



## Mobilise (Midco 2) Limited

Annual report and consolidated financial  
statements

Year ended 31 December 2022

Company registration number: 12948402



## Mobilise (Midco 2) Limited

### Annual report and consolidated financial statements

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## Mobilise (Midco 2) Limited

### Directors and other information

<b>Directors</b>	Mr J Darragh Mr S Delaney Mr T Keen Mr G Adams Mr C Hornung
<b>Registered office</b>	2c Crown Business Park Cowm Top Lane Rochdale OL11 2PU
<b>Auditor</b>	KPMG Chartered Accountants The Soloist Building 1 Lanyon Place Belfast BT1 3LP
<b>Banker</b>	HSBC Bank plc 4 <sup>th</sup> Floor 5 Donegall Square South Belfast BT1 2BE
<b>Solicitor</b>	Pinsent Masons Belfast LLP 1 Lanyon Place Belfast BT1 3LP
<b>Company registration number</b>	12948402

## **Mobilise (Midco 2) Limited**

### **Directors' report**

The directors present their report and consolidated financial statements of Mobilise (Midco 2) Limited ('the Company') and its subsidiaries (collectively 'the Group') for the year ended 31 December 2022.

#### **Dividends**

The directors have not recommended a dividend.

#### **Research and development**

During the year, costs of £2,855,731 were capitalised in respect of activities which are deemed to be development activities in accordance with the accounting policies (period ended 31 December 2021: £2,832,063). Research and development costs of £5,549,876 were expensed during the year (period ended 31 December 2021: £6,504,836).

#### **Directors**

The directors who held office during the year were:

Mr J Darragh  
Mr S Delaney  
Mr T Keen  
Mr G Adams  
Mr C Hornung

#### **Political contributions**

The Group and Company made no political contributions nor incurred any political expenditure in the year ended 31 December 2022.

#### **Future developments**

The directors do not envisage any change in the activity of the Group for the foreseeable future.

#### **Disclosure of information to auditors**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group and Company's auditor is 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 Group and Company's auditor is aware of that information.

#### **Greenhouse gas emissions and energy consumption**

From financial periods beginning on or after 1 April 2019, large UK companies are required to report publicly on their UK energy use and carbon emissions within their Directors' report. This new requirement has been implemented by the Department for Business, Energy and Industrial Strategy (BEIS). The Group as a whole meets the thresholds set out in these requirements, however none of the subsidiaries within the Group individually meet the threshold and as such the group has nothing to disclose in the current period.

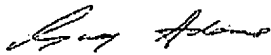
## Mobilise (Midco 2) Limited

### Directors' report *(continued)*

#### **Auditor**

During the year, KPMG, Chartered Accountants, were appointed auditor pursuant to Section 485 of the Companies Act 2006.

On behalf of the board



Gary Adams  
Director

27 April 2023

# Mobilise (Midco 2) Limited

## Strategic report

### Business review

#### Principal activities

The Group's principal activities during the year were that of the sale of computer software and related products and services.

#### Review of business

2022 marked another positive year for the Group, with further growth being driven through a combination of organic sales and a successful acquisition. The Group also maintained a focus on further enhancing their comprehensive product range, that delivers value across all areas of the field service process, while enabling further differentiation by moving towards a more vertical specific operating model, that offers additional industry expertise to ensure a greater return on investment for the customer.

#### Key performance indicators

The key performance indicators for the Group are highlighted in the table below:

	Year ended 31 December 2022	Period ended 31 December 2021*
Revenue	£46,478k	£41,481k
Recurring revenues	£36,986k	£32,212k
Adjusted EBITDA*	£13,005k	£13,235k
Adjusted EBITDA Margin	28%	32%

The reconciliation of EBITDA to the numbers reported in the statutory financial statements are as follows:

	Year ended 31 December 2022	Period ended 31 December 2021
Reconciliation to Adjusted EBITDA	£'000	£'000
Loss before interest and tax	(18,402)	(22,651)
Add back:		
Amortisation of intangible assets	25,954	26,072
Depreciation of tangible fixed assets	375	416
Non-recurring items**	3,471	3,185
Share based payment charge	754	1,765
Non-executive / board monitoring fees	324	507
Fair value adjustments***	529	3,941
Adjusted EBITDA	13,005	13,235

\*The prior period comparative includes the results from 13 October 2020 to 31 December 2021.

\*\*Management define non-recurring items as expenditure incurred for activities not considered part of the ongoing trade in the Group.

\*\*\* Fair value adjustment of £529k relates to acquired deferred income on the acquisition of Working Time Solutions Limited (2021: £3,807k relating to acquired deferred income on the acquisition of Cobra Topco Limited, Cognito IQ Limited and Geoforms Software Limited)

## Mobilise (Midco 2) Limited

### Strategic report *(continued)*

#### Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The principal risk factors affecting the Group's business are outlined below. These are not all within the Group's control; other factors besides those listed may also affect the Group.

#### Project delivery risk

The success of the Group's business is dependent in part on the successful implementation of projects within budget, cost and specification. The delivery of these projects is subject to certain technical, commercial, legal, contractor and economic risks. The Group seeks to minimise this risk through the use of formal project implementation methodologies, allocation of trained and experienced personnel and proactive project management.

#### Strategic and operational risks

- The nature and speed of market changes occurring as a result of the UK Government's agenda for change and increased efficiencies in local government.
- Market changes towards shared customer and management services.
- Customer consolidation.

#### Financial risks

The Group's activities expose it to a number of financial risks including costs, the nature of commercial contracts, exchange rates, insurances and other financial risks. The Group's financial instruments comprise cash and other items such as trade debtors and creditors arising from operations. The main risks arising from these financial instruments are credit risk, liquidity risk and foreign exchange risk.

The board reviews and agrees policies for the prudent management of these financial risks as follows:

#### Credit risk

This is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's principal financial assets are trade and other receivables and bank balances. The Group's credit risk attributable to its trade receivables is limited as the greater majority of the Group's customers are government bodies in the UK. The credit risk on bank balances is limited because the counterparties to these assets are highly rated financial institutions.

The amounts presented in the balance sheet are net of allowances for doubtful receivables. The Group has no significant concentration of credit risk, with exposure widely spread over a large number of customers.

#### Liquidity risk

The Group's objective is to maintain a balance and continuity of funding and flexibility through the use of bank overdrafts and longer-term bank facilities. The Group has strong operating cash inflows and has focused efforts on managing its working capital.

# Mobilise (Midco 2) Limited

## Strategic report *(continued)*

### **Section 172 compliance statement**

The Directors have acted in good faith to promote the success of the Group for the benefit of its members as a whole. In doing so, they have given regard, amongst other matters, to the following matters set out in Section 172(1)(a) to (f) of the Companies Act 2006:

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

An explanation of how the views of stakeholders have been taken into account in the Board's decision making during the year is detailed below.

#### *Employees*

The Group uses an increased range of communication channels to keep its employees involved in the Group's affairs to engage them and keep them informed and appraised on performance and other business related matters. The Group continues to oppose all forms of unlawful and unfair discrimination. It remains the Group's policy to promote equality of opportunity for all our employees during their employment.

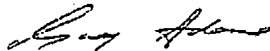
#### *Engagement with suppliers, customers and others in a business relationship with the Group*

The Group recognises that it plays an important role in relation to many other stakeholders, including suppliers, customers and others who benefit directly or indirectly from its products and services. The Group is particularly aware of its responsibilities to maintain high standards in all aspects of its business. The Group regularly interacts with these stakeholders to understand their views and communicate the Group's strategy and policies.

### **Post balance sheet events**

There were no events since the balance sheet date that would require adjustment or disclosure in the financial statements.

On behalf of the board



Mr G Adams  
Director

27 April 2023



## Mobilise (Midco 2) Limited

### Statement of directors' responsibilities in respect of the directors' report, the strategic report and the financial statements

The directors are responsible for preparing the directors' report, strategic report and the Group and Company financial statements in accordance with applicable law and regulations.

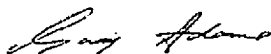
Company law requires the directors to prepare Group and Company financial statements for each financial year. Under that law they have elected to prepare the Group and Company financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* as applied in accordance with the provisions of Companies Act 2006.

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the Group's profit or loss for that period. In preparing the Group and Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Company or to cease operations, or have no realistic alternative but to do so.

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 its financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

On behalf of the board



Mr G Adams  
Director

27 April 2023



**KPMG**  
**Audit**  
The Soloist Building  
1 Lanyon Place  
Belfast BT1 3LP  
Northern Ireland

## Independent auditor's report to the members of Mobilise (Midco 2) Limited

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of Mobilise (Midco 2) Limited ("the Company") and its consolidated undertakings ("the Group") for the year ended 31 December 2022 set out on pages 12 to 52, which comprise the consolidated profit and loss account and other comprehensive income, the consolidated and Company balance sheet, the consolidated and Company statement of changes in equity, the consolidated cash flow statement and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2022 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (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*

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group and the Company's business model and analysed how those risks might affect the Group and the Company's financial resources or ability to continue operations over the going concern period.

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.



## Independent auditor's report to the members of Mobilise (Midco 2) Limited (continued)

### **Conclusions relating to going concern (continued)**

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 or the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the Company will continue in operation.

### **Detecting irregularities including fraud**

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Group's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Group's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Group is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law and environmental law.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition. We identified a fraud risk in the Company in respect of the revenue recognition of perpetual licenses and certain transactions with a similar revenue recognition profile.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.



Independent auditor's report to the members of Mobilise (Midco 2) Limited  
(continued)

***Detecting irregularities including fraud (continued)***

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

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

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.



Independent auditor's report to the members of Mobilise (Midco 2) Limited  
(continued)

**Respective responsibilities and restrictions on use**

***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and 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 they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.

***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

***The purpose of our audit work and to whom we owe our responsibilities***

Our 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.

**John Poole (Senior Statutory Auditor)**  
**for and on behalf of KPMG, Statutory Auditor**  
The Soloist Building  
1 Lanyon Place  
Belfast  
BT1 3LP

27 April 2023

## Mobilise (Midco 2) Limited

### Consolidated profit and loss account and other comprehensive income For the year ended 31 December 2022

		Year ended 31 December 2022 £	Period from incorporation on 13 October 2020 to 31 December 2021 £
	Note		
Turnover	2	46,477,687	41,480,719
Cost of sales		(7,034,602)	(5,850,412)
<b>Gross profit</b>		<b>39,443,085</b>	<b>35,630,307</b>
Operating expenses		(57,845,043)	(58,332,244)
Other operating income	3	-	50,988
<b>Operating loss</b>		<b>(18,401,958)</b>	<b>(22,650,949)</b>
Change in fair value of other financial instruments		730,075	-
Interest payable and similar expenses	7	(7,253,694)	(6,717,765)
<b>Loss before taxation</b>		<b>(24,925,577)</b>	<b>(29,368,714)</b>
Tax on loss	8	236,735	117,483
<b>Loss for the financial period</b>		<b>(24,688,842)</b>	<b>(29,251,231)</b>
<b>Other comprehensive income for the period</b>		<b>-</b>	<b>-</b>
<b>Total comprehensive loss for the period</b>		<b>(24,688,842)</b>	<b>(29,251,231)</b>

All reported profits arise from continuing operations.

The notes on pages 18 to 52 form part of these financial statements.

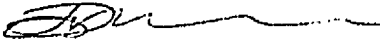
## Mobilise (Midco 2) Limited

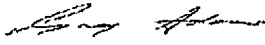
### Consolidated balance sheet as at 31 December 2022

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Goodwill and intangible assets	9		179,308,896		196,282,855
Tangible assets	10		395,114		671,559
			<u>179,704,010</u>		<u>196,954,414</u>
<b>Current assets</b>					
Stocks	14	102,308		130,739	
Contract assets		739,448		453,489	
Debtors	12	15,167,623		11,426,464	
Cash at bank and in hand	13	6,959,394		7,496,541	
		<u>22,968,773</u>		<u>19,507,233</u>	
<b>Creditors: amounts falling due within one year</b>					
	15	(168,387,682)		(164,096,569)	
<b>Net current liabilities</b>			<u>(145,418,909)</u>		<u>(144,589,336)</u>
<b>Total assets less current liabilities</b>			<u>34,285,101</u>		<u>52,365,078</u>
<b>Creditors: amounts falling after one year</b>					
	16	(81,533,360)		(74,742,318)	
<b>Provisions for liabilities</b>					
Deferred tax liability	8	(1,173,473)		(1,413,403)	
<b>Net liabilities</b>			<u>(48,421,732)</u>		<u>(23,790,643)</u>
<b>Capital and reserves</b>					
Called up share capital	18		1		1
Foreign Currency Reserve			57,753		-
Profit and loss account			(53,940,073)		(29,251,231)
Capital contribution	18		5,460,587		5,460,587
<b>Shareholder's funds</b>			<u>(48,421,732)</u>		<u>(23,790,643)</u>

These financial statements were approved by the board of directors on 27 April 2023.

On behalf of the board

  
Jim Darragh  
Director

  
Gary Adams  
Director

Company registration number: 12948402

The notes on pages 18 to 52 form part of these financial statements.

# Mobilise (Midco 2) Limited

## Company balance sheet as at 31 December 2022

	<i>Note</i>	<b>2022</b> £	<b>2021</b> £
<b>Fixed assets</b>			
Investments	11	1	1
		<hr/>	<hr/>
<b>Current assets</b>			
Debtors	12	124,897,499	124,897,499
Creditors: amounts falling due within one year	15	(124,897,499)	(124,897,499)
		<hr/>	<hr/>
<b>Net current assets</b>		-	-
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		1	1
		<hr/>	<hr/>
<b>Net assets</b>		1	1
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	18	1	1
		<hr/>	<hr/>
<b>Shareholder's funds</b>		1	1
		<hr/>	<hr/>

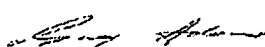
The Company's profit for the year ended 31 December 2022 was £Nil (period ended 31 December 2021: £Nil).

These financial statements were approved by the board of directors on 27 April 2023.

On behalf of the board



Jim Darragh  
Director



Gary Adams  
Director

Company registration number: 12948402

The notes on pages 18 to 52 form part of these financial statements.



## Mobilise (Midco 2) Limited

### Consolidated statement of changes in equity for year ended 31 December 2022

	Called up share capital £	Profit and loss account £	Foreign currency Reserve £	Capital contribution £	Total Equity £
<b>Balance at 13 October 2020</b>	-	-	-	-	-
<b>Total comprehensive loss for the period</b>					
Loss for the period	-	(29,251,231)	-	-	(29,251,231)
Other comprehensive income	-	-	-	-	-
<b>Total comprehensive loss for the period</b>	-	(29,251,231)	-	-	(29,251,231)
<b>Transactions with owners</b>					
Issue of shares	1	-	-	-	1
Capital Contribution	-	-	-	5,460,587	5,460,587
<b>Total Transactions with owners</b>	1	-	-	5,460,587	5,460,588
<b>Balance at 31 December 2021</b>	1	(29,251,231)	-	5,460,587	(23,790,643)
<b>Balance at 1 January 2022</b>	1	(29,251,231)	-	5,460,587	(23,790,643)
<b>Total comprehensive loss for the year</b>					
Loss for the year	-	(24,688,842)	-	-	(24,688,842)
Other comprehensive income	-	-	-	-	-
Foreign Exchange movement	-	-	57,753	-	57,753
<b>Total comprehensive loss for the year</b>	-	(24,688,842)	57,753	-	(24,631,089)
<b>Balance at 31 December 2022</b>	1	(53,940,073)	57,753	5,460,587	(48,421,732)

The notes on pages 18 to 52 form part of these financial statements.

## Mobilise (Midco 2) Limited

### Company statement of changes in equity for the year ended 31 December 2022

	Called up share capital £	Total equity £
<b>Balance at 13 October 2020</b>	-	-
<b>Total comprehensive loss for the period</b>		
Loss for the period	-	-
Other comprehensive income	-	-
	<hr/>	<hr/>
<b>Total comprehensive loss for the period</b>	-	-
	<hr/>	<hr/>
<b>Transactions with owners</b>		
Shares issued	1	1
Share based payment charge	-	-
	<hr/>	<hr/>
<b>Total transactions with owners</b>	1	1
	<hr/>	<hr/>
<b>Balance at 31 December 2021</b>	1	1
	<hr/>	<hr/>
<b>Balance at 1 January 2022</b>	-	-
<b>Total comprehensive loss for the year</b>		
Loss for the year	-	-
Other comprehensive income	-	-
	<hr/>	<hr/>
<b>Total comprehensive loss for the year</b>	-	-
	<hr/>	<hr/>
<b>Transactions with owners</b>		
Shares issued	-	-
Share based payment charge	-	-
	<hr/>	<hr/>
<b>Total transactions with owners</b>	-	-
	<hr/>	<hr/>
<b>Balance at 31 December 2022</b>	1	1
	<hr/>	<hr/>

The notes on pages 18 to 52 form part of these financial statements.

## Mobilise (Midco 2) Limited

### Consolidated cash flow statement for the year ended 31 December 2022

		Year ended 31 December 2022	Period from incorporation on 13 October 2020 to 31 December 2021
	Note	£	£
<b>Cash flows from operating activities</b>			
Loss for the period		(24,688,842)	(29,251,231)
<i>Adjustments for:</i>			
Depreciation and amortisation and impairment		26,328,898	26,487,980
Interest payable and similar charges		7,253,694	6,717,765
Gain on interest hedge		(730,075)	-
Taxation		(236,735)	(117,483)
Share based payment charge		753,702	1,764,600
		<u>8,680,642</u>	<u>5,601,631</u>
Decrease in stocks		28,431	9,584
Increase in contract assets		(285,955)	(2,910)
Increase in trade and other debtors		(1,876,653)	(2,724,250)
Increase in trade and other creditors		3,699,740	642,016
Tax received		390,636	704,817
		<u>10,636,841</u>	<u>4,230,888</u>
<b>Net cash from operating activities</b>			
<b>Cash flows from investing activities</b>			
Acquisition of tangible fixed assets		(98,668)	(236,401)
Acquisition of intangible assets		(2,855,731)	(2,832,063)
Acquisition of a subsidiary, net of cash acquired		(5,993,043)	(170,404,463)
Payment of deferred purchase consideration		(1,403,430)	(7,500,000)
		<u>(10,350,872)</u>	<u>(180,972,927)</u>
<b>Net cash from investing activities</b>			
<b>Cash flows from financing activities</b>			
Issue of shares		-	1
Investment from shareholders		-	5,460,587
Acquisition funding from shareholders		-	142,375,702
Drawdown of loans and borrowings		6,331,607	73,825,987
Investment in interest hedge		(647,461)	-
Repayment of loans and borrowings		-	(31,985,080)
Interest paid		(6,507,262)	(5,438,617)
		<u>(823,116)</u>	<u>184,238,580</u>
<b>Net cash from financing activities</b>			
Net increase in cash and cash equivalents		(537,147)	7,496,541
Cash and cash equivalents at beginning of year		7,496,541	-
		<u>6,959,394</u>	<u>7,496,541</u>
<b>Cash and cash equivalents at end of year/period</b>	13		

# Mobilise (Midco 2) Limited

## Notes

*forming part of the consolidated financial statements*

### 1 Accounting policies

Mobilise (Midco 2) Limited ("the Company") is a private company incorporated, domiciled and registered in England. The registered number is 12948402 and the registered address is 2c Crown Business Park, Cowm Top Lane, Rochdale, England, OL11 2PU.

These Group and Company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is Sterling.

The parent Company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent Company financial statements have been applied:

- No separate parent company cashflow statement with related notes is included; and,
- Key Management Personnel compensation has not been included a second time.
- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- Certain disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 25.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

The financial statements are prepared on the going concern basis, notwithstanding net liabilities of £48,421,732, which the directors believe to be appropriate for the following reasons. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. The Group has net liabilities of £48,421,732 and made a loss of £24,688,842 which included the amortisation of goodwill and intangible assets of £25,953,785, together with interest payable on bank loans of £7,253,694. The amortisation of goodwill and intangible assets do not result in any cash movement.

Of the total current liabilities at 31 December 2022, £143,091,825 relates to amounts owed to group undertakings. Mobilise (Midco 1) Limited, the immediate parent undertaking, has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Group and in particular does not intend to seek repayment of the amounts currently made available. The directors consider that this should enable the Group and Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any Group or Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

# Mobilise (Midco 2) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.2 Going concern (continued)

After making enquiries, the directors have a reasonable expectation that the Group and Company has more than adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

#### 1.3 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2022. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

#### 1.4 Foreign currency

Transactions in foreign currencies are translated to the Group's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

The assets and liabilities of foreign operations are translated to the Group's presentational currency, Sterling, 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 period where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

#### 1.5 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

# Mobilise (Midco 2) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.6 Basic financial instruments

##### *Trade and other debtors/creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### *Cash and cash equivalents*

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

#### 1.7 Other financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk.

Derivatives financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Derivatives are valued based on the market expectation of future interest rates, discounted using the SONIA yield curve. The inputs for the valuation of interest rate options are market volatility and interest rates. Forward expectations of market interest rates as at the valuation date are used to calculate both forward rates and discount factors.

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss.

# Mobilise (Midco 2) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.8 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings. The Company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

Leasehold improvements	-	life of lease
Fixtures and fittings	-	20% per annum straight line
Computer equipment	-	33 1/3% per annum straight line
Office equipment	-	20% per annum straight line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefit.

#### 1.9 Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the Group recognises goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- estimated amount of contingent consideration; plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Consideration which is contingent on future events is recognised based on the estimated amount of the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 1 Accounting policies (continued)

##### 1.10 Intangible assets

###### **Goodwill**

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

###### **Research and development**

Expenditure on research and development activities are recognised in the profit and loss account as an expense is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised in respect of software assets includes the cost of direct labour which is directly attributable to preparing the asset for its intended use. Other development expenditure is recognised through profit and loss as an expense as incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, which are presented in operating expenses.

Intangible assets are amortised based on the cost of the asset less its residual value. Amortisation is charged to the income statement on a straight-line basis over the estimated useful life of the intangible asset, from the date the asset is available for use as follows:

Developed software	20% - 50%
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Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.



# Mobilise (Midco 2) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.10 Intangible assets (continued)

##### **Other intangible assets**

Other intangible assets that are acquired by the Company and Group are stated at cost less accumulated amortisation and less accumulated impairment losses.

The cost of intangible assets acquired in a business combination are capitalised separately from goodwill if the fair value can be measured reliably at the acquisition date.

##### **Amortisation**

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Internally generated software - 2 - 5 years

The basis for choosing these useful lives is the core element of internally generated software is gradually replaced over a two year period.

Goodwill is amortised on a straight line basis over its useful life. Goodwill has no residual value. The finite life of goodwill is estimated to be 10 years.

The fair value of intangible assets acquired in a business combination is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

The Group reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

#### 1.11 Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

#### 1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, director labour costs and those overheads that have been incurred in bringing stocks to their present location and condition. At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment are also recognised in profit or loss.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 1 Accounting policies (continued)

##### 1.13 Contract related assets

When hardware that is integral to the provision of services is provided to the customer it is capitalised as a contract related asset. This asset is amortised over the contract life which is typically 24 months. The balance expected to be amortised over the next 12 months is £347,463.

##### 1.14 Impairment excluding stocks and deferred tax assets

###### *Financial assets (including trade and other debtors)*

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. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 1 Accounting policies (continued)

##### **Non-financial assets**

The carrying amounts of the entity's non-financial assets, other than stocks and 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. 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") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

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 is reversed if and only if the reasons for the impairment have ceased to apply.

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 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.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 1 Accounting policies (continued)

##### 1.15 Employee benefits

###### ***Defined contribution plans and other long term employee benefits***

A defined contribution plan is a post-employment benefit plan under which the entity 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 profit and loss account in the periods during which services are rendered by employees.

###### ***Share-based payment arrangements***

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

On the lapse of share options on the vesting date the amount recognised in shares to be issued is transferred to retained earnings. On the exercise of share options, the amount recorded in shares to be issued is transferred to retained earnings.

Where the Company grants rights to its equity instruments to the Group's employees, the Company accounts for the fair value of the share based payment, measured at the date of grant, as an increase in the carrying value of the investment in the subsidiary, recognised over the period during which the employees become unconditionally entitled to the share option. No expense is recognised in the profit and loss of the Company for the share based payment. Amounts recharged by the parent are recognised as a recharge reconcile with a corresponding credit to investments in subsidiaries.

##### 1.16 Provisions

A provision is recognised in the balance sheet when the entity 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 recognised at the best estimate of the amount required to settle the obligation at the reporting date.

# Mobilise (Midco 2) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.17 Turnover

Revenue comprises the fair value of the sale of goods and services to external customers net of value added tax, volume and promotional rebates, allowances and discounts. Revenue is recorded when the collection of the amount is reasonably assured and when specific criteria have been met as detailed below. On contracts involving a combination of products and services, revenue is recognised separately on each deliverable in accordance with the policy below.

Revenue from software sales is recognised upon delivery to the customer where there are no significant vendor obligations remaining following delivery, and the collection of the resulting receivable is considered probable. In instances where significant vendor obligations exist beyond the point of delivery and implementation, revenue recognition is delayed until the obligations have been satisfied.

Where appropriate revenue is recognised over the period services are provided using a percentage completion method.

Revenue from software subscriptions is recognised over the period to which the contracted service relates.

Revenue from associated professional services, such as implementation services, training and consultancy, is recognised when the services are performed, where the period over which the services are delivered is short and no significant vendor obligations exist beyond the point of customer acceptance. Where significant vendor obligations exist beyond the point of customer acceptance then revenue in respect of professional services is recognised over the life of the contract.

Revenue from software maintenance and support contracts is recognised over the period to which the contract relates. Costs associated with these contracts are capitalised within prepayments and recognised as an expense consistent with the transfer of the relates goods or services to the customer over the life of the initial term of the contact.

#### 1.18 Expenses

##### *Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

##### *Interest receivable and interest payable*

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

# Mobilise (Midco 2) Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.19 Taxation

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

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met to the extent that it is not probable that they will reverse in the foreseeable future. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

### 2 Turnover

	Period from incorporation on 13 October 2020 to	
	31 December 2022 £	31 December 2021 £
<i>By geographical market</i>		
United Kingdom	43,521,390	38,794,853
Republic of Ireland	1,507,740	1,265,282
USA and Canada	323,821	308,730
Europe	996,204	945,054
Rest of World	128,532	166,800
	<hr/>	<hr/>
	46,477,687	41,480,719
	<hr/>	<hr/>

The directors consider that the disclosure of revenue by activity to be prejudicial to the interests of the Group and therefore have not disclosed this information.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 3 Other operating income

	31 December 2022 £	Period from incorporation on 13 October 2020 to 31 December 2021 £
Government grants	-	50,988

#### 4 Expenses and auditor's remuneration

	31 December 2022 £	Period from incorporation on 13 October 2020 to 31 December 2021 £
Included in loss are the following items:		
Research and development expensed as incurred	5,549,876	6,504,836
Depreciation of owned fixed assets	375,113	416,386
Amortisation of goodwill and intangibles	25,953,785	26,071,595
Auditor's remuneration		
- audit of these financial statements	4,000	3,730
Amounts receivable by the Company's auditor and its associates in respect of:		
- audit of financial statements of subsidiaries of the Company	175,000	152,670
- taxation compliance services	44,750	40,000

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 5 Staff numbers and costs

The average number of persons employed by the Group including directors during the period analysed by category was as follows:

	Period from incorporation on 13 October 2020 to	
	31 December 2022 No	31 December 2021 No
Sales and marketing staff	58	64
Services and support staff	95	91
Development staff	159	163
Administration staff	41	46
	<hr/>	<hr/>
	353	364
	<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	Period from incorporation on 13 October 2020 to	
	31 December 2022 £	31 December 2021 £
Wages and salaries	21,114,644	20,679,736
Social security costs	2,741,436	2,996,341
Other pension costs	986,872	1,432,773
Share based payment (note 26)	753,702	1,764,600
Less staff related capitalised development costs (note 9)	(2,334,878)	(2,423,553)
	<hr/>	<hr/>
	23,261,776	24,449,897
	<hr/>	<hr/>



## Mobilise (Midco 2) Limited

### Notes (continued)

#### 6 Directors' remuneration

The directors' aggregate emoluments in respect of qualifying services were:

		Period from incorporation on 13 October 2020 To
	31 December 2022 £	31 December 2021 £
Directors' remuneration	621,196	646,785
Company contributions to money purchase pension schemes	33,430	78,791
Amounts paid to third parties in respect of directors' services	151,160	178,121
Share based payment	361,570	899,846
	<u>1,167,356</u>	<u>1,803,543</u>

The aggregate of emoluments paid to the highest paid director was £467,292 and Company pension contributions of £Nil were made to a money purchase scheme on his behalf (period ended 31 December 2021: £755,251 and £Nil respectively).

During the period, retirement benefits were accruing to 2 directors under money purchase schemes (period ended 31 December 2021: 2).

#### 7 Interest payable and similar charges

		Period from incorporation on 13 October 2020 To
	31 December 2022 £	31 December 2021 £
Interest payable on financial liabilities at amortised cost	7,253,694	6,717,765

# Mobilise (Midco 2) Limited

Notes (continued)

## 8 Taxation

### Total tax expenses recognised in the profit and loss account

	31 December 2022 £	Period from incorporation on 13 October 2020 To 31 December 2021 £
<i>Current tax</i>		
Current tax on income for the period	(24,834)	(55,517)
Adjustment in respect of prior periods	40,653	(405,444)
<b>Total current tax</b>	<b>15,819</b>	<b>(460,961)</b>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(232,337)	(46,216)
Impact of change in tax rates	(20,253)	410,980
Adjustments in respect of prior periods	36	(21,286)
<b>Total deferred tax</b>	<b>(252,554)</b>	<b>343,478</b>
<b>Total tax credit</b>	<b>(236,735)</b>	<b>(117,483)</b>

	2022 Current tax £	2022 Deferred tax £	2022 Total tax	Period ended 31 December 2021 Current tax £	Period ended 31 December 2021 Deferred tax £	Period ended 31 December 2021 Total tax
Recognised in profit and loss account	15,819	(252,554)	(236,735)	(460,961)	343,478	(117,483)
<b>Total tax</b>	<b>15,819</b>	<b>(252,554)</b>	<b>(236,735)</b>	<b>(460,961)</b>	<b>343,478</b>	<b>(117,483)</b>

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 8 Taxation (continued)

##### Analysis of current tax recognised in profit and loss

		Period from incorporation on 13 October 2020 to
	31 December 2022	31 December 2021
	£	£
UK corporation tax	15,819	(460,961)
<b>Total current tax recognised in profit and loss</b>	<b>15,819</b>	<b>(460,961)</b>

##### Reconciliation of effective tax rate

		Period from Incorporation on 13 October 2020 To
	31 December 2022	31 December 2021
	£	£
Loss for the period	(24,688,842)	(29,251,231)
Total tax credit	(236,735)	(117,483)
<b>Loss excluding taxation</b>	<b>(24,925,577)</b>	<b>(29,368,714)</b>
Tax using the UK corporation tax rate of 19% (2021: 19%)	(4,735,860)	(5,580,056)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	4,427,276	5,625,575
Non-taxable income	(206,312)	(162,540)
Group relief received	(23,392)	746,796
Carried forward group relief surrendered	-	17,742
Research and development relief	(24,834)	99,077
Deferred tax not previously recognised	-	94,520
Deferred tax not recognised	(706,074)	(576,520)
Impact of change in tax rates	(12,936)	131,028
Share based payments	143,203	118,542
Adjustments to tax charge in respect of previous periods	40,688	(467,044)
Corporate interest restriction	861,504	-
Foreign exchange	-	10,007
RDEC	-	(35,289)
Other timing differences	2	(139,321)
<b>Total tax credit included in profit and loss</b>	<b>(236,735)</b>	<b>(117,483)</b>

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 8 Taxation (continued)

##### Deferred taxation

Deferred tax assets and liabilities are attributable to the following:

	Period from incorporation on 13 October 2020 to	
	31 December 2022 £	31 December 2021 £
Tax losses carried forward	(824,756)	1,115,927
Accelerated capital allowances	640,917	(513,184)
Other timing differences	(99,664)	1,859
Intangible assets	687,732	(970,798)
	<hr/>	<hr/>
<b>Total deferred tax liability</b>	<b>(404,229)</b>	<b>(366,196)</b>
	<hr/>	<hr/>
Deferred tax liability recognised	(1,173,473)	(1,413,403)
Deferred tax asset not recognised	769,244	1,047,207
	<hr/>	<hr/>
	<b>(404,229)</b>	<b>(366,196)</b>
	<hr/>	<hr/>

In the current period, a deferred tax asset has not been recognised due to uncertainty regarding its recoverability.

##### Company

As at 31 December 2022, the Company had an unrecognised deferred tax asset of £1,830 (2021: £Nil).

Following the introduction of the Finance Act 2021, the corporation tax rate will increase from 19% to 25% with effect from 1<sup>st</sup> April 2023 and this will have a consequential effect on the company's future tax charge.

## Mobilise (Midco 2) Limited

### Notes (continued)

9 Intangible assets and goodwill	Goodwill £	Software acquired £	Development costs £	Total £
<b>Cost</b>				
Balance at 31 December 2021	215,115,610	4,406,777	2,832,063	222,354,450
Additions	-	-	2,855,731	2,855,731
Acquisitions	5,776,894	320,727	-	6,097,621
<b>At 31 December 2022</b>	<b>220,892,504</b>	<b>4,727,504</b>	<b>5,687,794</b>	<b>231,307,802</b>
<b>Amortisation and impairment</b>				
At 31 December 2021	24,103,262	1,036,424	931,909	26,071,595
Amortisation for the year	22,041,110	940,155	2,972,520	25,953,785
Exchange adjustments	-	-	(26,474)	(26,474)
<b>Balance at 31 December 2022</b>	<b>46,144,372</b>	<b>1,976,579</b>	<b>3,877,955</b>	<b>51,998,906</b>
<b>Net book value</b>				
At 31 December 2022	174,748,132	2,750,925	1,809,839	179,308,896
<b>At 31 December 2021</b>	<b>191,012,348</b>	<b>3,370,353</b>	<b>1,900,154</b>	<b>196,282,855</b>

#### Amortisation charge

The amortisation charge is recognised in administrative expenses in the profit and loss account.

#### Development costs

Included within development costs capitalised in the year is £2,334,878 of capitalised employee costs (period ended 31 December 2021 is £2,423,553).

## Mobilise (Midco 2) Limited

### Notes (continued)

10 Tangible fixed assets	Office Equipment £	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
<b>Group</b>					
<b>Cost</b>					
At 31 December 2021	250,432	170,910	45,474	609,197	1,076,013
Additions	-	-	13,052	85,616	98,668
Acquisitions	-	-	-	-	-
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2022</b>	<b>250,432</b>	<b>170,910</b>	<b>58,526</b>	<b>694,813</b>	<b>1,174,681</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>					
At 31 December 2021	86,731	45,759	29,603	242,361	404,454
Charge for year	80,586	55,862	12,843	225,822	375,113
Disposals	-	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2022</b>	<b>167,317</b>	<b>101,621</b>	<b>42,446</b>	<b>468,183</b>	<b>779,567</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>					
At 31 December 2022	83,115	69,289	16,080	226,630	395,114
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2021</b>	<b>163,701</b>	<b>125,151</b>	<b>15,871</b>	<b>366,836</b>	<b>671,559</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The Group has no assets held under finance leases.

11 Fixed asset investments	Shares in Group undertakings £
<b>Company</b>	
<b>Cost or valuation</b>	
At 31 December 2021 and 31 December 2022	1
	<hr/>
<b>Net book value</b>	
At 31 December 2021 and 31 December 2022	1
	<hr/>

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 11 Fixed asset investments (continued)

The undertakings in which the Group and Company's interest at the period-end is more than 20% are as follows:

Name	Country of registration or incorporation	Principal activity	Class and percentage of shares held
Mobilise (Bidco) Limited	England	Holding company	100% ordinary shares
Cobra Topco Limited*	Northern Ireland	Holding company	100% ordinary shares
Cobra Midco Limited*	Northern Ireland	Holding company	100% ordinary shares
Cobra Bidco Limited*	Northern Ireland	Holding company	100% ordinary shares
TotalMobile Holdings Limited*	Northern Ireland	Holding company	100% ordinary shares
TotalMobile Limited*	Northern Ireland	Supplying of software and related services	100% ordinary shares
TotalMobile Solutions Limited*	Northern Ireland	Development of mobile application software	100% ordinary shares
Technological Business Solutions Limited*	England	Supplying of software and related services	100% ordinary shares
Cloud Dialogs Ltd*	England	Supplying of software and related services	100% ordinary shares
Lone Worker Solutions Limited*	England	Supplying of software and related services	100% ordinary shares
Continuum Limited*	England	Supplying of software and related services	100% ordinary shares
Global Rosters Limited*	England	Intermediate holding Company	100% ordinary shares
Software Enterprises (UK) Limited*	England	Supplying of software and related services	100% ordinary shares
Totalmobile (Ireland) Limited*	Republic of Ireland	Supplying of software and related services	100% ordinary shares
Cognito IQ Limited*	England	Holding company	100% ordinary shares
Cognito Limited*	England	Supplying of software and related services	100% ordinary shares
Cognito Inc.*	USA	Supplying of software and related services	100% ordinary shares
Working Time Solutions Limited*	England	Supplying of software and related services	100% ordinary shares
Resource Analysts Limited*	England	Supplying of software and related services	100% ordinary shares

\* Interest held indirectly

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 11 Fixed asset investments (continued)

The subsidiary undertakings listed below are exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as this company has guaranteed the subsidiary company under Section 479C of the Act.

Name	Registered Office	Registered Number	Principal activity	Class and percentage of shares held
TotalMobile Solutions Limited	Pilot Point, 21 Clarendon Road, Belfast	NI037785	Development of mobile application software	100% ordinary shares
Technological Business Solutions Limited	Rivergate House, Newbury, England	02904276	Supplying of software and related services	100% ordinary shares
Cloud Dialogs Ltd	Rivergate House, Newbury, England	05561621	Supplying of software and related services	100% ordinary shares
Lone Worker Solutions Limited	2c Crown Bus. Park, Rochdale, England	06999425	Supplying of software and related services	100% ordinary shares
Continum Limited	2c Crown Bus. Park, Rochdale, England	03734499	Supplying of software and related services	100% ordinary shares
Global Rosters Limited	Rivergate House, Newbury, England	08107834	Intermediate holding Company	100% ordinary shares
Software Enterprises (UK) Limited	Rivergate House, Newbury, England	03120073	Supplying of software and related services	100% ordinary shares

#### 12 Debtors

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Trade debtors	8,602,867	-	6,949,316	-
Amounts owed by Group undertakings	-	124,897,499	-	124,897,499
Prepayments and accrued income	3,469,503	-	2,106,288	-
Other debtors	1,692,456	-	1,907,630	-
Other financial instruments	1,377,536	-	-	-
Corporation tax receivable	25,261	-	463,230	-
	<b>15,167,623</b>	<b>124,897,499</b>	<b>11,426,464</b>	<b>124,897,499</b>

Amounts owed by Group undertakings and related parties are unsecured, interest free and have been agreed as being repayable on demand.



## Mobilise (Midco 2) Limited

### Notes (continued)

<b>13 Cash and cash equivalents</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Cash at bank and in hand	6,959,394	7,496,541
	<hr/>	<hr/>
<b>Cash and cash equivalents per cash flow statements</b>	<b>6,959,394</b>	<b>7,496,541</b>
	<hr/>	<hr/>

<b>14 Stocks</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Stock at hand	102,308	130,739
	<hr/>	<hr/>
	<b>102,308</b>	<b>130,739</b>
	<hr/>	<hr/>

Stocks recognised as cost of sales in the period amounted to £639,915.

<b>15 Creditors: amounts falling due within one year</b>	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Loans and borrowings	679,584	-	362,816	-
Amounts owed to Group undertakings	143,091,825	124,897,499	142,375,702	124,897,499
Trade creditors	1,443,348	-	1,284,278	-
Other taxes and social security	2,470,722	-	2,274,929	-
Deferred income	13,716,497	-	10,069,745	-
Accruals and other creditors	3,787,186	-	3,260,859	-
Deferred purchase consideration	3,198,520	-	4,468,240	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>168,387,682</b>	<b>124,897,499</b>	<b>164,096,569</b>	<b>124,897,499</b>
	<hr/>	<hr/>	<hr/>	<hr/>

Amounts owed to Group undertakings are unsecured, interest free and have been agreed as being repayable on demand.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 16 Creditors: amounts falling due after more than one year

	Group 2022 £	Company 2022 £	Group 2021 £	Company 2021 £
Loans and borrowings	81,533,360	-	74,742,318	-

#### Loans and borrowings

##### Group

This note provides information about the contractual terms of the group's interest-bearing loans and borrowings, which are measured at amortised cost. The security for these borrowings is disclosed as a contingency in Note 23.

	Current £	Non-current £	Total £
<b>At 31 December 2022</b>			
Secured bank loans – outstanding principal and interest	1,123,649	83,230,030	84,353,679
Unamortised debt issue costs	(444,065)	(1,696,670)	(2,140,735)
	<u>679,584</u>	<u>81,533,360</u>	<u>82,212,944</u>
<b>At 31 December 2021</b>			
Secured bank loans – outstanding principal and interest	790,112	76,802,030	77,592,142
Unamortised debt issue costs	(427,296)	(2,059,712)	(2,487,008)
	<u>362,816</u>	<u>74,742,318</u>	<u>75,105,134</u>

#### Terms and debt repayment schedule:

	Currency	Normal interest rates	Year of maturity	Repayment Schedule	2021 £
Facility B1 Loan	GBP	5.50% + RFR	2027	Quarterly	13,750,000
Facility B2 Loan	GBP	7.25% + RFR	2027	Quarterly	41,250,000
Facility C1 Loan	GBP	5.50% + RFR	2027	Quarterly	7,057,508
Facility C2 Loan	GBP	7.25% + RFR	2027	Quarterly	21,172,522
<b>Principal Debt</b>					<u>83,230,030</u>

## Mobilise (Midco 2) Limited

Notes (continued)

### 16 Creditors: amounts falling due after more than one year (continued)

#### Net debt/cash

The below is an analysis of changes in net debt/cash of the Group from the beginning to the end of the current reporting period:

	Borrowings due within one year £	Borrowings due after one year £	Subtotal £	Cash and cash equivalents £	Net debt/ cash £
<b>Net debt analysis</b>					
Balance at 31 December 2021	(362,816)	(74,742,318)	(75,105,134)	7,496,541	(67,608,593)
Cash flows	(333,537)	(6,428,000)	(6,761,537)	(537,147)	(7,298,684)
Other non-cash changes	16,769	(363,042)	(346,273)	-	(346,273)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 31 December 2022	<u>(679,584)</u>	<u>(81,533,360)</u>	<u>(82,212,944)</u>	<u>6,959,394</u>	<u>(75,253,550)</u>

## Mobilise (Midco 2) Limited

Notes (continued)

### 17 Financial Instruments

**Derivatives required to be measured at fair value through the profit or loss**

	<b>Total</b>	<b>Total gains recognised in the P&amp;L</b>
	<b>£</b>	<b>£</b>
	<hr/>	<hr/>
Interest cap	<b>1,377,536</b>	<b>730,075</b>
	<hr/>	<hr/>

For the purposes of fair value hierarchy, this would fall into Level 2.

As a highly liquid instrument, this instrument will be held within current assets.

**Derivatives held for trading**

	<b>Carrying amount of hedging instruments</b>	<b>Outstanding Notional at period end</b>	<b>Average strike rate</b>	<b>Maturity</b>
	<b>£</b>	<b>£</b>		
	<hr/>	<hr/>		
Interest rate cap at 31 December 2022	<b>1,377,536</b>	<b>82,230,030</b>	<b>3.50%</b>	<b>10-Aug-2024</b>
	<hr/>	<hr/>		

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 18 Capital and reserves

Share capital	2022 Number	2022 £	2021 Number	2021 £
<i>Allotted, called-up and fully paid:</i>				
Ordinary shares allotted	1	1	1	1
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Holders of these shares were entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

#### Reconciliation of share capital – number of shares

	Ordinary
At 31 December 2021 and 31 December 2022	1

#### Reserves

*Capital contribution reserve* – The reserve comprises amounts gifted by the Group's shareholders.

#### 19 Operating leases

##### Group

Non-cancellable operating lease rentals are payable as follows:

	2022 £	2021 £
Less than one year	598,546	612,900
Between one and five years	678,443	1,244,741
More than five years	-	21,667
	<u>1,276,989</u>	<u>1,879,308</u>

During the year £873,562 was recognised as an expense in the profit and loss account in respect of operating leases (period ended 31 December 2021 £814,123).

##### Company

The company has no commitments under non-cancellable operating leases and incurred no operating lease expenses during the period.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 20 Commitments

##### Capital commitments

The Group and Company have no contractual capital commitments at the period-end.

#### 21 Employee benefits

##### Defined contribution plan

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. Contributions payable by the Group for the year ended 31 December 2022 amounted to £1,105,912 (period ended 31 December 2021 amounted to £1,432,773). There were contributions of £166,922 outstanding at the year-end (£123,578 outstanding at the period-ended 31 December 2021).

#### 22 Related party transactions

##### Group

##### *Transactions with key management personnel*

Total compensation of key management personnel (including the directors) in the period amounted to £1,167,356 (period ended 31 December 2021: £1,803,543).

##### *Other related party transactions*

During the year, the Group entered into the following transactions:

- Mobilise (Topco) Limited, a parent company, recharged management charges of £173,250 to the Group.
- The Group was recharged £753,702 by Mobilise (Topco) Limited, a parent company, in respect of the Group's employees awarded share options under the Mobilise (Topco) Limited share incentive program.

As at 31 December 2022 there were payable balances of £143,091,825 due to Group parent undertakings.

During the prior period, the Group entered into the following transactions:

- Mobilise (Topco) Limited, a parent company, recharged management charges of £328,701 to the Group.
- The Group was recharged £1,764,600 by Mobilise (Topco) Limited, a parent company, in respect of the Group's employees awarded share options under the Mobilise (Topco) Limited share incentive program.
- Immediate parent company, Mobilise (Midco 1) Limited, transferred cash of £9,685,554 to the Group, relating to amounts due to be paid to selling shareholders and other liabilities related to its acquisition of the Company.

As at 31 December 2021 there were payable balances of £142,375,702 due to Group parent undertakings.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 23 Contingencies

##### Grants

A portion of grants may become repayable should the conditions of offer cease to be met. There were no other contingencies requiring disclosure.

##### Loans

The Group has guaranteed bank loans and other bank facilities of Mobilise (Bidco) Limited, by way of composite cross guarantees, in addition the bank loans are subject to a fixed and floating charge over all assets. At 31 December 2022, the total amount of group borrowings and facilities amounted to £84,353,679 (period ended 31 December 2021: £77,592,142) of principal and interest.

#### 24 Ultimate parent company and parent company of larger Group

The immediate parent company is Mobilise (Midco 1) Limited, a company incorporated and registered in England. The ultimate controlling party is Bowmark Capital LLP, a limited liability partnership registered in England.

#### 25 Accounting estimates and judgements

##### Key sources of estimation uncertainty

**Taxation** – Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

**Development expenditure** - Development expenditure is capitalised in accordance with the accounting policy given above. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management have estimated the amount of time spent on projects qualifying for capitalisation. The percentage of non-capitalisable time is in the region of 0%-50% representing annual leave, sickness, mentoring, training and other company events not directly relating to development.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 26 Share based payment

##### i) Description of share-based payment arrangements

The Group had the following share-based payment arrangements:

##### *Mobilise (Topco) Limited share incentive program (equity-settled)*

The Mobilise (Topco) group has a share incentive program under which Directors and certain employees subscribe for C Ordinary shares of Mobilise (Topco) Limited which were granted in the period to 31 December 2021 and in the year ended 31 December 2022.

The Group has classified awards under the incentive arrangements as equity settled as Participants in the arrangement will receive a share and it is expected that they will realise value on the occurrence of a future sale or listing of the Group. There were no performance conditions other than service.

##### ii) Measurement of fair values

The fair value of services received in return for share awards under share incentive arrangements is based on the fair value of a notional share options granted, measured using a Black Scholes model. Service conditions attached to the arrangements were not taken into account in measuring fair value.

##### iii) Reconciliation of outstanding share awards

##### *Mobilise (Topco) Limited share incentive program*

The number and weighted average exercise prices of share options have been analysed as follows:

	Number of options 2022	Weighted average exercise price (£) 2022	Number of options 2021	Weighted average exercise price (£) 2021
Outstanding at the beginning of the period	166,425		-	
Granted during the period	24,750	1	178,675	1
Transferred to Mobilise (Topco) Limited Employee Benefit Trust	-	1	(12,250)	1
	<hr/>		<hr/>	
Outstanding at the end of the period	191,175	1	166,425	1
	<hr/>		<hr/>	
Exercisable at the end of the period	-		-	
	<hr/>		<hr/>	



## Mobilise (Midco 2) Limited

Notes (continued)

### 26 Share based payment (continued)

#### iii) Reconciliation of outstanding share awards (continued)

##### *Mobilise (Topco) Limited share incentive program*

##### *Employee expenses*

	2022 £	2021 £
Expense relating to equity-settled award	753,702	1,764,600
<b>Total share-based payment charge</b>	<b>753,702</b>	<b>1,764,600</b>

The current period charge of £753,702 (period ended 31 December 2021: £1,764,600) relates to the share option charge on the Mobilise (Topco) Limited share incentive program, with the associated cost recharged to the Company and recognition with amounts owed to group undertakings.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 27 Acquisition of businesses

##### *Acquisition of Working Time Solutions Limited*

On 9 February 2022 the Company acquired 100% controlling interest in Working Time Solutions Limited. The business contributed revenue of £2,427,075 and net profit of £66,304 to the revenue and net loss for the period.

The acquisition had the following effect on the Group's assets and liabilities:

	Book values £	Fair value adjustments £	Recognised values on acquisition £
<b>Acquiree's net assets at the acquisition date:</b>			
Intangible assets	-	320,727	320,727
Tangible fixed assets	225	-	225
Trade and other debtors	954,152	-	954,152
Cash	394,592	-	394,592
Trade and other creditors	(1,526,771)	528,752	(998,019)
Deferred tax liabilities	-	(60,938)	(60,938)
<b>Net identifiable assets and liabilities</b>	<b>(177,802)</b>	<b>788,541</b>	<b>610,739</b>
<b>Total cost of business combination:</b>			
Consideration paid:			
Initial cash price paid			6,180,353
Costs directly attributable to the business combination			207,282
<b>Total consideration</b>			<b>6,387,635</b>
<b>Goodwill on acquisition</b>			<b>5,776,894</b>

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets. The goodwill reflects the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill is expected to be deductible for tax purposes. The expected useful life of goodwill stemming from this acquisition is ten years.

##### **Fair value of net assets acquired**

The fair value of net assets acquired is based on information available within twelve months after the acquisition date. If new information becomes available within twelve months after the acquisition date about facts and circumstances that existed at the date of acquisition which require adjustment to the above amounts, the accounting for the acquisition will be revised.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 27 Acquisition of businesses (continued)

##### Acquisitions in the prior period

##### *Acquisition of Cobra Topco Limited*

On 24 October 2020 the Company acquired 100% controlling interest in Cobra Topco Limited. The business contributed revenue of £33,036,356 and net profit of £6,927,115 to the revenue and net loss for the period.

The acquisition had the following effect on the Group's assets and liabilities:

	Book values £	Fair value adjustments £	Recognised values on acquisition £
<b>Acquiree's net assets at the acquisition date:</b>			
Intangible assets	38,837,976	(34,565,843)	4,272,133
Tangible fixed assets	485,210	-	485,210
Stocks	590,907	-	590,907
Trade and other debtors	6,519,046	-	6,519,046
Cash	7,195,376	-	7,195,376
Trade and other creditors	(52,174,170)	3,557,940	(48,616,230)
Deferred tax liabilities	-	(811,705)	(811,705)
	<hr/>	<hr/>	<hr/>
<b>Net identifiable assets and liabilities</b>	<b>1,454,345</b>	<b>(31,819,608)</b>	<b>(30,365,263)</b>
	<hr/>	<hr/>	<hr/>
<b>Total cost of business combination:</b>			
Consideration paid:			
Initial cash price paid			137,912,421
Costs directly attributable to the business combination			7,105,575
			<hr/>
<b>Total consideration</b>			<b>145,017,996</b>
			<hr/>
<b>Goodwill on acquisition</b>			<b>175,383,259</b>
			<hr/>

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets. The goodwill reflects the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill is expected to be deductible for tax purposes. The expected useful life of goodwill stemming from this acquisition is ten years.

The book value of intangible assets at the date of acquisition of £38,837,976 relating to goodwill, customer relationships, software, capitalised development costs and brand have been assessed at a fair value of £4,272,133 of software and £175,383,259 goodwill.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 27 Acquisition of businesses (continued)

##### Acquisitions in the prior period (continued)

##### Acquisition of Geoforms Software Limited

On 5 February 2021 the Company acquired 100% controlling interest in Geoforms Software Limited. This acquisition will enable the wider Totalmobile Group to accelerate its product development roadmap whilst providing access to new customers. The business contributed revenue of £2,783,489 and net loss of £630 to the revenue and net loss for the period.

The acquisition had the following effect on the Group's assets and liabilities:

	Book values £	Fair value adjustments £	Recognised values on acquisition £
<b>Acquiree's net assets at the acquisition date:</b>			
Intangible assets	261,050	(242,116)	18,934
Tangible fixed assets	76,951	-	76,951
Trade and other debtors	673,607	-	673,607
Cash	294,829	-	294,829
Trade and other creditors	(864,486)	250,895	(613,591)
Deferred tax asset	55,111	(3,597)	51,514
	<hr/>	<hr/>	<hr/>
<b>Net identifiable assets and liabilities</b>	<b>497,062</b>	<b>5,182</b>	<b>502,244</b>
	<hr/>	<hr/>	<hr/>
<b>Total cost of business combination:</b>			
Consideration paid:			
Initial cash price paid			6,309,830
Deferred purchase consideration			4,468,240
Costs directly attributable to the business combination			205,925
			<hr/>
<b>Total consideration</b>			<b>10,983,995</b>
			<hr/>
<b>Goodwill on acquisition</b>			<b>10,481,751</b>
			<hr/>

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets. The goodwill reflects the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill is expected to be deductible for tax purposes. The expected useful life of goodwill stemming from this acquisition is ten years.

*Deferred purchase consideration* - Deferred purchase consideration of £4,468,240 was accrued at 31 December 2021 and will be paid by 31 January 2023.

##### Fair value of net assets acquired

The fair value of net assets acquired is based on information available within twelve months after the acquisition date. If new information becomes available within twelve months after the acquisition date about facts and circumstances that existed at the date of acquisition which require adjustment to the above amounts, the accounting for the acquisition will be revised.

## Mobilise (Midco 2) Limited

### Notes (continued)

#### 27 Acquisition of businesses (continued)

##### Acquisitions in the prior period (continued)

###### Acquisition of Cognito IQ Limited

On 18 March 2021 the Company acquired 100% controlling interest in Cognito IQ Limited. This acquisition will enable the wider Totalmobile Group to accelerate its product development roadmap whilst providing access to new customers. The business contributed revenue of £9,494,052 and net profit of £1,105,846 to the revenue and net loss for the period.

The acquisition had the following effect on the Group's assets and liabilities:

	Book values £	Fair value adjustments £	Recognised values on acquisition £
<b>Acquiree's net assets at the acquisition date:</b>			
Intangible assets	846,848	(731,137)	115,711
Tangible fixed assets	314,569	-	314,569
Trade and other debtors	1,694,234	-	1,694,234
Cash	3,620,833	-	3,620,833
Trade and other creditors	(20,286,586)	15,294,129	(4,992,457)
Deferred tax liabilities	-	(21,985)	(21,985)
<b>Net identifiable assets and liabilities</b>	<b>(13,810,102)</b>	<b>14,541,007</b>	<b>730,905</b>
<b>Total cost of business combination:</b>			
Consideration paid:			
Initial cash price paid			29,229,980
Costs directly attributable to the business combination			751,525
<b>Total consideration</b>			<b>29,981,505</b>
<b>Goodwill on acquisition</b>			<b>29,250,600</b>

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets. The goodwill reflects the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill is expected to be deductible for tax purposes. The expected useful life of goodwill stemming from this acquisition is ten years.

##### Fair value of net assets acquired

The fair value of net assets acquired is based on information available within twelve months after the acquisition date. If new information becomes available within twelve months after the acquisition date about facts and circumstances that existed at the date of acquisition which require adjustment to the above amounts, the accounting for the acquisition will be revised.

## Mobilise (Midco 2) Limited

### Notes *(continued)*

#### **28 Subsequent events**

There were no events since the balance sheet date that would require adjustment or disclosure in the financial statements.