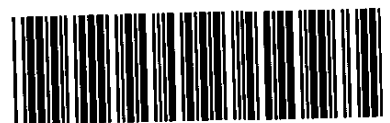


Aspen UK Buyer Limited

Registered Number 12395321

For the year ended 30 September, 2022

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Company Information

Directors

David J. Bertolino

Registered Office

First Floor Templeback
10, Temple Back
Bristol
United Kingdom, BS1 6FL

Auditors

Ernst & Young LLP
1 More London Place
London
United Kingdom, SE1 2AF

Strategic report

The Directors present their strategic report for the year ended 30 September 2022.

Description of the business

Aspen UK Buyer Limited [the "Company"] is a private limited company. The principal activity of the Company is to act as a holding company for a group of companies that provide software and related services to the retail industry. The consolidated financial statements for the Company and its subsidiaries [together referred to as the "Group"] and accompanying notes are prepared in accordance with International Financial Reporting Standards ["IFRS"] as adopted by the United Kingdom ["UK"]. The Company's parent undertaking, Aspen Jersey Topco Limited was notified of and did not object to the use of the IFRS as adopted by the UK.

Review of the business

The Group designs, develops, markets, sells, implements, and supports advanced software applications primarily to mid-sized and large retailers of specialty apparel and footwear, specialty hardware and general merchandise.

The Group's product offerings provide customers a range of deployment choices, from on-premise to cloud-based or a combination thereof, providing a freedom of choice not generally available from most vendors who typically focus on a single deployment model by product. The ability to provide the same software solution on-premise or securely in the cloud allows organisations increased flexibility and scalability.

The Group's software and cloud subscription services generate recurring revenues through periodic [generally quarterly or monthly] subscription fees.

The Group's solutions allow retailers to engage customers more effectively and cultivate long-term customer relationships; manage transactions and orders in all sales channels including stores and online; plan, acquire, distribute and manage merchandise; and manage and analyse data to improve business performance. The Group's solutions leverage the power of the cloud to minimise risk, maximise agility and scalability, and manage costs.

Employment policy

The Group gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities.

The Group continues the employment of, and arranging appropriate training for, employees of the Group who have become disabled persons during the period when they were employed by the Group.

The Group provides training, career development and promotion of disabled persons employed by the Group.

Additionally, the Group is engaged with the following:

- Providing employees systematically with information on matters of concern to them as employees;
- Consulting employees or their representatives on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests;
- Encouraging the involvement of employees in the Group's performance through an employees' performance based bonus plan, and in some cases, a share scheme; and
- Achieving a common awareness on the part of all employees of the financial and economic factors affecting the performance of the Group.

Strategic report (continued)

Key performance indicators

The Group's key financial performance indicators are as follows for the year ended 30 September 2022:

	2022 \$'000	2021 \$'000
Turnover	190,560	164,121
Operating loss	(14,899)	(194,323)
Loss for the period	(37,556)	(203,216)
Shareholder's equity	32,100	103,391

Average number of employees	923	709
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Turnover from operations generated during the reporting period of \$187.1 million consists of:

	2022 \$'000	2021 \$'000	Variance \$'000
<i>Software and Cloud Subscriptions Revenues</i> – Recurring fees earned from granting customers access to a broad range of our software application offerings on a subscription basis. These offerings consist primarily of software application modules and suites and all software accessed or managed on-demand over the Internet through a Software as a Service ["SaaS"] model.	31,959	28,280	3,679
<i>Software License Revenues</i> – Revenues from the granting of perpetual licenses to customers to use our software and application offerings.	22,185	12,111	10,074
<i>Support and Other Revenues</i> – Recurring revenues earned primarily for providing customers with technical support, unspecified software upgrades and release updates and patches. Additionally, we provide managed services for customers hosted at data centre facilities, certain help desk services and hardware maintenance services.	90,889	78,982	11,907
<i>Professional Services Revenues</i> – Consist primarily of revenues generated from contracts to implement, configure and deploy our software products. Our professional services revenues also include business and technical consulting, integration services, custom software development and product training and educational services regarding the use of our software products.	40,852	42,969	(2,117)
<i>Hardware Revenues</i> – Consist primarily of revenues generated from the resale of third party servers, POS and storage product hardware offerings.	4,675	1,779	2,896

The increase in the Group's revenues and expenses during the current year compared to the prior year are largely attributable to the fact that the current year includes a full year of operations of LS Retail ehf. ["LS Retail"], while the prior year period only includes the results of LS Retail for the post-acquisition period from 11 February 2021 through 30 September 2021 [see Note 3].

The Group is currently undergoing changes to our sales strategies, including the de-emphasis over certain lower margin products (in particular hardware), the transition over time to SaaS revenues and lower new customer sales.

Strategic report (continued)

Key performance indicators (continued)

The operating loss for the period is \$14.9 million and the net result for the reporting period [after taxation] is a net loss of \$37.6 million after incurring the costs outlined below. The operating loss is significantly lower than the prior year period, largely due to the goodwill impairment charge of \$169.1 million recorded during the prior year [see note 11].

The operating loss for the current period was a result of the total operating costs of \$205.5 million incurred, which consist of cost of software, cost of professional services, cost of hardware, sales and marketing, product development, general and administrative expenses, acquisition-related costs and restructuring costs, as well as non-cash expenses, including depreciation and amortisation [see note 5].

The Group also incurred finance costs of \$34.0 million during the period, which relates primarily to interest expense on our 3rd party debt and borrowings [see note 9].

Income tax credit for the period was \$9.1 million due to the losses incurred during the period and impact of purchase price accounting relating to the LS Retail and Goldman Sachs acquisition [see note 3].

Management does not track any non-financial key performance indicators at this Group level given that non-financial metrics are tracked only at the Parent Company level.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group are broadly grouped as market, technological, legal and financial instruments risk.

Market risks

Our operating results are dependent on the retail end market [retail industry]. Any factor adversely affecting that market could have an adverse effect on our business and financial results; Our products are based on solving market needs that change regularly. We need to update our existing products or develop new features and solutions in order to meet these needs. If our product fails to meet the evolving needs of the industry this could limit our future sales and negatively impact our financial results.

Technological risks

As a provider of software solutions the Group is exposed to a large number of technological risks typically associated with the industry:

- Quick technology changes which might shorten the useful life of the Group's products or acquired intangibles;
- Security risks, and;
- Risks of errors, bugs, viruses etc. in our products which might reduce the ability of the Group to provide quality services.

Legal risks

- Protection of the Company's IP rights and source code which may adversely affect the ability of the Group to compete;
 - Risk of infringement on the IP rights of others which might result in third party lawsuits and claims, and;
- Trade secrets and copyright laws afford us only limited protection and the laws differ between jurisdictions.

Strategic report (continued)

Principal risks and uncertainties (continued)

Financial instruments risk

- The Group bears credit risk with respect to its customers who might fail to discharge their obligations. Group policies are aimed at minimising such losses;
From time to time the Group engages in significant acquisitions and successful integration of newly acquired subsidiaries which is important to the operating profit and liquidity of the Group. The liquidity risk is managed by cash generation from operations and cash flows from operating subsidiaries that can be used to manage short-term liquidity needs.

Interest rate risk

- The Group's exposure to market risk for changes in interest rates generally relates to our debt obligations. At September 30, 2022, the Group had \$418.3 million aggregate principal amount of term loans outstanding under the 2021 Credit Agreement and the 2020 Credit Agreement, with the last payments due in March 2027. The term loans bear interest at floating rates, based on an applicable margin over the Euro Currency Rate or Base Rate [see note 16].

Foreign currency risk

- The Group has operations in various international geographies. These operations incur revenue and expenses in various foreign currencies. Revenues and expenses denominated in currencies other than the United States Dollar in the regions listed below expose us to foreign currency risk. The list below represents the currencies in which the majority of transactions occur.

Region	Functional currency of entities operating in region
North America	United States Dollar ["USD"]
United Kingdom	British Pound ["GBP"]
Europe [excluding the United Kingdom]	Euro ["EUR"]
Asia Pacific	Chinese Yuan ["CNH"]
Australia	Australian Dollar ["AUD"]
Singapore	Singapore Dollar ["SGD"]
Latin America	Mexican Peso ["MXN"]
Philippines	Philippine Peso ["PHP"]
India	United States Dollar ["USD"]

Unfavourable movements in foreign currency exchange rates between the currencies listed above and other foreign currencies may have an adverse impact on our operations and financial results. These foreign currency exchange rate movements could create a foreign currency gain or loss that could be realised or unrealised. The foreign currencies for which we currently have the most significant exposure are the British Pound and Euro. For the current reporting period, we recorded a net foreign currency loss of \$4.8 million.

COVID-19 Risk

The World Health Organisation declared COVID-19 to be a pandemic on March 11, 2020. While the COVID-19 pandemic did result in a slowdown and delay of certain customer software implementation projects during the year, the Group's business has remained resilient. The Group's leadership team actively monitor the status of the outbreak to ensure that business continuity plans continue to deliver uninterrupted services and support.

Strategic report (continued)

Principal risks and uncertainties (continued)

Rise in cost of living risk

The global economy is currently undergoing rapid escalation in the prices of everyday products and services. This rapid inflation is currently outweighing the average income growth of employees worldwide, and consequently, has a negative impact on consumers' spending power and habits. While the rise in the cost of living did result in a slowdown and delay of certain customer software implementation projects during the year, the Group's business has remained resilient. This could have a significant impact on the sales and profitability of retailers in the coming months. Given that the Company's primary operations are directed at providing software and related services to the retail industry, the rise in cost of living could impact our ability to target new customers with our software offerings, as well as potentially decrease the transaction volume processed by retailers using our software solutions. While management does not believe that our operations have been significantly impacted by this risk to date, we will continue to monitor the impact of this risk on our business and potential profitability of our customers on an ongoing basis.

Engaging with our stakeholders

Our Employees

As a professional services business, our employees are critical to our success. We continuously engage with our employees to ensure we are delivering to their expectations, supporting wellbeing and making the right business decisions. This ensures we can retain and develop the best talent. We encourage an inclusive and diverse environment and provide employees the opportunity to make an extraordinary impact on the world through technology.

We engage with our employees through the following activities:

- Regular group wide employee surveys and feedback
- Group wide email updates
- Regular performance and salary reviews, with ongoing support of career development
- Support for new starters and a comprehensive onboarding program

Outcomes and engagements of the above activities include:

- Retention of employees and prioritising succession planning
- Performance and career development
- Increased communication focused on health checks, wellbeing and mental health resources to ensure employees were aware of the resources available to them.

Strategic report (*continued*)

Engaging with our stakeholders (*continued*)

Our Clients

Focusing on the needs of our customers is critical to the success of our business. We think disruptively to deliver technology to address our clients' toughest challenges, acting as a partner in their vision.

We engage with our clients through the following activities:

- Key client principal relationships
- Client leadership teams and sponsors
- Customer events and conferences

Outcomes and engagements of the above activities include:

- Successful transition to remote working

Our Suppliers

It is key that we engage with our suppliers to ensure we maintain high standards of our carefully selected suppliers in order for us to deliver our services.

We engage with our suppliers through the following activities:

- Vendor review process – coordinated review process across internal teams to assess whether vendors meet our minimum standards
- Vendor renewals process – contract management for vendor renewals, aligning with the business strategy to renew/terminate
- Quarterly business reviews with strategic suppliers

Outcomes and engagements of the above activities include:

- Communicate vendor review process on a regular cadence to enable high uptake and drive compliance with internal requirements

Our Communities

We are committed to building positive relations with the communities in which we operate. We also have a responsibility to work to reduce our impact on the environment and engage with stakeholders to discuss how everyone can move towards a more sustainable business model.

We engage with our environment through the following activities:

- Social change portfolio and investment
- Social change lead roles

Outcomes and engagements of the above activities include:

- Investment in a system to support calculation and increased monitoring of our carbon footprint

Strategic report (continued)

Engaging with our stakeholders (continued)

Our Shareholder

We create value for our shareholder by generating strong and sustainable results.

We engage with our shareholder through the following activities:

- Regular meetings
- Local management team presentations and updates
- Regular financial performance updates

Outcomes and engagements of the above activities include:

- Increased monitoring of our financial performance
- Increased focus on corporate governance

Our Governments and Regulators

It is important that we engage with governments and regulators to ensure compliance and best practice is met. Policies and regulatory changes, including changes to the global political landscape and laws and regulations may provide opportunities and pose risk to our operations.

We engage with our governments and regulators through the following activities:

- Communication and engagement with authorities, as necessary
- Periodic submission of reports and payments

Outcomes and engagements of the above activities include:

- Ensuring processes and controls are in line with government and regulator expectations
- Monitoring of the potential impact of Brexit on the Group.

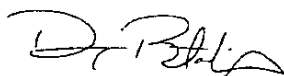
Human Rights, Anti-corruption and anti-bribery matters

Consistent with our values, the Group has a zero-tolerance approach to all forms of bribery and corruption. This is set out in the Anti-Corruption and Anti-Bribery Policy.

Responsible Procurement Practices Policy and the Modern Slavery Policy sets out requirements for both employees and supplier compliance. Compulsory training is a requirement for all employees.

On behalf of the board

D. Bertolino
Director
September 25, 2023



Directors' report

The directors present their annual report and audited financial statements for the year ended 30 September 2022.

Incorporation

The Company was incorporated on 9 January 2020 as Aspen UK Buyer Limited.

Section 172(1) statement

The Company has chosen, in accordance with the Companies Act 2006 Section 414C (11), to include the disclosure of the Section 172(1) statement in the Group Strategic Report on pages 5 to 7.

Non-financial information statement

The Company has chosen, in accordance with the Companies Act 2006 Section 414C (11), to include the disclosure of non-financial information in the Group Strategic Report on pages 5 to 7.

Disabled employees

The Company gives full and fair consideration to applications for employment made by disabled persons, having regard to their particular aptitudes and abilities. The Company continues the employment of, and arranging appropriate training for, employees of the Company who have become disabled persons during the period when they were employed by the Company. The Company provides training, career development and promotion of disabled persons employed by the Company.

Streamlined Energy and Carbon Reporting (SECR)

	2022	2022
	GHG emissions in metric tonnes CO ₂ e	Energy consumption (kWh)
Scope 1 (Direct)		
Combustion of fuel for transport purposes	0.2	0
Scope 2 (Energy indirect)		
Purchased electricity	1.17	31.87
Scope 3 (Other indirect) emissions in metric tonnes CO₂e:		
Business travel in rental cars or employee -owned vehicles where Company is responsible for purchasing the fuel	18.21	12.94
Total	19.58	44.81
	2022	2021
Intensity measurement		
kWh per \$M of Revenue	0.24	0.52

Directors' report (*continued*)

Streamlined Energy and Carbon Reporting (Continued)

During the year ended 30 September 2022, the Group used an updated method to measure GHG emissions in metric tonnes (CO₂e) and Energy consumption (kWh). This information is not available for the year ended 30 September 2021.

Quantification and reporting methodology

We have followed the 2020 HM Government Environmental Reporting Guidelines, the Greenhouse Gas ["GHG"] Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting. As per the guidance companies incorporated outside of the United Kingdom (UK) are not in scope, but we have collected data for the entire Group and have reported on total energy usage. When calculating total energy consumption, we have obtained meter reading data from the electricity supplier and expense report data for employees' mileage claims.

Intensity measurement

The chosen intensity measurement ratio is kWh per \$M of revenue. This was deemed most appropriate as a large portion of energy costs are associated with revenue generating activities [i.e., hosting services for SaaS clients].

Measures taken to improve energy efficiency:

We have purchased electricity from providers offering power from renewable electricity sources.

Employee involvement

The Company operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004.

Research and development

The subsidiary undertakings of the Company continuously invest in research and development in order to ensure that our retail technology solutions continue to meet the changing needs of our customers and the evolving retail landscape. The ultimate goal of the Group's research and development activities is to ensure that we continue to innovate and deliver mission-critical, end to end retail solutions to our customers.

Directors

The directors who held office during the period and subsequently were as follows:

S. Towe (Resigned 31 December 2021)
D. Bertolino (Appointed 31 December 2021)

Secretaries

The secretaries who held office during the period and subsequently were as follows:

Vistra Cossec Limited (Appointed 7 February 2021)

Directors' report (*continued*)

Directors' liabilities

As permitted by the Articles of Association, the directors have the benefit of a Directors' and Officers' liability insurance, which is a qualifying Third Party indemnity provision as defined by Section 234 of the Companies Act 2006. This indemnity, purchased by Aptos LLC and Aptos Canada Inc., and applicable to the directors of Aspen UK Buyer Limited, is currently in force. Neither the insurance nor the indemnity provides cover where the person has acted fraudulently or dishonestly.

Results and Dividends

The results for the period are reviewed in the Strategic Report. The directors did not recommend a payment of a dividend in respect of the year ended 30 September 2022.

Future developments

The Group intends to continue operating in the area of retail software and software related services and the development of next products and services as well as pursuing additional acquisitions to grow the size of the Company and its operations over time.

Going concern

The Group's business activities, together with the factors likely to affect its future development, its financial position and its principal risks and uncertainties are described in the Strategic Report.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

With regards to COVID-19, out of an abundance of caution, our management team implemented certain contingency plans to defer and reduce operating costs through this period of economic uncertainty, as required. This included, but not limited to, certain management approved restructuring plans to more properly align our personnel and facilities costs with our projected future revenue streams and resource needs at certain locations.

Events since the balance sheet date

Subsequent to year end, the Group disposed of the Planning Lifecycle Management ["PLM"] long-lived asset group on October 31, 2022. The long-lived asset group was sold for net a purchase consideration of \$32.9 million [see note 27].

There are no other subsequent events to report between the balance sheet date and the issuance of these financial statements.

Disclosure of information to auditors

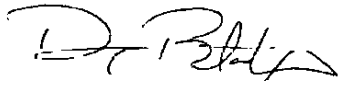
The directors who held office at the date of this directors' report confirm that, so far as they each are aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with s.485 of the Companies Act 2006, a resolution is to be proposed to the shareholders for reappointment of Ernst & Young LLP as auditor of the Group.

Directors' report (*continued*)

On behalf of the board

A handwritten signature in black ink, appearing to read 'D. Bertolino', written in a cursive style.

D. Bertolino
Director
September 25, 2023

Statement of directors' responsibilities

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

Regulations in the United Kingdom ["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 International Financial Reporting Standards (IFRS) as adopted by the UK and applicable law. Under Company Law the directors must not approve 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, relevant and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the UK, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Aspen UK Buyer Limited

Opinion

We have audited the financial statements of Aspen UK Buyer Limited ('the parent company') and its subsidiaries (the 'group') for the year ended 30 September 2022 which comprise Consolidated Statement of Loss and Comprehensive Loss, Consolidated Statement of Changes in Equity, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows and the related notes 1 to 27, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted International Accounting Standards and as regards the parent company financial statements, as applied in accordance with section 408 of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the group's and of the parent company's affairs as of 30 September 2022 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with UK adopted International Accounting Standards as applied in accordance with section 408 of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included evaluating management's method of assessing going concern to ensure it aligned to the applicable accounting and auditing standards, evaluating if management's going concern assessment was complete and accurate based on our understanding of group and parent, assessing the underlying data used in management's going concern assessment, evaluating if the assumptions made in management's going concern assessment are appropriate and consistent with each other and other information obtained during the audit (including contraindicators assessment) and recalculating the underlying calculations in management's going concern assessment to ensure clerical accuracy. As a result of our evaluation we concur with management's conclusion that 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 and parent company's ability to continue as a going concern for a period to 30 September 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Aspen UK Buyer Limited (continued)

Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 12, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Aspen UK Buyer Limited (continued)

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.

Explanation as to what extent 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 irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are International Financial Reporting Standards, the Companies Act 2006, the relevant direct and indirect tax compliance regulation in the jurisdictions in which the group operates and the EU General Data Protection Regulation (GDPR) and UK Data Protection Act. In addition, the group has to comply with laws and regulations relating to its domestic and overseas operations, including health and safety, relevant employee law matters, data protection and anti-bribery and corruption.
- We understood how Aspen UK Buyer Limited is complying with those frameworks by making enquiries of management, the General Counsel and members of the Legal and Compliance Teams being those responsible for legal and compliance procedures to understand how the group maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation such as the group Code of Conduct and correspondence from local legal counsel. We corroborated our enquiries through our review of board minutes, as well as consideration of the results of our audit procedures and noted that there was no contradictory evidence. We identified management's attitude and tone from the top to embed a culture of honesty and ethical values whereby a strong emphasis is placed on fraud prevention which may reduce opportunities for fraud to take place. We further understood the adoption of accounting standards and determined the compliance with the above laws with management.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, performance targets and their influence on efforts made by understanding the business processes, obtaining and reading internal policies, holding enquiries of management as to any fraud risk framework within the entity and management to manage revenue and earnings before corporation tax (PBT).
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved:
 - Enquiry of management as to any fraud risk framework within the entity.
 - Enquiry of management around actual and potential litigation and claims.
 - Reading reports from external specialists engaged by management and using EY internal specialists to help design audit procedures.
 - Auditing the risk of management override of controls, including performing analytical procedures, confirming revenue to cash receipts, journal entry testing and auditing adjustments for appropriateness.
 - We incorporated journal entry testing into our testing of revenue and manual journals at period end, including segregation of duties. We performed audit procedures to address each identified fraud risk, including testing manual journals which were designed to provide reasonable assurance that the financial statements were free from material misstatement, whether due to fraud or error.
 - We substantively tested specific transactions back to source documentation, being customer invoices and third-party bank statements, to verify the cut-off and recoverability.
 - We understood the performance obligations detailed in the contracts and audited management's revenue recognition with specific focus on contracts straddling the period end.
 - Evaluating the business rationale of significant transactions outside the normal course of business.
 - Challenging judgements made by management. This included corroborating the inputs and considering contradicting evidence.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF Aspen UK Buyer Limited (continued)

- o Reading financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- We also designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved reviewing minutes from the Board of Directors, enquiries of management and journal entry testing, with a focus on manual journals and journals indicating significant unusual transactions identified by specific risk criteria based on our understanding of the business.

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

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.

Ernst & Young LLP

Philip Young (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date: *28 September 2023*

Aspen UK Buyer Limited

Consolidated statement of loss and comprehensive loss

	2022 \$'000	2021 \$'000
Turnover <i>[note 4]</i>	190,560	164,121
Cost of sales <i>[note 5]</i>	(95,694)	(77,067)
Gross profit	94,866	87,054
Distribution <i>[note 5]</i>	(14,476)	(11,960)
Administrative costs <i>[note 5]</i>	(95,289)	(100,285)
Impairment of goodwill <i>[note 11]</i>	—	(169,132)
Operating loss	(14,899)	(194,323)
Finance costs <i>[note 8]</i>	(34,032)	(27,635)
Impairment of long-lived assets held for sale <i>[note 26]</i>	—	(663)
Other income, net <i>[note 9]</i>	2,276	10,061
	(31,756)	(18,237)
Loss before income taxes	(46,655)	(212,560)
Taxation credit <i>[note 10]</i>	9,099	9,344
Loss for the period	(37,556)	(203,216)
Loss for the period attributable to: The owners of the group	(37,556)	(203,216)
Comprehensive loss		
Other comprehensive income		
Unrealised (loss)/gain on post-retirement benefit plan <i>[note 21]</i>	(1,082)	643
Foreign currency translation adjustment	(32,649)	(6,887)
Total other comprehensive loss	(33,731)	(6,244)
Total comprehensive loss	(71,287)	(209,460)
Total comprehensive loss for the period attributable to: The owners of the group	(71,287)	(209,460)

See accompanying notes

Aspen UK Buyer Limited

Consolidated statement of changes in equity

For the period ended 30 September 2022

	Share premium \$'000	Equity- settled employee benefits reserve \$'000	Translation reserve \$'000	Deficit \$'000	Total equity \$'000
Total equity –					
September 30, 2020	308,200	1,066	7,034	(30,379)	285,921
Share capital issued	26,250	—	—	—	26,250
Loss for the period	—	—	—	(203,216)	(203,216)
Other comprehensive loss	—	—	(6,887)	643	(6,244)
Total comprehensive loss	—	—	(6,887)	(202,573)	(209,460)
Share-based payment expense	—	680	—	—	680
Total equity –					
September 30, 2021	334,450	1,746	147	(232,952)	103,391
Loss for the period	—	—	—	(37,556)	(37,556)
Other comprehensive loss	—	—	(32,649)	(1,082)	(33,731)
Total comprehensive loss	—	—	(32,649)	(38,638)	(71,287)
Share-based payment expense	—	(4)	—	—	(4)
Total equity –					
September 30, 2022	334,450	1,742	(32,502)	(271,590)	32,100

See accompanying notes

Aspen UK Buyer Limited

Company statement of changes in equity

For the period ended 30 September 2022

	Share capital \$'000	Translation reserve \$'000	Retained earnings/(losses) \$'000	Total equity \$'000
Total equity – September 30, 2020	308,200	1,161	793	310,154
Share capital issued	26,250	—	—	26,250
Loss for the period	—	—	(32,767)	(32,767)
Other comprehensive loss	—	(11,237)	—	(11,237)
Total comprehensive loss	—	(11,237)	(32,767)	(44,004)
Total equity – September 30, 2021	334,450	(10,076)	(31,974)	292,400
Loss for the period	—	—	(39,604)	(39,604)
Other comprehensive income	—	39,489	—	39,489
Total comprehensive loss	—	39,489	(39,604)	(115)
Total equity – September 30, 2022	334,450	29,413	(71,578)	292,285

See accompanying notes

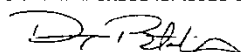
Aspen UK Buyer Limited

Consolidated statement of financial position

For the period ended 30 September

	2022 \$'000	2021 \$'000
Non-current assets		
Intangible assets, net <i>[note 11]</i>	338,701	437,082
Property and equipment, net <i>[note 12]</i>	6,248	5,411
Right-of-use assets, net <i>[note 13]</i>	8,984	10,659
Amounts owed by wider Aptos group undertakings <i>[note 22]</i>	73,822	73,846
Deferred income tax assets <i>[note 10]</i>	3,975	6,045
Deferred commissions	192	264
Long-lived assets held for sale <i>[note 26]</i>	21,355	1,798
Net pension asset <i>[note 21]</i>	1,126	2,285
	454,403	537,390
Current assets		
Trade debtors <i>[note 14]</i>	22,358	24,779
Other debtors <i>[note 14]</i>	22,319	20,476
Cash	32,884	37,747
	77,561	83,002
Current liabilities		
Trade and other payables <i>[note 15]</i>	24,909	29,630
Corporate tax payable	—	1,167
Deferred revenue	35,404	35,262
Current portion of long-term debt <i>[note 16]</i>	3,000	3,000
Current portion of lease obligations <i>[note 13]</i>	1,903	2,817
Provisions <i>[note 17]</i>	2,018	1,753
	67,234	73,629
Net current assets	10,327	9,373
Total assets less current liabilities	464,730	546,763
Non-current liabilities		
Long-term debt, net of unamortised issuance cost <i>[note 16]</i>	399,636	398,804
Lease obligations <i>[note 13]</i>	8,406	8,913
Other liabilities	450	2,173
Deferred income tax liabilities <i>[note 10]</i>	24,138	33,482
	432,630	443,372
Net assets	32,100	103,391
Capital and reserves		
Share premium <i>[note 19]</i>	334,450	334,450
Equity-settled employee benefits reserve <i>[note 19]</i>	1,742	1,746
Translation reserve <i>[note 19]</i>	(31,216)	147
Retained losses <i>[note 19]</i>	(272,876)	(232,952)
Total equity	32,100	103,391

The financial statements of Aspen UK Buyer Limited (registration number: 12395321) were approved by the Board of Directors and authorised for issue on 25 September 2023 and are signed on its behalf by:



D. BERTOLINO, Director
25 September 2023

Aspen UK Buyer Limited

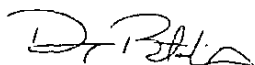
Company statement of financial position

For the period ended 30 September

	2022 \$'000	2021 \$'000
Non-current assets		
Non-current assets		
Investments <i>[note 24]</i>	502,865	502,865
	502,865	502,865
 Total assets less current liabilities	 502,865	 502,865
Non-current liabilities		
Amounts owed to wider Aptos group undertakings <i>[note 22]</i>	210,580	210,465
Net assets	292,285	292,400
 Capital and reserves		
Share capital <i>[note 19]</i>	334,450	334,450
Translation reserve <i>[note 19]</i>	29,413	(10,076)
Retained losses <i>[note 19]</i>	(71,578)	(31,974)
Total equity	292,285	292,400

As permitted by s408 *Companies Act 2006*, the Company has not presented its own statement comprehensive income and related notes. The Company's loss after tax for the period was \$39,604,000 [loss after tax of \$32,767,000 for the period ended 30 September 2021].

The financial statements of Aspen UK Buyer Limited (registration number: 12395321) were approved by the Board of Directors and authorised for issue on 25 September 2023 and are signed on its behalf by:



D. BERTOLINO, Director
25 September 2023

Aspen UK Buyer Limited

Consolidated statement of cash flows

For the period ended 30 September

	2022 \$'000	2021 \$'000
Operating activities		
Loss for the period	(37,556)	(203,216)
Adjustments to reconcile net loss to net cash provided by operating activities		
Stock-based compensation expense	(4)	680
Depreciation and amortisation	48,203	59,698
Amortisation of original issue discount on long-term debt	3,832	2,776
Impairment of right-of-use assets	—	590
Impairment of intangible assets	—	169,132
Loss on disposal of tangible assets	22	737
Loss on write-down of long-lived assets held for sale	—	663
Amortisation of deferred revenue on business acquisition	1,257	2,174
Bad debt (recovery)/expense	(16)	84
Income tax recovery	(9,099)	(9,344)
Foreign exchange loss/(gain)	4,752	(4,144)
Changes in operating assets and liabilities		
Trade and other debtors	(39)	3,264
Prepaid expenses and other current assets	(2,569)	(1,557)
Trade and other payables	2,146	(1,310)
Accrued expenses, payroll related accruals and other liabilities	(3,827)	(23,056)
Deferred income tax liability, net	3,369	(783)
Deferred revenue	3,459	(983)
Net cash provided by operating activities	13,930	(4,595)
Investing activities		
Purchases of property and equipment	(4,142)	(1,723)
Proceeds from disposal of SCM [note 26]	1,798	—
Cash lost on disposal of MLM [note 26]	—	—
Business acquisition, net of cash acquired — LS [note 3]	—	(122,647)
Net cash used in investing activities	(2,344)	(124,370)
Financing activities:		
Repayment of long-term debt	(3,000)	(3,000)
Net proceeds from issuance of long-term debt [note 16]	—	122,500
Repayment of lease obligations	(2,615)	(2,669)
Interest on lease obligations	547	517
Net proceeds from amounts owed by wider Aptos group undertakings	(8,505)	(6,052)
Issued share capital	—	26,250
Net cash provided by financing activities	(13,573)	137,546
Net change in cash	(1,987)	8,581
Cash, beginning of period	37,747	29,166
Cash, end of period	35,760	37,747
Supplemental disclosures of cash flow information		
Cash payments/(refunds) for income taxes, net	1,907	(2,053)
Cash payments for interest	34,047	25,850

Aspen UK Buyer Limited

Consolidated statement of cash flows (continued)

For the period ended 30 September

Cash	32,884	37,747
Cash included within long-lived assets held for sale	2,876	—
Total cash and cash equivalents shown in the statement of cash flows	35,760	37,747
Total cash held by LS Retail	22,141	9,577

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

1. Corporate information

Aspen UK Buyer Limited is a private company, limited by shares and is incorporated and domiciled in England and Wales. The registered address of the Company is First Floor Templeback, 10 Temple Back, Bristol, United Kingdom, BS1 6FL. Aspen UK Buyer Limited was incorporated on 9 January 2020 in relation to the acquisition of the Aptos Group by West Street Capital Partners VII, L.P. and its affiliates ["CP7 Funds"], a fund ultimately managed by The Goldman Sachs Group, Inc. ["GS"], as well the China COOP funds ["COOP Funds"].

On 4 March 2020, the Aptos Group was acquired by Goldman Sachs via Aspen UK Buyer Limited. This was the first day of operations of this newly formed entity.

Aspen UK Buyer Limited's direct parent company is Aspen Jersey Midco Limited and its indirect controlling shareholders are CP7 Funds, GS and COOP Funds.

The consolidated financial statements of Aspen UK Buyer Limited and its subsidiaries [collectively, the "Group"] for the year ended 30 September 2022 were authorised for issue by the board of directors on 25 September 2023 and the balance sheet was signed on the board's behalf by D. Bertolino. The owners of the Company have the right to amend the accounts after they have been issued.

Accounting convention

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards [IFRS] as adopted by the UK.

These financial statements are prepared in US Dollars, which is the functional currency of the consolidated Group, and all values are rounded to the nearest thousand [\$'000], except when otherwise indicated. The financial statements have been prepared using the historical cost convention, except where the accounting policies set out in note 2 states differently. The principal accounting policies adopted by the Company are set out in note 2.

The Company has taken advantage of the exemption under s408 of the Companies Act 2006 not to present its own statement of comprehensive income and related notes.

2. Accounting policies

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 30 September 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has a) power over the investee b) exposure, or rights, to variable returns from its involvement with the investee and c) the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including a) contractual arrangements with the other vote holders of the investee, b) rights arising from other contractual arrangements and c) potential voting rights.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Basis of consolidation (*continued*)

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. Intercompany balances and transactions, and any unrealised income and expenses arising from the intercompany transactions, are eliminated in preparing the consolidated financial statements.

Going Concern

Despite the current challenging economic and business environment, the directors are confident that the company and group are well placed to continue to build on its historic performance and financial success.

The directors confirm that the Group has sufficient resources to continue to operate for the foreseeable future. This assessment is based on the Group's projected trading results, cash flows, and available banking facilities. Therefore, the accounts are prepared on a going concern basis.

As of 30 September 2022, the Group had a shareholders' equity of \$32.1 million. During the year ended 30 September 2022, net cash generated from operating activities was \$13.9 million, cash used in investing activities was \$2.3million, and cash used in financing activities was \$13.6 million. Cash and cash equivalents held as at 30 September 2022 were \$35.8 million [including \$2.9 million of cash and cash equivalents classified as long-lived assets held for sale]. The financial statements have been prepared assuming that the Group will continue as a going concern. The basis of accounting contemplates the recovery of our assets and the satisfaction of liabilities in the normal course of business.

An assessment of the future trading circumstances has been performed by management including cashflow forecasts through to the period ended 30 September 2024. Based on these forecasts, including plausible downside assessments, management are confident that the Group has sufficient resources to meet its liabilities as they fall due and are well placed to continue to build on its historic performance and financial success.

The Group has secured its supply chain in order to meet its contracted commitments and anticipated demand and has continued to service its clients over this period.

Given the nature of the Group's services, the recurring and contracted nature of a significant portion of the Group's revenue, management continues to expect its customers to meet their financial commitments to the Group.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (continued)

Exemption from audit by parental guarantee

Under Section 479A of the UK Companies Act 2006, the Company provided parent guarantees to a number of wholly owned subsidiaries to claim exemption from a statutory audit with respect to fiscal period ended 30 September 2022. The subsidiary companies taking advantage of this exemption are listed below.

Subsidiary undertakings	Registered number
Aptos UK Holding No 2 Limited	10281382
Aptos UK Holding No 3 Limited	10281382
Aptos UK Holding Limited	09610284
Fresca Commerce Limited	4066272
Aptos Solutions UK Limited	10238826
Aptos MLM Solutions UK Limited	4230389
Aspen UK Retail 1 Ltd	13165823
Aspen UK Retail 2 Ltd	13167754
NSB Retail Systems Limited	3015908
NSB Retail Solutions Limited	1286838
NSB Associates Limited	4968904
NSB Enterprises Limited	4995444
NSB Retail	1019473
NSB Retail No.2 Limited	1449940
NSB Retail No.3 Limited	1441846

Summary of Significant Accounting policies

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses. When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Summary of Significant Accounting policies (*continued*)

Business combinations and goodwill (*continued*)

amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained. When a business unit is disposed a gain or loss is recognized in the statement of comprehensive loss based on the difference between the cash consideration received and the value of the net assets disposed of, including the allocation of goodwill.

Foreign currency translation

The Group's financial statements are presented in US dollars. Some of the subsidiaries' functional currencies are in euros or in pounds sterling. Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the US dollar functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are reported as an item of other comprehensive income and accumulated in the translation reserve.

Intangible assets

Internally generated intangible assets are expensed in net earnings in the year in which the expenditure is incurred. All externally acquired intangible assets are amortised over their expected useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Research and development costs are expensed as incurred.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (continued)

Summary of Significant Accounting policies (continued)

Long-lived assets held for sale

Long-lived assets held for sale are held at the lower of the carrying amount and fair value less costs to sell. An impairment loss, if any, is calculated based on the difference between the carrying amount of the disposal group and fair value less costs to sell. The impairment loss is recognized in profit or loss during the period in which it arises. Any subsequent increase in fair value less costs to sell of the disposal group is recognised in profit or loss to the extent that it does not exceed the cumulative impairment loss previously recognised.

Investments

Investments in subsidiaries are held at historical cost less any applicable provision for impairment.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid, fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on a straight line basis over the expected useful life of the asset as follows:

- Furniture and fixtures – over 10 years
- Leasehold improvements – shorter of the lease contract term or life of the improvement
- Computer equipment – over 3 years
- Other equipment – over 3 years

The carrying values of tangible fixed assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount.

Research and development

The Group's research and development costs consist primarily of salaries and related personnel expenses. Research costs are expensed as incurred, net of refundable tax credits. The Group does not capitalize any development costs. Development costs are expensed as incurred. The Group recognizes the benefit of Canadian research and development investment tax credits as a reduction of research and development costs for fully refundable investment tax credits and as a reduction of income taxes for investment tax credits that can only be claimed against income taxes payable, when there is a reasonable assurance that the claim will be recovered.

Financial Instruments

Financial assets

Initial recognition and measurement

The Group's financial assets comprise of cash, and trade and other debtors. All financial assets are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Purchases and sales of financial assets are recognised on the settlement date being the date that the Group receives or delivers the asset. The Group classifies its financial assets primarily as cash and trade. Trade are non-derivative

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Summary of Significant Accounting policies (*continued*)

Financial assets (continued)

financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets except for those with maturities greater than 12 months after the reporting period.

Subsequent measurement

Cash is carried at fair value with gains and losses recognised in the statement of income. Derivative financial instruments are carried in the balance sheet at fair value with changes in fair value recognised in finance revenue or finance expense in the statement of income. Loans and receivables are subsequently measured at amortised cost using the effective interest ("EIR") method, less impairment. Losses arising from impairment are recognised in the statement of income in other operating expenses.

Financial liabilities

Initial recognition and measurement

The Group's financial liabilities include trade and other payables, interest bearing loans and borrowings, and long-term debt. All financial liabilities are recognised initially at fair value.

Subsequent measurement

Interest bearing loans and borrowings, and long-term debt are measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost. Trade and other payables are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Trade and other debtors

Trade debtors, which generally have 30-day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost using the effective interest method. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Deferred revenues represent amounts invoiced or payments received from customers for software licenses, software and cloud subscriptions, software and hardware support and professional services before recognising revenues or performing services. We defer revenues for any undelivered elements and recognise revenues when the product is delivered or over the period in which the service is performed, in accordance with our revenue recognition policy for such elements.

Trade and other payables

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Summary of Significant Accounting policies (*continued*)

Inventories

Inventories primarily consist of finished goods. Inventories are valued at the lower of cost or net realisable value with cost computed on a first in, first out ("FIFO") basis. Consideration is given to obsolescence, excessive levels, deterioration and other factors in evaluating net realisable value. We record write downs for excess and obsolete inventory equal to the difference between the cost of inventory and net realisable value based upon assumptions about future product life-cycles, product demand, changing technology, and market conditions. At the point of loss recognition, a new, lower-cost basis for that inventory is established, and subsequent changes in facts and circumstances do not result in the restoration or increase in that newly established cost basis.

Cash

Cash comprises cash balances. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash for the purpose only of the cash flow statement.

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the statement of income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the balance sheet date. Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. *The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.* Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Company to make a single net payment.

Revenue recognition

The Group's policy for revenue recognition, in instances where multiple deliverables are sold contemporaneously to the same counterparty, is in accordance with IFRS 15 *Revenue from contracts with customers*. The application of IFRS 15 to contracts with customers requires management to make certain judgements, the most significant of which are outlined below. These judgements are based on an analysis of the facts and circumstance surrounding the transactions on a contract-by-contract basis.

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Summary of Significant Accounting policies (*continued*)

Revenue recognition (continued)

Determination of performance obligations within a contract

The Group applies judgement in determining whether a promised good or service is a performance obligation under the terms of the contract and whether multiple promised goods or services should be accounted for separately or together as a bundle.

Allocation of contract consideration to distinct performance obligations based on their stand-alone selling prices.

Typically, contracts state the value of individual promised goods and services directly. However, in instances where the fair value is not observable, management applies judgement in determining the stand-alone selling price for goods and services.

Estimation of percentage-of-completion based on the input method

For service contracts that are recognised over time based on the percentage-of-completion, the Group sets up an initial budget at contract inception and tracks the progress to completion based on time and costs incurred by the employees directly working on each project. Management reviews the progress and performance of open contracts in order to determine the best estimate of estimated costs at completion on a quarterly basis and updates the revenue recognised as necessary.

We recognise revenues for our software and cloud subscriptions rateably over the contract term primarily commencing with the date the services are made available. Most of our software and cloud subscriptions customer base is on annual or multi-year terms. We typically bill for these services quarterly or monthly, and on occasion, annually.

Revenue for sales of software licenses begin to be recognised on the date that the Group's services are made available to the customer.

Support fees, including managed services for customers hosted at data centre facilities, are typically paid in advance and are recognised on a straight-line basis over the term of the contract. Most of our software support is on annual renewal terms. Hardware maintenance contracts are entered into at the customer's option and are recognised rateably over the contractual term of the arrangements. Most of our hardware maintenance contracts are on annual renewal terms.

Professional services are sold on a fixed fee or on a time-and-materials basis. Consulting engagements can last anywhere from one day to several months or over a year or longer and are based strictly on the customer's requirements and complexities. We also enter into fixed or "not to exceed" fee arrangements. In these types of arrangements, revenues are recognised as services are proportionally performed as measured by hours incurred to date, as compared to total estimated hours to be incurred to complete the work.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Summary of Significant Accounting policies (*continued*)

Revenue recognition (continued)

Revenues for the sales of hardware equipment are recognised upon delivery of the equipment. Hardware maintenance contracts are entered into at the customer's option and are recognised on a straight-line basis over the contractual term of the arrangements.

Interest income is recorded on an accrual basis.

Deferred commissions

The impact on expenses resulting from the adoption of IFRS 15 relates mainly to the requirement of incremental costs of obtaining a contract (e.g., sales commissions) to be capitalised and amortised on a straight-line basis over the expected customer relationship period if the Company expects to recover these costs.

The expected customer relationship is determined based on the average customer relationship period, including expected renewals, for each offering type and is approximately 5 years. Expected renewal periods are only included in the expected customer relationship period if commission amounts paid upon renewal are not commensurate with amounts paid on the initial contract. Incremental costs of obtaining a contract include only those costs the Company incurs to obtain a contract that it would not have incurred if the contract had not been obtained. The Company has determined that certain commission programs meet the requirements to be capitalized. Some commission programs are not subject to capitalisation as the commission expense is paid and recognised as the related revenue is recognised. Additionally, as a practical expedient, the Company expenses costs to obtain a contract as incurred if the amortisation period would have been a year or less. These costs are included in distribution expenses.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which a company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the periods during which services are rendered by employees.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans and other post-employment benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets [at bid price] and any unrecognised past service costs are deducted. The liability discount rate is the yield at the balance sheet date on AA credit rated bonds denominated in the currency of, and having maturity dates approximating to, the terms of the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the total of any unrecognised past service costs and the present value of benefits available in the form

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Summary of Significant Accounting policies (*continued*)

Employee benefits (continued)

of any future refunds from the plan, reductions in future contributions to the plan or on settlement of the plan and takes into account the adverse effect of any minimum funding requirements.

All actuarial gains and losses were recognised in the period they occurred directly into equity through the statement of comprehensive income.

Share-based payment

The cost of an equity-settled transaction is determined by the fair value at the date when the grant is made using an appropriate valuation method.

That cost is recognised, together with a corresponding increase in other reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired. The expense or credit in the income statement for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

Provisions

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Leases

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is or contains a lease if it conveys the right to control the use of an identified asset.

All leases are recognised in the statement of financial position through the recognition of a right-of-use asset and a lease obligation, except for leases with a term of 12 months or less and leases for which the underlying asset is of low value, which are recognised in profit or loss on a straight-line basis over the lease term.

Right-of-use assets are reported on the statement of financial position and are initially measured at cost, which comprises the initial measurement of the corresponding liability, lease payments made before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation is calculated over the lease term or the estimated useful life, whichever is shorter.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Summary of Significant Accounting policies (*continued*)

Leases (continued)

The lease obligation is reported on the statement of financial position and is measured at the amortised cost using the effective rate method. It is initially measured at the present value of future lease payments using the implicit rate of the lease, if it can be readily determined, or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments [less any lease incentive available];
 - variable payments that depend on an index or rate, initially measured using the index or
 - rate at the commencement date;
 - amount expected to be payable by the lessee under residual value guarantees;
 - and payments for extension, termination or purchase options that are reasonably certain to be exercised.
- When lease payments include amounts relating to non-rental components, they are included in the calculation of the lease liability.

Finance income and costs

Finance costs comprise interest payable, finance charges on finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement [see foreign currency accounting policy]. Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Finance income comprises of interest receivable on funds invested, dividend income, and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

Other liabilities

Other liabilities are comprised mainly of employee obligations that will be settled in more than one year, as well as deferred revenue for any undelivered elements that will be recognised in a period of more than one year. These items are measured at cost.

New accounting pronouncements

The Group was not required to adopt any new or amended accounting standards during the year ended 30 September 2022.

As required, effective 9 January 2020, the Group adopted the following new or amended accounting standards.

The following IFRSs have been issued but have not been applied by the Group in these financial statements.

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

New accounting pronouncements (*continued*)

Amendment to IFRS 16, COVID 19 Related Rent Concessions

In May 2020, the IASB issued an amendment to permit lessees, as a practical expedient, not to assess whether particular rent concessions that reduce lease payments occurring as a direct consequence of the COVID-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. The adoption of this amendment has been extended and is effective for annual reporting periods beginning on or after April 1, 2021, with earlier application permitted. This standard does not have an impact on the Group's consolidated financial statements as no material rent concessions have been received.

Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest rate benchmark reform

In August 2020, the IASB has published 'Interest Rate Benchmark Reform - Phase 2 [Amendments to IFRS 9, IFRS 7, IFRS 4 and IFRS 16]' with amendments that address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates. The amendments are effective for annual periods beginning on or after January 1, 2021, with earlier application permitted. This standard does not currently have an impact on the Group's consolidated financial statements.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the financial period. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements:

- Allocation of Purchase Price for Business Combinations - Determination of fair market values of the assets and liabilities acquired from the Aptos Group acquisition for the purpose of the purchase price allocation. The determination is based on valuation techniques using estimation of future cash flows, discount rates, synergies, useful life of intangible assets, and customers' attrition rates. By its nature the valuation work cannot be represented by a pure application of methods and formulas. But it is the result of a complex process of analysis and estimation that in many cases will be subjective.
- Impairment of non-financial assets - Determining whether intangible assets and investments are impaired requires an estimation of their value in use or that of the cash-generating unit they are allocated to. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the use of the assets or the cash-generating unit and a suitable discount rate in order to calculate the present value.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (continued)

Judgements and key sources of estimation uncertainty (continued)

Impairment excluding deferred tax assets

Financial assets [including receivables]

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ["CGU"].

Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit [group of units] on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

2. Accounting policies (*continued*)

Judgements and key sources of estimation uncertainty (*continued*)

Impairment excluding deferred tax assets (continued)

Impairment of goodwill – Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and the individual risks of the underlying assets that have been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and is derived from the weighted average cost of capital [WACC] of each individual CGU. The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a post-tax discount rate. Pre-tax WACC discount rates in 2022 range from 14.5% to 17.5%.

Impairment of long-lived assets held for sale – Determining whether long-lived assets held for sale are impaired requires an estimate of the disposal group's fair values less costs to sell. Management estimates the fair value of the long lived assets held for sale based on the relative price that a market participant would be willing to pay for the disposal group in a transaction carried out at arm's length. Costs to sell the disposal group are estimated based on all costs management expects to incur with respect to preparing the assets for sale and disposing of them.

Employee benefits - The Group has a defined benefit pension plan in the UK, the plan is closed to new entrants and future accruals. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, inflation rate, future salary and future pension increases. Due to the complexities involved in the valuation, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The key assumptions used to determine the present value of the obligation are disclosed and further explained in Note 21.

Taxation - The calculation of the Group's total tax charge involves a degree of estimation and judgement in respect of certain items whose tax treatment cannot be finally determined until a resolution has been reached with the relevant tax authority. Amounts are accrued based on management's interpretation of specific tax law which requires a degree of judgement.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Recognition of deferred tax assets, therefore, includes judgements regarding the timing and level of future taxable income.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

3. Business acquisition

LS Retail ehf. acquisition – February 11, 2021

On February 11, 2021, the Group acquired 100% of the voting equity interest of LS Retail ehf. ["LS Retail"], a leading provider of Unified Commerce Solutions for retail and hospitality. Headquartered in Reykjavik, Iceland, LS Retail has offices in key cities across Asia, Europe, the Middle East and North America. LS Retail's solutions are sold, implemented and supported through a strategic global network channel of more than 370 partners servicing more than 80,000 customer sites in over 140 countries. Its customer base spans fashion boutiques, electronic stores, furniture giants, duty-free chains, restaurants, hotels, pharmacies, coffee shops, gas stations, convenience stores and more.

The total purchase price was \$141.9 million paid in cash. The acquisition was accounted for by the Company using the acquisition method of accounting. Under the acquisition method of accounting, the Company allocated the purchase price to the identifiable assets and liabilities based on their estimated fair value, which was determined using the information available as of the date of the acquisition [Level 3 inputs]. The allocation of the purchase consideration to the assets acquired and liabilities assumed was as follows [in thousands of US dollars]:

	\$'000
Cash	19,209
Trade debtors	10,366
Other debtors	11,204
Property and equipment	2,668
Right-of-use assets	7,346
Amounts owed by wider Aptos group undertakings	2,156
Customer relationships	13,440
Developed technology	28,333
Trademarks	9,929
Goodwill	95,659
Trade and other payables	(35,711)
Deferred revenue	(12,408)
Lease obligations	(7,070)
Other liabilities	(115)
Deferred tax liabilities, net	(3,150)
Net purchase consideration	141,856

The goodwill related to the acquisition of the LS Retail business results mainly from expected synergies in processes, acquired workforce, and cross selling into new markets. The goodwill balance related to the acquisition of the LS Retail business is not expected to be amortized or deductible for income tax purposes.

The union of Aptos and LS Retail is expected to create an unparalleled customer community whose collective breadth and depth of retail experience will be leveraged to share based practices for addressing retail transformation challenges and unique industry complexities.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

3. Business acquisition (*continued*)

LS Retail ehf. – February 11, 2021 (*continued*)

The LS Retail business generated \$72.5 million of revenues during the year ended 30 September 2022 [\$34.5 million of revenues during the year ended 30 September 2021]. The net profit recorded by LS Retail was \$6.7 million during the year ended 30 September 2022 [net loss of \$1.7 million during the year ended 30 September 2021]

The Group recorded \$3.6 million of acquisition related costs which are included within the line Administrative costs of the Consolidated Statement of Comprehensive Loss for the year ended 30 September 2021.

4. Turnover

Turnover recognised in the statement of income is analysed as follows:

	2022 \$'000	2021 \$'000
Software and cloud subscriptions	31,959	28,280
Software license	22,185	12,111
Support and other	90,889	78,982
Professional services	40,852	42,969
Hardware	4,675	1,779
Turnover	190,560	164,121

Turnover analysed by geographical market:

	2022 \$'000	2021 \$'000
America	81,820	55,992
Europe	84,109	100,437
Asia-Pacific	24,631	7,692
	190,560	164,121

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

5. Cost of sales and other operating costs

	2022 \$'000	2021 \$'000
Cost of recurring revenue	55,521	45,481
Cost of professional services	29,065	27,279
Cost of software licenses	7,106	2,811
Cost of hardware	4,002	1,496
<i>Cost of sales</i>	95,694	77,067
<i>Distribution (Sales and marketing)</i>	14,476	11,960
Product development	15,739	11,442
General and administrative	27,281	23,725
Amortisation – intangible assets <i>[note 11]</i>	43,930	56,437
Depreciation – fixed assets <i>[note 12]</i>	1,728	1,380
Depreciation – right-of-use assets <i>[note 13]</i>	2,545	1,881
Interest accretion – lease obligations <i>[note 13]</i>	547	517
Acquisition-related and divestiture costs	2,387	3,578
Restructuring costs	1,132	1,325
<i>Administrative costs</i>	95,289	100,285

The acquisition-related and divestiture costs are incurred with regards to the disposal of the PLM long-lived asset group that was completed after the balance sheet date as described in Note 27 – Events since the balance sheet date, as well as the acquisition of LS Retail as described in Note 3 - Business Combinations.

6. Auditor's remuneration

The Group paid to its auditor in respect of the audit of the financial statements and for other services provided the following:

	2022 \$'000	2021 \$'000
Ernst & Young LLP		
Audit of these financial statements	294	279
Amounts receivable by the Group's auditor and its associates	294	279

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

7. Staff costs and directors' remuneration

The average number of persons [including directors] employed by the Group during the period was made up as follows:

	2022 #	2021 #
Professional services	266	237
Software and cloud support	130	135
Sales and marketing	69	55
Product development	319	191
General and administrative	139	91
<i>Total</i>	923	709

Their aggregate remuneration comprised:

	2022 \$'000	2021 \$'000
Wages and salaries	65,185	50,450
Social security costs	6,647	9,373
Contributions to the defined contribution pension plan	3,255	4,774
Contributions to the defined benefit pension plan	202	401
Share-based payments	(4)	680
	75,285	65,678

See note 20 for more detail on the share-based payments.

Directors' remuneration:

	2022 \$'000	2021 \$'000
Remuneration for qualifying services	994	702
Group contributions in respect of money purchase pension schemes	19	46
<i>Total remuneration</i>	1,013	748

Remuneration disclosed above includes the following amounts paid to the highest paid director:

	2022 \$'000	2021 \$'000
Remuneration for qualifying services	514	702
Group contributions in respect of money purchase pension schemes	11	46
<i>Total remuneration</i>	525	748

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

7. Staff costs and directors' remuneration (continued)

Two directors qualified for the Group's money purchase pension scheme during the year ended 30 September 2022. None of the directors have accrued benefits under defined benefits schemes. During the year ended 30 September 2022, no series B Units were granted to the directors under the Company's Equity Incentive Plan as described in Note 20 – Share-based payments. The Directors did not exercise any restricted stock units during 2022. The highest paid director does not have accrued pension or lump sums at period end.

The directors are employed in respect of their qualifying services to the Group as a whole. No emoluments were paid to them in respect of their qualifying services to the parent company during 2022.

8. Finance costs

	2022 \$'000	2021 \$'000
Interest on debt and borrowings [note 16]	33,882	27,506
Interest on defined benefit pension plan obligations [note 21]	150	129
	34,032	27,635

9. Other income

	2022 \$'000	2021 \$'000
Interest income on loans to affiliates [note 22]	5,920	5,919
Expected return on defined benefit pension plan assets [note 21]	263	164
Loss on disposal of tangible assets	(22)	(737)
Foreign exchange (losses)/gains	(4,752)	4,144
Other miscellaneous income	867	571
	2,276	10,061

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

10. Taxation

[a] Tax charged (recovered) in the consolidated statement of loss and comprehensive income

	2022 \$'000	2021 \$'000
Current income tax		
Current foreign income tax expense	174	574
Prior year adjustments for subsidiaries acquired	—	—
	<u>174</u>	<u>574</u>
Deferred tax		
Origination and reversal of temporary differences	(9,273)	(9,918)
Prior year adjustments for subsidiaries acquired	—	—
Tax credit and other	—	—
	<u>(9,273)</u>	<u>(9,918)</u>
<i>Tax recovery reported in the statement of income</i>	<u>(9,099)</u>	<u>(9,344)</u>

[b] Reconciliation of the total tax change

The tax expense (recovery) in the statement of income for the period is lower than the standard rate of corporation tax in the UK of 19% [2021: 19%]. The differences are reconciled below:

	2022 \$'000	2021 \$'000
Loss on ordinary activities before taxation	(46,655)	(212,560)
Tax calculated at UK standard domestic rate	(8,864)	(40,386)
Effect of tax rates in foreign jurisdictions	(6,643)	5,102
Impact of tax laws and rates for subsidiaries acquired	14,070	27,364
Tax effect of:		
Prior year tax adjustment for subsidiaries acquired	(7,294)	(7,142)
Benefit of income tax credit and other	(368)	5,718
<i>Total tax recovery reported in the statement of income</i>	<u>(9,099)</u>	<u>(9,344)</u>

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

10. Taxation (*continued*)

[c] Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2022 \$'000	2021 \$'000
Deferred tax liability		
Temporary differences trading	30,642	16,600
Reserves	(22,159)	(10,937)
Intangible assets	(32,620)	(39,145)
<i>Deferred income tax liabilities</i>	<i>(24,137)</i>	<i>(33,482)</i>
Deferred tax asset		
Temporary differences trading	(13,388)	(7,115)
Tax Losses carried forward	17,363	12,055
Intangible assets	—	1,105
<i>Deferred income tax asset</i>	<i>3,975</i>	<i>6,045</i>
Net Deferred tax liability	(20,162)	(27,437)

In addition, no deferred tax asset has been recognised in respect of UK disallowed interest carried forward, because the Group is not expecting to have future interest capacity to utilise the carried forward disallowed interest. The unrecognised deferred tax asset in respect of disallowed interest carryforward is \$9.49 million [\$5.83 million at 30 September 2021].

Deferred taxes on the balance sheet have been measured at 19% for the current period and at 25% for deferred periods [2021: 19%], which represents the future corporation tax rate that was enacted at the balance sheet date.

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These measures included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. Finance No. 2 Bill 2021 became substantively enacted on 24 May 2021. As a result, these changes were reflected in the measurement of deferred tax balances at the end of the period. It is not anticipated that these changes will have a material impact on the Group's deferred tax balances. Non-UK deferred tax is calculated using the statutory rate of the relevant jurisdiction.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

11. Intangible assets

	Technology based \$'000	Customer based \$'000	Trademarks \$'000	Goodwill \$'000	Total \$'000
Cost					
At 1 October 2021	83,236	165,848	9,929	259,350	518,363
Goodwill allocated to long-lived assets held for sale – note 26	—	—	—	(18,911)	(18,911)
Intangibles allocated to long-lived assets held for sale – note 26	(31,519)	(23,760)	—	—	(55,279)
Effect of movement in exchange rates	(8,350)	(6,628)	(1,895)	(20,874)	(37,747)
At 30 September 2022	43,367	135,460	8,034	219,565	406,426
Accumulated amortisation					
At 1 October 2021	(32,267)	(47,539)	(1,475)	—	(81,281)
Amortisation	(15,011)	(27,286)	(1,633)	—	(43,930)
Intangibles allocated to long-lived assets held for sale – note 26	31,519	17,052	—	—	48,571
Effect of movement in exchange rates	5,469	2,666	780	—	8,915
At 30 September 2022	(10,290)	(55,107)	(2,328)	—	(67,725)
Carrying amount					
At 30 September 2021	50,969	118,309	8,454	259,350	437,082
At 30 September 2022	33,077	80,353	5,706	219,565	338,701

The Technology based intangible assets are amortised on a straight-line basis over the period of their expected useful lives varying from 5 to 6 years. The Customer based intangible assets are amortised on a straight-line basis over the period of their expected useful lives varying from 6 to 10 years. The Trademark based intangible assets are amortised on a straight-line basis over the period of their expected useful lives varying from 4-6 years. Amortisation expense is included in Administrative costs in the statement of income [see note 5]. Goodwill is not amortised; it is reviewed for impairment on an annual basis or whenever there are indicators of impairment at an earlier date.

The Group incurred research and development expenditures of \$15.7 million during the year ended 30 September 2022 [\$11.4 million during the year ended 30 September 2021]. The Company did not incur any research and development expenditures during the year ended 30 September 2022 [nil during the year ended 30 September 2021].

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

11. Intangible assets (continued)

Impairment Testing

Goodwill arising from the business combinations has been allocated to each cash generating unit as follows:

	2022 \$'000	2021 \$'000
Aptos	141,939	167,458
LS Retail	77,626	91,892
	219,565	259,350

Goodwill was tested for impairment as at 30 September 2022 for both the Aptos and LS Retail cash generating units using the value-in-use method. No goodwill impairment was recorded for the year ended 30 September 2022. A goodwill impairment loss of \$169.1 million for the Aptos cash generating unit is reflected in the consolidated statement of comprehensive loss for the year ended 30 September 2021.

The Group does not have any intangible assets with unlimited useful lives.

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

12. Property and equipment

	Furniture and fixtures \$'000	Leasehold improvements \$'000	Computer equipment \$'000	Other equipment \$'000	Work in progress \$'000	Total \$'000
Cost						
At 1 October 2021	1,098	570	2,325	3,069	—	7,062
Additions	67	2	1,628	1,394	1,148	4,239
Disposals and write-offs	—	(7)	(89)	—	—	(96)
Tangible assets allocated to long-lived assets held for sale <i>[note 26]</i>	(282)	(107)	(1,729)	(1,569)	—	(3,687)
Effect of movement in exchange rates	(148)	(161)	(527)	2,353	—	1,517
At 30 September 2022	735	297	1,608	5,247	1,148	9,035
Depreciation						
At 1 October 2021	(335)	—	(1,106)	(210)	—	(1,651)
Depreciation expense	(183)	(148)	(747)	(650)	—	(1,728)
Disposals and write-offs	—	7	8	—	—	15
Tangible assets allocated to long-lived assets held for sale <i>[note 26]</i>	383	42	1,281	1,564	—	3,270
Effect of movement in exchange rates	74	99	(124)	(2,742)	—	(2,693)
At 30 September 2022	(61)	—	(688)	(2,038)	—	(2,878)
Carrying amount:						
At 30 September 2022	674	297	920	3,209	1,148	6,248
At 30 September 2021	763	570	1,219	2,859	—	5,411

The leasehold improvements are related to the office space leased by the Group [see note 13].

Aspen UK Buyer Limited

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For the period ended 30 September 2022

13. Leases

The Group's leases consist of office spaces only.

Right-of-use assets

	2022 \$'000
At 1 September 2021	10,659
Additions	2,496
Disposals	(18)
Depreciation expense	(2,545)
Impairment charge	—
Right-of-use assets allocated to Long-lived assets held for sale [note 26]	(1,123)
Effect of movement in exchange rates	(485)
At 30 September 2022	8,984

Lease liabilities

The changes to the lease liabilities during the period are as follows:

	2022 \$'000
At 1 October 2021	11,730
Additions	2,496
Interest accretion expense	547
Payment of lease liabilities	(2,615)
Disposals	(115)
Lease liabilities allocated to Long-lived assets held for sale [note 26]	(1,315)
Effect of movement in exchange rates	(419)
At 30 September 2022	10,309
Current portion at 30 September 2022	1,903
Non-current portion at 30 September 2022	8,406

As at 30 September 2022, under the terms of the operating lease contracts for premises, the Group committed to the following payments, over the following fiscal years:

	2022 \$'000
Maturity schedule – contractual undiscounted cash flows	
Less than one year	1,664
One to five years	5,810
More than five years	490
Total undiscounted liabilities	7,964

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

14. Trade and other debtors

Amounts falling due within one year:

	2022 \$'000	2021 \$'000
Trade debtors	22,358	24,779
Other debtors	22,319	20,476
	44,677	45,255

15. Trade and other payables

	2022 \$'000	2021 \$'000
Trade creditors	9,653	7,765
Payroll related accrued expenses including tax and social security	10,526	14,578
Other accrued expenses	4,730	7,287
	24,909	29,630

Terms and conditions of the above financial liabilities:

- Trade creditors are non-interest bearing and are normally settled on 60-day terms
- Other payables are non-interest bearing and have an average term of six months
- For terms and conditions with related parties, refer to note 22

For explanations on the Group's liquidity risk management processes, refer to note 18.

16. Long-term debt

As of 30 September 2022			
	Contractual Rate	Principal Amount	Unamortised Debt Issuance Cost Net Amount
Term Loans	Variable, refer to interest rate discussion below	418,250	(15,614)
Less: Current portion		(3,000)	—
Long-term debt, net of unamortised issued costs		415,250	(15,614)
			399,636

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For the period ended 30 September 2022

16. Long-term debt (continued)

Current Credit Agreements

On February 11, 2021, subsidiaries of the Company [the "Borrowing Group"] entered into a new note purchase agreement [the "2021 Credit Agreement"]. The 2021 Credit Agreement consists of a six-year first lien term loan with a principal amount of \$125 million [the "2021 First Lien Term Loan"]. The 2021 First Lien Term Loan does not require annual principal repayments; the entire balance is to be repaid at maturity on March 4, 2027.

The interest rate under the 2021 Credit Agreement is variable and is equal to an applicable margin plus the Eurocurrency Rate of 7.50%, with a floor of 1% on the applicable margin. As of September 30, 2022, the interest rate applicable to the 2021 First Lien Term Loan was 9.87% [2021 – 8.50%], and the effective interest rate was 10.30% [2021 – 8.94%].

The 2021 Credit Agreement is secured by a first priority lien on substantially all assets of the Borrowing Group and each wholly owned material subsidiary directly held by each member of the Borrowing Group. The 2021 Credit Agreement contains a financial covenant that requires the Borrowers to comply with a maximum total First Lien Leverage Ratio, tested at the end of each quarter. The 2021 Credit Agreement also contains limitations on the Borrowers' ability to, among other things, incur indebtedness and liens, make investments, capital expenditures and restricted payments, sell assets and prepay certain indebtedness. In fiscal year 2022, we were in compliance with all covenants included in the terms of the 2021 Credit Agreement.

On March 4, 2020, the Borrowing Group entered into a credit agreement [the "2020 Credit Agreement"]. The 2020 Credit Agreement consists of a seven-year first lien term loan with a principal amount of \$300 million [the "2020 First Lien Term Loan"]. In addition to this, the 2020 Credit Agreement includes a \$40 million revolving credit facility [the "Revolver"]. As of September 30, 2022 and 2021, no amount was drawn on the Revolver. The 2020 First Lien Term Loan has amortization [principal repayments] at a rate of 1% per year. The first principal repayment was made on July 15, 2020, with subsequent principal repayments being due on the fifteenth day following each quarter end thereafter until January 15, 2027. The remaining balance is to be repaid at maturity on March 4, 2027. The outstanding balance of the Revolver, if any, is to be repaid at maturity on March 4, 2025.

The interest rate under the 2020 Credit Agreement is variable and is equal to an applicable margin plus the Eurocurrency Rate of 5.50%. On a monthly, bi-monthly or quarterly basis, management will elect whichever interest rate option is most favorable. As of September 30, 2022, the interest rate applicable to the 2020 First Lien Term Loan was 8.02% [2021 – 5.60%], and the effective interest rate was 8.95% [2021 – 6.53%]. In addition to paying interest on any outstanding principal under the Revolver, we are required to pay a commitment fee to the lenders equal to 0.375% on the full unused limit of the Revolver [2021 – 0.375%].

The 2020 First Lien Term Loan is secured by a first priority lien on substantially all assets of the Borrowing Group and each wholly owned material subsidiary directly held by each member of the Borrowing Group. The 2020 Credit Agreement contains a financial covenant that requires the Borrowers to comply with a maximum total First Lien Leverage Ratio, tested at the end of each quarter. The 2020 Credit Agreement also contains limitations on the Borrowers' ability to, among other things, incur indebtedness and liens, make investments, capital expenditures and restricted payments, sell assets and prepay certain indebtedness. In fiscal year 2022, we were in compliance with all covenants included in the terms of the 2020 Credit Agreement.

The Company recorded interest expense of \$33.9 million in the Group's consolidated statement of comprehensive loss [\$27.5 million in 2021].

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For the period ended 30 September 2022

16. Long-term debt (continued)

Future mandatory principal repayments under the 2021 Credit Agreement and 2020 Credit Agreement as of September 30, 2022 are as follows [in thousands of US dollars]:

Year ending 30 September	Amount
2023	3,000
2024	3,000
2025	3,000
2026	3,000
2027	406,250
Total	418,250

17. Provisions

	Professional services \$'000	Employee severance \$'000	Total \$'000
At 1 October 2021	1,326	427	1,753
Arising during the period	4,076	250	4,326
Utilised	(3,221)	(657)	(3,878)
Effect of movement in exchange rates	(185)	2	(183)
At 30 September 2022	1,996	22	2,018
Current	1,996	22	2,018
Non-current	—	—	—

The professional services provision relates to contracts with clients for which the Company expects to incur remedial service hours over the next twelve months.

Employee severance provision is established for planned and communicated employee rationalisations which are expected to take place in the next twelve months.

18. Financial instruments and financial risk management

Financial instruments

Financial instruments, including cash equivalents, trade and other debtors, amounts owed by wider Aptos group undertakings, trade and other payables, and long-term debt are carried in the statement of financial position at amounts that approximate fair value at 30 September 2022.

Fair values are based on market prices and assumptions concerning the amount and timing of estimated future cash flows and assumed discount rates, reflecting varying degrees of perceived risk.

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Notes to the consolidated financial statements

For the period ended 30 September 2022

18. Financial instruments and financial risk management (continued)

Financial instruments (continued)

Management believes that the carrying values of the Group's short-term financial instruments approximate their fair values. Management's basis for this conclusion is described below for each financial instrument:

- Cash at bank in hand, trade and other debtors, and trade and other payables have carrying amounts that approximate their fair values, largely due to the short-term maturities of these instruments.
- Amounts owed from Aptos Group undertakings bear interest at rates which approximate prevailing market rates for instruments with similar characteristics and, accordingly, the gross carrying values of these instruments approximate fair value.

The long-term debt bears interest at rates which approximate prevailing market rates for instruments with similar characteristics and, accordingly, the gross carrying values of these instruments (before debt issuance costs) approximate fair value.

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. Additionally, the inputs used to measure fair value are prioritised based on a three-level hierarchy. This hierarchy requires entities to maximise the use of observable inputs and minimise the use of unobservable inputs. The three levels of inputs used to measure fair value are as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Other inputs that are observable directly or indirectly, such as quoted prices for similar assets and liabilities or market corroborated inputs.

Level 3 – Unobservable inputs are used when little or no market data is available, which requires the Company to develop its own assumptions about how market participants would value the assets or liabilities.

When developing fair value estimates, the Group maximises the use of observable inputs and minimises the use of unobservable inputs. When available, the Group uses quoted market prices to measure fair value. If market prices are not available, the fair value measurement is based on models that use primarily market based parameters. In certain cases where market rate assumptions are not available, the Group is required to make judgments about assumptions market participants would use to estimate the fair value of a financial instrument.

As at 30 September 2022, there are no financial instruments recorded at fair value on the statement of financial position.

Liquidity risk

The Group's liquidity risk is managed in accordance with the parent company's liquidity risk management process, and in accordance with foreign currency needs with respect to meeting obligations coming due in various currencies.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments all classified as level 1 inputs].:

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For the period ended 30 September 2022

18. Financial instruments and financial risk management (*continued*)

Liquidity risk (*continued*)

At 30 September, 2022	On demand \$'000	Less than 12 months \$'000	1 to 5 years \$'000	>5 years \$'000	Total \$'000
Long-term debt – <i>note 16</i>	—	3,000	415,250	—	418,250
Trade and other payables – <i>note 15</i>	—	24,909	—	—	24,909
Provisions – <i>note 17</i>	—	2,018	—	—	2,018
	—	29,927	415,250	—	445,177

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily for trade debtors.

Customer credit risk is managed based on Group's established policy, procedures and control relating to customer credit risk management. Credit quality of the customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

Impairment of receivables is analysed on an individual basis. Trade debtors are considered impaired when the amount is in dispute, customers are in financial difficulty or for other reasons which imply there is doubt over the recoverability of the debt.

The carrying amount of financial assets represents the maximum credit exposure. The carrying amount of trade debtors at the reporting date is as follows:

	2022 \$'000
Not past due	15,200
Past due 0-30 days	1,758
Past due 31-90 days	2,164
More than 90 days	3,236
	22,358
Allowance for impairment	—
<i>Trade receivables, net of allowances</i>	22,358

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Notes to the consolidated financial statements

For the period ended 30 September 2022

18. Financial instruments and financial risk management (*continued*)

Liquidity risk (*continued*)

The movement in the allowance for impairment in respect of trade debtors during the period was as follows:

	\$'000
Balance at 1 October 2021	1,233
Impairment loss recognised	528
Impairment loss reversed	(544)
Allowance recovered	(890)
Allowance allocated to long-lived assets held for sale	(238)
Foreign exchange difference	(89)
Balance at 30 September 2022	—

The allowance for impairment for trade debtors is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at the point the amounts considered irrecoverable are written off against trade debtors directly.

19. Capital and reserves

Share capital

	Company 2022 \$'000	Group 2022 \$'000
Authorised, issued and fully paid	—	—
1 ordinary share at \$200 USD /share	—	—
Share premium	334,450	334,450
	334,450	334,450

The share premium contains the premium arising on the issue of equity shares, net of issue expenses.

The directors did not recommend the payment of a dividend.

Share Premium

The share premium reserve contains the premium arising on the issuance of equity shares, net of issue expenses.

Equity-Settled Employee Benefits Reserve

The reserve represents the cumulative expense in relation to the share-based payments made to employees, net of the recharge by the parent company and other adjustments.

Translation Reserve

The translation reserve represents the cumulative translation differences on translation of foreign operations.

Aspen UK Buyer Limited

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For the period ended 30 September 2022

19. Capital and reserves (continued)

Retained losses

Retained losses represents the cumulative losses, dividends paid and other adjustments.

20. Share-based payments

In November 2020, the Board of Directors of the Company approved an Equity Incentive Plan for the purpose of compensating certain members of management.

The Management Units, including both Series B Units and Phantom Units, granted to management vest in accordance with the following terms: 41.67% of the Management Units ["Annual Units"] vest over time [over 4 years]. The remaining 58.33% of the Management Units ["Exit Units"] vest upon the occurrence of Owner Inflows [generally, distributions received by partner owners] after December 1, 2020 based on the following criteria, and subject to the continued employment of the recipient with the Company on each such date: (i) The sponsor has achieved an Internal Rate of Return ["IRR"] of at least 12%, and (ii) 35.71% of the Exit Units shall vest to the extent Owner Inflows are at least 2.0 times Owner Outflows [generally, owner investments] through such date; an aggregate of 71.43% of the Exit Units shall vest to the extent Owner Inflows are at least 2.5 times the Owner

Outflows through such date; an aggregate of 100% of the Exit Units shall vest to the extent Owner Inflows are at least 3.0 times the Owner Outflows through such date. No proceeds can be distributed to the Exit Units until the Unreturned Class A Capital has been reduced to zero, and only proceeds exceeding the Unreturned Class A Capital can be split between Class A shares and the Exit Units. Note that the Class B Units are equity awards in the form of profits. These awards are not settled in cash. The Phantom Units represent an unsecured obligation of the partnership giving the holder a conditional entitlement to subsequently receive cash payments and distributions from time to time to the same extent, and subject to the same terms and conditions, as if such Phantom Units constituted in the hands of the holder a like number of Class B Units of the Company having the same threshold equity value, and subject to the same vesting and forfeiture provisions.

The following table summarises the share-based compensation expense and its allocation within the statements of income for the period ended 30 September (in thousands of US dollars):

	2022 \$'000	2021 \$'000
Cost of revenues		
Software and software related services	7	10
Professional services	20	17
Operating expenses:		
Sales and marketing	153	70
Product development	18	—
General and administrative (income)/expense	(202)	583
Total share-based compensation (income)/expense	(4)	680

The grant date fair value of the Management Units was calculated using a Monte Carlo simulation model option pricing model taking into account the terms and conditions upon which the rights were granted. The model projected out future potential equity values using the volatility of the Company's equity, and allocated those future enterprise values to the various securities outstanding based on their relative rights and privileges. The Monte Carlo simulation model was based on assumptions including estimated partnership volatility and estimated life of

Aspen UK Buyer Limited

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For the period ended 30 September 2022

20. Share-based payments (continued)

the units based on the estimated time frame until a liquidity events. The resulting value is a discounted weighted average of the Series B Units' share of the various projected future equity values. The model then assumed a discount for lack of marketability, as the units are not publicly traded.

For units which vest on a return on partnership capital, the model assumed that the target levels of return on partnership capital would be obtained in a liquidity event, as defined in the Company's partnership agreement. Using an estimate of partnership unit volatility and an estimated time frame until a liquidity event, the model projected various potential liquidity event values. The model then calculated a weighted average liquidity event value by multiplying each potential liquidity event value by its probability of occurrence. The weighted average liquidity event value was then allocated to the Company's debt and the various securities outstanding, based on their respective rights.

Inputs used to estimate the value of the Series B Units granted during the fiscal year ended September 30, 2022, as well as the resulting grant date fair value for each type of restricted unit granted, are presented in the following table:

Grant date fair value Annual Units	0.34
Grant date fair value of Exit Units	0.25
Expected volatility	50%
Discount for Lack of Marketability	15%
Expected term	4 years

The following table presents a rollforward of the Management Units outstanding by type from October 1, 2021 to September 30, 2022:

	Annual Units	Exit Units	Total	Weighted Average Fair Value
	\$	\$	\$	\$
Outstanding October 1, 2021	9,181,427	12,854,010	22,035,437	0.22
Granted	2,260,402	3,164,598	5,425,000	0.29
Called	(1,030,107)	—	(1,030,107)	0.25
Forfeited	(3,886,766)	(6,883,624)	(10,770,390)	0.20
Outstanding September 30, 2022	6,524,956	9,134,984	15,659,940	0.26
Vested, net of forfeitures September 30, 2022	1,852,121	—	1,852,121	0.25
Non-Vested September 30, 2022	4,672,835	9,134,984	13,807,819	0.24

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21. Pension scheme

RRSP and Aptos GPP Plan

The Company has a savings and investment plan for Canadian employees, the "RRSP" plan. Employees can contribute 1% to 4% of their regular earnings plus commission, and the Company will contribute 50% of the amount of the employee contribution, plus an additional 1.25% to each plan member in good standing at each semi-monthly pay. The maximum employer contribution is therefore 3.25% of employees' base salary plus commission.

The Company has a group personnel pension plan for UK employees, the "Aptos GPP" plan. The Company will contribute 100% of the amount of the employee contribution, up to 6% of their regular earnings. Certain employees who were part of the Expedite Business prior to 30 September 2016 benefit from employer contributions that could reach 9% of their regular earnings.

For the period ended 30 September 2022, the Group's total contributions to the RRSP plan and Aptos GPP plan amounted to \$3.5 million [\$5.2 million for the period ended 30 September 2021]. The Group expects to contribute approximately \$4.0 million to the RRSP plan and Aptos GPP plan during the year ending 30 September 2023.

The defined benefit pension plan provides pension benefits for certain former employees in the United Kingdom upon retirement. The plan is maintained in British pound sterling. The plan is closed to new entrants, and the plan participants are no longer employed by the Company. The accrued liabilities of the plan as at the measurement date 30 September 2022, consist of a series of future cash flows, being the future benefit payments expected to be paid in respect of service with participating employers in the plan prior to that date. The value of the accrued benefits for an individual is calculated by projecting these future payments using the actuarial assumptions made, and then placing a present value on them by discounting them to allow for the investment return (or interest) which is assumed to be earned between the measurement date and the projected dates of payment. The plan's accrued liabilities are the total discounted value of the accrued benefits for all plan members as at the measurement date. The projected benefit obligation is determined using the projected unit method. The rate of interest used to discount liabilities is based on the returns available on AA rated corporate bonds of appropriate duration at the measurement date. The expected return on plan assets is determined using the fair value method. The Company estimated the average term of the liabilities, known as "duration", to be approximately 11.5 years as at 30 September 2022 [15.8 years at 30 September 2021].

The Company recognised a net periodic pension benefit of \$89,000 for the period ended 30 September 2022 [cost of \$6,000 for the period ended September 30, 2021].

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21. Pension scheme (continued)

Defined Benefit Pension Plan (continued)

The following disclosures relate to the scheme as a whole:

Movements in present value of defined benefit obligation for the period ended 30 September are as follows:

	2022 \$'000	2021 \$'000
At beginning of period	8,193	8,240
Interest cost	150	129
Actuarial gain	(1,946)	(312)
Benefits paid	(308)	(450)
Foreign currency exchange rate changes	(1,273)	586
At end of period	4,816	8,193

Movements in fair value of plan assets for the period ended 30 September are as follows:

	2022 \$'000	2021 \$'000
At beginning of period	10,478	9,640
Actual return on plan assets	(2,834)	197
Contributions by the Group	202	401
Benefits paid	(308)	(450)
Foreign currency exchange rate changes	(1,596)	690
At end of period	5,942	10,478
Net pension asset	1,126	2,285

Expenses recognised in the statement of income and comprehensive income for the period ended 30 September are as follows:

	2022 \$'000	2021 \$'000
Interest on obligations [note 8]	150	129
Expected return on plan assets [note 9]	(263)	(164)
Amortisation of net loss	24	41
Recognised as financial expense (income)	(89)	6
Actual return less expected return on plan assets	(2,571)	33
Actuarial (gain)/loss on defined benefit obligations	1,489	(676)
Net actuarial (gain)/loss recognised as other comprehensive income	(1,082)	(643)

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For the period ended 30 September 2022

21. Pension scheme (continued)

Defined Benefit Pension Plan (continued)

The schemes membership data as at the date of the actuarial valuation can be summarised as follows:

	Male	Female
Deferred members	21	2
Average age of deferred members	59.2	53.5
Retired members and beneficiaries	24	11
Average age of retired members and beneficiaries	71.8	73.0

Principal actuarial assumptions used to estimate the benefit obligations and net period pension costs [expressed as weighted averages]:

	2022	2021
Discount rate	5.15%	2.00%
Rate of increase in prices (RPI)	3.75%	3.65%
Rate of increase in prices (CPI)	3.15%	3.05%
Rate of statutory revaluation	3.15%	3.05%
Mortality – currently aged 55	87.4 years	87.4 years
Mortality – currently aged 65	86.9 years	86.9 years
Expected return on plan assets	5.20%	2.70%

The expected long-term rate of return on assets assumption is chosen based on the facts and circumstances that existed at the measurement date and the mix of assets held at that date.

The effect of reducing the discount rate by 0.25% per annum would be to increase the associated liabilities by \$0.2 million.

The effect of increasing the price inflation assumption by 0.25% per annum would be to increase the associated liabilities by \$0.1 million.

The effect of increasing the assumed life expectancy by 1 year would be to increase the associated liabilities by \$0.1 million.

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21. Pension scheme (continued)

Plan Assets (continued)

The Company's investment policy is determined by the trustees of the plan after consulting us and includes a periodic review of the pension plan's investment in the various asset classes. All assets are held in pooled pension and pooled unitised funds managed by Mobius, and underlying prices are driven by level 1 inputs for 2022 and 2021. Our asset allocations by asset category are as follows at 30 September 2022 and 2021 in thousands of US dollars, except percentages:

Asset category	2022		2021	
	Plan assets \$	Percentage of fair value %	Plan assets \$	Percentage of fair value %
Cash	166	2.79%	281	2.68%
Pooled Funds:				
UK equities (a)	676	11.38%	950	9.06%
Overseas equities (b)	—	—	633	6.04%
Property (c)	162	2.73%	565	5.39%
Fixed interest government bonds (d)	1,026	17.27%	1,599	15.26%
Indexed linked government bonds (e)	1,237	20.82%	2,024	19.31%
Corporate bonds (f)	549	9.24%	1,511	14.42%
LDI (g)	160	2.69%	1,403	13.39%
Absolute return credit (h)	1,685	28.36%	1,514	14.45%
Alternatives (i)	281	4.72%	—	—
Total	5,942	100.00%	10,480	100.00%

The fair value of the Pooled Funds is as provided by the asset manager.

[a]/[b] These are target holdings in pooled pension funds investing in equities in relevant described asset classes.

[c] This is a pooled pension fund holding property.

[d] This consists of holdings in two pooled pension funds invested in UK fixed interest gilts.

[e] These are holdings in two pooled pension funds invested in UK fixed linked gilts.

[f] This is a holding in a pooled pension fund invested in corporate bonds.

[g] This is a holding in a pooled unitized Liability-Driven Investment ("LDI") fund with an established unit price.

[h]/[i] This is a holding in a pooled unitized fund with an established unit price

In determining the mix of assets, the trustees of the plan have taken into account the plan liabilities. In particular, the significant bond holdings are intended to reduce the volatility of the financial position. The assets are diversified and are managed in accordance with applicable laws, and with the goal of maximising the plan's return within acceptable risk parameters. The pension plan's assets do not include any direct ownership of the Company. Information on indirect ownership via investment in the pooled pension funds held is not readily available.

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21. Pension scheme (continued)

Estimated Future Benefit Payments:

There is no further accrual of benefits because plan participants include only terminated employees. The only contributions required are those needed to fund the statutory shortfall in the plan. During 2023, it is expected that there are no further recovery contributions payable by the Company. Administrative costs of the plan are paid directly by the Company. The expected future benefit payments for the plan at 30 September 2022 are as follows (in thousands of US dollars):

Year ending 30 September	Amount \$'000
2023	295
2024	306
2025	319
2026	323
2027-2031	1,818

22. Related party transactions

Group

During the period the Group entered into transactions, in the ordinary course of business, with other related parties within the Aptos Group of companies.

Sales and purchases between related parties are made on an arm's length basis. Outstanding trade receivable and payable balances with related parties (including subsidiaries) are unsecured, interest free with no specified credit period.

		Sales to related parties \$'000	Expenses incurred with related parties \$'000	Interest received from related parties \$'000	Amounts owed to related parties \$'000	Amounts owed from related parties \$'000	Net Receivable owed from related parties \$'000
Aptos LLC	2022	19,094	17,861	5,397	38,668	44,815	6,147
	2021	19,981	17,993	5,586	24,877	28,081	3,204
Miscellaneous Aptos entities	2022	3,482	5,988	524	1,946	2,221	275
	2021	4,904	1,288	333	17	3,259	3,242

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22. Related party transactions (continued)

Loans to affiliates

As at 30 September 2022, the Group has outstanding loans receivable from its affiliated company, Aptos LLC and Aspen US Buyer LLC, amounting to \$67.4 million [\$67.4 million outstanding loans receivable as at 30 September 2021]. The loans are unsecured and repayable in full according to the schedule below.

Loan amount	Interest rate	Maturity
26,900,000 – Aptos LLC	8.25%	25 August 2022
34,600,000 – Aptos LLC	8.97%	22 July 2026
5,000,000 – Aspen US Buyer LLC	8.97%	On demand
900,000 – Aspen US Buyer LLC	7.55%	On demand

Company

During the period the Company entered into transactions, in the ordinary course of business, with other related parties within the Aptos Group of companies.

Outstanding trade receivable and payable balances with related parties (including subsidiaries) are unsecured, interest free with no specified credit period.

		Interest due to related parties \$'000	Amounts owed to related parties \$'000	Amounts owed from related parties \$'000	Net Receivable due to related parties \$'000
Aptos Solutions UK Limited	2022	116	192	—	192
	2021	75	76	—	76
Miscellaneous Aptos entities	2022	—	15	—	15
	2021	—	16	—	16

Loans to affiliates

As at 30 September 2022, the Company has outstanding loans payable to its affiliated company, Aptos Solutions UK Limited, amounting to \$210.4 million [\$210.4 million outstanding loans payable as at 30 September 2021]. The loans are unsecured and repayable in full according to the schedule below.

Loan amount	Interest rate	Maturity
209,000,000 – Aptos Solutions UK Limited	0%	On demand
1,373,365 – Aptos Solutions UK Limited	8.37%	On demand

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

22. Related party transactions *(continued)*

Transactions with key management personnel

The compensation of key management personnel (including the Directors), for the Group, is as follows:

	2022 \$'000	2021 \$'000
Key management emoluments including social security costs	994	702
Company contributions in respect of money purchase pension schemes	19	46
<i>Total</i>	<i>1,013</i>	<i>748</i>

Key management personnel are employed in respect of their qualifying services to the Group as a whole. No emoluments were paid to them in respect of their qualifying services to the parent company in during 2022 [2021: nil].

23. Controlling parties

The Company is a wholly owned subsidiary of Aspen Jersey Midco Limited, a company incorporated in Jersey. The Company is indirectly controlled by certain private equity investment funds managed by the Merchant Banking Division of Goldman Sachs.

The smallest group in which the results of the Company are consolidated is that headed by Aspen UK Buyer Limited. The audited consolidated financial statements of the Group are publicly available and may be obtained at the registered office at 1st Floor, 10 Temple Back, Bristol, United Kingdom, BS1 6FL.

The largest group in which the results of the Company are consolidated is that headed by Aspen Jersey Topco Limited. The audited, consolidated accounts of Aspen Jersey Topco Limited are not publicly available. No other group financial statements include the results of the Company.

24. Investments in subsidiaries

Parent Company

	\$'000
At 1 October 2021 and 30 September 2022	502,865

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

24. Investments in subsidiaries (continued)

The consolidated financial statements of the Group include the Company and the following subsidiaries, in all of which the Company holds, directly or indirectly, 100% of the ordinary shares:

Name	Country of incorporation	# of shares held	Principal activity
Direct subsidiaries			
Aptos UK Holding Limited	England and Wales	1,002	Holding Company
Aptos Canada Inc.	Canada	2	Software publishing and computer systems services
Aspen UK Retail 1 Ltd	England and Wales	100	Holding Company
Indirect subsidiaries			
Aspen UK Retail 2 Ltd	England and Wales	100	Holding Company
Aspen Iceland Buyer ehf.	Iceland	500,000	Holding Company
Aptos UK Holding No. 2 Limited	England and Wales	1,001	Holding Company
Aptos UK Holding No. 3 Limited	England and Wales	1	Holding Company
Aptos Solutions UK Limited	England and Wales	2,001	Software publishing and computer systems services
NSB Retail Systems Limited	England and Wales	420,498,028	Software publishing and computer systems services (inactive)
NSB Retail Solutions Limited	England and Wales	70,839,230	Software publishing and computer systems services (inactive)
NSB Associates Limited	England and Wales	10,000	Holding Company
NSB Enterprises Limited	England and Wales	0	Holding Company
NSB Retail	England and Wales	7,026,923	Holding Company
NSB Retail No.2 Limited	England and Wales	20,000	Design and service of retail systems (inactive)
NSB Retail No.3 Limited	England and Wales	100	Design and assembly of data entry products (inactive)
Aptos Italy srl	Italy	1	Software publishing and computer systems services
Aptos France SARL	France	130,000	Software publishing and computer systems services
Aptos Germany Holding GmbH	Germany	25,000	Holding Company
Aptos Germany GmbH	Germany	1,300,000	Software publishing and computer systems services
Aptos MLM Solutions UK Limited	England and Wales	3,479,085	Software publishing and computer systems services
Aptos Software Mexico, S. de R.L. de C.V.	Mexico	2	Software publishing and computer systems services
Aptos Asia Pacific Limited	Hong Kong	100,000	Software publishing and computer systems services
Aptos Shanghai Limited	China	50,000	Software publishing and computer systems services
Aptos Australia Pty Ltd	Australia	11,100,000	Software publishing and computer systems services

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

24. Investments in subsidiaries (continued)

Name	Country of incorporation	# of shares held	Principal activity
Aptos Philippines Inc.	Philippines	96,233	Software publishing and computer systems services
Aptos India Private Ltd.	India	10,000	Software publishing and computer systems services
Aptos Software Singapore PTE. LTD.	Singapore	10,000	Software publishing and computer systems services
Aptos Software Solutions Spain SL	Spain	1	Software publishing and computer systems services
LS Retail (Canada) Inc.	Canada	1,000	Software publishing and computer systems services
LS Retail ehf.	Iceland	58,700	Software publishing and computer systems services
LS Retail Denmark APS	Denmark	500	Software publishing and computer systems services
LandsteinarStrengur Retail Sdn. Bhd.	Malaysia	400,000	Software publishing and computer systems services
LandsteinarStrengur Retail (portal), Unipessoal, Lda	Portugal	1	Software publishing and computer systems services
LS Retail (Australia) Pty Ltd.	Australia	100,000	Software publishing and computer systems services
LS Retail DMCC	Dubai	1	Software publishing and computer systems services
LS Retail Sweden AB	Sweden	1,000	Software publishing and computer systems services
LS Retail (New Zealand) Limited	New Zealand	1,000	Software publishing and computer systems services
LS Retail UK Ltd	England and Wales	1,000	Software publishing and computer systems services
LS Retail Asia Pacific Pte. Ltd	Singapore	50,001	Software publishing and computer systems services

Aspen UK Buyer Limited

Notes to the consolidated financial statements

For the period ended 30 September 2022

24. Investments in subsidiaries (continued)

The registered address for all of the Aptos England and Wales subsidiaries is: First Floor Templeback, 10 Temple Back, Bristol, United Kingdom, BS1 6FL. The addresses of the remaining entities are as follows:

Name	Address
Aptos Canada Inc.	9300 Trans-Canada Highway, Suite 300, Saint-Laurent, Quebec, Canada H4S 1K5
Aspen Iceland Buyer	Borgartuni 26 105, Reykjavik Iceland
Aptos Italy srl	Via Chiese 72/74, 20126 Milan
Aptos France SARL	39 rue Saint Lazare, 75009 PARIS
Aptos Germany GmbH	Neefestrasse 88, 09116 Chemnitz
Aptos Germany Holding GmbH	Neefestrasse 88, 09116 Chemnitz
Aptos Software Solutions Spain SL	Calle Buenos Aires, numero 60, 2, 1, 08036 Barcelona
Aptos Software Singapore PTE. LTD.	1 Raffles Place #17-02 One Raffles Place, Singapore 048616
Aptos AsiaPacific Limited	22nd Floor, Tai Yau Building, 181 Johnston Road, Wanchai, Hong Kong
Aptos Australia Pty Ltd	Level 1, 55 Bourke Road, Alexandria NSW 2015
Aptos Philippines Inc.	Level 29, Joy Nostaig Center, 17 ADB Avenur, Ortigas Center, Philippines 1600
Aptos India Private Ltd.	Level 8, Umiya Business Bay Tower 1, Cessna Business Park Kadubeesanahalli, Marathahalli -0 Sarjapur Outer Ring Road, Bangalore, India 560103
Aptos Shanghai Limited	#11-116 Building of We Work, Wanhangu Road, Jing-an China
Aptos Software Mexico, S. de R.L. de C.V.	Blvd. Antonio L. Rodriguez 2100, Piso 14, Oficina 4, Monterrey, Mexico, Col. Santa Maria, Monterrey, N.L., C.P. 64650
LS Retail (Canada) Inc.	100 King Street West – Suite 3400, 1 First Canada Place, Toronto, Ontario, Canada M5X 1A4
LS Retail ehf.	Hagasmari 3, 201 Kopavogur, Reykjavik Iceland
LS Retail Denmark APS	Praestevøj 10 A, DK-3480, Fredensborg, Denmark
LandsteinarStrengur Retail Sdn. Bhd.	B2-8-2, Meritus, No.2 Jalan PJU 1A/2, Oasis Corporate Park, Oasis Damansara, 47301, Petaling Jaya
LandsteinarStrengur Retail (portal), Unipessoal, Lda	Rua Castilho nr. 20, 4 Lisboa 1250 069
LS Retail (Australia) Pty Ltd.	KPMG, Level 38, Tower 3, International Towers Sydney, 300 Barangaroo Avenue, Sydney NSW 2000
LS Retail DMCC	Unit No: 1202, Platinum Tower, Plot No: JLT-PH1-I2, Jumeirah Lake Towers, 71067, Dubai, United Arab Emirates
LS Retail Sweden AB	Bigatan 95, SE-603 61, Norrköping
LS Retail (New Zealand) Limited	Hayes Knight Limited, Level 1, 5 William Laurie Place, Albany, 0632, Auckland
LS Retail Asia Pacific Pte. Ltd	10 Anson Road #28-01, International Plaza, 079903, Singapore
LS Retail UK Limited	3rd Floor Fairgate House, 78 New Oxford Street, WC1A 1HB, London

Notes to the consolidated financial statements

For the period ended 30 September 2022

25. Commitments and contingencies

Guarantees

On 11 February 2021, the Group companies pledged their assets as security under the 2021 Credit Agreement entered into by the Borrower Group referred to in note 16. The term loan covered by the 2021 Credit Agreement is secured by a first priority lien on substantially all assets of the Group. The fair value of the assets pledged as security under the 2021 Credit Agreement covers the debt entirely with a ratio of approximately 4:1.

26. Long lived assets held for sale

PLM

In September 2021, the Company announced plans to dispose of the Planning Lifecycle Management ["PLM"] division of the Aptos cash generating unit. As at 19 August 2022, the criteria for classification as long-lived assets held for sale had all been met in accordance with IFRS 5, and a letter of intent had already been signed with a prospective buyer. The PLM disposal group is a product line within the Aptos cash generating unit, and as such, does not meet the definition of a component of an entity in accordance with IFRS 5.

It was determined that the carrying value of the PLM long-lived assets held for sale group of \$21.4 million was lower than the expected fair value less costs to sell of \$32.9 million for the PLM long-lived asset group. As such, no write-down was recorded in the consolidated statement of comprehensive loss for the year ended 30 September 2022.

SCM

In September 2021, the Company announced plans to dispose of the Supply Chain Management ["SCM"] division of the Aptos cash generating unit. As at September 30, 2021, the criteria for classification as long-lived assets held for sale had all been met in accordance with IFRS 5, and a letter of intent had already been signed with a prospective buyer. The SCM disposal group is a product line within the Aptos cash generating unit, and as such, does not meet the definition of a component of an entity in accordance with IFRS 5.

The carrying value of the SCM long-lived assets held for sale of \$2.5 million were written down to the fair value less costs to sell of \$1.8 million, resulting in a loss of \$0.7 million being recorded in the consolidated statement of comprehensive loss for the year ended 30 September 2021.

The sale of the SCM long-lived asset group was closed on November 30, 2021. The long-lived asset group was sold to Tesi Deutschland GmbH for a purchase consideration of \$2.0 million. The company incurred costs of sale amounting to \$0.2 million with respect to this transaction.

27. Events since the balance sheet date

The sale of the PLM long-lived asset group was subsequently closed on October 31, 2022. The long-lived asset group was sold to Aptean for a purchase consideration of \$37.1 million. The company incurred costs of sale amounting to \$4.2 million with respect to this transaction.

There are no other subsequent events to report between the balance sheet date and the issuance of these financial statements.