Registered number: 07321732

MIQ DIGITAL LIMITED

REVISED ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

COMPANY INFORMATION

Directors	G Hundal L Puri S Tray
Registered number	07321732
Registered office	6th Floor Charlotte Building 17 Gresse Street London London

MIQ DIGITAL LIMITED

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REVISED GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

Revised Financial Statements

These revised financial statements replace the original financial statements for the year ended 31 December 2021 which were approved by the board on 6th June 2022. They are now the statutory financial statements of the company for that financial year. In accordance with the Companies Act 2006 ('the Act'), the financial statements have been revised as at the date of the original financial statements and not as at the date of this revision. Accordingly they do not deal with events between those dates.

The original financial statements did not comply with the Act in the following respect; Intercompany platform license fees charged from MiQ Digital Limited to certain MiQ group companies were overstated to the agreed upon transfer pricing policy. The effect of the revision is to increase the consolidated corporation tax charge by $349K and reduce consolidated net assets by $183k and foreign exchange differences in the consolidated P&L by £166k. The Act requires that where revised financial statements are issued, a revised auditor's report is issued and this is attached. A detailed breakdown of the changes can be found in note 1.1.

Review of the Business

The principal activity of the group throughout the year was that of running programmatic advertising campaigns for clients, delivered through AI-powered analytics and purpose-built technology. Whilst maintaining our aim of delivering long-term sustainable growth, we continue to drive increased revenue growth across all our markets and customer channels.

Key Financial Metrics ($m)	**2021**	2020	**Variance**	**%**
Revenue	**464.7**	337.5	**127.2**	**37.7%**
Cost of sales	**346.0**	245.9	**100.1**	**40.7%**
Gross margin	**25.5%**	27.1%		**(1.6)%**
Administrative expenses	**77.7**	70.9	**6.8**	**9.6%**
Operating profit	**45.5**	21.9	**23.6**	**107.8%**
Profit before tax	**45.3**	21.8	**23.5**	**107.8%**
Cash	**35.7**	14.8	**20.9**	**141.2%**

Throughout 2021 Covid-19 continued to impact a number of markets due to lockdowns and travel restrictions. Despite this challenge, MiQ delivered 37.7% year-on-year organic revenue growth and continued to diversify its customer base.

The group secured a bank loan for $64.2m on 31 March 2021 in order to restructure and improve its debt facilities. This reduced the amount of interest that was accruing and secured the financial security of the group. All investor loan notes were de-listed and settled on 22 April 2021.

Cash balances have grown significantly as a result of strong working capital management and high cash conversion. As MiQ grows, it continues to prioritise the following areas:

Diversifying Geographically

MiQ's focus has been on expanding organically into new and existing key geographical markets. In 2021 we expanded our market reach in the Asia-Pacific region, by opening offices in Adelaide, building on the success of our Sydney and Melbourne branches. Similarly, in the US, we now have offices operating in seven major states as we opened a new office in Seattle this year, expanding market reach to multiple states in the US.

In 2022 sales are expecting to expand into new geographical markets such as Dubai and potentially Mexico as well as additional states in the US. This expansion has opened up access to local independent agencies whilst attracting global clients who advertise their brands across these markets. This enables the company to become a more valued supplier for our clients whilst continuing our trend of significant organic growth and increased brand building.

In our established markets we are seeing considerable growth; USA 23%, UK; 86% and Australia; 152%. Expanding in key markets like the USA, which is the leading global market in terms of ad spend, continues to be at the heart of MiQ's commercial strategy, and it is worth noting year on year growth came in despite the non-recurring political spend in November 2020 for the presidential election.

Diversifying our Sales Channels

Sales channels have continued to diversify with each channel experiencing significant growth. MiQ has grown traditional major multinational agency groups ("holding companies") sales channels by 46% and independent agency groups by 22% in 2021. In addition, client direct revenue has increased by 47% ($19m) in 2021 and existing clients are spending on average 27% more than the previous year.

Lastly MIQ has continued to diversify its vertical industry client base which means no single sector contributed to more than 18% of revenue. Revenue in each of these areas has grown compared to last year and this is expected to increase in 2022 as certain sectors such as travel and automobiles start to recover from the pandemic. New sectors are also being added every year as new markets move towards greater programmatic spending and MiQ continues to gain market share as our revenue growth is outpacing global and local market expansion.

In addition to minimal concentration of clients, MiQ has outstanding Advertiser retention, with Net Revenue Retention at 88%.

Investment in Client Relationships

Client satisfaction is a key focus for MiQ. This has been demonstrated by the increased annual spend and also that MiQ have come top in the IPA Spring Media Owner Survey for the 3rd consecutive year. MIQ gained a top-two box score of 87.2% and achieved a ranking of over 80% in all major key areas – particularly around client relationships and communication.

There has been significant investment in the sales team. Six months of rigorous sales training has been introduced to further enhance the sales skills of the team as well as increased hiring to cover more ground and reach new clients. Pitching squads and product champions have been introduced to ensure the team are up to date with the latest product capabilities and case studies to ensure the most informative sales pitch.

Investment in Data

During 2021, MiQ formalised its internal data analytics with the creation of a Global Business Intelligence (BI) department. The remit of the team extends to company-wide Data Architecture and Management, with focused Objective and Key Results (OKRs). These OKR's focus on maintaining data quality, ensuring continuous data privacy compliance, and embedding data governance upstream and downstream throughout the enterprise stack. The BI teams works closely with Product Management and enterprise systems admins to monitor, triage and remedy any data management issues.

Our BI team has delivered significant and material milestones within ambitious timelines and continues to deliver at pace. Achievements demonstrating return on investment from the BI team include creating a data cube by integrating disparate source systems, driving automation of manual processes, rigorously implementing data hygiene, and instilling a data decision making culture globally within MiQ.

The data cube will lead to operational improvements by managing and understanding how many impressions per client we deliver and ways to improve margins. It also provides greater alignment and ease of coordination across the business, which will aid in budgeting and justifying business decisions.

Investment in Product

- *Advanced TV*

MiQ continues to diversify and broaden our Advanced TV proposition, the success of which has meant reaching $100M in revenue within three years of launching. The ATV proposition is largely around developing better signals for intelligence and more efficient buying decisions with TV as the medium for advertising. We have built more intelligent partnerships around advanced supply path optimisation strategies which has improved the functionality of our leading TV Intelligence platform that serves our North American customer base. Greater workflow automation has been built within our trading platforms to make the discovery of audiences, app and content bundles faster and more scalable as well as having developed a deeper YouTube proposition.

MiQ's focus and aim is to be "best in class" with regards to YouTube and ATV advertising. Strategies have been implemented including rolling out quarterly road shows to different audiences, panels to discuss the key topics in this area as well as creating MIQ live events to bring clients into these conversations.

- *Non reliance on 3rd party cookies*

There has been increased focus on prototyping and experimenting with cookieless based approaches for audience identification, modelling and optimisation. This is in response to the anticipated announcement from Google that cookies would be turned off by the end of 2023. MiQ predicted this and began a proactive approach in 2019 to build a model which would run campaigns to target authenticated users and maximise addressability. Our solutions have been tested within Google's privacy sandbox set of frameworks and MiQ foresees this to be a major factor in transitioning away from cookie derived audience buying. Automations have been built and integrated into our internal trading and analytics platforms, making it seamless to deploy custom algorithm-powered campaigns, based on models constructed in Google's clean room.|

- *Programmatic Performance*

In 2021 we increased our investment into our core proposition; Programmatic Performance. This can be split into three main areas:

• Supply chain transparency – MiQ was the first programmatic company to log match DSP and SSP datasets leading to complete transparency on impression level bids and clear prices. This has provided MiQ with much greater supply path transparency and deeper insight into bid auction mechanics to perfect our bidding models.
• New optimisation products – Building automated API integrations with key DPS partner has enabled MiQ to bid more precisely on routes which have better performance.
• Anonymous data sets - Investing and experimenting with anonymised data sets (ie, cookieless) to train our bidding models to target anonymous traffic more precisely and creating deeper partnerships with digital intelligence providers.

Investment in People

In 2021 MiQ continued to invest in building an inclusive, high-performance culture as we increased global headcount to 880 employees by the end of the year. We rolled out a new compensation framework globally to drive momentum in the engagement of our people, ensuring we maintained a competitive advantage in our compensation compared to the market. It was a success and provided consistency and clarity to our people, while ensuring standardisation in the way our people are compensated from base salary to variable compensation. We also continued to invest in our people's long-term future through the introduction of disability and life insurance and the increased flexibility to work from home.

Our recruitment team expanded from five to twelve recruiters across the world, enabling us to proactively reach a wider pool of talent and further improve our three metrics of recruitment success: speed, quality and representation of our hires. Additionally, we widened our Emerging Talent programmes across our US, UK and India offices to continue building diverse pipelines of Talent in the departments that are often the hardest to recruit for, namely trading. The 6-10 week programs enable us to pick the top performers of the group and accelerate the pace to which they're ready to hit the ground running.

Section 172 statement

The directors of MiQ Digital continue to place long term stability, sustainable growth and the interests of all MiQ employees across the group at the heart of the company's strategy and day-to-day operations. Sustainability has been an important area of focus in 2021, with continued organic expansion into our established markets allied with a considered approach to entry into major new and developing markets. These new territories represent great opportunities to expand the group in future, but external advice has been taken to assess risks, both financial and cultural.

The company continues to take business conduct and ensuring we have a reputation for excellence very seriously. Data privacy law has been a rapidly developing area for some time now, with regulation such as General Data Protection Regulation and California Consumer Privacy Act introduced in recent years. The directors are committed to ensuring that our systems and processes continue to be industry leading when it comes to compliance, putting initiatives like clean rooms and cookieless identity tracking front and centre, while adding key new hires in IT and Business Intelligence to support global operations.

We are committed to reducing our environmental impact. The directors are reviewing the lessons from the COVID-19 pandemic where travel was significantly reduced and continue to become less reliant on air travel, particularly at senior levels, for the business moving forward.

The mental and physical wellbeing and fair treatment of all employees is a major focus for the board. In 2021, the Inclusion & Diversity Team (I&D) expanded to include seven members and the representation is now global across the business. Our second annual I.D.E.A. (Inclusion, Diversity, Equity, and Accountability) Report was published, identifying our representation changes within different demographic segments, as well as considering multiple ways to measure compensation equally and celebrate the excellent work being done around the business. This report was recognised for its excellence and came top in the DEI reports list.

The I&D Team rolled out an initiative asking all employees to complete two positive I&D actions per quarter for their Objectives and Key Results. The goal of this program was to allow every individual to choose areas of which they felt passionate for personal growth, whilst simultaneously progressing the business forward, parallel to commercial objectives.

Fair treatment of all employees is a major focus for the board as managers received Implicit Bias Algorithm training and the entire company was enrolled in Active Allyship/Bystander Intervention Training. Furthermore, the parental leave policy has been upgraded globally to be fairer to all new parents and create consistency. The upgrade was well received by employees.

Key Performance Indicators

Our key financial metrics are to continue to grow our Gross Profit and ultimately to grow our profit before tax. This will be achieved by growing our relationships with our clients and continuing our expansion into new markets whilst also controlling our overheads. Another KPI is to continue to grow cash through strong working capital management and high cash conversion.

Our key non-financial metrics are focused on supporting and meeting the needs of MiQ's sustainable growth agenda, and to seize the opportunity to grow MiQ's influence within our core audiences of advertisers and media agencies. An approach was adopted that strikes a balance between demand and lead generation, customer loyalty and brand building. Our strategy was increasingly laser focused on two core content themes: Identity & ATV. This consistency across our content, digital platforms and activations has proved successful and will continue to be built into 2022.

Principal risks and uncertainties

Customer diversity risk

As noted above, the company is continuing to diversify its customer base geographically and through a range of deeper partnerships with brands and agencies, across a wider selection of industries.

The directors will continue to focus on decreasing risk throughout the group by diversifying the client base.

Foreign exchange risk

Due to the nature of the business, revenues are invoiced in several currencies in several territories. This presents a foreign exchange risk in collecting cash.

A significant amount of the costs of the business are payable in US dollars which the directors plan for on a monthly basis. The group continues to actively manage working capital to reduce the potential impact on local cash flows.

Cash flow risk

The group's principal financial instruments comprise its cash, bank loan, trade debtors and trade creditors. 2021 saw an exceptional cash conversion and an improvement in cash collection.

The directors have established relationships with clients and are also identifying any credit issues in a timely manner. The amounts presented in the balance sheet are net of allowances for bad debt.

Geographic Risk

The directors do not expect any events to have a significant impact on the business in the period between the balance sheet date and the date of signing the financial statements. The company strategy of worldwide growth and the opening of offices in new regions means that the company is geographically diversified and will not be significantly affected by external factors in one region. We do not operate or trade in Russia or Ukraine and therefore should not be impacted by the current ongoing situation.

Financial risk management objectives and policies

The group seeks to manage and minimise financial liquidity risk by ensuring that sufficient funding for ongoing operations and future developments is available at all times to meet foreseeable needs.

The group manages business risk by maintaining very strong relationships with clients, suppliers and employees, and also by making changes in response to market conditions in the advertising industry.

Future developments

The directors are confident that the business will emerge in a stronger position due to the continued investment in our product and people during this period.

Events since the balance sheet date
Nothing to note.

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

DocuSigned by:
Simon Tray
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S Tray
Director

Date: 20 September 2022

REVISED DIRECTOR'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their report and the financial statements for the year ended 31 December 2021.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Under s454 of the Act the directors have authority to revise annual financial statements, the strategic report, the directors' report or directors' remuneration report if they do not comply with the Act. The revised financial statements or report must be amended in accordance with The Companies (Revision of Defective Accounts and Reports) Regulations 2008 and in accordance therewith do not take account of events which have taken place after the date on which the original financial statements were approved. The Regulations require that the revised financial statements show a true and fair view as if they were prepared and approved by the directors as at the date of the original financial statements.

Results and dividends

The profit for the year, after taxation, amounted to $ 35,306,055 (2020: loss $ (15,878,248)).

A dividend of $nil was issued during the year (2020 $Nil).

No subsequent dividends have been proposed.

Directors

The directors who served during the year were:

G Hundal
L Puri
S Tray

Matters covered in the strategic report

Under section 414C(11) of the Act, the directors may include in the strategic report such of the matters otherwise required by regulations made under section 416(4) to be disclosed in the directors report as the directors consider otherwise are of strategic importance to the company, this includes discussion on actions taken by the directors on employee welfare and engagement, supplier relationships, financial risk management objectives and policies, events that have occurred since the balance sheet date, and future developments.

Directors' indemnities

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report. This indemnity has also been made for the benefit of the directors of its associated companies during the year which remain in force at the date of this report.

Employee Involvement

The group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the group and the company. The group maintains an HR intranet site that providing employees with information on matters of concern to them as employees, including the financial and economic factors affecting the performance of the company. The intranet site includes functionality that enables employees to express views on matters that affect them anonymously and the group also undertakes a biennial staff survey to canvas views on significant matters. Employees' involvement in the company's performance is encouraged through a bonus and commission structure that is driven directly by the performance of the business.

Energy and carbon reporting

The Group has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as its energy consumption in the United Kingdom for the year is 40,000kWh or lower.

Disabled employees

Applications for employment by disabled persons are always fully considered, bearing in mind the abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the group and the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Going concern

In considering the appropriateness of the going concern basis the board have reviewed the key risks and uncertainties to which they believe the group is exposed, the group's ongoing financial commitments and the availability of sufficient resources for the next twelve months from the date of signing these financial statements and beyond. The Directors have accordingly adopted the going concern basis in preparing these financial statements.

In assessing the appropriateness of the going concern assumption, the directors have considered the ability of the group to maintain adequate liquidity through the forecast period as well as meeting the covenants associated with its $64.2m senior term loan and £10m revolving credit and overdraft facility ("RCF"). The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group is able to operate comfortably within the level of its current facilities and meet its debt covenant obligations. The group's current bank facilities comprise a senior term loan, a revolving credit facility and an overdraft and currently have a maturity date of 31 March 2027. The directors have taken into account contractual interest payments and the repayment of all drawn facilities in line with the current maturity profile in assessing the group's ability to maintain adequate liquidity through the forecast period. The group has cash of $43.3m at the date of the original report.

Based on the latest 12-month forecast reviewed by the board, sensitivities have been modelled above the base case to understand the impact of the various risks outlined above on the group's debt covenants/cash headroom. EBITDA would need to drop by over 50% before engaging in any actions to mitigate the decline in order to breach the leverage covenant.

Given the current demand for services across the group at the date of the original report, the assumptions in these sensitivities, when taking into account the factors set out above, are considered highly unlikely to lead to breaches of either the debt covenant or the cash headroom.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that it remains appropriate to continue to adopt the going concern basis in preparing the annual report and financial statements. The ultimate holding company, Insight Topco Limited has provided guarantees and letter of support for its subsidiaries' obligations.

Existence of branches

The company has a branch as defined in section 1046(3) of the Companies Act 2006, in Germany. The figures for which are included within the company figures.

Disclosure of information to auditors

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

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

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

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

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

DocuSigned by:
Simon Tray
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S Tray
Director

Date: 20 September 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MIQ DIGITAL LIMITED

Report on the audit of the revised financial statements

Opinion

We have audited the revised financial statements of MIQ DIGITAL LIMITED (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2021, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. These revised financial statements replace the original financial statements approved by the directors on 6 June 2022. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice). The revised financial statements have been prepared in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 2008 and as such do not consider events which have taken place after the date on which the original financial statements were approved.

In our opinion the revised financial statements:

- give a true and fair view, seen as at the date the original financial statements were approved, of the state of the Group's and of the parent Company's affairs as at 31 December 2021 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" seen as at the date the original financial statements were approved; and
- have been prepared in accordance with the requirements of the Companies Act 2006, as they have effect under the Companies (Revision of Defective Accounts and Reports) Regulations 2008.

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 Auditors' responsibilities for the audit of the revised financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the revised financial statements in the United Kingdom, including the Financial Reporting Council'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.

Emphasis of matter - Revision of intercompany platform license fees

We draw attention to note 1.1 to these revised financial statements which describes the need for revision as the intercompany platform license fees charged from MiQ Digital Limited to certain MiQ group companies were overstated to the agreed upon transfer pricing policy.The original financial statements were approved on 6 June 2022 and our previous audit report was signed on that date. We have not performed a subsequent events review for the period from the date of our previous auditor's report to the date of this report. Our opinion is not modified in this respect.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the Annual Report other than the revised financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the revised financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the revised financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the revised financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, the original financial statements for the year ended 31 December 2021 failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors in the statement contained in note 1.1 to these revised financial statements.

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

- the information given in the Revised Group Strategic Report and the Directors' Report (revised) for the financial year for which the revised financial statements are prepared is consistent with the revised financial statements; and
- the Revised Group Strategic Report and the Directors' Report (revised) have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Revised Group strategic report or the directors' report (revised).

Matters on which we are required to report by exception

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

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

We have nothing to report in respect of these matters.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 7, the directors are responsible for the preparation of the revised financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of revised financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the revised financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the revised financial statements

Our objectives are to obtain reasonable assurance about whether the revised financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these revised Group financial statements.

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

We are also required to report whether in our opinion the original financial statements failed to comply with the requirements of the Companies Act 2006 in the respects identified by the directors. The audit of revised financial statements includes the performance of procedures to assess whether the revisions made by the directors are appropriate and have been properly made.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management, those charged with governance and others within the entity about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the company operates in and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the revised financial statements. These included the UK Companies Act 2006 and;
- do not have a direct effect on the revised financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

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

As a result of performing the above. we identified the greatest potential for fraud in the following areas; and our specific procedures performed to address it is described below:

- Accuracy of rebate amounts recognised in accordance with underlying agreements:
We evaluated the design and implementation of the relevant control for the calculation of rebates. We held discussions with senior finance personnel to understand the rebates provided to customers and therefore recognised in the year. We tested the rebate accrual and profit and loss amounts by tracing a sample of items to rebate agreements and performing a recalculation of the rebate amount according to the key terms and agreed the rebate to invoices.

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

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

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

Use of our report

This report is made solely to the Company's members, as a body, in accordance with the Companies (Revision of Defective Accounts and Reports) Regulations 2008. 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 Auditors' 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.

Paul Adkins

Paul Adkins (Senior Statutory Auditor)

for and on behalf of
Deloitte LLP

London
United Kingdom

20 September 2022

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

	Note	Revised 2021 $000	2020 $000
Turnover	4	**464,729**	337,498
Cost of sales		**(345,964)**	(245,907)
Gross profit		**118,765**	91,591
Administrative expenses		**(77,680)**	(70,900)
Other operating income	9	**4,400**	1,186
Operating profit	5	**45,485**	21,877
Interest receivable and similar income	10	**4**	7
Interest payable and similar expenses	11	**(141)**	(90)
Profit before taxation		**45,348**	21,794
Tax on profit	12	**(10,042)**	(5,916)
Profit for the financial year		**35,306**	15,878
Foreign exchange differences		**540**	2,277
Total comprehensive income for the year		**35,846**	18,155

There were no recognised gains and losses for 2021 or 2020 other than those included in the revised consolidated statement of comprehensive income.

The notes on pages 22 to 46 form part of these financial statements.

These results are all from continuing operations.

REVISED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		Revised 2021 $000		2020 $000
Fixed assets					
Intangible assets	13		**5,384**		3,282
Tangible assets	14		**1,885**		1,909
Investments	15		**1,040**		1,057
			8,309		6,248
Current assets					
Debtors	16	**225,325**		177,501	
Cash at bank and in hand	17	**35,653**		14,833	
		260,978		192,334	
Creditors: amounts falling due within one year	18	**(173,413)**		(138,554)	
Net current assets			**87,565**		53,780
Total assets less current liabilities			**95,874**		60,028
Provisions for liabilities					
Net assets			**95,874**		60,028
Capital and reserves					
Called up share capital	22		**-**		-
Profit and loss account	23		**95,874**		60,028
			95,874		60,028

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

DocuSigned by:
Simon Tray
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S Tray
Director

Date: 20 September 2022

The notes on pages 22 to 46 form part of these financial statements.

REVISED COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note		Revised 2021 $000		2020 $000
Fixed assets					
Intangible assets	13		**5,384**		3,282
Tangible assets	14		**504**		415
Investments	15		**2,829**		2,229
			8,717		5,926
Current assets					
Debtors	16	**172,999**		145,817	
Cash at bank and in hand	17	**16,879**		2,673	
		189,878		148,490	
Creditors: amounts falling due within one year	18	**(131,207)**		(97,560)	
Net current assets			**58,671**		50,930
Total assets less current liabilities			**67,388**		56,856
Net assets			**67,388**		56,856
Capital and reserves					
Called up share capital	22		**-**		-
Profit and loss account			**67,388**		56,856
Shareholder Funds			**67,388**		56,856

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

Simon Tray
S Tray
Director

Date: 20 September 2022

The notes on pages 22 to 46 form part of these financial statements.

The profit for the financial year dealt with in the financial statements of the parent company was $ 10,811,519 (2020 $ 17,710,928).

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

	Called up share capital	Profit and loss account Revised	Total equity Revised
	$000	$000	$000
At 1 January 2021	-	60,028	60,028
Comprehensive income for the year			
Profit for the year	-	35,306	35,306
Foreign exchange movement	-	540	540
At 31 December 2021	-	95,874	95,874

The notes on pages 22 to 46 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Profit and loss account	Total equity
	$000	$000	$000
At 1 January 2020	-	41,873	41,873
Profit for the year	-	15,878	15,878
Foreign exchange movement	-	2,277	2,277
At 31 December 2020	-	60,028	60,028

The notes on pages 22 to 46 form part of these financial statements.

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

	Called up share capital	Profit and loss account Revised	Total equity Revised
	$000	$000	$000
At 1 January 2021	-	56,856	56,856
Profit for the year	-	10,812	10,812
Currency translation differences	-	(280)	(280)
At 31 December 2021	-	67,388	67,388

The notes on pages 22 to 46 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Profit and loss account	Total equity
	$000	$000	$000
At 1 January 2020	-	36,146	36,146
Profit for the year	-	17,711	17,711
Currency translation differences	-	2,999	2,999
At 31 December 2020	-	56,856	56,856

The notes on pages 22 to 46 form part of these financial statements.

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

	Note	2021 $000	2020 $000
Cash flows from operating activities			
Profit for the financial year		**45,348**	21,794
Adjustments for:			
Amortisation of intangible assets	13	**1,949**	896
Depreciation of tangible assets	14	**1,161**	1,197
Loss on disposal of tangible assets		**-**	7
Government grants		**1,365**	3,033
Interest paid	11	**141**	90
Interest received	10	**(4)**	(7)
Increase in debtors		**(46,472)**	(10,965)
Increase in creditors		**36,599**	41,426
Corporation tax (paid)		**(7,597)**	(8,630)
Net cash generated from operating activities		**32,490**	48,841
Cash flows from investing activities			
Purchase of tangible fixed assets	14	**(1,168)**	(756)
Interest received	10	**4**	7
Capitalised development costs	13	**(4,008)**	(2,570)
Investment in minority interests	15	**(17)**	(1,057)
Net cash used in investing activities		**(5,189)**	(4,376)
Cash flows from financing activities			
Interest paid	11	**(141)**	(90)
Increase in amounts owed by group undertakings		**(1,737)**	(39,697)
Credit facility (paid)/drawdown		**(662)**	719
Net cash used in financing activities		**(2,540)**	(39,068)
Net increase in cash and cash equivalents		**24,761**	5,397

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 $000	2020 $000
Cash and cash equivalents at beginning of year		**14,833**	8,462
Foreign exchange gains and losses		**(3,941)**	974
Cash and cash equivalents at the end of year		**35,653**	14,833
Cash and cash equivalents at the end of year comprise:			
Cash at bank and in hand	17	**35,990**	15,832
Bank overdrafts	17	**(337)**	(999)
		35,653	14,833

The notes on pages 22 to 46 form part of these financial statements.

1. General information

MiQ Digital Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the registered office is given on the company information page and the nature of the company's operations are set out in the strategic report.

1.1 Revised financial statements

These revised financial statements replace the original financial statements for the year ended 31 December 2021 which were approved by the board on 6th June 2022. They are now the statutory financial statements of the company for that financial year. In accordance with the Companies Act 2006 ('the Act'), the financial statements have been revised as at the date of the original financial statements and not as at the date of this revision. Accordingly they do not deal with events between those dates.

The original financial statements did not comply with the Act in the following respect; Intercompany platform license fees charged from MiQ Digital Limited to certain MiQ group companies were overstated to the agreed upon transfer pricing policy. The Act requires that where revised financial statements are issued, a revised auditor's report is issued and this is attached. A detailed breakdown of the changes are below:

	Signed Accounts 2021 $,000	Change 2021 $,000	Revised Accounts 2021 $'000
Consolidated P&L			
Tax on profit	($9,693)	($349)	($10,042)
Profit for the financial year	$35,655	($349)	$35,306
Foreign exchange differences	$374	$166	$540
Total comprehensive income for the year	$36,029	($183)	$35,846
Consolidated Balance Sheet			
Debtors	$223,660	$1,665	$225,325
Other Debtors (Note 16)	$68	$1,665	$1,733
Creditors amounts falling due within one year	($171,565)	($1,848)	($173,413)
Corporation tax creditor (Note 18)	($1,883)	($1,848)	($3,731)
Net current assets	$87,748	($183)	$87,565
Net Assets	$96,057	($183)	$95,874
Profit and loss account	$96,057	($183)	$95,874
Company Balance Sheet			
Debtors	$181,474	($8,475)	$172,999
Amounts owed by group undertakings (Note 16)	$142,334	($10,139)	$132,195
Other Debtors (Note 16)	$3	$1,664	$1,667
Creditors amounts falling due within one year	($131,639)	$432	($131,207)
Corporation tax creditor (Note 18)	($430)	$430	$0
Net current assets	$66,714	($8,043)	$58,671
Net Assets	$75,431	($8,043)	$67,388
Profit and loss account	$75,431	($8,043)	$67,388

Company P&L

Profit before tax for the company has not changed. However in the accounts signed on the 6 June 2022, the corporation tax charge for the company was overstated by $2,095k. Therefore, in the revised accounts, the tax charge has decreased by $2,095k.

2. Accounting policies

2.1 *Basis of preparation of financial statements*

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, which meets the definition of a qualifying entity, advantage has been taken of the following disclosure exemptions available in FRS 102:

• No statement of cash flows has been presented for the parent company;
• Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole; and
• No disclosures have been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the company as a whole.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

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

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

2. Accounting policies (continued)

2.3 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Turnover for the provision of services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, turnover is recognised only to the extent of the expenses recognised that are recoverable. Where payments are received from customers in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

2.4 Tangible fixed assets

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

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 5% - 20%
Fixtures and fittings	- 10% - 25%
Office equipment	- 25% - 40%

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2. Accounting policies (continued)

2.5 Intangible assets

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

The value of the technology assets will be amortised over its useful economic life of 3-5 years, depending on whether each asset relates to long-term platform development or advanced product functionality which may be superceded by technological developments in a shorter period. The technology is continually under development to prevent it becoming obsolete. Due to the business-related nature of these technology assets, amortisation is included with cost of sales.

Assets are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss. An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.
Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Impairment of goodwill is never reversed.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

At each balance sheet date, investments are assessed for indicators of impairment. If there is such an indicator, the recoverable amount of the asset is compared to the carrying amount of the investment.

The recoverable amount of the asset is the higher of fair value less costs to sell and value in use.

2.7 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2. Accounting policies (continued)

2.9 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the balance sheet date, 31 December 2021.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.11 Foreign currency translation

Functional and presentation currency

The financial statements have been presented in US dollars. This differs from the company's functional currency which is GBP. The reason for the difference is that US dollars is the currency of the primary economic environment in which the group's largest trading entity operates. Functional currency for the company remains GBP with the group headquarters in the United Kingdom.

Transactions and balances

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

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

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

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

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

2.12 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.13 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2. Accounting policies (continued)

2.14 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.15 Interest income

Interest income is recognised in profit or loss using the effective interest method. Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.16 Current and deferred taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

2. Accounting policies (continued)

2.17 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.18 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

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

2.19 Going concern

In considering the appropriateness of the going concern basis the board have reviewed the key risks and uncertainties to which they believe the group is exposed, the group's ongoing financial commitments and the availability of sufficient resources for the next twelve months from the date of signing the financial statements and beyond. The Directors have accordingly adopted the going concern basis in preparing these financial statements.

In assessing the appropriateness of the going concern assumption, the directors have considered the ability of the group to maintain adequate liquidity through the forecast period as well as meeting the covenants associated with its \$64.2m senior term loan and £10m revolving credit and overdraft facility ("RCF"). The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group is able to operate comfortably within the level of its current facilities and meet its debt covenant obligations. The group's current bank facilities comprise a senior term loan, a revolving credit facility and an overdraft and currently have a maturity date of 31 March 2027. The directors have taken into account contractual interest payments and the repayment of all drawn facilities in line with the current maturity profile in assessing the group's ability to maintain adequate liquidity through the forecast period. The group has cash of \$33.1m at the date of this report.

Based on the latest 12-month forecast reviewed by the board, sensitivities have been modelled above the base case to understand the impact of the various risks outlined above on the group's debt covenants/cash headroom. EBITDA would need to drop by over 50% before engaging in any actions to mitigate the decline in order to breach the leverage covenant. Cash would need to drop by over 100% before engaging in any action to action to mitigate the decline in order to breach the cash headroom.

Given the current demand for services across the group at the date of this report, the assumptions in these sensitivities, when taking into account the factors set out above, are considered highly unlikely to lead to breaches of either the debt covenant breach or the cash headroom.

2. Accounting policies (continued)

2.19 Going concern (continued)

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and that it remains appropriate to continue to adopt the going concern basis in preparing the annual report and financial statements. The ultimate holding company, Insight Topco Limited has provided guarantees and letter of support for its subsidiaries' obligations.

2.20 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

Estimates and judgements made in the process of preparing the financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances:

a) Key judgement in applying the group's accounting policies

Classification and valuation of intangible fixed asset amortisation

Consideration is given to the fundamental relationship between internally generated software assets and the company's ability to generate revenue on programmatic advertising campaigns. While the company is not a SAAS business, the directors have determined that software products developed underpin the managed service offered to advertisers, making amortisation of these assets a genuine cost of sale.

Classification of commercial rebates

Commercial agreements with agencies vary in terms and nature. Classification of whether these amounts as revenue or cost of sales is reviewed annually in line with FRS102. Discounts and volume rebates are applied and presented as netting off against revenue. Agency commission payments are classified as cost of sales based on a technical assessment of the nature of the charges with consideration given to the agency-principal concept based on the substance of an agreement over legal form.

a) Key accounting estimates and assumptions

Valuation of intangible fixed assets

The group internally generates software assets, recognised annually and as a result of business combinations. The valuation of these assets requires judgement in identifying the underlying internal cost of both goodwill and software, and subsequent indicators of impairment that meet the recognition criteria in FRS102 and in attributing fair value.

3. Judgments in applying accounting policies (continued)

Judgement is required in assessing the useful economic lives of intangible fixed assets and goodwill and the proportion of payroll costs that are classified as development costs rather than research or maintenance as determined under UK GAAP. This assessment is based on analysis performed on historic group data and the directors' best estimate of the life of the asset and of its residual value at the end of its useful economic life.

Recoverable value of trade and other debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considered factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

Valuation of commercial rebates

The company maintains rebate agreements with customers and other parties. The calculation and classification of such rebate balances can be complex and require management estimates in line with contractual terms if both parties have not settled totals by the date of signing the financial statements. Agreements are reviewed annually and rebate values are estimated monthly based on percentage of turnover or turnover less direct costs.

4. Turnover

All turnover is generated frm the same class of business. Analysis of turnover by country of origin:

Analysis of turnover by country of destination:

	2021 $000	2020 $000
United Kingdom	**83,062**	43,195
Rest of Europe	**1,989**	2,290
Rest of the world	**379,678**	292,013
	464,729	337,498

5. Operating profit

The operating profit is stated after charging/(crediting):

	Note	2021 $000	2020 $000
Research & development charged as an expense		**2,418**	900
Depreciation of tangible fixed assets	14	**1,161**	1,197
Exchange loss/(gains)		**1,307**	(1,120)
Amortisation of intangible fixed assets	13	**1,948**	896
Other operating lease rentals		**5,300**	4,567

6. Auditors' remuneration

	2021 $000	2020 $000
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	**272**	221

7. Employees

Staff costs were as follows:

	Group 2021 $000	Group 2020 $000	Company 2021 $000	Company 2020 $000
Wages and salaries	95,031	83,460	17,982	15,618
Social security costs	7,004	5,901	3,104	2,383
Cost of defined contribution scheme	1,427	654	517	408
	103,462	90,015	21,603	18,409

The average monthly number of employees, including the directors, during the year for the group was as follows:

	Group 2021 No.	Group 2020 No.	Company 2021 No.	Company 2020 No.
Directors and global board	14	6	3	6
Programmatic media operations	343	299	69	75
Technology and analytics	307	259	57	26
Administration	131	111	32	33
	795	675	161	140

8. Directors' remuneration

Insight Bidco Limited, the immediate parent company of MiQ Digital Limited, bears all directors' costs within the group. Directors' emoluments are paid by a fellow subsidiary which makes no recharge to the company. The directors are directors of the parent company and a number of fellow subsidiaries and it is not possible to make an accurate apportionment of emoluments in respect of each of the subsidiaries. Total emoluments are included in the aggregate of directors' emoluments disclosed in the financial statements of the parent company.

There are no directors accruing retirement benefits under money purchase or defined benefit schemes. No directors exercised share options during the year.

9. Other operating income

	2021 **$000**	2020 $000
Government grants receivable	**4,400**	1,186
	4,400	1,186

An amount of $3,033,187 was received under the Paycheck Protection Program in the prior year but remained in the balance sheet due to repayment terms being unknown. As of 31 December 2021, the group has been informed the loan had been forgiven and the balance was moved to other income.

The same can be applied to an additional $1,365,380 received by the United States Treasury IRS department as part of the COVID economic relief package. As of 31 December 2021, the group had been informed this amount is not repayable and the balance moved to other income.

10. Interest receivable

	2021 **$000**	2020 $000
Other interest receivable	**4**	7
	4	7

11. Interest payable and similar expenses

	2021 **$000**	2020 $000
Bank interest payable	**44**	23
Other loan interest payable	**97**	67
	141	90

12. Taxation

	2021 Revised $000	2020 $000
Corporation tax		
Current tax on profits for the year	**1,685**	3,184
Adjustments in respect of previous periods	**(614)**	256
Foreign tax relief/other relief	**(114)**	(42)
	957	3,398
Foreign tax		
Foreign tax on income for the year	**5,246**	3,414
Foreign tax in respect of prior periods	**1,564**	1,345
	6,810	4,759
Total current tax	**7,767**	8,157
Deferred tax		
Origination and reversal of timing differences	**1,910**	(2,301)
Adjustment in respect of previous periods	**240**	27
Effect of changes in tax rates	**125**	33
Total deferred tax	**2,275**	(2,241)
Taxation on profit on ordinary activities	**10,042**	5,916

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 Revised $000	2020 $000
Profit on ordinary activities before tax	**45,354**	21,794
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	**8,617**	4,141
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**393**	492
Higher rate taxes on overseas earnings	**1,263**	(150)
Non-taxable income	**(781)**	(148)
Adjustments to tax charge in respect of prior periods	**1,190**	1,627
Tax rate changes	**126**	33
Effect of loss relief	**(909)**	(887)
Deferred tax previously unrecognised	**163**	808
Tax Credit	**(20)**	-
Total tax charge for the year	**10,042**	5,916

Factors that may affect future tax charges

The UK Budget 2021 announcements on 3 March 2021 included measures to support economic recovery as a result of the ongoing COVID-19 pandemic. These included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. These changes were substantively enacted in the Finance Bill 2021 on 24 May 2021. The deferred tax balances have been remeasured using the rates expected to apply when the deferred tax balances unwind.

13. Intangible assets

Group

	Technology asset $000
Cost	
At 1 January 2021	4,527
Additions	4,008
Foreign exchange movement	126
At 31 December 2021	8,661
Amortisation	
At 1 January 2021	1,246
Charge for the year on owned assets	1,948
Foreign exchange movement	83
At 31 December 2021	3,277
Net book value	
At 31 December 2021	5,384
At 31 December 2020	3,282

Development costs in relation to the technology asset have been capitalised in accordance with the requirements of FRS 102, which allows for an election to be made regarding the capitalisation of software development costs if certain criteria are met, and are therefore not treated as a realised loss in the year of expenditure. In the previous year, the directors decided to adopt a change in accounting policy for the group in 2020, to capitalise development costs in the year in order to bring group policies in line with the industry norm. Consequently, prior year values have also been restated as illustrated in Note 28.

The value of the technology assets will be amortised over its useful economic life of 3-5 years. The technology is continually under development to prevent it becoming obsolete. On average, the entirety of the technology stack is replaced every 5 years.

14. Tangible fixed assets

Group

	Leasehold improvements $000	Fixtures and fittings $000	Office equipment $000	Total $000
Cost or valuation				
At 1 January 2021	2,040	1,060	3,182	6,282
Additions	32	25	1,111	1,168
Disposals	(15)	(13)	-	(28)
Exchange adjustments	(33)	(6)	(136)	(175)
At 31 December 2021	2,024	1,066	4,157	7,247
Depreciation				
At 1 January 2021	1,400	770	2,203	4,373
Charge for the year on owned assets	319	178	664	1,161
Disposals	(15)	(12)	-	(27)
Exchange adjustments	(17)	(3)	(125)	(145)
At 31 December 2021	1,687	933	2,742	5,362
Net book value				
At 31 December 2021	337	133	1,415	1,885
At 31 December 2020	640	290	979	1,909

14. Tangible fixed assets (continued)

Company

	Leasehold improvements $000	Fixtures and fittings $000	Office equipment $000	Total $000
Cost or valuation				
At 1 January 2021	**558**	**111**	**842**	**1,511**
Additions	**14**	**25**	**297**	**336**
Exchange adjustments	**(8)**	**(2)**	**(14)**	**(24)**
At 31 December 2021	**564**	**134**	**1,125**	**1,823**
Depreciation				
At 1 January 2021	**378**	**91**	**628**	**1,097**
Charge for the year on owned assets	**76**	**12**	**133**	**221**
Exchange adjustments	**(6)**	**(2)**	**9**	**1**
At 31 December 2021	**448**	**101**	**770**	**1,319**
Net book value				
At 31 December 2021	**116**	**33**	**355**	**504**
At 31 December 2020	180	20	215	415

15. Fixed asset investments

Group

	Other Investments $000
Cost or valuation	
At 1 January 2021	1,057
Foreign exchange movement	(17)
At 31 December 2021	1,040

Relates to a 1% investment in Infosum, a data management software company and strategic partner for the group.

Company

	Other Investments $000	Investments in subsidiary companies $000	Total $000
Cost or valuation			
At 1 January 2021	1,057	1,172	2,229
Additions	-	650	650
Foreign exchange movement	(17)	(33)	(50)
At 31 December 2021	1,040	1,789	2,829

Direct subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
MiQ Digital India Private Limited	204-206, Siddhartha Chambers, Near IIT Gate, Hauz Khas, New Delhi-110016.	Programmatic Media	Ordinary	100%
MiQ Digital USA, Inc.	108 West 13th Street, Wilmington, . Delaware 19801 (New Castle County).	Programmatic Media	Ordinary	100%
MiQ Digital Canada, Inc.	371 Queen Street Suite 400, Fredericton NB, E3B 1B1, Canada.	Programmatic Media	Ordinary	100%

15. Fixed asset investments (continued)

Direct subsidiary undertakings (continued)

Name	Registered office	Principal activity	Class of shares	Holding
MiQ Digital Australia PTY Ltd.	Muse House, 74-76 Campbell Street, Surrey Hills, NSW 2010.	Programmatic Media	Ordinary	100%
MiQ Digital Singapore PTE Ltd.	15-137, 71 Robinson, Singapore 68895.	Programmatic Media	Ordinary	100%
MiQ Digital Commercial Private Ltd.	204-206, Siddhartha Chambers, Near IT Gate, Hauz Khas, New Delhi-110016.	Programmatic Media	Ordinary	100%
MiQ Digital Nominees Limited	6th Floor Charlotte House, 17 Gresse Street, London, United Kingdom, W1T 1QL.	Shareholder Trust	Ordinary	100%
MiQ Digital Sdn. Bhd.	No. 71, Jalan 109F, Plaza Danau 2, Taman Danau Desa 58100 Kuala Lumpur W. P. Kuala Lumpur, Malaysia.	Programmatic Media	Ordinary	100%
MiQ Digital (Thailand) Co., Ltd.	No. 286/279, Rattanathibet Road, Bang Kraso Sub-district, Meuang Nonthaburi District, Nonthaburi.	Programmatic Media	Ordinary	100%
MiQ Digital (Shanghai) Co., Ltd	Unit 20108, Level 20, HKRI Center, Tower 2, 288 Shimen 1st Road, Jing'an District, Shanghai, China.	Programmatic Media	Ordinary	100%

16. Debtors

	Group Revised 2021 $000	Group 2020 $000	**Company Revised 2021 $000**	Company 2020 $000
Trade debtors	**157,705**	107,897	**37,035**	14,509
Amounts owed by group undertakings	**59,836**	58,093	**132,195**	125,287
Other debtors	**1,733**	-	**1,667**	6
Deferred taxation	**1,107**	3,157	**2**	19
Prepayments and accrued income	**4,944**	8,354	**2,100**	5,996
	225,325	177,501	**172,999**	145,817

Included within the trade debtors balance is a provision for bad debts of $695,299 (2020: $615,562).

Included within other debtors is a corporate tax debtor amounting to $1,664,673 (2020: $0).

Amounts owed from group undertakings are chargeable at a 0% interest rate and repayable on demand.

17. Cash and cash equivalents

	Group 2021 $000	Group 2020 $000	**Company 2021 $000**	Company 2020 $000
Bank account 1	**35,990**	15,832	**16,879**	2,673
Less: bank overdrafts	**(337)**	(999)	**-**	-
	35,653	14,833	**16,879**	2,673

18. Creditors: Amounts falling due within one year

	Group 2021 Revised $000	Group 2020 $000	Company 2021 Revised $000	Company 2020 $000
Trade creditors	**93,484**	67,856	**86,257**	64,406
Corporation tax	**3,731**	3,383	**-**	1,133
Deferred tax	**537**	290	**537**	290
Other taxation and social security	**5,984**	2,659	**6,514**	3,200
Other creditors	**678**	984	**117**	6
Accruals and deferred income	**68,999**	63,382	**37,782**	28,525
	173,413	138,554	**131,207**	97,560

Amounts owed to group undertakings are chargeable at a 0% interest rate and repayable on demand.

19. Financial instruments

	Group 2021 $000	Group 2020 $000
Financial assets		
Cash at bank and in hand	**35,653**	14,833
Financial assets measured at fair value through profit or loss	**222,554**	174,344
	258,207	189,177

Financial assets that are debt instruments measured at amortised cost comprise of cash, trade debtors, other debtors and accrued income.

20. Financial liabilities

	Group 2021 $000	Group 2020 $000
Financial liabilities measured at amortised cost	**(163,498)**	(133,220)

Financial liabilities measured at cost comprise of bank overdrafts, trade creditors, accruals and other creditors.

21. Deferred taxation

Group

	2021 Revised $000	2020 $000
At beginning of year	**2,867**	895
Utilised in year	**(2,297)**	1,972
At end of year	**570**	2,867

Company

	2021 Revised $000	2020 $000
At beginning of year	**(271)**	(31)
Utilised in year	**(264)**	(240)
At end of year	**(535)**	(271)

The deferred tax balance is made up as follows:

	Group 2021 Revised $000	Group 2020 $000	Company 2021 Revised $000	Company 2020 $000
At beginning of year	**2,867**	895	**(271)**	(31)
Adjustment in respect of prior years	**(240)**	(300)	**(243)**	(287)
Charged to the statement of comprehensive income	**(2,037)**	2,268	**(21)**	47
Foreign exchange	**(20)**	4	**-**	-
	570	2,867	**(535)**	(271)
Comprising:				
Asset - due after one year	**1,107**	3,157	**2**	19
Liability	**(537)**	(290)	**(537)**	(290)
	570	2,867	**(535)**	(271)

22. Share capital

	2021 $	2020 $
Allotted, called up and fully paid		
14,000 (2020 - 14,000) Ordinary A shares of $0.01 each	**178**	178
5,700 (2020 - 5,700) Ordinary B shares of $0.01 each	**72**	72
300 (2020 - 300) Ordinary C shares of $0.01 each	**4**	4
	254	254

Ordinary A shares carry full voting, dividend and capital contribution rights (including on a winding up), but do not confer any rights of redemption.

Ordinary B shares carry the right to dividends of at least 5% more than that of the Ordinary C shares, and capital distribution rights (including on a winding up), but do not carry voting rights or confer any rights of redemption.

Ordinary C shares carry the right to receive dividends and capital distribution rights (including on a winding up), but do not carry voting rights or confer any rights of redemption.

23. Reserves

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and foreign exchange differences that arise on consolidation of foreign subsidiaries.

24. Pension commitments

The pension cost charge represents contributions payable by the group to the funds and amounted to $1,426,523 (2020: $655,000). Contributions totalling $89,612 (2020: $73,000) were payable to the funds at the period end.

25. Commitments under operating leases

At 31 December 2021 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2021 $000	Group 2020 $000	Company 2021 $000	Company 2020 $000
Not later than 1 year	**4,874**	4,897	**629**	640
Later than 1 year and not later than 5 years	**12,532**	15,409	**222**	1,919
Later than 5 years	**4,823**	7,667	**-**	-
	22,229	27,973	**851**	2,559

26. Contingent liability

As at 31 December 2021, the group is involved in investigations with respect to the group's transfer pricing arrangement for historical periods. Provision has been made for probable liabilities in respect of open claims. There remains a potential risk with respect to the group transfer pricing impact for other historical periods which may be open to challenge by tax authorities. No provision has been made for such items as the positions are not currently subject to challenge, quantifiable or probable. Additionally the availability of potential Mutually Agreed Procedures (MAP) could be used to mitigate such risks should claims arise, the impact of which can again not be quantified.

27. Related party transactions

The total remuneration for key management personnel for the year totalled 2,313,327 (2020: $1,627,418). No dividends were paid to directors during the year.

Exemption has been taken from disclosing transactions with other group companies.

28. Controlling party

The group is controlled by Insight Bidco Limited.

The Companies immediate holding company is Insight Bidco Limited which is the smallest group the company is a member of, for which group accounts are drawn up. The largest group which the company is a member of, for which group accounts are drawn up, is Insight Topco Limited.

The registered office address of the above companies is set out below

6th Floor Charlotte Building,
17 Gresse Street,
London,
W1T 1QL