I-Logic Holdings Limited

Strategic Report, Directors' Report and consolidated financial statements for the year ended 31 December 2019

STRATEGIC REPORT, DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2019

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COMPANY INFORMATION

DIRECTORS	C. Clinch C. Dyer T. Fleming L. Flemmer (resigned 31 July 2020) A. Pignataro A. Tye A. Woods
SECRETARY	A. Woods
REGISTERED OFFICE	10 Queen Street Place, London, EC4R 1BE, United Kingdom
REGISTERED NUMBER OF INCORPORATION	11069372
AUDITOR	KPMG LLP, Chartered Accountants, 15 Canada Square, London, E14 5GL, United Kingdom

STRATEGIC REPORT
for the year ended 31 December 2019

The directors present herewith the Strategic Report, the Directors' Report and the audited consolidated financial statements ("financial statements" or "consolidated financial statements") for the year ended 31 December 2019.

PRINCIPAL ACTIVITIES, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS
The principal activity of I-Logic Holdings Limited (the "Company") and its subsidiaries (the "Group") is to develop and market content, data, analytics and software solutions to participants of the global capital markets. The Group generates revenue from data and product licenses and from professional services.

The Group has adopted IFRS 16, the new leases standard using the modified retrospective approach with an initial application date of 1 January 2019. The resulting impact on transition is disclosed in note 1(s).

The Company was incorporated on 17 November 2017. The Group will continue to sell and develop market content and software solutions.

On 12 September 2019, the Group acquired 100% of Selerity Inc. and its subsidiaries ("Selerity"), a technology provider specialised in artificial intelligence solutions for unstructured data and content.

Financial Performance Indicators
The Group's key measures of financial performance are Revenue, EBITDA (earnings before interest, taxation, depreciation and amortisation) and Profit on Ordinary Activities after Taxation.

Revenue
The Group's total revenue was $184.6 million in 2019 (2018: $169.8 million). The increase in total revenue for 2019 as compared to 2018 of $14.8 million.

EBITDA
Earnings before interest, taxation, depreciation and amortisation was $84.6 million in 2019 (2018: $55.0 million).

Loss on Ordinary Activities after Taxation
Loss on ordinary activities after taxation for the year ended 31 December 2019 was $36.2 million (2018: loss of $79.8 million), after a $66.0 million charge related to the amortisation of intangible assets (2018: $67.4 million).

PRINCIPAL RISKS AND UNCERTAINTIES
The principal risks and uncertainties which the Group faces are:

- The Group currently derives most of its revenue from a limited number of products. As a result, a reduction in demand for, or sales of, these products would have a material adverse effect on the Group's business, financial condition and operating results;
- The Group derives all of its revenues from customers in the financial services industry. The Group's business, financial condition and operating results could be adversely affected by significant changes in that industry;
- The Group depends on large transactions from a limited number of customers for a significant portion of its revenue and the delay or loss of any large customer could adversely affect the Group's business, financial condition and operating results;

STRATEGIC REPORT
for the year ended 31 December 2019 (Continued)

PRINCIPAL RISKS AND UNCERTAINTIES (Continued)

- Potential defects in the Group's products or failure to provide services for the Group's customers could cause the Group's revenue to decrease, cause the Group to lose customers and damage the Group's reputation;
- The Group has a limited ability to protect its intellectual property rights, and others could obtain and use the Group's technology without authorisation;
- The Group may be exposed to significant liability if it infringes the intellectual property or proprietary rights of others;
- The Group has funded its activities through operating cash flows and bank borrowings. The Group expects that the proceeds of bank borrowings, current working capital and sales revenues will fund its existing operations and payment obligations. However, if the Group's capital requirements are greater than expected, or if revenues are not sufficient to fund operations, the Group may need to find additional financing which may not be available on attractive terms or at all. The Group's use of financial instruments is discussed in note 16.

The Group has insurances, business policies and organisational structures to limit these risks and uncertainties. The Board of Directors and management regularly review, reassess and proactively limit the associated risks.

SECTION 172 STATEMENT
The Directors are aware of their duty under s.172 of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members and key stakeholders. The directors when making key decisions for the Company have had considered the impact of their decisions to the Company's key stakeholders and to wider society by continuing to facilitate the critical processes within our clients' businesses, and by focusing on innovation in the capital markets in order to contribute to continuous process improvement for our clients.

One of Dealogic's core values is to long term thinking and building long-term sustainable relationships with our customers. Dealogic software helps our customers to improve decision-making, increase efficiency, simplify complex processes and empower their people. This is achieved by partnering with our customers to enable them to digitize and automate their business critical processes. Our solutions provide critical information in real time so our customers can understand the needs of their customers better, and manage risk proactively.

These long-term sustainable relationships allow us to invest in R&D that shapes the future of automation and hence opportunities for our clients' businesses; as well as managing our commitments to our suppliers and lenders.

The Company recognises our employees are a critical success factor for the Company, hence we seek to assist our employees to succeed through a positive culture and continuous improvement. There are a number of measures in place to keep employees up to date on recent developments of company and allow employee engagement with senior management, through face to face meetings and electronic media.

On behalf of the Directors

Conor Clinch
Director

16 December 2020

DIRECTORS' REPORT
for the year ended 31 December 2019

The directors present herewith their report and the audited consolidated financial statements ("financial statements" or "consolidated financial statements") for the year ended 31 December 2019.

DIRECTORS AND THEIR INTERESTS
The names of the directors who served at any time during the financial year are as listed on page 2.

The interests of the directors and company secretary in shares of the company or other group companies are set out in note 24 to the financial statements.

DIVIDENDS
No dividends were declared in the year (2018: $Nil).

RESEARCH AND DEVELOPMENT
The Group has invested in the development of new and existing products with considerable effort applied by the technical and software development teams. As set out in note 1(f), when certain criteria are met the costs are capitalised as intangible assets and amortised over the useful life of the asset, currently considered to be 3 years. These capitalised development costs are shown in note 9. All other development costs are expensed as incurred.

GOING CONCERN
Having reviewed the future plans and projections for the business, including the expected impact of COVID-19, and its current financial position, the directors are satisfied that the Group has adequate financial resources to continue to manage its business risks successfully and to remain in operational existence for the foreseeable future. Accordingly, the directors continue to adopt the going concern basis in preparing the report and accounts.

FINANCIAL INSTRUMENTS
The Group's financial risk management objective is to identify financial risks and implement suitable risk reducing measures where appropriate.

In implementing this objective, Group policy aims to ensure that sufficient cash amounts are held to meet all working capital requirements and sufficient committed borrowing facilities are available to meet longer term requirements.

The Group is exposed to foreign currency, interest rate, liquidity and credit risks. For information on these risks please refer to note 16.

EVENTS SINCE THE STATEMENT OF FINANCIAL POSITION DATE
In March, April and June 2020, the Group repurchased and extinguished $20.1 million nominal value of the Group's debt.

Subsequent to the year end, the COVID-19 outbreak developed rapidly, which is causing economic disruptions in most countries. Various measures have been taken by Governments around the world to contain the virus which have had a significant impact on global economic activity.

The Group's principle activity is to develop and market data and software solutions, and as such a significant proportion of our projects can be performed remotely. The Group has moved to remote working arrangements which are running smoothly, to ensure the safety of our staff and to enable our business to operate with minimal impact.

DIRECTORS' REPORT
for the year ended 31 December 2019 (Continued)

EVENTS SINCE THE STATEMENT OF FINANCIAL POSITION DATE (Continued)
A significant portion of the Group's revenue is derived from multiyear contracts with customers with the services provided being critical to our customers' operations, hence limited immediate impact is expected on the Group's revenue stream. Having considered reasonably expected sensitivities from COVID-19, the directors believe it is still appropriate to prepare the financial statements on a going concern basis.

DIRECTORS' RESPONSIBILITIES STATEMENT
The directors are responsible for preparing the Strategic Report, the Directors' 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 financial statements in accordance with IFRSs as adopted by the EU and applicable law, and have elected to prepare the Company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101).

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 their profit or loss for that year. In preparing each of 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, relevant, reliable and prudent;
- for the Group financial statements, state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- for the Company financial statements, state whether applicable UK Accounting Standards, including FRS 101, 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 concerns; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the 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 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, and have a 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.

ENVIRONMENTAL MATTERS
The Company will seek to minimise adverse impacts on the environment from its activities, whilst continuing to address health, safety and economic issues. The Company has complied with all applicable legislation and regulations.

DIRECTORS' REPORT
for the year ended 31 December 2019 (Continued)

DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITOR

KPMG LLP, Chartered Accountants, were appointed as auditor and have signified their willingness to continue in office in accordance with section 487 of the Companies Act 2006.

On behalf of the Directors

Conor Clinch
Director

16 December 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF I-LOGIC HOLDINGS LIMITED

Opinion

We have audited the financial statements of I-Logic Holdings Limited ("the company") for the year ended 31 December 2019 which comprise the consolidated statement of comprehensive income, consolidated and company statement of financial position, consolidated and company statement of changes in equity, consolidated cash flow statement and related notes, including the accounting policies in note 1.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2019 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

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").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the group's business model, including the impact of Brexit, and analysed how those risks might affect the group and company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

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.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report 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 strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF I-LOGIC HOLDINGS LIMITED (Continued)

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for 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 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 they either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

David Benson

David Benson (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London, E14 5GL
16 December 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2019

	Note	*2019* *$'000*	*2018* *$'000*
Revenue	2	184,564	169,808
Operating expenses		(99,990)	(114,768)
Amortisation of intangible assets	9	(66,044)	(67,444)
Depreciation of property, plant & equipment	11	(7,076)	(3,222)
Operating profit / (loss)	3	11,454	(15,626)
Finance income	7	5,482	11,041
Finance expenses	7	(57,659)	(66,610)
Loss on ordinary activities before taxation		(40,723)	(71,195)
Tax on loss on ordinary activities	8	4,502	(8,568)
Loss for the financial year		(36,221)	(79,763)
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange difference on translation of foreign operations		1,293	(1,189)
Total comprehensive loss		(34,928)	(80,952)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
at 31 December 2019

	Note	2019	2018
ASSETS		$'000	$'000
NON-CURRENT ASSETS			
Intangible assets	9	1,361,059	1,395,185
Property, plant and equipment	11	13,669	8,219
Deferred tax asset	8	29,555	28,497
		1,404,283	1,431,901
CURRENT ASSETS			
Trade and other receivables	12	80,776	30,059
Cash at bank and in hand		7,941	15,830
		88,717	45,889
TOTAL ASSETS		1,493,000	1,477,790
EQUITY AND LIABILITIES			
EQUITY			
Called up share capital	13	5,257	4,000
Share premium	13	632,639	396,000
Other reserves		7,606	-
Foreign currency translation reserve		51	(1,242)
Retained earnings		(103,972)	(67,752)
TOTAL EQUITY		541,581	331,006
NON-CURRENT LIABILITIES			
Trade and other payables	18	8,868	4,871
Deferred tax liability	8	170,482	182,239
Provisions	14	1,566	2,025
Redeemable shares and options	15	69,324	277,855
Interest bearing loans and borrowings	16	585,541	597,735
		835,781	1,064,725
CURRENT LIABILITIES			
Trade and other payables	18	115,638	82,059
		115,638	82,059
TOTAL LIABILITIES		951,419	1,146,784
TOTAL LIABILITIES AND EQUITY		1,493,000	1,477,790

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2020. They were signed on its behalf by:

Conor Clinch
Director

COMPANY STATEMENT OF FINANCIAL POSITION
at 31 December 2019

	Note	2019 $'000	2018 $'000
ASSETS			
NON-CURRENT ASSETS			
Financial assets	10	641,271	641,271
Deferred tax asset		1,814	-
		643,085	641,271
CURRENT ASSETS			
Trade and other receivables	12	9,076	-
		9,076	-
TOTAL ASSETS		652,161	641,271
EQUITY AND LIABILITIES			
EQUITY			
Called up share capital	13	5,257	4,000
Share premium	13	632,639	396,000
Other reserves		7,606	-
Retained earnings		(62,683)	(36,584)
TOTAL EQUITY		582,819	363,416
NON-CURRENT LIABILITIES			
Redeemable shares and options	15	69,324	277,855
		69,324	277,855
CURRENT LIABILITIES			
Trade and other payables	18	18	-
		18	-
TOTAL LIABILITIES		69,342	277,855
TOTAL LIABILITIES AND EQUITY		652,161	641,271

The financial statements were approved by the Board of Directors and authorised for issue on 16 December 2020. They were signed on its behalf by:

Conor Clinch
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2019

	Share capital $'000	*Share premium $'000*	*Other reserves $'000*	*Foreign currency translation reserve $'000*	*Retained earnings $'000*	*Total equity $'000*
Balance at 1 January 2018	4,000	396,000	-	(53)	12,011	411,958
Loss for the year	-	-	-	-	(79,763)	(79,763)
Other comprehensive loss for the year	-	-	-	(1,189)	-	(1,189)
Total comprehensive loss for the year	-	-	-	(1,189)	(79,763)	(80,952)
Balance at 31 December 2018	4,000	396,000	-	(1,242)	(67,752)	331,006
Loss for the year	-	-	-	-	(36,220)	(36,220)
Other comprehensive loss for the year	-	-	-	1,293	-	1,293
Total comprehensive loss for the year	-	-	-	1,293	(36,220)	(34,927)
Capital contribution	-	-	7,606	-	-	7,606
Financial liability reclassified to equity (note 13)	1,257	236,639	-	-	-	237,896
Balance at 31 December 2019	5,257	632,639	7,606	51	(103,972)	541,581

COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2019

	Share capital *$'000*	*Share premium* *$'000*	*Other reserves* *$'000*	*Retained earnings* *$'000*	*Total equity* *$'000*
Balance at 1 January 2018	4,000	396,000	-	(633)	399,367
Loss for the year	-	-	-	(35,951)	(35,951)
Other comprehensive loss for the year	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(35,951)	(35,951)
Balance at 31 December 2018	4,000	396,000	-	(36,584)	363,416
Loss for the year	-	-	-	(26,099)	(26,099)
Other comprehensive loss for the year	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(26,099)	(26,099)
Capital contribution	-	-	7,606	-	7,606
Financial liability reclassified to equity (note 13)	1,257	236,639	-	-	237,896
Balance at 31 December 2019	5,257	632,639	7,606	(62,683)	582,819

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2019

	Note	*2019* *$'000*	*2018* *$'000*
Cash flows from operating activities			
Profit / (Loss) before tax		(40,723)	(71,195)
Adjustments for			
Amortisation of intangible assets	3	66,044	67,444
Depreciation of property, plant and equipment	3	7,076	3,222
Finance expenses	7	57,659	66,610
Finance income	7	(9)	(61)
Foreign exchange gain	7	(5,473)	(10,980)
Deferred revenue adjustment		105	650
Long term employee benefits		14,612	14,285
Movements in working capital:			
Decrease in trade and other receivables		(20,387)	1,164
Increase in trade and other payables		4,909	4,946
(Decrease) in provisions	14	(459)	(149)
Income tax paid		(8,196)	2,307
Net cash flow from operating activities		75,158	78,243
Cash flows from investing activities			
Payments for tangible fixed assets	11	(30)	(2,242)
Payments for intangible assets	9	(8,508)	(17,004)
Acquisition of subsidiary net of cash acquired	24	(17,208)	-
Net cash flows used in investing activities		(25,746)	(19,246)
Cash flows from financing activities			
Repayment of borrowings		(24,763)	(38,122)
Interest paid		(31,808)	(37,731)
Net cash flows used in financing activities		(56,571)	(75,853)
Net decrease in cash and cash equivalents		(7,159)	(16,856)
Cash and cash equivalents at 1 January		15,830	36,870
Net foreign exchange difference		(730)	(4,184)
Cash and cash equivalents at 31 December		7,941	15,830

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019

1. ACCOUNTING POLICIES

(a) General information

The financial statements for the Group were authorised for issue by the directors on 16 December 2020. I-Logic Holdings Limited is a private limited company incorporated in England and Wales. The registered office address is 10 Queen Street Place, London, EC4R 1BE. The principal activities of the Company and its subsidiaries are described in the Directors' Report. The ultimate parent undertaking is disclosed in note 24.

(b) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ('IFRS'), as adopted by the EU. IFRS as adopted by the EU differs in certain respects from IFRS issued by the IASB. References to IFRS hereafter refer to IFRS as adopted by the EU.

The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Statement of Cash Flows;
- Disclosures in respect of transactions with wholly-owned subsidiaries;
- Certain requirements of IAS 1 Presentation of Financial Statements;
- Disclosures required by IFRS 7 Financial Instrument Disclosures;
- Disclosures required by IFRS 13 Fair Value Measurement; and
- The effects of new but not yet effective IFRSs.

The Company has availed of the exemption in Section 408 of the Companies Act 2006 from presenting their Statement of Comprehensive Income.

The accounting policies described below apply equally to the consolidated financial statements and the Company financial statements.

The consolidated and Company financial statements have been prepared on a historical cost basis except for derivative financial instruments which are carried at fair value. The consolidated financial statements are presented in US Dollars, which is also the Company's functional currency. All values are rounded to the nearest thousand ($'000), except where otherwise indicated.

The financial statements have been prepared on a going concern basis, as the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements, considering the below.

A significant portion of the Group's revenue is derived from multiyear subscription contracts with customers, which gives a highly visible income stream for the Group. The Group's forecasts and projections, including reasonably expected sensitivities from COVID-19, show that the Group will continue to generate positive operating cash flows to fund both operations and financing requirements of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(c) *Basis of consolidation*

The Group financial statements consolidate the financial statements of the company and all of its subsidiary undertakings prepared to 31 December 2019.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary, except for common control transactions as detailed below. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Upon the acquisition of a business, fair values are attributed to the identifiable net assets acquired.

Where the financial statements of subsidiary undertakings are prepared to a year end that differs from that of the company, the amounts included in the consolidated financial statements in respect of these subsidiary undertakings are represented by their latest financial statements prepared to their respective year ends, together with management accounts for the intervening periods to 31 December 2019. Financial statements of subsidiaries are prepared using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation.

The Group accounts for group reconstructions and common control transactions under the principle of predecessor accounting, and the comparative periods are represented as if the entities had been part of the same group from the earliest date they were under common control. On consolidation, any difference (merger adjustment) between the carrying value of the investment in the subsidiary and the aggregate of the nominal value of the subsidiary's shares, together with any share premium account and capital redemption reserve of the subsidiary is taken to other reserves.

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

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements;

(i) *Development costs:* The Group capitalises development costs for development projects in accordance with their accounting policy. Initial capitalisation of costs is based on management's judgement that technological and economic feasibility is confirmed. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, and the expected period of benefits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(d) *Judgements and key sources of estimation uncertainty (Continued)*

(ii) *Tax provisions:* The determination of the Group's provision for income tax requires certain judgements and estimates in relation to matters where the ultimate tax outcome may not be certain. The recognition or non-recognition of deferred tax assets as appropriate also requires judgement as it involves an assessment of the future recoverability of those assets. Although management believes that the estimates included in the consolidated financial statements are reasonable, there is no certainty that the final outcome of these matters will not be different than that which is reflected in the Group's income tax provisions and accruals.

(iii) *Provisions and accruals:* In determining the fair value of the provision, assumptions and estimates are made in relation to the expected cost to settle the obligation and the expected timing of those costs. Where the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability.

(iv) *Provision for doubtful debts:* For trade receivables, the Group uses a provision matrix to calculate the expected credit loss (ECL). The provision matrix is based on days past due, initially based on the Group's historical observed default rates by customer segment. In determining the provision matrix, a significant judgement exists in determining the correlation between historically observed default rates, current and future economic conditions. The Group's historical observed default rates as adjusted by future economic conditions may not be representative of the future actual default rates. Please see note 12 for further detail.

(v) *Business combinations:* As part of a business combination the assets and liabilities of the acquired group are brought onto the Consolidated Statement of Financial Position at their fair values. There are a number of significant judgements used in determining the fair value of the identifiable net assets acquired. Business combinations may also result in intangible benefits being brought into the Group, some of which qualify for recognition as intangible assets while other such benefits do not meet the recognition requirements of IFRS and therefore form part of goodwill. Judgement is required in the assessment and valuation of these intangible assets, including assumptions on the timing and amount of future cash flows generated by the assets and the selection of an appropriate discount rate. In subsequent periods after the fair values have been finalised, these assets are subject to annual impairment testing. Please see note 25 for further details.

(vi) *Discount rates used in measurement of lease liabilities:* In determining the initial measurement of the lease liability, the group discounts lease payments using the lessee's incremental borrowing rate (IBR), where the interest rate implicit in the lease cannot be readily determined. The IBR is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the *right-of-use asset in a similar economic environment with similar terms,* security and conditions. In determining the IBR, the group makes judgement on the selection of appropriate benchmark rates and necessary adjustments to reflect the specific circumstances of the lease, as set out above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition, if they satisfy the separation criteria. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Comprehensive Income in the year in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Comprehensive Income when the asset is derecognised. The useful economic life of intangible assets is between 1 and 20 years.

(f) Research and development costs

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when all of the following criteria are satisfied:

- it is technically feasible to complete the software product so that it will be available for use;
- management intends to complete the software product and use or sell it;
- there is an ability to use or sell the software product;
- it can be demonstrated how the software product will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- the expenditure attributable to the software product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete, and the asset is available for use. It is amortised evenly over the period of expected future benefit, currently considered to be 3 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(g) *Goodwill*

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured at fair value is less than the fair value of the net assets of the subsidiary acquired, in the case of a bargain purchase, the difference is recognised directly in the Statement of Comprehensive Income. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash generating units (CGUs), or groups of CGUs that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment.

(h) *Impairment of non-financial assets*

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's (or cash-generating unit) fair value less costs to sell and its value in use and is determined at the individual asset level, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

(i) *Property, plant and equipment*

Property, plant and equipment are stated at historical cost or valuation less accumulated depreciation and impairment losses. Cost comprises the amount paid and the costs directly attributable to making the asset capable of operating as intended. Depreciation is provided on all property, plant and equipment, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset, evenly over its expected useful life, as follows:

Leasehold improvements	over the period of lease
Computer equipment	3 years
Fixtures and fittings	3 years
Right-of-use assets	over the period of lease

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Any gain or loss arising from the derecognition of the asset is included in the Statement of Comprehensive Income in the period of derecognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(j) *Leases*

Leases as a lessee - the Group accounts for a contract or a part of a contract as a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

On the commencement of a lease, the Group recognises a right-of-use asset and a lease liability for all leases except short term leases that have a lease term of 12 month or less and leases of low-value assets.

The right-of-use asset is initially measured at the amount of the lease liability plus any initial direct costs incurred, any initial payments which have already been made but are not included in the lease liability and an estimate of the restoration costs required under the terms of the lease less any lease incentives received. Depreciation on the right-of-use asset is charged to the Statement of Comprehensive Income on a straight-line basis over the shorter of the asset's useful life and the lease term. For purposes of subsequent measurement of the right-of-use asset the Group follows the policy of property, plant and equipment, being cost less accumulated depreciation and accumulated impairment losses.

The Group initially measures the lease liability at the present value of the lease payments over the lease term that are not paid at commencement date, discounted using the Group's incremental borrowing rate. The lease liability is subsequently measured at amortised cost using the effective interest rate basis. It is remeasured when there is a change in future lease payments with a corresponding adjustment made to the carrying amount of right-of-use asset unless the carrying value of right-of-use asset is reduced to zero.

The Group has elected to account for short-term leases and leases of low-value items in profit or loss on a straight line basis over the lease term. Low-value items comprise IT equipment.

Leases as a lessor - when the Group is a lessor, the Group accounts for the leases as a finance lease when the Group transfers substantially all the risks and rewards of ownership of the underlying asset, otherwise the lease is accounted for as an operating lease on a straight line basis through profit or loss.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

The accounting polices applicable to the Group as a lessor in the comparative period were not different from IFRS 16. However, when the Group was an intermediate lessor, the sub-leases were classified with reference to the underlying asset.

(k) *Pension costs*

The Group operates defined contribution pension schemes. Contributions are charged to the Statement of Comprehensive Income and recognised as employee benefit expenses as they become payable in accordance with the rules of the scheme.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(l) *Provisions for liabilities*

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

(m) *Financial assets*

Initial recognition and measurement - the Group determines the classification of its financial assets on initial recognition. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Subsequent measurement - for purposes of subsequent measurement, financial assets held by the Group are classified in the following categories:

- Financial assets at amortised costs – the Group measures financial assets at amortised cost if both of the following conditions are met; (i) the asset is held within a business model whose objective is to hold assets to collect contractual cash flows, and (ii) based on the contractual terms the expected cashflows are solely payments of principal and interest on the outstanding principal. After initial measurement, such financial assets are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

- Financial assets at fair value through profit or loss - these include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Derivatives, including embedded derivatives which are accounted for as separate derivatives other than those designated at fair value through profit or loss; are classified as held for trading. Financial assets at fair value through profit or loss are carried in the Statement of Financial Position at fair value with net changes in fair value presented in the Statement of Comprehensive Income.

Impairment of financial assets - the Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the trade receivable and the economic environment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(m) *Financial assets (Continued)*

The Group considers default to occur when contractual payments are outstanding greater than 360 days past due based on historical experience, however given the Group applies a simplified approach in calculating ECLs for trade receivables and contract assets, the definition of default has no impact on the quantification of the provision. Trade receivables are written off when there is no reasonable expectation of recovering the contractual cashflows, which is based on an assessment of the Groups intention and ability to successfully recover balances through enforcement activities.

Derecognition - a financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated Statement of Financial Position) when:

- The rights to receive cash flows from the asset have expired; or

- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(n) *Financial liabilities*

Initial recognition and measurement - the Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement - the measurement of financial liabilities depends on their classification, as described below:

- Loans and borrowings - after initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Comprehensive Income.

- Financial liabilities at fair value through profit or loss - these include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. This includes derivatives not in a hedging relationship and embedded derivatives that meet the separation criteria in IFRS 9, as outlined above. Financial liabilities at fair value through profit or loss are carried in the Statement of Financial Position at fair value with net changes in fair value presented in the Statement of Comprehensive Income.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(n) *Financial liabilities (Continued)*
Derecognition of financial liabilities - a liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in the Statement of Comprehensive Income.

(o) *Classification of financial instruments*
An instrument or its components, are classified on initial recognition as a financial asset, financial liability or equity in accordance with the substance of the contractual arrangements and the requirements of IAS 32. The initial carrying value of a compound instruments are allocated between the financial liability components and equity components, by first valuing the financial liability on a stand-alone basis and allocating the residual value to the equity component. Transaction costs are allocated between the components on a relative fair value basis.

(p) *Foreign currency translation*
Items included in the financial statements of each individual Group entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency').

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. On consolidation, the assets and liabilities of foreign operations are translated into dollars at the rate of exchange prevailing at the reporting date and their statements of comprehensive income are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in the Statement of Comprehensive Income.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(q) *Taxation*

The tax expense for the period comprises current and deferred tax. Current tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, current tax is charged or credited to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in profit or loss.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted for the period.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except for deferred tax assets which are only recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised. Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the Statement of Financial Position date.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date. Deferred tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the Group to make a single net payment.

(r) *Revenue recognition*

The Group recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Revenue comprises subscriptions and transaction fees, and fees for related services.

Subscription and transaction revenue

Revenue from subscription services and software licenses is recognised evenly over the period of the subscription/license. Where transaction fees relate to a customer's investment banking transaction, revenue is recognised when the customer's transaction completes. Other transaction fees are recognised as revenue on delivery of the related service.

Rendering of services

Revenue pursuant to time and material professional services contracts are recognised as services are performed. Revenues from fixed-fee professional services contracts are recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. This is determined based on the actual labour hours spent relative to the total expected labour hours. Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(r) *Revenue recognition (Continued)*
Multi element arrangements and allocations of the transaction price
The Group derives revenue from licenses and subscriptions of its software and related professional services, which can include; assistance in implementation, customisation and integration, post-contract customer support, and other professional services.

In the event that an agreement with the Group's customers is executed in close proximity to other agreements with the same customer, the Group evaluates whether the separate agreements have a single commercial objective and should be combined; if so, the agreements together are considered a single multi-element arrangement.

The Group accounts for individual elements as distinct performance obligations when an element is separately identifiable from other elements in the agreement and if the customer can benefit from the separate element.

Where such multiple-element arrangements exist, the transaction price is allocated to each performance obligation based on the stand alone selling prices. The Stand-alone selling price of each performance obligation is determined based on the best estimate of the current market price of each of the performance obligations when sold separately.

In determining the total transaction price, the Group considers the fair value of the consideration, both fixed and variable, to which an entity expects to be entitled and adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer, where the period of the financing is over one year.

(s) *New standards and interpretations*
The following standards and amendments have been adopted for the first time in these financial statements:

IFRS 16 – Leases

The Group has adopted IFRS 16 using the modified retrospective approach with an initial application date of 1 January 2019. The comparative information has not been restated and continues to be reported under IAS 17.

On transition, the Group recognised lease liabilities in relation to leases which had previously been classified as 'operating leases'. These liabilities were measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate as of 1 January 2019. Right-of-use assets are measured at an amount equal to lease liability, adjusted by the amount of any prepaid or accrued lease payment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(s) New standards and interpretations (Continued)

In applying IFRS 16 for the first time, the Group has used the following practical expedients permitted by the standard:

- applying a single discount rate to a portfolio of leases with reasonably similar characteristics.
- relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review.
- accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases.
- excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application,
- not separating lease and non-lease components, and instead accounting for these as a single component.
- and using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Group has also elected not to reassess whether a contract is or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the group relied on its assessment made applying IAS 17 and IFRS Interpretations Committee (IFRIS) Interpretation 4 Determining whether an Arrangement contains a Lease.

For leases that were previously classified as finance leases, the Group measured the right-of-asset and liability at the carrying amount of the finance lease asset and liability immediately before the date of initial application.

On transition to IFRS 16, the Group recognised a $12.6 million of right-of-use assets and $16.9 million lease liabilities. When measuring the lease liabilities, the Group discounted lease payments using its incremental borrowing rate 1 January 2019. The weight-average rate applied is 6.62%.

Impact on financial statements	Land and buildings *2019* *$'000*
At 31 December 2018, operating leases expire:	
Within one year	5,592
In two to five years	16,887
After more than five years	8,379
Operating lease commitments as at 31 December 2018	30,858
Discounted operating lease commitment as at 1 January 2019	24,128
Recognition exemption for:	
Short-term leases	(661)
Extension and termination options reasonably certain to be exercised	(6,629)
Lease liabilities recognised as at 1 January 2019	16,838

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

1. ACCOUNTING POLICIES (Continued)

(s) *New standards and interpretations (Continued)*

Relevant standards and interpretations issued but not yet effective up to the date of issuance of the Group's financial statements are listed below. The Group intends to adopt these standards when they become effective.

Amendments to IFRS 3 Business Combinations	1 January 2020

Amendments to IFRS 3 – In October 2018, the IASB issued amendments to the definition of a business in IFRS 3 Business Combinations to help entities determine whether an acquired set of activities and assets is a business or not. They clarify the minimum requirements for a business, remove the assessment of whether market participants are capable of replacing any missing elements, add guidance to help entities assess whether an acquired process is substantive, narrow the definitions of a business and of outputs, and introduce an optional fair value concentration test. New illustrative examples were provided along with the amendments.

The Group intends to adopt the amendments to IFRS 3 when they become effective. Since the amendments apply prospectively to transactions or other events that occur on or after the date of first application, the Group will not be affected by these amendments on the date of transition.

2. REVENUE

The Group revenue for the period was derived from the Group's principal activity and is attributable to geographical markets as follows:

	Subscription revenue 2019	*Transaction revenue 2019*	*Professional services 2019*	*Total 2019 $'000*
EMEA	55,566	10,862	9.987	76,415
Americas	63,359	16,599	1,623	81,581
Asia Pacific	22,012	3,989	567	26,568
	140,937	31,450	12,177	184,564

	Subscription revenue 2018	*Transaction revenue 2018*	*Professional services 2018*	*Total 2018 $'000*
EMEA	52,401	11,139	98	63,638
Americas	63,322	17,634	701	81,657
Asia Pacific	20,812	3,701	-	24,513
	136,535	32,474	799	169,808

The Group typically invoices clients annually in advance for all contract revenue streams. As such, substantially all deferred revenue at the end of an accounting year will be recognised in the following year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

2. REVENUE (Continued)

	2019 *$'000*	*2018* *$'000*
Accrued revenue at the beginning of the year	-	-
Deferred revenue at the beginning of the year	(48,398)	(34,456)
Deferred revenue on acquisition of subsidiary	(1,540)	-
Net contract liability at the beginning of the year	(49,938)	(34,456)
Invoices raised in the year	(207,281)	(183,750)
Revenue recognised in the year:		
Relating to performance obligations satisfied in the current year	185,686	167,836
Foreign exchange	(1,122)	1,972
Accrued revenue at the end of the year	3,599	-
Deferred revenue at the end of the year	(72,655)	(48,398)
Net contract liability at the end of the year	(69,056)	(48,398)

The Company does not disclose the amount of the transaction price allocated to the remaining performance obligations and when it expects to recognise that amount as revenue, in accordance with paragraph 121 and B16 of IFRS 15.

3. OPERATING LOSS

	2019 *$'000*	*2018* *$'000*
Operating loss is stated after charging:		
Depreciation of property, plant and equipment	7,076	3,222
Amortisation of intangible assets	66,044	67,444
Operating lease rental costs – land and buildings	(4)	3,067
Short-term leases expenses	1,493	-

4. AUDITOR'S REMUNERATION

	2019 *$'000*	*2018* *$'000*
Audit of individual company accounts	289	266
Taxation	129	147
	418	413

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

5. DIRECTORS' REMUNERATION

The directors did not receive any remuneration for their qualifying services to the Group.

6. STAFF COSTS

	2019 *$'000*	*2018* *$'000*
Wages and salaries	48,743	61,326
Social welfare costs	489	1,321
Other pension costs	779	620
	50,011	63,267

	2019 *$'000*	*2018* *$'000*
Staff costs are split as follows:		
Capitalised in the year	8,107	9,835
Expensed in the year	41,904	53,432
	50,011	63,267

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

	2019 *No.*	*2018* *No.*
Corporate	77	94
Directors	2	6
Client services	66	119
Sales	6	20
Development	303	459
	454	698

7. FINANCE INCOME / EXPENSES

	2019 *$'000*	*2018* *$'000*
Finance Income:		
Foreign exchange gains	5,473	10,980
Interest income	9	61
	5,482	11,041
Finance Expenses:		
Interest on debt facilities	31,644	38,882
Interest on redeemable shares	22,359	21,667
Amortisation of debt issuance costs	2,692	6,061
Interest on lease liabilities	964	-
	57,659	66,610

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

8. TAX

		2019	2018
		$'000	*$'000*
(a)	*Tax on loss on ordinary activities*		
	The tax credit is made up as follows:		
	Current tax:		
	UK corporation tax	6,350	(38)
	Foreign tax	2,706	3,866
	Adjustments in respect of prior years	(727)	1,138
	Total current tax	8,329	4,966
	Deferred tax:		
	Origination and reversal of temporary differences	(11,488)	3,493
	Adjustments in respect of prior years	(1,343)	109
		(12,831)	3,602
	Tax on loss on ordinary activities *(note 8 (b))*	(4,502)	8,568

(b) *Factors affecting tax charge for the year:*

The tax assessed for the year differs from that calculated by applying the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019	2018
	$'000	*$'000*
Accounting loss before tax	(40,722)	(71,195)
Accounting loss before tax multiplied by the standard rate of corporation tax in the UK of 19% (2018: 19%)	(7,737)	(13,527)
Effects of:		
Items not deductible for tax purposes	7,938	10,800
Differences in overseas effective tax rates	451	11,598
Tax losses carried forward	(1,121)	(1,438)
Effect of changes in deferred tax rate	(1,963)	(112)
Adjustments in respect of prior years	(2,070)	1,247
Tax (credit) / charge on loss on ordinary activities *(note 8 (a))*	(4,502)	8,568

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

8. TAX (Continued)

(c) *Deferred tax asset / (liability)*

	2019 *$'000*	*2018* *$'000*
Included in non-current assets	29,555	28,497
Included in non-current liabilities	(170,482)	(182,239)
	(140,927)	(153,742)

	2019 *$'000*	*2018* *$'000*
Purchase of minority interest	17,586	20,970
Other short term temporary differences	10,770	7,527
Intangibles	(169,283)	(182,239)
	(140,927)	(153,742)

	2019 *$'000*	*2018* *$'000*
At 1 January	(153,742)	(150,616)
On acquisition of subsidiary	22	-
Deferred tax credit in Group Statement of Comprehensive Income	12,831	(3,786)
Foreign exchange	(38)	660
	(140,927)	(153,742)

(d) *Circumstances affecting future tax changes:*
The tax charge in future periods will be impacted by any changes to the corporation tax rate in force in the countries in which the Group operates. There is a degree of uncertainty over the level of the future tax rate, due to a combination of factors including US tax reform, future BEPS (Base Erosion and Profit Shifting) actions and the potential impact of Covid-19 on tax rates internationally.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

9. INTANGIBLE ASSETS

	Goodwill *$'000*	*Databases* *$'000*	*Technology* *$'000*	*Customer relationships* *$'000*	*Trade names* *$'000*	*Development costs* *$'000*	*Other intangibles* *$'000*	***Total*** ***$'000***
Group								
Cost								
At 1 January 2019	546,943	86,641	57,283	662,976	70,337	31,785	8,490	**1,464,455**
Acquisition of subsidiary (note 25)	13,634	-	1,030	1,896	1,730	5,129	5	**23,424**
Additions	-	-	-	-	-	8,107	401	**8,508**
Exchange differences	-	-	-	-	-	-	(46)	**(46)**
At 31 December 2019	560,577	86,641	58,313	664,872	72,067	45,021	8,850	**1,496,341**
Amortisation								
At 1 January 2019	-	8,897	7,353	34,040	3,612	14,395	973	**69,270**
Charge for the year	-	8,664	7,203	33,233	3,546	12,037	1,361	**66,044**
Exchange differences	-	-	-	-	-	-	(32)	**(32)**
At 31 December 2019	-	17,561	14,556	67,273	7,158	26,432	2,302	**135,282**
Net book value at 31 December 2019	560,577	69,080	43,757	597,599	64,909	18,589	6,548	**1,361,059**
Net book value at 31 December 2018	546,943	77,744	49,930	628,936	66,725	17,390	7,517	**1,395,185**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

9. INTANGIBLE ASSETS (Continued)

	Goodwill *$'000*	*Databases* *$'000*	*Technology* *$'000*	*Customer relationships* *$'000*	*Trade names* *$'000*	*Development costs* *$'000*	*Other intangibles* *$'000*	***Total*** ***$'000***
Group								
Cost								
At 1 January 2018	546,943	86,641	57,283	662,976	70,337	22,794	490	**1,447,464**
Additions	-	-	-	-	-	8,991	8,013	**17,004**
Exchange differences	-	-	-	-	-	-	(13)	**(13)**
At 31 December 2018	546,943	86,641	57,283	662,976	70,337	31,785	8,490	**1,464,455**
Amortisation								
At 1 January 2018	-	233	192	891	95	406	9	**1,826**
Charge for the year	-	8,664	7,161	33,149	3,517	13,989	964	**67,444**
At 31 December 2018	-	8,897	7,353	34,040	3,612	14,395	973	**69,270**
Net book value at 31 December 2018	546,943	77,744	49,930	628,936	66,725	17,390	7,517	**1,395,185**
Net book value at 31 December 2017	546,943	86,408	57,091	662,085	70,242	22,388	481	**1,445,638**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

9. INTANGIBLE ASSETS (Continued)

Goodwill and intangible assets with indefinite lives impairment review
The annual impairment test was performed in December 2019. The recoverable amount is based on six year cashflow projections which have been approved by senior management, which is in line with the period used by management in assessing the business. The key assumptions for the value in use calculations are the discount rate applied, future growth rate of revenue and the operating margin. These take into account the existing customer base and expected revenue commitments from it, anticipated additional sales to existing and new customers, planned expansion of product and service offerings to the marketplace and the specific market trends that are currently seen and those expected in the future. Cashflow projections are discounted using post-tax discount rates applied to cash flow projections between 9% and 12% and cash flows beyond the projection period are extrapolated using a growth rate of 2%. No impairment was indicated. The directors have considered the impact of sensitivities on the key inputs, as listed above, into their impairment review and have concluded that there are no foreseen sensitivities that would result in an impairment charge for the Group at 31 December 2019.

10. FINANCIAL ASSETS

	Group	Company	Group	Company
	2019	*2019*	*2018*	*2018*
Investments	*$'000*	*$'000*	*$'000*	*$'000*
At 1 January	-	641,271	-	641,271
Additions during the year	-	-	-	-
At 31 December	-	641,271	-	641,271

The carrying value of the Company's investment represents its directly held subsidiary undertakings. In 2017 the Company was issued share capital in its subsidiary undertaking I-Logic Technologies UK Limited for consideration of $641.3m as part of the funding for the Group's acquisition of Dealogic. A list of subsidiaries are disclosed in note 20.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

11. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvements $'000	*Computer equipment $'000*	*Fixtures & fittings $'000*	*Right-of-use (Note 17) $'000*	***Total $'000***
Group					
Cost					
At 1 January 2019	7,325	2,979	611	-	**10,915**
Recognition of right-of-use asset on initial application of IFRS 16	-	-	-	12,623	**12,623**
At 1 January 2019 - Adjusted	7,325	2,979	611	12,623	**23,538**
Acquisition of subsidiary (note 25)	2	58	2	-	**62**
Additions	8	18	4	-	**30**
Exchange differences	8	(18)	(67)	-	**(77)**
At 31 December 2019	7,343	3,037	550	12,623	**23,553**
Amortisation					
At 1 January 2019	1,404	1,109	183	-	**2,696**
Charge for the year	1,941	1,235	221	3,679	**7,076**
Exchange differences	(2)	4	44	66	**112**
At 31 December 2019	3,343	2,348	448	3,745	**9,884**
Net book value at 31 December 2019	4,000	689	102	8,878	**13,669**
Net book value at 31 December 2018	5,921	1,870	428	-	**8,219**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

11. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Leasehold improvements *$'000*	*Computer equipment* *$'000*	*Fixtures & fittings* *$'000*	*Right-of-use (Note 17)* *$'000*	***Total*** ***$'000***
Group					
Cost					
At 1 January 2018	6,172	2,898	621	-	**9,691**
Additions	1,691	411	140	-	**2,242**
Exchange differences	(538)	(330)	(150)	-	**(1,018)**
At 31 December 2018	7,325	2,979	611	-	**10,915**
Amortisation					
At 1 January 2018	51	56	4	-	**111**
Charge for the year	1,619	1,323	280	-	**3,222**
Exchange differences	(266)	(270)	(101)	-	**(637)**
At 31 December 2018	1,404	1,109	183	-	**2,696**
Net book value at 31 December 2018	5,921	1,870	428	-	**8,219**
Net book value at 31 December 2017	6,121	2,842	617	-	**9,580**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

12. TRADE AND OTHER RECEIVABLES

	Group *2019* *$'000*	Company *2019* *$'000*	Group *2018* *$'000*	Company *2018* *$'000*
Trade receivables	44,653	-	26,722	-
Prepayments	2,077	-	2,036	-
Accrued revenue	3,599	-	-	-
Other debtors	722	-	1,166	-
Amounts owed from fellow group undertakings	29,696	9,076	-	-
Corporation tax	29	-	135	-
	80,776	9,076	30,059	-

Expected credit losses on trade receivables
Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables and contract assets are regularly monitored. Trade receivables are non-interest bearing and are generally issued with credit terms of 0 – 30 days.

An impairment analysis is performed at each reporting date using the provision matrix below to measure the ECL. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns. The calculation of the ECL reflects reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Loss rates are based on actual credit loss experience over a period of at least 6 years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

12. TRADE AND OTHER RECEIVABLES (Continued)

Set out below is the information about the credit risk exposure on the Group's trade receivables and contract assets using a provision matrix:

As at 31 December 2019:	*Current* *$'000*	*30-360* *$'000*	*Over 360* *$'000*	*Total* *$'000*
Expected credit loss rate %	0.10%	0.18%	88.80%	
Gross carrying amount	35,503	9,196	60	44,759
Expected credit loss	(36)	(17)	(53)	(106)
Net carrying amount	35,467	9,179	7	44,653
Past due but not impaired	-	9,179	7	9,186

As at 31 December 2018:	*Current* *$'000*	*30-360* *$'000*	*Over 360* *$'000*	*Total* *$'000*
Expected credit loss rate %	0.10%	0.18%	88.80%	
Gross carrying amount	7,485	19,880	(601)	26,764
Expected credit loss	(7)	(35)	-	(42)
Net carrying amount	7,478	19,845	(601)	26,722
Past due but not impaired	-	19,845	(601)	19,244

Expected credit losses on trade receivables:

	2019 *$'000*	*2018* *$'000*
As at 1 January	42	111
Provision for expected credit losses	64	(69)
As at 31 December	106	42

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

13. SHARE CAPITAL

	2019	*2018*
	$'000	*$'000*
Group and Company		
Allotted, called up and fully paid		
4,000,000 A Ordinary Shares of $1 each	4,000	4,000
Capital investment	1,257	-
	5,257	4,000

In 2017, the Company issued 4,000,000 A ordinary shares of $1 for an aggregate subscription price of $400,000,000 giving rise to a share premium of $396,000,000. In 2019, the Company's immediate parent company, Dealogic Investment Group (formerly I-Logic Technologies Limited), acquired 1,257,000 C Ordinary shares in the Company that were previously classified as a liability of $237,896,324. As a result of this purchase, the Company no longer has an obligation to deliver cash to the shareholders, hence the carrying value of the liability was reclassified to equity, resulting in an increase in both share capital of $1,257,000 and share premium of $236,639,324. In addition to the A shares, the Company issued B shares which are classified as Liabilities as further described in Note 15.

SHARE PREMIUM ACCOUNT
This reserve records the amount above the nominal value received for shares sold.

RIGHTS OF SHARES
All shares have full voting rights and dividend rights and a right to return of capital being the surplus of assets after payment of all liabilities upon liquidation, reduction in capital or otherwise. Further rights are assigned to the B and C Ordinary shares, as further detailed in Note 15.

CAPITAL MANAGEMENT
For the purpose of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value. The Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans.

14. PROVISIONS

	Leasehold dilapidations	Leasehold dilapidations
	2019	*2018*
	$'000	*$'000*
Group		
At 1 January	2,025	2,174
On acquisition	-	-
Released in the year	(459)	(149)
As at 31 December	1,566	2,025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

14. PROVISIONS (Continued)

Leasehold dilapidations
The leasehold dilapidations relate to obligations to re-instate leasehold premises to their original condition at the end of their leases. These obligations will be satisfied between 2021 and 2024.

15. REDEEMABLE SHARES AND OPTIONS

	Group *2019* *$'000*	Company *2019* *$'000*	Group *2018* *$'000*	Company *2018* *$'000*
Non-current:				
Redeemable share capital:				
B Ordinary shares	50,465	50,465	40,207	40,207
Redeemable share capital:				
C Ordinary shares	-	-	216,642	216,642
Share options	18,859	18,859	21,006	21,006
	69,324	69,324	277,855	277,855

Redeemable share capital and share options
In connection with the acquisition of Dealogic, certain investors and employees in Dealogic subscribed for shares and, in the case of employees, shares and options in the Company. The consideration received by the Company was shares and options held in Dealogic.

In 2019, the Company's immediate parent company, Dealogic Investment Group (formerly I-Logic Technologies Limited), acquired 1,257,000 C Ordinary shares in the Company that were previously classified as a liability of $237,896,324. As a result of this purchase, the Company no longer has an obligation to deliver cash to the shareholders, hence the carrying value of the liability was reclassified to equity, resulting in an increase in both share capital of $1,257,000 and share premium of $236,639,324.

The B Ordinary shares and the options over the B Ordinary Shares are considered as a long-term incentive scheme in scope of IAS 19, as the ultimate pay-out is not directly linked to the value of the equity of the Company. The ultimate redemption value of the shares and options will be based on the post-acquisition performance of the Group compared to set EBITDA targets.

Subsequent to initial recognition any increase between the initial carrying value to the final redemption amount for the B Ordinary shares and options over the B Ordinary Shares will be treated as an employment cost over the required service period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Debt
The debt and key terms of the debt facilities available to the Group are set out below.

Facility	*Issued*	*Amortisation*	*Maturity*	*Interest Rate*	*2019 $'m*	*2018 $'m*
$300.0m	2017	1% p.a	Dec 2024	US Libor + 4.10%*	280.0	288.0
€293.7m	2017	1% p.a	Dec 2024	Euribor + 3.00%*	317.0	323.7
Available but not drawn						
$20m revolver	2017	-	Dec 2022	US Libor/Euribor** + 3.75%*	-	-
Less: Debt issuance costs					(11.5)	(14.0)
					585.5	597.7

*Subject to floor of 1%

** Borrower can select

*** Repriced during the year (margin of 4.00% on EUR and USD borrowings until 12 October 2018).

Maturity of bank loan - *amounts repayable:*	*2019 $'000*	*2018 $'000*
Within one year	-	-
In more than one year but not more than two years	-	-
In more than two years but not more than five years	597,051	9,149
In more than five years	-	602,576
Less: debt issuance costs	(11,510)	(13,990)
Total non-current loans	585,541	597,735
Total loans	585,541	597,735

All debt instruments have a variable interest rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (Continued)

Financial risk
The Group's multinational operations expose it to various financial risks that include credit risk, liquidity risk, currency risk and interest rate risk. The Group has a risk management program in place which seeks to limit the impact of these risks on the financial performance of the Group. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing the risk, and the Group's management of capital.

The Board of Directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has reviewed the process for identifying and evaluating the significant risks affecting the business and the policies and procedures by which these risks will be managed effectively.

(i) Credit risk
Exposure to credit risk
Credit risk arises from credit extended to customers and associates arising on outstanding receivables and outstanding transactions as well as cash and cash equivalents and deposits with banks and financial institutions.

Trade and other receivables
The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. There is no significant concentration of credit risk by dependence on individual customers or geographically. The Group has a large exposure to the financial services industry and the credit risk profile of the Group could be adversely affected by significant changes in that industry.

The Group has detailed procedures for assessing and managing the credit risk related to its trade receivables based on experience, customer's track record and historic default rates. The Group actively follows up on all overdue debtors. An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses, as described in note 1(m) and in note 12 to the financial statements. The aging profile and the details of the provision are given in note 12 to the financial statements.

Financial instruments, cash and short-term bank deposits
Financial instruments, cash and short-term bank deposits are invested with institutions with the highest credit rating with limits on amounts held with individual banks or institutions at any one time.

The carrying amount of financial assets, net of impairment provisions represents the Group's maximum credit exposure. The maximum exposure to credit risk at year end is the carrying value of the assets.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (Continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses or risking damage to the Group's reputation.

It is the policy of the Group to have adequate committed undrawn facilities available at all times to cover unanticipated financing requirements.

The following are the contractual maturities of the financial liabilities and long term employment benefits, including estimated interest payments excluding the impact of netting agreements:

At 31 December 2019:	Carrying value	No set maturity	Less than one year	One to five years	Over five years
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Accounts payable and other payables	111,424	107,882	3,542	-	-
Lease liabilities	13,082	-	4,214	8,868	-
Loans and related interest payable	585,541	-	27,349	706,036	-
Redeemable share capital	50,465	-	-	71,029	-
Share options	18,859	-	-	27,469	-
	779,371	107,882	35,105	813,402	-

At 31 December 2018:	Carrying value	No set maturity	Less than one year	One to five years	Over five years
	$'000	*$'000*	*$'000*	*$'000*	*$'000*
Accounts payable and other payables	86,930	81,112	947	4,871	-
Loans and related interest payable	597,735	-	30,421	130,567	632,432
Redeemable share capital	249,414	-	-	362,196	-
Share options	28,441	-	-	43,019	-
	962,520	81,112	31,368	540,653	632,432

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (Continued)

(iii) Market risk

Market risk is the risk that the fair value of future cashflows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, and interest rates. It will affect the Group's income or the value of its holdings of financial instruments. The objective of the Group's risk management strategy is to manage and control market risk exposures within acceptable parameters, while optimising the return earned by the Group. The Group has two types of market risk namely currency risk and interest rate risk each of which are dealt with as follows:

Currency risk

Foreign exchange risk arises from assets and liabilities denominated in foreign currencies. Management requires all Group entities to manage their foreign exchange risk against their functional currency.

The Group is exposed to the risk of changes in foreign exchange rates arising from financing activities, where debt is not in the functional currency of the entity and no hedging arrangements have been put in place.

The Group is also exposed to the risk of changes in foreign exchange rates on the Group's operating activities when revenue is denominated in a foreign currency and the Group's net investments in foreign subsidiaries. Overall the Group seeks to hedge its operating foreign exchange exposure by matching the income and liabilities in each currency.

The Group's material exposures to foreign currency risk for amounts not denominated in the functional currency of the relevant entities at the Statement of Financial Position date were as follows:

	USD	EUR
At 31 December 2019	*$'000*	*$'000*
Cash and cash equivalents	1,213	87
Trade and other receivables	30,320	74
Debt	-	(317,051)
Gross Statement of Financial Position exposure	31,533	(316,890)

	USD	EUR
At 31 December 2018	*$'000*	*$'000*
Cash and cash equivalents	5,202	232
Trade and other receivables	8,275	98
Debt	-	(323,725)
Gross Statement of Financial Position exposure	13,477	(323,395)

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (Continued)

(iii) Market risk (Continued)

A 5% strengthening or weakening of the exchange rates in respect of the translation of amounts not denominated in the functional currency of relevant entities into the functional currency would impact on the profit or loss over a one year period by the amounts shown below. This assumes that all other variables remain constant.

2019:	USD	EUR
Impact on profit before tax:	*$'000*	*$'000*
Impact of 5% strengthening	1,577	(15,844)
Impact of 5% weakening	(1,577)	15,844

2018:	USD	EUR
Impact on profit before tax:	*$'000*	*$'000*
Impact of 5% strengthening	674	(16,170)
Impact of 5% weakening	(674)	16,170

Interest rate risk

The Group has exposure to interest rate risk on the external borrowings. At 31 December 2018 and 2019, the interest on the USD external borrowings was based on USD Libor (subject to a floor of 1%) plus a margin of 3.25% and the interest on EUR external borrowings was based on Euribor (subject to a floor of 1%) plus a margin of 3.25%. The interest rate profile of the borrowings is:

	Floating Interest Rate	Fixed Interest Rate
	$'m	*$'m*
External borrowings:		
2018	597.7	-
2019	585.5	-

At the year end, there is no foreseen movement in USD or EUR debt floating interest rates that would have any impact on the interest payments, taking into consideration the interest rate floor and the current prevailing floating rates.

During the period, the Euribor rate remained below the 1% floor on the Group's EUR denominated debt.

During the period, the USD Libor rate exceeded the 1% floor on the Group's US Dollar denominated debt. The table below examines the effect that a 50-basis point increase or decrease in Libor would have on profit before tax over a one year period:

	2019	2018
	$'000	*$'000*
Increase/(decrease) on profit before tax:		
Impact of a 50-basis point increase in LIBOR	1,435	1,460
Impact of a 50-basis point decrease in LIBOR	(1,435)	(1,460)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

16. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (Continued)

(iii) Market risk (Continued)

Fair values and levelling

For all material categories of financial assets and liabilities the carrying amounts are reasonable approximations of fair values. Management assessed that the fair values of cash and short-term deposits, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Management assessed that the fair value of long-term variable-rate borrowings are determined to approximate their carrying amounts largely due to the floating interest rate repricing to market and there being no change in either the credit or liquidity risk of the external borrowings.

17. LEASES

The Group leases land and buildings for its office space. The leases of office space typically run for a period between 1 and 15 years.

Refer to note 16(ii) for maturity analysis of lease liabilities and to note 11 for roll forward of right-of-use asset. The impact of transition to IFRS 16 is disclosed in note 1(s).

18. TRADE AND OTHER PAYABLES

	Group	Company	Group	Company
	2019	*2019*	*2018*	*2018*
Current:	*$'000*	*$'000*	*$'000*	*$'000*
Trade creditors	3,542	-	947	-
Accruals	24,050	18	20,460	-
Deferred income	72,655	-	48,398	-
Amounts owed to fellow group undertakings	-	-	10,244	-
Lease liabilities (note 17)	4,214	-	-	-
Other creditors	11,177	-	2,010	-
	115,638	18	82,059	-
Non-current:				
Lease liabilities (note 17)	8,868	-	4,871	-

Trade creditors and amounts due to fellow subsidiary undertakings are stated at amortised cost, which approximates fair value given the short-term nature of these liabilities. Trade and other payables are due within one year, unsecured and interest free.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

19. DIVIDENDS

No dividends were paid during the period ended 31 December 2019 (2018: $Nil), and none have been announced as at the date of signing these financial statements.

20. SIGNIFICANT SUBSIDIARY COMPANIES

The significant subsidiary undertakings of the Company all of which are 100% directly or indirectly owned, as at 31 December 2019, are set out below. All shareholdings are in ordinary shares:

Name	*Nature of Business*	*Registered Office*
I-Logic Technologies UK Limited *	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
I-Logic Technologies Bidco Limited	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Diamond Topco Limited	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Diamond Midco Limited	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Diamond Bidco Limited	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Diamond US Holding LLC	Holding company	Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808, USA.
Dealogic (Holdings) Limited	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Dealogic EMEA Limited	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Dealogic Americas Limited	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Dealogic APAC Limited	Holding company	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Computasoft, Inc.	Holding company	Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808, USA.
Dealogic Limited	Provision of software and data	c/o ION, 10 Queen Street Place, London EC4R 1BE, England

* Subsidiary undertaking is directly owned.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

20. SIGNIFICANT SUBSIDIARY COMPANIES (Continued)

Dealogic, LLC	Provision of software and data	Corporation Service Company, 251 Little Falls Drive, Wilmington, New Castle, Delaware, 19808, USA.
A2 Access LLC	Provision of software and data	CT Corporation System, 160 Mine Lake, CT STE 200, Raleigh, NC 27615-6417, USA
Dealogic Asia Pacific Limited	Provision of software and data	36/F Tower Two, Times Square, 1 Matheson St, Causeway Bay, Hong Kong.
Dealogic Information Solutions (Beijing) Limited	Provision of software and data	1415 China World Office 1, 1 Jianguomenwai Avenue, Beijing 100004, China.
Dealogic Soluções Brasil Limitada	Provision of software and data	Av. Brigadeiro Faria Lima, 3729, 4th and 5th floors, Sao Paulo 04538-905, Brazil.
Junction RDS Limited	Provision of software and data	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Selerity Inc	Provision of software and data	49th Floor, 1345 Avenue of the Americas, New York, NY 10105
Dealogic Japan Limited	Group support services	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Dealogic (Australia) Pty Limited	Group support services	RSM Bird Cameron, 60 Castlereagh Street, Sydney 2000, Australia.
Dealogic Singapore Limited	Group support services	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Dealogic Support Services India Private Limited	Group support services	911, 9th Floor, Platina C-59, G-Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051, India
Dealogic Hungary Kft.	Group support services	Teréz körút 55-57, Eiffel Square B-5, H-1062 Budapest, Hungary.
Capital Data Limited	Dormant	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Computasoft Consulting Limited	Dormant	c/o ION, 10 Queen Street Place, London EC4R 1BE, England
Computasoft e-Commerce Limited	Dormant	c/o ION, 10 Queen Street Place, London EC4R 1BE, England

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

21. COMMITMENTS

There is a charge over the assets of the Company and over those of certain subsidiary undertakings in favour of UBS AG, Stamford Branch.

22. RELATED PARTY TRANSACTIONS

Key management and the directors of the entity, received the following remuneration:

	2019	*2018*
	$'000	*$'000*
Emoluments	7,694	10,022
Pension contributions	522	327
	8,216	10,349

Transactions with subsidiaries
The Group and the Company has availed of the exemption provided in International Accounting Standard 24 "Related Party Disclosures" for wholly owned subsidiary undertakings from the requirements to give details of transactions with entities that are part of the Group or investees of the group qualifying as related parties.

The parent undertaking of the largest group of undertakings for which consolidated financial statements are prepared and of which the Company is a member is ION Investment Group Limited, a company incorporated in the Republic of Ireland. Copies of consolidated financial statements are available from the Companies Registration Office, Parnell Square, Dublin 1, Ireland.

23. PENSION COMMITMENTS

The Group operates defined contribution pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. Contributions payable to the funds at the year-end amounted to $0.5 million (2018: $0.1 million).

24. PARENT UNDERTAKINGS, CONTROLLING PARTIES, DIRECTORS' AND SECRETARY'S INTERESTS

The Company's immediate parent undertaking is Dealogic Investment Group Limited (formerly I-Logic Technologies Limited), a company incorporated in the Republic of Ireland.

The Company's ultimate parent undertaking and controlling party is Bessel Capital S.àr.l., a company incorporated in Luxembourg.

At the year end, neither the directors, nor the company secretary, their spouses or minor children, held any interests in the shares of the Company, its parent undertaking or any other group undertaking, except as follows:

Mr. A. Pignataro owned directly 100% of Bessel Capital S.àr.l.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

25. BUSINESS COMBINATIONS

On 12 September 2019, the Group acquired a controlling interest in Selerity Inc ("Selerity").

The identifiable net assets have been included in the Consolidated Statement of Financial Position at their provisional acquisition date fair value. The initial assignment of fair value to identifiable net assets acquired and the consideration paid has been performed on a provisional basis given the timing of closure of these transactions. Any amendments to these fair values within the twelve month timeframe from the date of acquisition will be disclosable in the 2020 Annual Report as stipulated by IFRS 3.

Transaction expenses related to the acquisition were charged in the Consolidated Income Statement during the year. In valuing the net assets of Selerity on acquisition the Group has utilised market standard valuation techniques, specifically:

1. Relief-from-royalty method, which considers the discounted estimated royalty payments that are expected to be avoided as a result of the patents or trademarks being owned.
2. Multi-period excess earnings method, which considers the present value of net cash flows expected to be generated by the customer relationships, by excluding any cash flows related to contributory assets.
3. Bottom up valuation of deferred income, which considers the value of deferred income to be the cost to fulfil the obligation plus a market participants profit margin.

Recognised amounts of identifiable assets acquired and liabilities assumed:

	Fair value of net assets acquired
	$'000
Assets:	
Cash	298
Other current assets	502
Deferred tax	22
Property, plant and equipment	62
Intangible assets	9,790
Liabilities:	
Trade and other payables	(3,878)
Interest bearing loans	(2,924)
Total identifiable assets acquired	3,872
Goodwill	13,634
Total consideration paid	17,506

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

25. BUSINESS COMBINATIONS (Continued)

Satisfied by:	*$'000*
Cash	17,506
Total consideration	17,506
Net cash outflow on acquisition	17,506
Cash balance at acquisition	(298)
	17,208

If the acquisition had occurred on 1 January 2019, management estimate that Selerity's revenue would have been $5.0m and loss before tax for the year would have been $0.5m. In determining these amounts management has assumed that the fair value adjustments, determined provisionally, that arose on the date of the acquisition would have been the same if the acquisition had occurred on 1 January 2019.

26. EVENTS SINCE THE STATEMENT OF FINANCIAL POSITION DATE

In March, April and June 2020, the Group repurchased and extinguished $20.1 million nominal value of the Group's debt.

Subsequent to the year end, the COVID-19 outbreak developed rapidly, which is causing economic disruptions in most countries. Various measures have been taken by Governments around the world to contain the virus which have had a significant impact on global economic activity.

The Group's principle activity is to develop and market data and software solutions, and as such a significant proportion of our projects can be performed remotely. The Group has moved to remote working arrangements which are running smoothly, to ensure the safety of our staff and to enable our business to operate with minimal impact.

A significant portion of the Group's revenue is derived from multiyear contracts with customers with the services provided being critical to our customers' operations, hence limited immediate impact is expected on the Group's revenue stream. Having considered reasonably expected sensitivities from COVID-19, the directors believe it is still appropriate to prepare the financial statements on a going concern basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
31 December 2019 (Continued)

27. FINANCIAL STATEMENTS AND AUDIT EXEMPTIONS

The I-Logic Holdings Limited subsidiary company below is exempt from the requirements of the Companies Act 2006 relating to the audit of individual financial statements by virtue of section 479A:

Name	*Company Registration Number*
Dealogic Americas Limited	07877021

28. APPROVAL OF FINANCIAL STATEMENTS

The Board of Directors approved and authorised for issue the financial statements in respect of the year ended 31 December 2019 on 16 December 2020.