

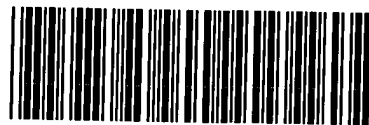
Registration number: 2382076

Amag Technology Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022

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Amag Technology Limited

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Amag Technology Limited

Company Information

Directors

S Jones
D Sullivan

Company secretary

R Bartlett

Registered office

Challenge House
International Drive
Tewkesbury
Gloucestershire
GL20 8UQ

Independent Auditors

Deloitte LLP
2 New Street Square
London
EC4A 3BZ

Amag Technology Limited

Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

Fair review of the business and future developments

The principal activity of the company is the sale of risk control and employee management systems and related services.

The profit for the financial year is set out on page 13. In summary, the profit before taxation was £3,498,000 (2021: £3,309,000) based on an annual revenue of £15,469,000 (2021: £16,336,000).

During 2022, distribution expenses have increased by £117,000 and administrative expenses have increased by £59,000 compared to the prior year. This is primarily due to a return to normal operations following the lifting of COVID-19 restrictions.

The net assets of the company as at 31 December 2022 were £13,866,000 (2021: £11,032,000). The directors consider that the results for the year and the year end position of the company were satisfactory.

The Company has continued its investment in product development and innovation, pushing new products and services into its key markets.

The Company continued to strengthen its organisation by investing in talent via recruitment, internal development, promotion and training.

Future developments

The directors continue to grow the business and to develop the values of quality, reliability and integrity associated with the G4S brand. The Company's management is firmly focused on core security activities and on achieving and maintaining market leadership.

The directors' commitment is, as always, to increase value for the shareholders through the G4S guiding principles. The delivery of innovative products and services, and a climate of continuous improvement is at the core of our values.

The directors expect the general level of activity to remain consistent with prior years. The principal activity is not expected to change substantially

Going concern

The Company has net assets of £13,866,000 and net current assets of £10,637,000 at the year end. In addition, the Company generated a profit before tax of £3,498,000 during the year. The Directors have considered this, along with the expected activities of the Company for the foreseeable future, and have reached the conclusion that the Company will be able to meet its future obligations as they fall due and the financial statements have been prepared on a going concern basis.

The company produces regular financial model updates that forecast the company future cashflows. This financial model indicates that the company will be able to meet its financing commitments and that no additional funding will be required in the next 12 months. The current high inflation environment and global macro uncertainty has been considered in reaching this conclusion.

Key performance indicators

The performance of AMAG Technology Ltd is not monitored as a standalone entity and is considered in aggregate with G4S Technology Limited. A wide range of operational performance measures are monitored across the businesses activities. As part of these, revenue growth and operating profit margin are monitored. Revenue growth for 2022 was -0.3% (2021: +12.1%). Gross profit margin was 32% (2021: 33%).

Amag Technology Limited

Strategic Report for the Year Ended 31 December 2022

Principal risks and uncertainties

All businesses are subject to risk and many individual risks are macro-economic or social and common across many businesses. The key risks are those which would materially damage the company's strategy, reputation, business, profitability or assets and these risks are listed below. This list is in no particular order and is not an exhaustive list of all potential risks. Some risks may be unknown and it may transpire that other currently considered immaterial become material.

The company's customer base has remained geographically diverse, encompassing industry, academia and government buildings. As a consequence, the business has not been reliant on one key customer or group of customers.

Supplier risk

The impact of the Ukraine war has been managed, and we have been able to source alternative suppliers for any affected components. The company is not dependent on any single supplier for the products and services needed for the continuance of the business.

Macro-economic risk

The challenging global economic conditions continue to be the most significant commercial risk facing the company. However, the company remains reasonably resilient to any downturn, given the nature of the market sector, our diverse customer base and our financial strength. Management therefore continues to ensure that the business model is as robust and efficient as possible in order to mitigate any further deterioration in trading conditions that might arise.

Business interruption risk

Business continuity plans are kept under review for all our locations. There is an ongoing review of our IT infrastructure and we conduct regular testing of all our systems.

Management of financial risk

The company's operations expose it to a variety of financial risks, including the effects of credit risk, liquidity risk, interest rate risk and exchange rate risk. The policies in place to mitigate the potential impact of these financial risks are as follows:

Credit risk

Where appropriate, credit checks are made prior to the appointment of a new customer and these are reviewed on a periodic basis together with on-going checks in respect of existing customers. Weekly reviews of the debtors' ledger are carried out with the finance and sales teams and action initiated, as appropriate, to collect any overdue amounts, thus optimizing the company's liquidity position.

Liquidity risk

The company actively maintains an appropriate level of cash reserves that is available for operations.

Interest rate risk

The rate of interest earned/paid on the company's cash balances/loans and overdrafts are monitored on an ongoing basis by continuing review of rates available in the market. Deposits, loans and overdrafts are made with reference to these rates, in conjunction with projections of future cash requirements.

Exchange rate risk

The company monitors its exposures in the foreign currencies in which it regularly transacts business. Main currency risk occurs through transactional risk and the company actively seeks to minimize this through selling and purchasing in the same currency.

Amag Technology Limited

Strategic Report for the Year Ended 31 December 2022

S172 Statement

The Directors are required to include a statement of how they have had regard to stakeholders to promote the success of the Company, in accordance with section 172 of the Companies Act 2006. The board regards a well governed business as essential for the successful delivery of its principal activity.

Under S172, a director must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members, as a whole, and in doing so have regard to:

- The likely consequences of any decision in the long term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and the environment;
- The desirability of the company maintaining a reputation for high standards of business conduct, and
- The need to act fairly as between members of the company.

The following paragraphs summarise how directors fulfil their duties:

Long term view

Assessment of long-term consequences of our decisions is at the heart of our risk-management strategy. On an annual basis the board of directors assesses the major risks affecting the Company and develops mitigating strategies to reduce the likelihood of those risks crystallising. In turn, these strategies form the basis for the Company's financial budgets, resource planning and capital spend, setting the general direction for the company. The financial budgets and other plans undertake scrutiny from both the managers directly involved in each functional area as well as the Group. This approach ensures that the company's strategy is able to address the ever-changing risk landscape, maintains the long-term focus and is aligned with the core values of the Group.

For more details on the principal risks and uncertainties affecting the Company, refer to the description of 'Principal risks and uncertainties above.

Our employees

Our employees are our most important asset and our success is underpinned by the way we lead and engage with our people. Attraction, retention and development of talent form the cornerstone of the Company's success. The directors strive to create a culture of engagement and inclusion, where every employee's contribution is valued and diversity of the team is celebrated. In particular, the directors have taken steps to promote the training materials for new and existing employees, strengthening the process of onboarding as well as continuous education. Furthermore, the directors promoted our whistleblowing hotline "Speak Out", emphasising the importance of ethical behaviour to the Company's core values. What is more, the directors maintain an active dialogue with the employees and employee representatives, fostering open communication channels and enabling exchange of ideas and expectations.

Amag Technology Limited

Strategic Report for the Year Ended 31 December 2022

S172 Statement (continued)

Business relationships

We view our customers and suppliers not merely as business parties, but as partners in delivering value and innovation. Our long term customer relationships are based upon trust and understanding of our customers' business needs and objectives. Through those customer relationships and connections we look to deliver sustainable long term growth in revenues, profitability and cash flow. We continuously measure customer satisfaction through the use of Net promoter Score surveys, seeking to retain current customers and proactively engage in dialogue.

Our suppliers help us to deliver our values. We have a responsible purchasing policy consistent with our business ethics and all our suppliers sign up to our Supplier Code of Conduct.

These actions aim to enhance our relationship not only with our customers and suppliers, but stakeholders at large. Our operations promote security and stability of communities through local engagement programs, economic contributions as well as activity in the industry forums.

Community and the environment

The company aims to have a positive impact on the local communities in which we operate. The company continues to support charities.

Approved by the Board on 31 October 2023 and signed on its behalf by:



D Sullivan
Director

Amag Technology Limited

Directors' Report for the Year Ended 31 December 2022

The directors present their report and the audited financial statements for the year ended 31 December 2022.

Directors of the company

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

H Johnson (resigned 4 October 2022)

S Jones

D Sullivan (appointed 13th September 2022)

Results and dividends

The results for the year are set out on page 13. No dividends were paid in 2022 (2021: nil). The directors do not recommend the payment of a dividend.

A review of the progress of the company's business during the year, the key performance indicators, principal business risks and likely future developments are contained in the Strategic report on page 2.

Environmental matters

The company's business is not one that has a significant direct impact on the environment. However, the company recognises the importance of its responsibilities to reduce environmental impact in such areas as energy usage, recycling, environmentally-friendly products and paper products, where it operates in accordance with the policies of G4S Limited which are detailed in the G4S Limited annual report.

Financial risk management

Details of the management of financial risk are contained in the Strategic report on page 3.

Political donations

The Company made no political donations during the year (2021: none)

Directors Indemnity

Allied Universal Topco LLC has granted indemnities to each of the Company's directors to the extent permitted by law. Qualifying third-party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the year ended 31 December 2022 and remain in force in relation to certain losses and liabilities which the directors may incur to third parties in the course of acting as directors. Allied Universal Topco LLC has maintained a directors and officers' liability insurance policy throughout the year under review.

Disclosure of information to the auditors

In the case of each director in office at the date the Directors Report is approved:

- So far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- They have taken all the steps that he/she ought to have taken as a director in order to make him/herself 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.

Amag Technology Limited

Directors' Report for the Year Ended 31 December 2022

Independent auditors

The auditors, Deloitte LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

Approved by the Board on 31 October 2023 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D Sullivan', is written over the printed name.

D Sullivan

Director

Amag Technology Limited

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure 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 state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; 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 keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Amag Technology Limited

Independent auditors' report to the members of Amag Technology Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of AMAG Technology Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the income statement;
- the statement of comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (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 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 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.

Other information

The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Amag Technology Limited

Independent auditors' report to the members of Amag Technology Limited

Report on the audit of the financial statements (continued)

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 Statement of Directors' Responsibilities, 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 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 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. This description forms part of our auditor's report.

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 company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities including those that are specific to the company's business sector.

Amag Technology Limited

Independent auditors' report to the members of Amag Technology Limited

Report on the audit of the financial statements (continued)

We obtained an understanding of the legal and regulatory framework that the company 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 Companies Act 2006 and UK tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty..

We discussed among the audit engagement team 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 revenue recognition pertaining to occurrence and accuracy of manual adjustments to revenue, which is a presumed risk under ISAs (UK) and our procedures performed to address it are described below:

- We performed substantive procedures by selecting samples of manual journals posted to revenue and challenged the management in order to understand the underlying rationale and corroborating the explanations to appropriate audit evidence, we also obtained a further understanding on control process of these manual journals.

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 design and implementation of controls over prevention and detection of fraud; 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 in-house 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.

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.

Amag Technology Limited

Independent auditors' report to the members of Amag Technology Limited

Report on the audit of the financial statements (continued)

In the light of the knowledge and understanding of the company and its 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.



Matthew Smith (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Statutory Auditors
Manchester, United Kingdom
Date:- 31 October 2023

Amag Technology Limited

Income Statement for the Year Ended 31 December 2022

| | Note | 2022 £ 000 | 2021 £ 000 |
|-------------------------------|------|-----------------|-----------------|
| Revenue | 4 | 15,469 | 16,336 |
| Cost of sales | | <u>(10,282)</u> | <u>(11,514)</u> |
| Gross profit | | 5,187 | 4,822 |
| Distribution costs | | (589) | (472) |
| Administrative expenses | | <u>(1,100)</u> | <u>(1,041)</u> |
| Profit before taxation | 5 | 3,498 | 3,309 |
| Tax on profit | 8 | <u>(664)</u> | <u>(631)</u> |
| Profit for the financial year | | <u>2,834</u> | <u>2,678</u> |

The above results were derived from continuing operations.

The notes on pages 17 to 24 form an integral part of these financial statements.

Amag Technology Limited

Statement of Comprehensive Income for the Year Ended 31 December 2022

| | 2022 | 2021 |
|--|---------------------|---------------------|
| | £ 000 | £ 000 |
| Profit for the financial year | <u>2,834</u> | <u>2,678</u> |
| Total comprehensive income for the year | <u>2,834</u> | <u>2,678</u> |

The notes on pages 17 to 24 form an integral part of these financial statements

Amag Technology Limited

(Registration number: 2382076)

Statement of Financial Position as at 31 December 2022

| | Note | 2022 £ 000 | Restated 2021 £ 000 |
|-----------------------------|------|---------------|---------------------------|
| ASSETS | | | |
| Non current assets | | | |
| Investments | 9 | 3,229 | - |
| Current assets | | | |
| Trade and other receivables | 10 | 11,571 | 11,934 |
| Cash and cash equivalents | | - | - |
| | | 11,571 | 11,934 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Trade and other payables | 11 | (270) | (271) |
| Current tax liabilities | | (664) | (631) |
| | | (934) | (902) |
| Net current assets | | 10,637 | 11,032 |
| Net assets | | 13,866 | 11,032 |
| EQUITY | | | |
| Called up share capital | 12 | 1,051 | 1,051 |
| Retained earnings | | 12,815 | 9,981 |
| Total equity | | 13,866 | 11,032 |

The financial statements on pages 13 to 24 were authorised for issue by the Board of directors on 31 October 2023 and were signed on its behalf by:



D Sullivan

Director

The notes on pages 17 to 24 form an integral part of these financial statements.

Amag Technology Limited

Statement of Changes in Equity for the Year Ended 31 December 2022

| | Called up share capital £ 000 | Retained earnings £ 000 | Total equity £ 000 |
|---|--|--|-------------------------------|
| At 1 January 2022 | 1,051 | 9,981 | 11,032 |
| Comprehensive income: | | | |
| Profit for the financial year | - | 2,834 | 2,834 |
| Total comprehensive income for the year | - | 2,834 | 2,834 |
| At 31 December 2022 | 1,051 | 12,815 | 13,866 |
| | | | |
| At 1 January 2021 | 1,051 | 7,303 | 8,354 |
| Comprehensive income: | | | |
| Profit for the financial year | - | 2,678 | 2,678 |
| Total comprehensive income for the year | - | 2,678 | 2,678 |
| At 31 December 2021 | 1,051 | 9,981 | 11,032 |

The notes on pages 17 to 24 form an integral part of these financial statements

Amag Technology Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

1 General information

Amag Technology Limited (the 'company') is incorporated in the United Kingdom under the Companies Act 2006, registered in England and Wales, and domiciled in the UK. It is a private company, limited by shares. The company's registered office is Challenge House, International Drive, Tewkesbury, Gloucestershire GL20 8UQ.

The financial statements are presented in sterling, which is the company's functional currency, and in thousands of pounds unless stated otherwise. These financial statements are separate financial statements. The company is exempt from the preparation and delivery of consolidated financial statements, because it is included in the group accounts of Atlas Ontario LP. The group accounts of Atlas Ontario LP are available to the public and can be obtained as set out in note 2.

For details of the Company's principal activities, please refer to the strategic report on page 2.

2 Significant accounting policies

Basis of preparation

The financial statements of the Company have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101). The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006. The principal accounting policies and measurement bases adopted are set out below and have been applied consistently to all the years presented, unless stated otherwise. Judgements made by the directors in the application of these accounting policies which have a significant effect on the financial statements, and estimates with a significant risk of material adjustment, have been disclosed in note 3.

Exemptions

The company has taken advantage of certain disclosure exemptions in FRS 101, in part because its financial statements are included in the publicly available consolidated financial statements of Atlas Ontario LP. Copies of the consolidated financial statements of Atlas Ontario LP may be obtained from the G4S website (www.g4s.com).

These disclosure exemptions relate to:

- the requirements of IAS 7 'Statement of Cash Flows';
- the statement of compliance with adopted IFRSs;
- new IFRSs that have been issued but are not yet effective and which have not been applied by the company;
- comparative information for the movements from the beginning to the end of the year in respect of the number of shares, and certain other additional comparative information;
- financial instruments disclosures required by IFRS 7 'Financial Instruments: Disclosures';
- disclosures required by IFRS 13 'Fair Value Measurement';
- certain related party disclosures on key management compensation and transactions entered into between two or more wholly-owned members of a group; and
- capital management disclosures.

Amag Technology Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

2 Significant accounting policies (continued)

Revenue

Revenue represents amounts receivable for goods and services provided in the normal course of business and is measured at the fair value of the consideration received or receivable, net of discounts, VAT and other sales-related taxes. Revenue is recognised to reflect the period in which the service is provided.

Employee benefits

Retirement benefit costs

The G4S Limited group, an intermediary parent company in the UK, of which the company is a member, operates both defined contribution and defined benefit pension schemes.

Payments to the defined contribution schemes are charged as an expense as they fall due and represent contributions payable to the schemes for the year. Where the company is a member of state-managed or public sector schemes, payments are dealt with as payments to defined contribution schemes where the company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefits scheme.

With respect to the defined benefit pension schemes, as there is no contractual agreement or stated policy for charging the net defined benefit cost to the company, the pension charge recognised in the income statement represents the contributions payable to the schemes for the year.

Finance income and expense

Finance income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable. This is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset's net carrying amount.

Finance costs are recognised as an expense in the income statement on the same basis.

Foreign currencies

The financial statements are presented in sterling, which is the company's functional currency. Transactions in currencies other than the functional currency are translated at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities which are denominated in other currencies are retranslated at the rates prevailing on that date. Non-monetary items measured at historical cost denominated in other currencies are not retranslated. Gains and losses arising on retranslation are included in the income statement.

Income taxes

Tax is recognised in the income statement except to the extent that it relates to items recognised in equity, in which case it is recognised in equity or other comprehensive income. The tax expense represents current tax.

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

Investments

Investments in subsidiary undertakings are stated at cost less provisions for impairment.

Amag Technology Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

2 Significant accounting policies (continued)

Financial instruments

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

Trade receivables

Trade receivables do not carry interest and are stated initially at their fair value.

The company applies IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Amounts owed by group undertakings

Amounts owed by group undertakings are recognised initially at fair value and are subsequently stated at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Trade payables

Trade payables are not interest-bearing and are stated initially at fair value.

Equity instruments

Equity instruments and financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that provides a residual interest in the assets of a business after deducting all other liabilities. Shares issued by the company classified as equity instruments are recorded at the value of proceeds received, net of direct issue costs.

Impairment

The carrying value of the company's assets, with the exception of financial assets, is reviewed on an on-going basis for any indication of impairment and, if any such indication exists, the assets' recoverable amount is estimated. An impairment loss is recognised in the income statement whenever the carrying value of an asset or its cash-generating unit exceeds its recoverable amount.

An impairment loss in respect of goodwill is not reversed. In respect of any other asset, an impairment loss is reversed if there has been a change in the estimates used to determine its recoverable amount. The amount of the reversal is limited such that the asset's carrying amount does not exceed that which would have been determined (after depreciation and amortisation) if no impairment loss had been recognised.

The company provides for impairments in financial assets when there is objective evidence of impairment as a result of one or more events that impact the estimated future cash flows of the financial assets.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Amag Technology Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

3 Accounting estimates, judgements and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of the company's accounting policies. These judgements, estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, including current and expected economic conditions, and in some cases, actuarial techniques.

Although these judgements, estimates and associated assumptions are based on management's best knowledge of current events and circumstances, the actual results may differ.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no significant judgements, estimates or assumptions used in preparing the company's financial statements.

4 Revenue

The analysis of the company's revenue for the year from continuing operations is as follows:

| | 2022 £ 000 | 2021 £ 000 |
|-----------------------------------|---------------|---------------|
| Sale of goods | 15,469 | 16,336 |
| Analysis of revenue by geography: | | |
| | 2022 £ 000 | 2021 £ 000 |
| Rest of Europe | 6,740 | 5,777 |
| United Kingdom | 3,389 | 2,361 |
| Middle East and Gulf | 1,804 | 2,787 |
| Asia/Pacific | 3,202 | 5,274 |
| Africa | 269 | 1 |
| Rest of the World | 65 | 136 |
| | 15,469 | 16,336 |

Amag Technology Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

5 Profit before taxation

Arrived at after charging/(crediting)

| | 2022 | 2021 |
|---|-------|-------|
| | £ 000 | £ 000 |
| Depreciation of property, plant and equipment | 71 | 71 |
| (Reversal of impairment)/ impairment of trade receivables | (5) | 2 |
| Amortisation of intangible assets (included in administrative expenses) | 2,275 | 2,504 |
| Inventory recognised as an expense | 7,145 | 7,514 |
| Impairment of inventory | 41 | 16 |
| Audit fees payable to company's auditors | 23 | 26 |
| | <hr/> | <hr/> |

The above depreciation, amortization and inventory costs are recharged from G4S Technology Limited and represent the Amag Technology Limited proportion of the expenses.

The company did not incur any non-audit fees in the current or prior year.

6 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

| | 2022 | 2021 |
|-----------------------|-------|-------|
| | £ 000 | £ 000 |
| Wages and salaries | 2,873 | 3,024 |
| Social security costs | 348 | 333 |
| Other pension costs | 191 | 188 |
| | <hr/> | <hr/> |
| | 3,412 | 3,545 |

The company has no employees (2021:nil). The wages and salaries costs included in the company's income statement are recharges from G4S Technology Limited.

Amag Technology Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Directors' remuneration

The directors' emoluments for the year were as follows:

| | 2022 £ 000 | 2021 £ 000 |
|----------------------|---------------|---------------|
| Aggregate emoluments | 19 | 28 |

The aggregate emoluments of the highest paid director were £19,000 (2021: £28,000). Contributions of £nil (2021: £nil) have been made to a pension scheme on his behalf during the year.

Other directors were remunerated as employees of AMAG Technology Inc, in the current year. The remuneration charge for the directors in respect of their duties as director of AMAG Technology Ltd for the year was £Nil.

8 Tax on profit

Tax charged in the income statement

| | 2022 £ 000 | 2021 £ 000 |
|--------------------------------------|---------------|---------------|
| Current tax | | |
| Current tax on profits for the year | 665 | 629 |
| Adjustment in respect of prior years | (2) | - |
| Foreign tax relief/ other relief | - | - |
| Foreign tax suffered | - | 2 |
| Total current tax | 663 | 631 |

The tax rate applied on profit before income tax is the same as (2021:same as) the standard effective rate of corporation tax in the UK of 19% (2021: 19%). The differences are reconciled below:

Factors affecting total tax charge for the period

| | 2022 £ 000 | 2021 £ 000 |
|--|---------------|---------------|
| Profit for the year – continuing activities | 3,498 | 3,309 |
| Tax on profit at standard UK tax rate of 19% (2020: 19%) | 665 | 629 |
| Effects of: | | |
| Adjustments in respect of prior year | (2) | - |
| Expenses not deductible | 1 | - |
| Effects of overseas tax rates | - | 2 |
| Tax charge for the year | 664 | 631 |

The tax rate applied on profit before income tax is lower than (2021: higher than) the standard effective rate of corporation tax in the UK of 19% (2021: 19%).

In the Spring Budget 2021, the Government announced that from 1 April 2023, the corporation tax rate will increase to 25%. This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

Amag Technology Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

9 Investments

| | 2022 £ 000 | 2021 £ 000 |
|---------------------------------|---------------|---------------|
| Subsidiaries | | |
| Cost | | |
| At 1 January | - | - |
| Additions | 3,229 | - |
| At 31 December | 3,229 | - |
| Accumulated depreciation | | |
| At 1 January | - | - |
| Depreciation charge | - | - |
| At 31 December | - | - |
| Carrying amount | | |
| At 31 December | 3,229 | - |

On 16 March 2022, the ownership of Amag Technology Inc was transferred from G4S Technology Limited to Amag Technology Limited at a value of £3,229,000

Details of the subsidiaries as at 31 December 2022 are as follows:

| Subsidiary | Class of holding | Direct ownership | Nature of business | Registered address |
|---------------------|------------------|------------------|--------------------------------|---|
| Amag Technology Inc | A shares | 100% | Sale of access control systems | 2205 W 126 th Street, Unit B, Hawthorne, CA 90250, USA |

10 Trade and other receivables

| | 2022 £ 000 | 2021 restated £ 000 |
|--|---------------|---------------------------|
| Trade receivables | 4,120 | 3,110 |
| Provision for impairment of trade receivable | (32) | (37) |
| | 4,088 | 3,073 |
| Amounts due from group undertakings (members of the G4S Ltd group) | 7,483 | 8,861 |
| | 11,571 | 11,934 |

Amounts due from group undertakings are trading in nature, unsecured, interest free and repayable on demand.

In the 2021 financial statements, cash and cash equivalents totaling £651,000 which was held by G4S Technology Limited on behalf of AMAG Technology was recognised as a cash and cash equivalent in AMAG Technology Limited financial statements. However, as there is no formal agreement, this amount does not meet the definition of "demand deposit" within scope of IAS 7 and the relevant balance must be disclosed as intercompany receivables. The 2021 comparative balance for cash and cash equivalent and Intercompany receivables has been restated to reflect this matter and the restatement has resulted in increasing intercompany receivables and decreasing cash and cash equivalents by the same amount. Due the entity reporting under FRS 101, there are no requirements to prepare comparative statement of financial position for 2021.

Amag Technology Limited

Notes to the Financial Statements for the Year Ended 31 December 2022

11 Trade and other payables

| | 2022 | 2021 |
|------------------|-------|-------|
| | £ 000 | £ 000 |
| Accrued expenses | 270 | 271 |

12 Called up share capital

Allotted, called up and fully paid shares

| | 2022 | | 2021 | |
|------------------------------|--------------|--------------|--------------|--------------|
| | No. 000 | £ 000 | No. 000 | £ 000 |
| Ordinary shares of £1 each | 751 | 751 | 751 | 751 |
| Redeemable shares of £1 each | 300 | 300 | 300 | 300 |
| | <u>1,051</u> | <u>1,051</u> | <u>1,051</u> | <u>1,051</u> |

The Company may, subject to certain formalities, redeem the redeemable shares at par by giving one month's notice in writing to the relevant shareholders. The holders are unable to redeem the shares without the prior written consent of the Company. The redeemable shares have full voting and dividend rights and rank equally with the ordinary shares on winding-up.

13 Pension arrangements

The G4S Ltd group operates both defined benefit and defined contribution pension schemes. Employer contributions to these schemes are fixed at a set level or set percentage of employees' pay. Total pension costs of £191,000 (2021: £188,000) have been charged to the income statement.

Defined benefit scheme

The defined benefit scheme is comprised of three sections. The UK scheme is closed to future accrual apart from some sub-sections of the GSL section, and for most members defines the pension based on final salary. Certain sub-sections of the GSL section have historically remained open to provide a facility to accept former public-sector employees who join the G4S Ltd group through outsourcings. In the Group 4 and Securicor sections, members retain their link to final salary where appropriate on their benefits accrued up to closure in 2011.

As there is no contractual agreement or stated policy for charging the net defined benefit cost of the defined benefit schemes to the company, the pension charge recognised in the income statement represents the contributions payable for the year. Further information on the defined benefit schemes has been disclosed in the consolidated financial statements of Atlas Ontario LP.

Defined contribution scheme

The pension charge recognised in the income statement for the defined contribution scheme represents the contributions payable for the year.

13 Parent and ultimate parent undertaking

The Company's immediate parent is G4S Technology Limited.

The Company's ultimate parent undertaking and ultimate controlling party is Atlas Ontario LP, a company incorporated in Canada. Atlas Ontario LP is also the parent undertaking of both the smallest and largest groups which include the results of the Company and for which consolidated financial statements are prepared.

Copies of the consolidated financial statements of Atlas Ontario LP are available from the G4S website (www.g4s.com).