly attributable to the acquisition amounted to £278,467. The fair value of the total consideration is £11,275,879.

The acquisition in the current financial year has been accounted for under the acquisition method. The following table sets the book value of the identifiable assets and liabilities acquired in the current year and their fair value to the Group:

	Book value £	Fair value to the Group £
<b>Fixed Assets</b>		
Intangible assets	11,218,594	11,218,594
<b>Current Assets</b>		
Debtors	3,966	3,966
Cash	-	-
<b>Total Assets</b>	<u>11,222,560</u>	<u>11,222,560</u>
Creditors	(143,770)	(143,770)
<b>Total Liabilities</b>	<u>(143,770)</u>	<u>(143,770)</u>
Goodwill (Note 13)		197,089
		<u>11,275,879</u>
<b>Satisfied by:</b>		<b>31/12/2021</b> £
Cash consideration		5,585,515
Deferred consideration (Note 22)		5,411,897
Other costs directly attributable to the acquisition		278,467
		<u>11,275,879</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021**16. ACQUISITION OF SUBSIDIARIES (CONTINUED)**

In the financial year ended 31 December 2021, turnover of £410,729 and profit of £325,646 in relation to Insol6 Limited was included in the consolidated income statement since the acquisition date. Fair value amounts are provisional and in accordance with FRS102, Section 19.19, may be revised over the allowed 12-month period post acquisition.

**17. DEBTORS**

<b>Group</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Trade debtors	11,474,721	5,358,920
Corporation taxation receivable	183,500	153,742
Prepayments	907,665	658,495
Other receivables	944,599	2,057,715
Accrued income	390,976	4,236,758
VAT refundable		205,003
	<u>13,901,461</u>	<u>12,670,633</u>
	<u>£</u>	<u>£</u>
<b>Company</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Amounts owed by Group companies	9,778,662	9,263,883
Prepayments	98,515	55,654
Other receivables	33,861	282,400
	<u>9,911,038</u>	<u>9,601,937</u>
	<u>£</u>	<u>£</u>

The Directors consider that the carrying value of debtors approximate fair value and are satisfied that the carrying value is receivable and fully expected to be realised in the normal course of business.

Amounts owed by Group companies are unsecured, interest free and repayable on demand.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

18. CREDITORS: Amounts falling due within one year

Group	2021 £	2020 £
Trade creditors	2,270,717	1,015,049
Bank loans (Note 18)	-	2,694,129
Corporation taxation payable	-	437,865
Other payables	26,615	20,796
Accruals	3,485,864	2,207,287
National insurance & pension payable	428,467	558,086
VAT payable	441,563	482,112
Deferred revenue	1,780,858	3,407,324
Obligations under hire purchase contracts	72,513	285,326
Partnerlink loan note (Note 21)	16,549,954	-
	<u>25,056,551</u>	<u>11,107,974</u>
Company	2021 £	2020 £
Trade creditors	1,132,212	11,760
Bank loans (Note 18)	-	2,694,129
Accruals	1,248,872	655,970
Amounts owed to Group companies	5,413,998	7,244,454
	<u>7,795,082</u>	<u>10,606,313</u>

The Directors consider that the carrying amount of creditors approximate fair value.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

19. CREDITORS: Amounts falling due after more than one year

Group	2021 £	2020 £
Bank loans	64,000,000	19,248,729
Capitalised loan arrangement costs	(1,335,044)	(389,819)
Convertible loan note (Note 20)	-	9,957,270
Obligations under hire purchase contracts	-	72,563
	<u>62,664,956</u>	<u>28,888,743</u>
<b>Company</b>	<b>2021 £</b>	<b>2020 £</b>
Bank loans	64,000,000	19,248,729
Capitalised loan arrangement costs	(1,335,044)	(389,819)
Convertible loan note (Note 20)	-	9,957,270
	<u>62,664,956</u>	<u>28,816,180</u>
<b>Group and Company bank debt</b>	<b>2021 £</b>	<b>2020 £</b>
Facility A – repayable by instalments	-	6,500,000
Facility B – fixed term	-	7,500,000
Facility C – fixed term	-	7,942,858
Permira Term Loan Facility	64,000,000	-
Arrangement fees capitalised	(1,335,044)	(389,819)
	<u>62,664,956</u>	<u>21,553,039</u>

In 2021 the debt facilities held with Allied Irish Bank plc were settled and a new 7 year fixed facility was entered into with Permira Credit Solutions.

Interest is payable at a floating rate being the aggregate of the Daily Non-Cumulative Compounded RFR Rate for the relevant RFR Banking Day and the applicable Baseline CAS plus an applicable margin of 5.75% to the bank on the principal amount (2020: Interest was payable at a fixed rate of between 0.834% and 1.199% plus an applicable margin to the bank on the principal amount).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 19. CREDITORS: Amounts falling due after more than one year (continued)

	2021 £	2020 £
<b>Bank loans are repayable as follows:</b>		
Between one and five years	-	19,248,729
After five years	64,000,000	-
	<u>64,000,000</u>	<u>19,248,729</u>
On demand or within one year	-	2,694,129
	<u>64,000,000</u>	<u>21,942,858</u>
<b>Convertible loan notes are repayable as follows:</b>		
Between one and five years (note 20)	-	9,957,270
After five years	-	-
	<u>-</u>	<u>9,957,270</u>
On demand or within one year	-	-
	<u>-</u>	<u>9,957,270</u>
<b>Obligations under hire purchase contracts are repayable as follows:</b>		
Between one and five years	-	72,563
After five years	-	-
	<u>-</u>	<u>72,563</u>
On demand or within one year	72,513	285,326
	<u>72,513</u>	<u>357,889</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

20. CONVERTIBLE LOAN NOTE

The company issued an unsecured interest free convertible loan notes to PSC Nominee 3 Limited (Note 30) on 23 December 2020, 14 January 2021 and 20 January 2021.

The net proceeds received from the issue of the convertible loan notes have been split between the liability element and an equity component as follows:

	2021	2020
	£	£
<b>Convertible loan notes</b>		
Balance at the beginning of the year	9,957,270	-
Issued during the year	7,793,651	9,957,270
Amortisation of implicit interest rate	417,903	-
Converted to ordinary share capital & premium (note 25/26)	(18,168,824)	-
	<u>-</u>	<u>9,957,270</u>
	<u>-</u>	<u>-</u>
	2021	2020
	£	£
Nominal value of convertible loan note issued in the year		
Equity component	739,297	974,515
Liability component	7,793,651	9,957,270
	<u>8,532,948</u>	<u>10,931,725</u>
Liability component at 31 December falling due within one year	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

The liability component has been classified as basic and is consequently measured at amortised cost. The implicit market rate of interest rate used in the above was 3.3% (2020: 3.3%). The amortisation charge for the financial year up to the date of conversion was €417,903 (2020: €Nil).

On 17<sup>th</sup> September 2021, the convertible loan notes issued during the financial year and the convertible loan notes in issue as at 31 December 2020, which amounted to £19,464,673 were converted to 14,275 "A" shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
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21. PARTNERLINK LOAN NOTE

On the 16th of November 2017, a subsidiary, Aryza Ireland Limited entered into an asset purchase agreement to acquire the goodwill and intellectual property of Partnerlink which featured an element of contingent consideration. The contingent consideration and related goodwill (£16,549,954) crystallised when the Aryza Group was acquired post year-end on 4th March 2022, which meant that it became probable and measurable as at 31 December 2021 after signing the share purchase agreement associated with the transaction.

The amount was subsequently settled after the year-end.

22. SHARE-BASED PAYMENTS

*Equity-settled share option schemes*

The Company has a share option scheme for all employees of the Group. The Company takes part in this group share-based payment plan and recognises and measures its allocation of the share-based payment expense on a pro-rata basis.

Options are exercisable at a price equal to the estimated fair value of the Company's shares on the date of grant. The share options do not have a vesting period. The shares vested on the date of close of the sale of the Aryza Group to Atlas TopCo 1 Limited.

Details of the share options outstanding during the year are as follows:

	2021		2020	
	Number of share options	Weighted average exercise price (£)	Number of share options	Weighted average exercise price (£)
Outstanding at beginning of year	-	-	-	-
Granted during the year	1,286	2,816	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	1,286	2,816	-	-
Exercisable at the end of the year	1,286	2,816	-	-

The fair value of the share options at the grant date was calculated using the sales value of the Aryza Group on date of sale to Atlas TopCo 1 Limited. This is considered the best valuation of the market valuation per share on date of grant.

The Group recognised total expenses of £2,811,143 and £Nil related to equity-settled share-based payment transactions in 2021 and 2020 respectively.

ARYZA HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
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23. PROVISIONS FOR LIABILITIES

Group	2021 £	2020 £
Deferred consideration (a)	11,437,088	3,150,351
Deferred tax liabilities (b)	727,341	476,462
	<u>12,164,429</u>	<u>3,626,813</u>

(a) Deferred Consideration

Group	2021 £	2020 £
On 1 January	3,150,351	1,600,451
Acquisition of subsidiary undertaking (Note 16)	9,411,897	2,000,000
FX Translation adjustment	25,291	-
Payments made during the financial year	-	-
Amount converted to shares during the financial year	-	(450,100)
Released during the financial year	(1,150,451)	-
	<u>11,437,088</u>	<u>3,150,351</u>

Company	2021 £	2020 £
On 1 January	3,150,351	1,600,451
Acquisition of subsidiary undertaking (Note 16)	4,000,000	2,000,000
Payments made during the financial year	-	-
Amount converted to shares during the financial year	-	(450,100)
Released during the financial year	(1,150,451)	-
	<u>5,999,900</u>	<u>3,150,351</u>

*Deferred consideration (Group and Company) – UBERbase.com Inc.*

In the current year, the provision for deferred consideration created is in respect of the acquisition of Uberbase Ltd, a company incorporated in Canada, which was an estimate and is payable upon the acquired company achieving certain EBITDA targets was released as the targets were not met and the amount was therefore no longer payable. Deferred consideration is not discounted on the basis that any discount would not be material to the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

23. PROVISIONS FOR LIABILITIES (CONTINUED)

*Deferred consideration (Group and Company) – Hubsolv Ltd*

In the current year, the provision for deferred consideration created is in respect of the acquisition of Hubsolv Ltd, a company incorporated in Scotland, which is an estimate and is payable upon the acquired company achieving certain revenue targets. Deferred consideration is not discounted on the basis that any discount would not be material to the financial statements.

*Deferred consideration (Group) – Insol6 Pty Ltd*

In the current year, the provision for deferred consideration created is in respect of the acquisition of Insol6 Pty Ltd, a company incorporated in Australia, which is an estimate and is payable upon the acquired company achieving certain revenue targets. Deferred consideration is not discounted on the basis that any discount would not be material to the financial statements.

*Deferred consideration (Group and Company) – Evolve Ltd*

In the current year, the provision for deferred consideration created is in respect of the acquisition of Evolve Ltd, a company incorporated in England & Wales, which is an estimate and is payable upon the acquired company achieving certain revenue targets. Deferred consideration is not discounted on the basis that any discount would not be material to the financial statements.

(b) Deferred Taxation

Group

Deferred tax is provided as follows:

	2021 £	2020 £
At the beginning of the year	476,462	-
Charged in the year	250,879	476,462
At the end of the year	<u>727,341</u>	<u>476,462</u>

Deferred tax asset represents accelerated capital allowances.

ARYZA HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

24. FINANCIAL INSTRUMENTS

The carrying values of the Group and Company's financial assets and liabilities are summarised by category below:

Group	2021 £	2020 £
<b>Financial assets</b>		
<i>Measured at undiscounted amount receivable</i>		
Trade debtors (Note 17)	11,474,721	5,358,920
	<u>                    </u>	<u>                    </u>
<b>Financial liabilities</b>		
<i>Measured at undiscounted amount payable</i>		
Trade creditors (Note 18)	2,270,717	1,015,049
<i>Measured at amortised cost</i>		
Bank loans (Note 19)	62,664,956	21,553,039
Liability component of convertible loan note (note 20)	-	9,957,270
Obligations under hire purchase contracts (note 18)	72,513	357,889
Partnerlink loan note (note 21)	16,549,954	-
	<u>                    </u>	<u>                    </u>
<b>Company</b>		
<b>Financial assets</b>		
<i>Measured at cost less impairment</i>		
Investments (Note 15)	103,475,787	72,290,175
<i>Measured at undiscounted amount receivable</i>		
Amounts owed by Group companies (Note 17)	9,778,662	9,263,883
	<u>                    </u>	<u>                    </u>
<b>Financial liabilities</b>		
<i>Measured at amortised cost</i>		
Bank loans (Note 19)	62,664,956	21,553,039
Liability component of convertible loan note (Note 20)	-	9,957,270
	<u>                    </u>	<u>                    </u>
<i>Measured at undiscounted amount payable</i>		
Amounts owed to Group companies (Note 18)	5,413,998	7,244,454
	<u>                    </u>	<u>                    </u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021.

25. CALLED UP SHARE CAPITAL PRESENTED AS EQUITY	2021	2020
	£	£
<b>Allotted, called-up and fully paid:</b>		
58,534 'A' Ordinary shares of £0.01 each (2020: 43,491 of £0.01 each)	585	435
7,000 'B' Ordinary shares of £0.01 each	70	70
19,500 'C' Ordinary shares of £0.01 each (2020: 19,500 of £0.01 each)	195	195
	<u>850</u>	<u>700</u>

During the financial year, the Company issued 15,043 'A' Ordinary shares for consideration of £19,466,825 which was utilised in furtherance of the Group's strategic acquisition objectives.

The 'A' Ordinary shares, 'B' Ordinary shares and 'C' Ordinary shares have a right to attend or vote at general meetings and do not carry a right to a fixed income. All shareholders are entitled to dividends in accordance with the Company's Articles of Association.

26. SHARE PREMIUM	2021	2020
	£	£
On 1 January 2021	40,454,447	38,754,171
Shares premium on shares issued during the financial year	19,466,675	1,700,276
Reduction in share premium	(40,000,000)	-
At 31 December 2021	<u>19,921,122</u>	<u>40,454,447</u>

Share Premium Account represents the excess of the issue price over the par value on shares issued less transaction costs arising on issue. During the period the group entered into a share premium reduction pursuant to section 641 to 643 (inclusive) of the Companies Act of 2006 resulting in £40,000,000 of share premium being transferred to profit and loss reserves.

## 27. RESERVES

### Profit and Loss Account

Profit and loss account reserve represents accumulated retained earnings.

### Translation Reserve

The translation reserve relates to the translation of the net assets of the Group's foreign operations, which relation to subsidiaries only, from their functional currency into the parent's functional currency, being sterling.

### Capital Redemption Reserve

The capital redemption reserve relates to the share buyback of 29,568 'A' Ordinary shares.

### Equity Reserve

The equity reserve previously represented the equity component of convertible debt instruments. After the convertible debt was converted to equity during the year, this balance now contains the share-based payment charge.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 28. CASH FLOW STATEMENT

*(i) Reconciliation of operating (loss)/profit to cash generated by operations:*

	2021 £	2020 £
Operating (loss)/profit for the financial year	(1,546,323)	1,622,432
<i>Adjustments for:</i>		
Amortisation of intangible assets (Note 13)	9,941,934	6,492,354
Depreciation on tangible assets (Note 14)	841,154	184,218
Share-based payment expense	2,811,144	-
	<u>12,047,909</u>	<u>8,299,004</u>
Operating cash flow before movement in working capital	12,047,909	8,299,004
<i>Movements in working capital:</i>		
Increase in debtors	(1,201,070)	(1,148,828)
Increase/(decrease) in creditors	743,381	(2,212,910)
	<u>11,590,220</u>	<u>4,937,266</u>
Cash generated by operations	11,590,220	4,937,266
Tax paid	467,623	(66,520)
Interest paid	(2,290,181)	(947,546)
Interest received	153	-
	<u>9,767,815</u>	<u>3,923,200</u>
Net cash inflow from operating activities	9,767,815	3,923,200

*(ii) Net debt reconciliation*

	1 January 2021 £	Cash flows (i) £	Acquisitions £	Changes in exchange rates £	Other non-cash changes (ii) £	31 December 2021 £
Cash at bank and in hand	3,402,454	(2,643,118)	3,592,777	639,164	-	4,991,267
Bank loans	(21,553,039)	(42,446,961)	-	-	1,335,044	(62,664,956)
Net debt	<u>(18,150,585)</u>	<u>(45,090,079)</u>	<u>3,592,777</u>	<u>639,164</u>	<u>1,335,044</u>	<u>(57,673,679)</u>

- (i) The cash flows from other borrowings make up the net amount of proceeds from borrowings and repayment of borrowings in the statement of cash flows.
- (ii) Non-cash transactions relate to arrangement fees which were capitalised on initial recognition of the bank loans and are amortised into the income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

## 29. COMMITMENTS

*(i) Operating lease commitments*

## Group

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Within one year	452,341	488,650
In the second to fifth years inclusive	1,114,480	1,347,400
After five years	-	435,666
	<u>1,566,821</u>	<u>2,271,716</u>

Operating lease payments represent rentals payable by the Group for certain of its office properties. Leases are negotiated for terms of between three and ten years and rentals are fixed for that period.

*(ii) Capital commitments*

The Group and Company had no material capital commitments at the financial year end 31 December 2021.

*(iii) Banking guarantees and charges*

The Group is subject to charges as Guarantor to the loan facility agreement with Permira Credit Solutions.

**30. RELATED PARTY TRANSACTIONS**

**(i) Transactions and balances with Group companies**

The Company have availed of the exemption under FRS 102 in relation to the disclosure of transactions with Group companies, which are eliminated on consolidation.

**(ii) Key management personnel**

Key management personnel during the financial year are deemed to be the Directors and certain executive employees. The total compensation expense, comprising solely of short-term benefits, in respect of key management personnel is £1,193,783 (2020: £1,432,361).

**(iii) Directors' transactions**

During the financial year, BS2 Limited (Trading as Nucleo) invoiced the company the equivalent of £37,766 (2020: £42,247) in relation to the provision of software development services. Colin Brown a Director of Aryza Ireland Limited (a group company) is also a director and shareholder of BS2 Limited. £5,165 was outstanding at the financial year end date (2020: £5,442).

During the financial year, Aryza Ireland Limited issued invoices to Pollen Street Capital Limited for the amount of £328,000 (2020: £Nil) for development services provided. James Scott & Michael England are both directors of Aryza Ireland Limited and are also directors of Pollen Street Capital Limited. £Nil (2020 £Nil) was outstanding at year end.

Other transactions with directors are disclosed in Note 8.

**(iv) Amounts owed to Shareholders**

See (iii) above for transaction with Pollen Street Capital Limited during the year. During the financial year, Aryza Holdings Limited issued unsecured interest free convertible loan notes for the amount of £8,532,948 (2020: £10,931,725) to PSC Nominee 3 Limited. PSC Nominee 3 Limited is a subsidiary of Pollen Street Capital Holdings Limited and holds shares on behalf of PSC III G, L.P. These convertible loan notes were converted to 'A' ordinary shares during 2021. See note 20 for further details.

**31. PARENT AND ULTIMATE CONTROLLING PARTY**

The ultimate controllers of this Company at the statement of financial position date were PSC III G, L.P., a fund which is managed by Pollen Street Capital Limited, a company incorporated in the United Kingdom. The address of Pollen Street Capital Limited is 11-12 Hanover Square, London, England, W1S1JJ.

Subsequent to the year end, the Group was acquired by Atlas TopCo 1 Limited, the Group's ultimate parent undertaking is Atlas Topco 1 Limited, a company incorporated in the United Kingdom. The address of Atlas Topco 1 Limited is Ropemaker Place, 28 Ropemaker Street, London, England, EC2Y 9HD.

**32. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE**

On 4th March 2022, the shareholders sold the Aryza Group to Atlas Bidco 1 Limited, which is a 100% owned subsidiary of Atlas Midco 1 Limited and in turn is wholly owned by Atlas Topco 1 Limited – a company which is jointly owned by MPRC Europe Limited, PSC III Pooling, LP, Ocorian Corporate Services (Mauritius) Limited and Aryza Management.

As part of the sale of the Aryza Group, the business completed a further refinancing of its loan facilities, on 4th March 2022, the Company signed a new term loan facility agreement with Global Loan Agency Services Limited acting as agent for certain Permira Credit Solutions entities. The Aryza Group also secured a revolving credit facility with National Westminster Bank plc.

On 18th March 2022 the Company acquired Saturn Topco S.a.r.l. which is the holding company of the Collenda Group, a lending and collections software business serving the DACH and Benelux countries. The value of the acquisition has not been provided on the basis that it is commercially sensitive information.

There have been no other significant events affecting the Group and Company since the financial year end.