Parent company accounts for
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ORIGIN MIDCO LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Company number: 13056985

ORIGIN MIDCO LIMITED

COMPANY INFORMATION

Registered office:	250 Fowler Avenue, Farnborough, Hampshire, United Kingdom, GU14 7JP
Company number:	13056985
Directors:	M Gatto H Frankievich
Independent auditors:	PricewaterhouseCoopers LLP 3 Forbury Place 23 Forbury Road Reading RG1 3JH United Kingdom

ORIGIN MIDCO LIMITED

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ORIGIN MIDCO LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors present their strategic report on the affairs of Origin Midco Limited and its subsidiaries ("the Group"), together with the audited consolidated financial statements and auditors' report for the year ended 30 September 2022.

Principal activities and business review

The Company was incorporated on 2 December 2020. The Annual Report and Financial Statements have been prepared for the year ended 30 September 2022, while the comparatives are for a shorter period, from the date of incorporation to 30 September 2021.

In December 2020 Origin Bidco Limited, a 100% owned subsidiary of Origin Midco Limited, acquired 100% of the issued share capital of Exclaimer Group Limited ("Exclaimer").

The principal activity of Exclaimer and the Group is the development, marketing and selling of Email Signature Management ("ESM") solutions. Focussing on its Cloud provisioned services, the Group continues to grow both through increasing penetration of its target market for core ESM services and by broadening its service offerings to existing and new customers.

To that end, in February 2021 the Group acquired Customer Thermometer Holdings Limited, and has integrated its customer survey functionality into the core ESM service that is sold to customers. During the current reporting period a further acquisition was made in January 2022 when the Group acquired Periodic Inc, based in Bloomington Indiana US. The acquisition was expected to support the Group in broadening its service offerings to existing and new customers, in the calendaring and appointment scheduling market. However, in November 2022, management decided to commence the closure of the Periodic, Inc. business and an impairment has been recorded accordingly (see note 22 for further details).

Development of the business:

The Group generated revenue of £39.1m, gross profit of £34.2m and incurred a loss before tax of £22.7m in the year.

The Board of Directors also consider that the business is very well positioned as a market leader in its sector, taking strength from its product offering, its large customer base and global reach and footprint.

The key financial KPIs are as follows:

	Year ended 30 September 2022
Revenue	£39.1m
Annual Recurring Revenue (ARR)[1]	£45.6m
Growth in ARR	34%
Gross profit percentage	88%
Gross Cloud customer revenue retention[2]	95%
% of recurring revenue[3]	99%

As noted above, the main KPIs for the business focus on Revenue, Gross Profit generation and measures that indicate the success of the business in generating recurring revenue and retaining customers on an ongoing basis. These measures are considered vital in maximising shareholder value in the long term.

[1] The value of the contracted recurring revenue components of subscriptions normalised to a one year period

[2] The percentage of last year's Cloud revenue from customers that we have retained this year

[3] Cloud SaaS and on premise support and maintenance, as a proportion of total revenue (see note 3).

Other KPIs:

The Board also continues to monitor a number of non-financial metrics and is establishing benchmark levels for comparison in future accounting periods. These metrics include employee satisfaction, staff turnover, and a range of measures relating to customer satisfaction. Each of these again support the ability of the business to grow and deliver shareholder value.

Future developments

The Group's strategy is to continue to grow revenues and gross profit through the continued investment in its core ESM products and services and to broaden its product range to include the offering of complementary products and services to its customer base.

We have four main focus areas:

- Building sustainable and predictable subscription revenue from Cloud-based ESM products; this accounted for more than 95% of revenue in the year which was in line with the targets set for that year,
- Increasing its share of wallet in both the existing customer base and newly acquired customers through selling complementary services embedded in its core signature product and in parallel delighting its customer,
- Expanding sales globally, by establishing physical sales and service presence in certain key markets, and by concentrating Sales and Marketing resources in other regions where the business is already established; 70% of our revenues in the financial period were from sales outside the UK,
- Continuing to enrich the functionality and ease of use of our product offerings to underpin our position in the market.

For further details on subsequent events post year end see note 22.

Principal risks and uncertainties

In the opinion of the Directors, the principal risks faced by the business, other than economy-wide risks (such as the Covid-19 pandemic which are covered in more detail under going concern within the Directors' Report), can be considered in two categories, being Business risks and Financial risks.

Business risks

By the nature of the business in which it operates, and the focus that management has on delivering significant ARR growth, the Group is exposed to risks around technology and technological innovation. These are principally risks around technical obsolescence of the services the Company provides, and / or the risk that a competitor develops a compelling alternative solution that is preferred by clients.

The Group mitigates these risks in a number of ways including by taking a proactive approach to assessing and analysing technological trends in the market place, ensuring that its product roadmap is continuously reviewed and updated to reflect the findings of this work, and by launching new functionality and new versions of the product to ensure that the services provided to clients are at the leading edge of technology and deliver value to the client base to ensure high levels of customer retention.

Furthermore, following the two acquisitions that Exclaimer has made in 2021 and 2022, the Group continues to review the market place to assess whether further acquisitions can be made to broaden the product offering and strengthen its market leading position.

As such the Directors believe that these strategies ensures that the business risks that it faces are understood, managed and addressed in a way that will minimise the risk of interruption to its growth and profitability.

Financial risks

Credit risk

Customers may default on payments. The Group has implemented policies that ensure that appropriate credit checks on potential customers are carried out. The current level of risk is not considered to be material, further information is outlined in Note 19.

Liquidity risk

The risk that the Group will not be able to meet its obligations as they fall due. The liquidity requirements of the Group are managed by a central treasury function which monitors the future funding requirements over the short and medium term such that it can take action to supplement the Group's operating cash flows to service its obligation if appropriate.

The senior debt facilities add a covenant compliance obligation to the business which became effective on 31 December 2021. There is just one core financial covenant in place and headroom on that test was considerable at that test point, and projections for the upcoming financial period see that level of headroom continuing.

Foreign exchange risk

The Group's reporting currency is GBP, with revenue generated in GBP, USD, EUR, CAD and AUD (Note 3). Future business performance can be impacted by adverse foreign exchange movements in these main trading currencies as detailed in Note 19. However, the Group's borrowings are denominated in USD and EUR and thus there is an element of protection to the extent that cash trading inflows in USD and EUR net off against those borrowings. As a consequence, the Group's results are affected by volatility in exchange rates, and experienced unrealised exchange losses of £11.2m in the current year (2021: £2.6m). Refer to Note 19 for further details on sensitivity to exchange. Currently there are no foreign exchange rate hedging instruments in place.

Cash balances held in each of the currencies are monitored on a continual basis and converted into GBP to manage this exposure in line with the foreign exchange management policy that is applied by the Group.

Interest rate risk

The Group's external loans have variable interest rates linked to LIBOR/EURIBOR. As these rates change the cost of supporting the borrowings also changes. Currently there are no interest rate hedging instruments in place. As such the Group's results before tax and net cash flows are directly impacted by changes in market interest rates. Management assesses the interest rate movements on a regular basis and considers that the forecast variability does not warrant the implementation of an interest rate hedging strategy at this time.

As noted above, the Group's loans have reference to LIBOR within their contracts at 30 September 2022. As a result, in future periods these will be subject to interest rate benchmark reform including the replacement of one benchmark rate with an alternative one. The rate switch date is currently set to be 30 June 2023.

On behalf of the Board

Henry Frankievich

H Frankievich
Director
20 March 2023

The directors present their annual report on the affairs of Origin Midco Limited and its subsidiaries (the "Group"), together with the audited consolidated financial statements and auditors' report for the year ended 30 September 2022.

Origin Midco Limited is a private company limited by shares incorporated and domiciled in England, UK. The address of the Company's registered office is given on the Company Information page.

The principal activity of the Company is to act as an intermediate holding company and provide financing to operating subsidiaries. The Company does not trade with third parties. The principal activity of the Group is the development, marketing and selling of email signature software solutions.

The immediate, and ultimate holding company of the Company is Origin Holdings Limited, which is a private company limited by shares incorporated and domiciled in Jersey. In addition to its offices in the UK the Group has operational facilities in the Netherlands and the United States of America.

Going concern

The directors have considered the going concern basis of preparation of these financial statements and concluded it to be appropriate on the basis that the Company and the consolidated Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of this report.

At the balance sheet date, the Group has a cash at bank balance of £20.3m, a relative position that has been improved at the time of approving the financial statements. At the balance sheet date, the Group has net current liabilities of £4.1m, however this includes £13.5m of deferred revenue which does not present a cash liability to the Group. While the business does have significant long term debt on its balance sheet, this has a maturity of 2028 and the Board is comfortable that the business is trading sufficiently so that any refinancing could be secured well in advance of any repayment date.

The directors believe, based on Board approved forecasts, that the Group has the financial and operating means to enable it to meet its liabilities, including compliance with its Net Debt to EBITDA covenant, as they fall due for a period of at least 12 months from the date of approval of these financial statements. The forecasts indicate that even in a severe downside scenario driven by external global factors, current cash reserves would be sufficient for the Group to meet its liabilities as they fall due for a period of at least 12 months without the need for further facilities to be put in place. These downside scenarios include an increase in customer churn volumes and a reduction in expansion ARR from both new and existing customers. Furthermore, the range of remedial actions that could be taken to protect the cash position of the business in such a circumstance is considered to be broad enough to provide further assurance regarding the long-term viability of the Group. These actions could include scaling back growth aspirations by reducing Sales and Marketing activity that is focused on new customer acquisition and in doing so result in a business which would remain profitable and cash generative by supporting its existing customer base using its current product suite.

The directors consider that the continued risk in relation to going concern arising from the impact of COVID-19 to be very low. The business of Exclaimer prior to its acquisition by the Group in December 2020 traded strongly through in the initial phases of the pandemic and since that point the Group has continued in a similar vein, growing revenue and generating operating cash inflows in FY23 to date. The Board has also considered the potential impact of a global economic downturn on business performance, and is confident, given the low ticket value of the product and the significant diversification of revenues across geography and customer segment, that any impact would be relatively minimal.

Given the nature of the services and the market position that the Group enjoys, the directors believe that revenue and cash inflow will continue to grow going forward.

Financial instruments

The Group uses various financial instruments, which include loans, cash and other items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the Group to a number of financial risks. These are liquidity risks, foreign exchange risks, interest rate risk and credit risk. The directors review and agree policies for managing each of these risks. Refer to the Strategic Report for more detail on the financial risks.

Research and development

The costs of employees within the Group engaged in research and development activities are fully expensed to the Consolidated Statement of Comprehensive Income in the year as they did not meet the criteria for capitalisation. The total cost of research and development activities was £0.2m in the year.

Results and dividend

The Group incurred a loss before tax of £22.7m.

The directors confirm that no dividend is proposed, or has been paid, in respect of the Group.

Directors

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

M Gatto
H Frankievich

Qualifying third party indemnity provision

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout this year and is currently in force. The Company also purchased and maintained Directors' and Officers' liability insurance in respect of itself and its directors.

Employees

The Group and Company's policy is to consult with employees on matters likely to affect employee's interests. Information on these matters is given though internal e-mails and regular all Company monthly meetings where information on new Company policies and practices, as well as Company performance, is shared,

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

On behalf of the Board

Henry Frankievich

H Frankievich
Director
20 March 2023

Independent auditors' report to the members of Origin Midco Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- Origin Midco Limited's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 30 September 2022 and of the Group's loss and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Consolidated Statement of Financial Position and Company Statement of Financial Position as at 30 September 2022; Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the

Independent auditors' report to the members of Origin Midco Limited

other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 September 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to Companies Act 2006 and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting

Independent auditors' report to the members of Origin Midco Limited

inappropriate journal entries to manipulate financial results, specifically revenue and EBITDA. Audit procedures performed by the engagement team included:

- Held discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluated the design effectiveness of management's control activities designed to prevent and detect irregularities of management's controls designed to prevent and detect irregularities;
- *Reviewed meeting minutes of the board of directors;*
- Challenged assumptions and judgements made by management in their significant accounting estimates and material judgements. We evaluated whether there was evidence of management bias that represented a risk of material misstatement due to fraud and assessed the rationale for significant contracts and transactions entered;
- Identified and tested journal entries based on our risk assessment; and
- Incorporated elements of unpredictability into our audit procedures.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.

Alex Upton (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
20 March 2023

ORIGIN MIDCO LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note	12 Months 2022 £'000	9 Months 2021 £'000
Revenue	3	**39,059**	18,126
Cost of sales		**(4,837)**	(2,185)
Gross profit		**34,222**	15,941
Administrative expenses		**(45,740)**	(21,858)
Impairment losses	4,9,10	**(4,825)**	-
Operating loss	4	**(16,343)**	(5,917)
Finance costs	6	**(6,390)**	(1,899)
Loss before taxation		**(22,733)**	(7,816)
Tax income/(expense)	8	**4,747**	(3,923)
Loss for the year / period		**(17,986)**	(11,739)
Other comprehensive expense			
Items which may subsequently be reclassified to profit and loss			
Foreign currency translation difference		**(131)**	(46)
Total other comprehensive expense		**(131)**	(46)
Total comprehensive expense		**(18,117)**	(11,785)

The total comprehensive expense for the year is attributable to the owners of the Group.

The accompanying notes on pages 17 to 41 form part of the financial statements.

ORIGIN MIDCO LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

	Note/(s)	2022 £'000	2021 £'000
Assets			
Non-current assets			
Goodwill	9	**196,109**	196,109
Other intangible assets	10	**100,472**	110,096
Property, plant and equipment	11	**2,549**	2,786
Total non-current assets		**299,130**	308,991
Current assets			
Trade and other receivables	13	**8,253**	5,090
Cash and cash equivalents		**20,339**	16,555
Total current assets		**28,592**	21,645
Total assets		**327,722**	330,636
Equity and liabilities			
Equity			
Share capital	14	**100**	100
Share premium	14,15	**203,300**	203,300
Foreign currency translation reserve	15	**(177)**	(46)
Retained earnings/(accumulated losses)	15	**(29,725)**	(11,739)
Total equity		**173,498**	191,615
Non-current liabilities			
Trade and other payables	16	**94**	338
Lease liabilities	11	**1,988**	2,140
Borrowings	17	**96,745**	85,298
Deferred tax liabilities	18	**22,665**	26,354
Total non-current liabilities		**121,492**	114,130
Current liabilities			
Trade and other payables	16	**32,357**	24,674
Lease liabilities	11	**362**	242
Borrowings	17	**13**	(25)
Total current liabilities		**32,732**	24,891
Total liabilities		**154,224**	139,021
Total equity and liabilities		**327,722**	330,636

ORIGIN MIDCO LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022 (continued)

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

Henry Frankievich

H Frankievich
Director
20 March 2023

The accompanying notes on pages 17 to 41 form part of the financial statements.

ORIGIN MIDCO LIMITED

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022

Company registered number: 13056985

	Note/(s)	2022 £'000	2021 £'000
Assets			
Non-current assets			
Investments	12	**203,400**	203,400
Current assets			
Trade and other receivables	13	**76,293**	76,293
Total assets		**279,693**	279,693
Equity and liabilities			
Equity			
Share capital	14	**100**	100
Share premium	14,15	**203,300**	203,300
Total equity		**203,400**	203,400
Current liabilities			
Trade and other payables	16	**76,293**	76,293
Total equity and liabilities		**279,693**	279,693

The result for the financial year of the Company was £nil. As permitted by section 408 of the Companies Act 2006, no separate Statement of Comprehensive Income is presented in respect of the Company.

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

Henry Frankievich

H Frankievich
Director
20 March 2023

The accompanying notes on pages 17 to 41 form part of the financial statements.

ORIGIN MIDCO LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Share capital	Share premium	Foreign currency translation reserve	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000	£'000
On 2 December 2020	-	-	-	-	-
Contribution and distribution by owners					
Issue of shares	100	203,300	-	-	203,400
Total transactions with owners	100	203,300	-	-	203,400
Comprehensive expense for the financial period					
Loss for the financial period	-	-	-	(11,739)	(11,739)
Exchange differences on translation of foreign operations	-	-	(46)	-	(46)
Total comprehensive expense for the financial period	-	-	(46)	(11,739)	(11,785)
At 30 September 2021 and 1 October 2021	**100**	**203,300**	**(46)**	**(11,739)**	**191,615**
Comprehensive expense for the financial year					
Loss for the financial year	-	-	-	**(17,986)**	**(17,986)**
Exchange differences on translation of foreign operations	-	-	**(131)**	-	**(131)**
Total comprehensive expense for the financial year	-	-	**(131)**	**(17,986)**	**(18,117)**
At 30 September 2022	**100**	**203,300**	**(177)**	**(29,725)**	**173,498**

The accompanying notes on pages 17 to 41 form part of the financial statements.

ORIGIN MIDCO LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Share capital	Share premium	Retained earnings	Total equity
	£'000	£'000	£'000	£'000
On 2 December 2020	-	-	-	-
Contribution and distribution by owners				
Issue of shares	100	203,300	-	203,400
Total transactions with owners	100	203,300	-	203,400
Comprehensive income for the financial period				
Result for the financial period	-	-	-	-
Total comprehensive income for the financial period	-	-	-	-
Balance at 30 September 2021 and 1 October 2021	100	203,300	-	203,400
Comprehensive income for the financial year				
Result for the financial year	-	-	-	-
Total comprehensive income for the financial year	-	-	-	-
Balance at 30 September 2022	100	203,300	-	203,400

The accompanying notes on pages 17 to 41 form part of the financial statements.

ORIGIN MIDCO LIMITED

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2022

	Note(s)	12 Months 2022 £'000	9 Months 2021 £'000
Cash flow from operating activities			
Loss for the period		**(17,986)**	(11,739)
Adjustments for:			
Depreciation and amortisation	10,11	**10,936**	7,478
Impairment losses	9,10	**4,825**	-
Foreign exchange loss on borrowings and leases		**11,380**	2,597
Finance expense	6	**6,390**	1,899
Foreign exchange loss on tax		**203**	-
Tax charge	8	**(4,747)**	3,923
		11,001	4,158
(Increase) in trade and other receivables		**(1,013)**	(1,183)
Increase in trade and other payables		**2,725**	18,916
Acquisition related transaction costs		**(231)**	(6,159)
Tax paid		**(2,306)**	(2,705)
Net cash generated from operating activities		**10,176**	13,027
Cash flows from investing activities			
Purchase of property, plant and equipment	11	**(335)**	(143)
Purchase of intangible assets	10	**(165)**	(124)
Acquisitions, net of cash acquired	23	**(1,140)**	(280,146)
Net cash used in investing activities		**(1,640)**	(280,413)
Cash flows from financing activities			
Issue of shares		**-**	203,400
Borrowings (repaid)/received		**(104)**	82,249
Finance lease payments		**(324)**	(245)
Interest payments		**(5,942)**	(1,403)
Net cash used in financing activities		**(6,370)**	284,001
Effect of foreign currency rates on cash		**1,618**	(60)
Net increase in cash and cash equivalents		**3,784**	16,555
Cash and cash equivalents at the beginning of the period		**16,555**	-
Cash and cash equivalents at the end of the period		**20,339**	16,555

Net debt reconciliation

	Borrowings £'000	Leases £'000	Cash £'000	Total £'000
At 01 October 2021	*(85,273)*	*(2,382)*	**16,555**	***(71,100)***
On acquisition (note 23)	-	-	**33**	**33**
New leases	-	**(54)**	-	**(54)**
Interest expense	**(6,280)**	**(102)**	-	**(6,382)**
Interest payments	**6,038**	**324**	-	**6,362**
Effect of foreign exchange	**(11,244)**	**(136)**	1,618	**(9,762)**
Net cash flow	-	-	**2,133**	**2,133**
At 30 September 2021	(96,759)	(2,350)	20,339	**(78,770)**

1. PRINCIPAL ACCOUNTING POLICIES

General information

Origin Midco Limited is a private company limited by shares incorporated and domiciled in England, UK. The address of the Company's registered office is given on the Company Information page.

The principal activity of the Company is to act as an intermediate holding company and provide financing to operating subsidiaries. The Company does not trade with third parties. The principal activity of the Group is the development, marketing and selling of email signature software solutions.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

The consolidated financial statements have been prepared on a going concern basis, under the historical cost convention, except where IFRS requires an alternative treatment.

The Company's individual financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 as applicable to companies using FRS 101.

Disclosure exemptions – Parent Company individual financial statements
In preparing its individual financial statements under FRS 101, the Company has taken advantage of the following disclosure exemptions permitted by FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures';
- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d), (statement of cash flows);
  - 16 (statement of compliance with all IFRS);
  - 38A (requirement for minimum of two primary statements, including cash flow statements);
  - 111 (cash flow statement information); and
- IAS 7, 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changed in accounting estimates and errors';
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation); and
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a Group.

A list of the Company's subsidiaries that intend to claim an audit exemption under section 479A of the Companies Act 2006 in respect of their own financial statements for the year ended 30 September 2022 can be found in Note 12. As a condition of the audit exemption that they will claim, the Company will guarantee all outstanding liabilities of these companies as at 30 September 2022.

Going concern

The directors have considered the going concern basis of preparation of these financial statements and concluded it to be appropriate on the basis that the Company and the consolidated Group have adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of this report.

At the balance sheet date, the Group has a cash at bank balance of £20.3m, a relative position that has been improved at the time of approving the financial statements. At the balance sheet date, the Group has net current liabilities of £4.1m, however this includes £13.5m of deferred revenue which does not present a cash liability to the Group. While the business does have significant long term debt on its balance sheet, this has a maturity of 2028 and the Board is comfortable that the business is trading sufficiently so that any refinancing could be secured well in advance of any repayment date.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Going concern (continued)

The directors believe, based on Board approved forecasts, that the Group has the financial and operating means to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. The forecasts indicate that even in a severe downside scenario driven by external global factors, current cash reserves would be sufficient for the Group to meet its liabilities as they fall due for a period of at least 12 months without the need for further facilities to be put in place. These downside scenarios include an increase in customer churn volumes and a reduction in expansion ARR from both new and existing customers. Furthermore, the range of remedial actions that could be taken to protect the cash position of the business in such a circumstance is considered to be broad enough to provide further assurance regarding the long-term viability of the Group. These actions could include scaling back growth aspirations by reducing Sales and Marketing activity that is focused on new customer acquisition and in doing so result in a business which would remain profitable and cash generative by supporting its existing customer base using its current product suite.

The directors consider that the continued risk in relation to going concern arising from the impact of COVID-19 to be very low. The business of Exclaimer prior to its acquisition by the Group in December 2020 traded strongly through in the initial phases of the pandemic and since that point the Group has continued in a similar vein, growing revenue and generating operating cash inflows in FY22 to date. The Board has also considered the potential impact of a global economic downturn on business performance, and is confident, given the low ticket value of the product and the significant diversification of revenues across geography and customer segment, that any impact would be relatively minimal.

Given the nature of the services and the market position that the Group enjoys, the directors believe that revenue and cash inflow will continue to grow going forward.

Consolidation

Subsidiaries
The consolidated financial statements incorporate the assets and liabilities and the results of operations of all subsidiaries of the Company. A subsidiary is an entity over which the Group has control. The Group has control over an entity where the Group is exposed to, or has the rights to, variable returns from its involvement with the entity and has the power over the entity to affect those returns. The results of subsidiaries acquired are consolidated from the date on which control transfers to the Group. Transactions between, and balances with, subsidiary companies are eliminated together with unrealised gains on intra-group transactions. Unrealised losses are eliminated to the extent the asset transferred is not impaired.

Foreign currency translation

The Group's consolidated financial statements are presented in GBP, which is the Group's reporting currency. The Group determines the functional currency for each entity, based on the currency of the primary economic environment in which each subsidiary operates, and items included in the financial statements of such entity are measured using that functional currency. Refer to Note 12 Investments, for a listing of the Group's wholly-owned subsidiaries.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement or revaluation of monetary assets and liabilities denominated in currencies other than the functional currency for the respective subsidiary are recognised in the income statement as 'foreign currency exchange losses' (refer to note 4).

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Foreign currency translation (continued)

Group companies

On consolidation, the assets and liabilities of the Group's operations are translated at exchange rates prevailing on the statement of financial position date. Income and expenses items are translated at average exchange rates for the period. All resulting exchange differences are recognised in other comprehensive income. Goodwill and intangible assets arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated using the exchange rate prevailing on the statement of financial position date. Realised exchange differences arising are recognised in 'administrative expenses'.

The exchange rates of key currencies affecting the Group were as follows:

Equivalent to £1		Closing rate as at 30 September 2022	Annual average rate for the year ended 30 September 2022
US Dollar	USD	1.113	1.288
Euros	EUR	1.167	1.181
Australian Dollar	AUD	1.696	1.804
Canadian Dollar	CAD	1.524	1.645

Revenue

The Group derives revenues from fees charged for meeting our performance obligations in connection with the use of our hosted cloud offerings, licenses to our on-premises software products and related support and maintenance services.

Cloud SaaS - Revenue from the cloud subscriptions and support represents fees earned from providing clients with Software-as-a-Service (SaaS) in a hosted cloud-based infrastructure. The Group charges for cloud subscription and licensing arrangements based on the number of email account users with a minimum contract duration of 12 months and revenue is recognised evenly over the duration of the contract.

On Premise perpetual licence - Software licence revenue represents fees earned from the sale or license of software to clients for use on the client's premises where the customer takes possession of the software for installation on the client's premises (on-premises software).

On Premise support and maintenance - Software support and maintenance revenue represents fees earned from providing customers with support services, which, for on-premises software products, comprise: (a) maintenance - unspecified future software updates and enhancements, and (b) limited technical product support services. We sell premium product support to clients that require additional technical support beyond their minimum included support. We do not distinguish within software support revenue the amounts attributable to technical support services and unspecified software updates and enhancements.

The Group charges for on-premises licence software based on the number of email account users and recognised at the point the customer takes possession of the software which is also at the point of sale. In addition, the Group charges for a minimum 12 months support and maintenance agreement and revenue is recognised evenly over the duration of the support and maintenance agreement.

Where there are multiple performance obligations (i.e. on-premise licence is sold with a support and maintenance agreement), the transaction price is allocated to each performance obligation based on the relative standalone selling prices of the goods or services being provided to the customer. The relative standalone selling price of each performance obligation is determined at contract inception. The transaction price is not reallocated after contract inception to reflect subsequent changes in standalone selling prices.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Cost of sales

Cost of sales consists primarily of costs that are directly attributable to revenue generated by the Group, including hosting fees and cost of providing of support.

Administrative expenses

Operating expenses consist of costs associated with the Group's sales and marketing activities, relationship management, engineering, in addition to general and administrative costs and charges for depreciation of property plant and equipment and amortisation of intangible assets.

Research and development expenses consist primarily of compensation and related costs for personnel responsible for the research and development of new and existing products and services and engineering costs.

Sales and marketing expenses consist primarily of compensation and related costs for personnel engaged in customer service, sales, and sales support functions, as well as advertising and promotional expenditures that are not directly attributable to revenue.

General and administrative expenses include costs related to our facilities, finance, human resources, information technology, and legal organisations, and fees for professional services. Professional services principally comprise external legal, audit, information technology consulting, and outsourcing services.

Finance expense

Finance expense principally relates to interest on loans, recorded using the effective interest method.

Current and deferred taxation

The tax benefit or expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

Taxable loss/profit differs from net loss/profit as reported in the Statement of Comprehensive Income because it will exclude items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

The current income tax benefit or charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Group operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax will also be dealt with in equity.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Current and deferred taxation (continued)

either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits are available to allow all or part of the asset to be recovered.

Intangible assets

Intangible assets acquired in a business combination are initially measured at cost as determined based on the allocation of the purchase consideration. The cost of an intangible asset acquired in a business combination is its fair value as of the date of acquisition. Following initial recognition, intangible assets are carried at cost, net of accumulated amortisation.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over their estimated useful lives using the straight-line method. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least annually at each fiscal year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in an accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in the Consolidated Statements of Comprehensive Income. The estimated useful life of computer software is 3 years. The estimated useful lives of intangible assets arising on acquisition are as follows:

	Arising on acquisition of Exclaimer Group Limited	Arising on acquisition of Customer Thermometer Holdings Limited
Intellectual property	7 years	5 years
Brand	10 years	5 years
Customer relationships	17 years	11 years

The intellectual property arising on the acquisition of Periodic Inc. (see note 23) had an estimated useful life of 5 years, however the asset value was impaired to £nil during the year (see note 22). With the exception of goodwill, the Group does not have any intangible assets with indefinite useful lives. Intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating unit).

Expenditure on research activities is recognised as an expense in the period in which it is incurred. No other internally generated intangible assets have been recognised in the period.

Goodwill

Goodwill is initially measured at cost, which is the excess of the aggregate of the consideration transferred and the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost, less any accumulated impairment losses. Impairment testing is carried out at least annually, or more frequently if there is an indication that the asset may be impaired, by references to the discounted future cash flows of the cash generating unit to which the goodwill is attributed. Any impairment loss recognised would not be reversed. On disposal, the attributable amount of goodwill is included in the calculation of gain or loss on disposal.

1. PRINCIPAL ACCOUNTING POLICIES *(continued)*

Property, plant and equipment

Property, plant and equipment are recorded at cost net of accumulated depreciation and any provision for impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be easily measured.

Depreciation is calculated to write down the cost of the asset over their estimated useful lives, using the straight- line method:

Right-of-use asset (Fowler Ave property)	10 years (lease term)
Right-of-use asset (Miami office)	5 years (lease term)
Computer equipment	3 years
Leasehold improvements	7 years
Fixtures and fittings	5 years
Motor vehicles	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Any gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'operating expenses' in the consolidated statement of comprehensive income.

Investments

Investment in subsidiaries (relevant to the Company financial statements) is valued at the cost of the shares in the subsidiary less any impairment losses. Assets are reviewed for impairment annually where events or changes have occurred within the entity, its industry, or the economy indicating the carrying value of investments in subsidiaries and affiliates may be impaired. To the extent the carrying value of an asset exceeds its *recoverable amount, the difference is recognised as an expense in the statement of profit or loss.* The recoverable amount used for impairment testing is the higher of value in use and fair value less costs of disposal. An impairment loss is recognized if the impairment is not considered temporary.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

The Group holds the following financial assets:

Trade receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less any impairment losses. The same accounting recognition and measurement basis is applied to amounts owed by group undertakings, for the Company.

Cash and cash equivalents
Cash and cash equivalents include cash in hand and deposits held at call with banks.

Impairment of financial assets
The Group's financial assets are subject to the expected credit loss (ECL) model. For trade receivables the simplified method has been applied whereby ECLs are measured using a lifetime expected loss allowance. Expected loss rates are based on historical ageing of receivables adjusted for risk-based estimates of future losses. The historical data is assessed over a period that reflects the current conditions and may change year on year.

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Financial liabilities

The Group holds the following financial liabilities:

Trade payables
Trade payables are initially recognised at fair value and subsequently measured at amortised cost. Trade payables are not interest bearing. The same recognition and measurement basis is applied to amounts owed by group undertakings, for the Company.

Borrowings
Borrowings are initially recognised at fair value, being proceeds received less directly attributable transaction costs incurred. Borrowings are subsequently held at amortised cost at each balance sheet date, with any transaction costs amortised to the income statement over the period of the borrowings using the effective interest method. The Group does not have any borrowings designated as fair value through profit and loss.

Lease liabilities
A lease liability is recognised when the Group obtains control of the right-of-use asset, that is the subject of the lease. The initial lease liability recognised represents the discounted value of payments due under the lease less any incentives receivable.

Typically, the interest rate implicit in the Group's leases cannot be easily determined and accordingly the Group's incremental borrowing rate, for borrowings of similar amounts and maturity periods, is used to discount amounts due under the lease. The lease liability is subsequently measured using the effective interest method, with interest recognised within finance costs.

Leases, which at inception have a term of less than 12 months or relate to low-value assets, are not recognised on the balance sheet. Payments made under such leases are charged to the income statement on a straight-line basis over the period of the lease.

2. USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS

In applying the Group's accounting policies set out in note 1, the Group is required to make certain estimates and judgements concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from these estimates.

Significant accounting estimates

Determining the carrying amounts of some assets and liabilities requires estimation of the effects of uncertain future events on those assets and liabilities at the end of the reporting period. Through the process of applying the Group's accounting policies the directors have not identified assumptions made about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant accounting judgements

The Group completed an acquisition during the year and the assets acquired and liabilities assumed, clearly met the definition of a business, in accordance with IFRS 3, Business Combinations. There were no non-controlling interests in the acquiree. As of the acquisition date, the Group has recognised, separately from goodwill, the identifiable assets acquired and the liabilities assumed, measured at their fair values. Fair value is defined in IFRS 13, Fair Value Measurement as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date" and therefore no specific acquirer intentions or synergies are reflected in the valuation conclusions.

2. USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

The total purchase consideration is set out in Note 23. The purchase consideration included non-cash consideration of £2.9m, in the form of shares relating to the Company's holding company, Origin Holdings Limited. The valuation of this consideration therefore required estimation on the basis of an open market value of the shares at the acquisition date, based on an appropriate methodology. The methodology also relied on judgement to determine comparable companies and transactions. This was determined by management, advised by our independent external valuation expert, familiar with the industry in which the Group operates. As the purchase consideration exceeded the fair value of the net assets acquired, an amount of £1.4m was recognised as goodwill, with £3.9m recorded as intangible assets. The intangible assets acquired through the business combination reflect intellectual property. Allocation of the purchase price between finite lived intangible assets and indefinite lived assets such as goodwill affects the subsequent results of the Group as finite lived intangible assets are amortised, whereas indefinite lived intangible assets, including goodwill, are not amortised, but will be subject to annual impairment review.

The application of certain estimates, in deriving the fair values of acquired assets and liabilities was principally related to the identified intangible assets. These were determined by management, advised by our independent external valuation expert, familiar with the industry in which the Group operates. This included the determination of the methodology applied to calculate the fair values, where the accounting standards allow a choice of methods, as well as determining certain assumptions used in the calculations under each of these methods. The methodology also relied on a judgement to determine comparable companies similar to the entities being acquired and similar transactions, in order to assess whether the assumptions made were within the industry's expected range. The only identified intangible asset was in relation to the acquired software, which was in line with the 'Buy versus Build' nature of this transaction; the fair value of the software was calculated using a Cost-Savings approach, determining the cost that would be incurred by Origin to develop this software in house. The key estimates to derive the fair value related to the time taken to develop this, alongside the number of full time employees working on the development and their associated salaries. See Note 23 "Acquisitions" for further details.

Periodic impairment – an adjusting Post Balance Sheet Event

As explained in Note 22 to the Financial Statements, the Board took the decision in November 2022 to retire the Periodic business. This decision was taken after reviewing the competitive environment and the estimated investment required to the product. Discussions about retiring the Periodic business were taking place prior to 30 September 2022, culminating in a final decision in November 2022, and so management has concluded that this fulfils the criteria of an adjusting Post Balance Sheet Event.

3. REVENUE

Revenue is disaggregated by major product lines and timing of revenue recognition.

	12 Months 2022 £'000	9 Months 2021 £'000
Cloud SaaS	**37,142**	16,663
On premise support and maintenance	**1,484**	632
On premise perpetual licence	**433**	831
	39,059	18,126

3. REVENUE (continued)

The Group's revenue from external customers by geographical location are detailed below:

	12 Months 2022 £'000	9 Months 2021 £'000
Americas	12,301	5,604
United Kingdom	10,377	4,781
Europe	9,300	4,523
APAC	7,081	3,218
	39,059	18,126

Assets and liabilities related to contracts with customers:

The Group has recognised the following assets and liabilities related to contracts with customers:

	2022 £'000	2021 £'000
Contract liabilities		
Deferred revenue	13,555	10,014

Of the deferred revenue included in current liabilities balance above, £12,766,000 relates to Software as a Service (SaaS) which customers pay up to 12 months in advance and £695,000 relates to On Premise Software Support and Maintenance services which is also paid up to 12 months in advance. These amounts will both be recognised evenly over the remaining service term of the respective customer agreements and all within 12 months of the statement of financial position date.

Of the deferred revenue in non-current liabilities above £57,000 relates to SaaS paid more than 12 months in advance and £37,000 relates to On Premise Software Support and Maintenance services paid more than 12 months in advance. These amounts will both be recognised evenly over the remaining service term of the respective customer agreements and all within 3 years of the statement of financial position date.

4. OPERATING LOSS

	Note	12 Months 2022 £'000	9 Months 2021 £'000
Operating loss has been arrived at after charging:			
Employee costs	7	16,425	7,448
Other people related costs		2,257	637
Amortisation of intangible assets	10	10,311	7,104
Impairment of goodwill	9	1,428	-
Impairment of intangible assets	10	3,397	-
Foreign exchange losses		9,401	2,430
Marketing expenses		3,913	1,898
IT costs		1,663	767
Depreciation of property, plant and equipment	11	625	374
Impairment of trade receivables	13	259	89

5. AUDIT REMUNERATION

During the year, the Group obtained the following services from the Company's auditors and its associates:

	12 Months 2022 £'000	9 Months 2021 £'000
Audit and non-audit services:		
Fees payable to the Company's auditors and its associates for the audit of the Company and consolidated financial statements	**95**	116
Fees payable to Company's auditors and its associates for other services:		
Audit of the financial statements of the Company's subsidiaries	**95**	66
Taxation services	**25**	20
	215	202

6. FINANCE COSTS

	12 Months 2022 £'000	9 Months 2021 £'000
Interest on borrowings	**5,917**	1,726
Amortisation of transaction fees	**363**	104
Lease interest	**102**	69
Other interest	**8**	-
	6,390	1,899

7. EMPLOYEES

Group

	12 Months 2022 £'000	9 Months 2021 £'000
Employee costs (including directors):		
Wages and salaries	**14,536**	6,557
Social security costs	**1,573**	721
Other pension costs	**316**	170
	16,425	7,448

7. EMPLOYEES (continued)

The average number of employees (including directors) during the year was made up as follows:

	2022 No.	2021 No.
Management	6	2
Sales	69	67
Development	70	37
Customer support	22	18
Finance and administration	42	17
Marketing	15	15
	224	156

Included in employee costs are research and development costs of £163,000.

Company

The Company did not have any employees during the year, only directors as set out on page 5. The directors did not receive any remuneration from within the Group.

Directors' remuneration

Group

	12 Months 2022 £'000	9 Months 2021 £'000
Aggregate emoluments	-	335
Highest paid director:		
Aggregate emoluments	-	335

The remuneration above includes settlement payments of £nil during the year (2021: £132,000).

Directors of the Group did not receive any remuneration from within the Group, and no amounts have been recharged to the Group for their services. At the balance sheet date, no directors have ownership interests in the Group.

There were no contributions during the year to a defined contribution pension scheme on behalf of directors. No directors accrued benefits under the defined contribution scheme.

Key management compensation:

All directors and executive management have authority and responsibility for planning, directing and controlling the activities of the Group, and are considered to be key management personnel.

Key management compensation, including that of directors noted above, was:

	12 Months 2022 £'000	9 Months 2021 £'000
Short-term employee benefits	1,941	708
	1,941	708

8. TAX ON LOSS

	12 Months 2022 £'000	9 Months 2021 £'000
Current tax:		
Corporation tax on profit for the financial year	7	965
Adjustments in respect of prior period	180	(50)
Total current tax	187	915
Deferred tax:		
Origination and reversal of temporary differences	(4,894)	-
Adjustments in respect of current year	(38)	(2,738)
Rate change adjustment	(2)	5,746
Total deferred tax	(4,934)	3,008
Tax on loss for the financial year / period	(4,747)	3,923

The tax assessed for the year differs from the standard rate of corporation tax (2021: differs from). The differences are explained below:

	12 Months 2022 £'000	9 Months 2021 £'000
Loss before taxation	(22,733)	(7,816)
Loss before taxation multiplied by the respective standard rate of corporation tax 19.0% (2021: 19%)	(4,319)	(1,485)
Effects of:		
Effect of overseas exchange rate	2	15
Expenses not deductible for tax purposes	264	59
Adjustments in respect of prior years	142	(50)
Tax rate change adjustment	(2)	5,746
Difference between UK current and deferred tax rates	(878)	(342)
Research and development relief/(deduction)	31	(20)
Non qualifying depreciation	13	-
Tax on loss for the financial year / period	(4,747)	3,923

On 3 March 2021, the Chancellor of the Exchequer announced that the main rate of corporation tax in the United Kingdom will rise to 25% with effect from 1 April 2023 for companies earning annual taxable profits in excess of £250,000. Companies earning annual taxable profits of £50,000 or less will continue to pay corporation tax at 19% with a marginal rate adjustment for companies earning annual taxable profits between the two levels. These changes were substantively enacted at the balance sheet date and therefore deferred taxation balances have been calculated using the 25% rate.

9. GOODWILL

	£'000
Cost	
At 1 October 2021	196,109
On acquisition (Periodic)	1,428
At 30 September 2022	197,537
Accumulated impairment	
At 1 October 2021	-
Impairment charged in the year	(1,428)
At 30 September 2022	(1,428)
Net Book Value	
At 30 September 2022	196,109
At 30 September 2021	196,109

In January 2022, Exclaimer Ltd, a 100% owned subsidiary of the Company acquired 100% of the shares of Periodic Inc ('Periodic'). For further detail on this acquisition, refer to note 23. As part of an adjusting post balance sheet event described in note 22, an impairment has subsequently been recorded against this goodwill.

10. OTHER INTANGIBLE ASSETS

Group

	Computer software	Intellectual property	Brand	Customer relationships	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 October 2021	365	20,433	10,164	86,238	117,200
On acquisition (Periodic)	-	3,919	-	-	3,919
Additions	165	-	-	-	165
At 30 September 2022	530	24,352	10,164	86,238	121,284
Accumulated amortisation and impairment					
At 1 October 2021	(58)	(2,227)	(777)	(4,042)	(7,104)
Amortisation charged in the year	(177)	(3,666)	(1,053)	(5,415)	(10,311)
Impairment charged in the year	-	(3,397)	-	-	(3,397)
At 30 September 2022	(235)	(9,290)	(1,830)	(9,457)	(20,812)
Net book value					
At 30 September 2022	295	15,062	8,334	76,781	100,472
At 30 September 2021	307	18,206	9,387	82,196	110,096

11. PROPERTY, PLANT AND EQUIPMENT

Group

	Right-of-use asset £'000	Leasehold Improvements £'000	Computer Equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost						
At 1 October 2021	2,371	348	353	58	30	3,160
FX movement	-	-	2	-	-	2
Additions	54	39	183	111	-	387
Disposals	-	-	-	(15)	-	(15)
At 30 September 2022	2,425	387	538	154	30	3,534
Accumulated depreciation						
At 1 October 2021	(214)	(46)	(95)	(15)	(4)	(374)
FX movement	-	-	(2)	-	-	(2)
Charge for the year	(350)	(66)	(170)	(34)	(5)	(625)
Disposals	-	-	-	16	-	16
At 30 September 2022	(564)	(112)	(267)	(33)	(9)	(985)
Net book value						
At 30 September 2022	1,861	275	271	121	21	2,549
At 30 September 2021	2,157	302	258	43	26	2,786

Right-of-use assets

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Group. The Company leases property.

The office building at 250 Fowler Avenue is rented for a 10-year term. The contract contains an option to cancel after 5 years. The lease payments are fixed. The Group has determined that it is reasonably certain not to exercise the option to break the lease. On this basis the lease liability and related right-of-use asset has been calculated based on the 10-year lease term.

The office building at 800 Brickell Avenue, Suites 200-201, Miami, Florida, US 33131 is rented for a 5.4 year term. The lease payments are fixed.

The office building at Suite 1, 2nd Floor, Phoenix House, 32 West Street, Brighton, UK is rented for a 3 year term. The lease payments are fixed.

11. PROPERTY, PLANT AND EQUIPMENT (continued)

Group

The Group has lease liabilities of £2,350,000 at the year end (2021: £2,382,000).

	2022	2021
	£'000	£'000
Current	**362**	242
Non-current	**1,988**	2,140

The contractual undiscounted cash flows are due as follows:

	2022	2021
	£'000	£'000
Within one year	**468**	336
Between 1-5 years	**1,687**	1,719
Over 5 years	**438**	683

Amounts recognised in the Statement of Comprehensive Income:

	12 Months	9 Months
	2022	2021
	£'000	£'000
Depreciation charge on right-of-use assets	**350**	214
Interest expense on lease liabilities (note 6)	**102**	69
Expenses relating to short-term leases	**3**	3

12. INVESTMENTS

	Investments in subsidiaries (Company) £'000
Cost and Net Book Value	
On 30 September 2021 and 30 September 2022	203,400

Origin Midco Limited directly holds 100% of the share capital in Origin Bidco Limited. The investment in Origin Bidco Limited represents an interest in the shares of Origin Bidco Limited. All subsidiary undertakings are included in the consolidation.

The proportion of the voting rights in the subsidiary undertakings held directly by the parent company does not *differ from the proportion of ordinary shares.*

Subsidiaries

Subsidiary	Class of share	Percentage held	Nature of business
Origin Bidco Limited [1]	*Ordinary shares*	100%	*Holding company*
Exclaimer Group Limited [1]	Ordinary shares	100%	Holding company
Exclaimer Group (Holdings) Limited [1]	Ordinary shares	100%	Operational and management services
Exclaimer Holdings Limited [1]	Ordinary shares	100%	Dormant
Exclaimer Ltd	Ordinary shares	100%	Email signature software services
Customer Thermometer Holdings Limited [1]	Ordinary shares	100%	Holding company
Customer Thermometer Limited [1]	Ordinary shares	100%	Customer survey software services
Exclaimer Europe BV	Ordinary shares	100%	Email signature and software services
Exclaimer Investments Limited [1]	Ordinary shares	100%	Operational and management services
Exclaimer LLC	Ordinary shares	100%	Sales and Support Services
Periodic Inc	Ordinary shares	100%	Calendar and appointment services

Origin Bidco Limited is directly held and all other subsidiaries are indirectly held.

All subsidiary undertakings are incorporated in the United Kingdom except for/Exclaimer Europe BV, Exclaimer LLC and Periodic Inc. The registered address for the subsidiaries in the United Kingdom is 250 Fowler Avenue, Farnborough, Hampshire, United Kingdom, GU14 7JP. The registered address for Exclaimer Europe BV is Zwaagdijk Perenmarkt 12, Zwaagdijk-Oost 1681 PG, The Netherlands. The registered address for Exclaimer LLC is CT Corporation System, 1200 Sarth Pine, Island Road, Plantation FL 3324, USA. The registered address for Periodic Inc is 642 North Madison Street, Bloomington, IN 47404, USA.

[1] *Entity has taken an audit exemption under section 479A of the Companies Act 2006 in respect of their own* financial statements for the year ended 30 September 2022. As a condition of the audit exemption, the Company *will guarantee all outstanding liabilities of these companies as at 30 September 2022.*

13. TRADE AND OTHER RECEIVABLES

Group

	2022 £'000	2021 £'000
Current		
Trade receivables	**4,212**	3,193
Other receivables	**344**	144
Prepayments	**759**	934
Corporation tax	**2,938**	819
	8,253	5,090

Ageing of past due and current but not impaired receivables:

As at 30 September 2022, trade receivables of £2,001,000 were past due but not impaired. These relate to a number of independent customers for whom there is no recent history of default. The aging analysis of the trade receivables is as follows:

	2022 £'000	2021 £'000
Trade receivables		
Current	**2,211**	2,144
1-90 days	**1,872**	978
In excess of 90 days sales	**129**	71
Total	**4,212**	3,193

Ageing of past due and impaired receivables:

As at 30 September 2022, *trade receivables of £181,000 were impaired. The aging of these receivables is as* follows:

	2022 £'000	2021 £'000
Trade receivables		
In excess of 90 days	**181**	89

13. TRADE AND OTHER RECEIVABLES *(continued)*

Movement in allowance for doubtful debts:

	£'000
At 1 October 2021	**89**
In excess of 90 days and doubtful debts allowance	**92**
At 30 September 2022	**181**

In determining the recoverability of a trade receivable, the Group considers the ageing of each receivable and any changes in the circumstances of the individual receivables. The directors believe that there is no further provision required in excess of the allowance for doubtful debts.

The maximum exposure to credit risk at the end of the reporting period is the fair value of each class of receivables mentioned above. The Group had no collateral as security. The directors estimate that the carrying value of the trade receivables approximated to their fair value.

Trade and other receivables are due in the following currencies:

	2022	2021
	£'000	£'000
Sterling	**5,223**	2,950
US Dollar	**1,552**	1,190
Euros	**900**	622
Australian Dollar	**376**	221
Canadian Dollar	**202**	107
	8,253	5,090

Company

	2022	2021
	£'000	£'000
Current		
Financial assets		
Amounts owed by group undertakings	**76,293**	76,293

Amounts owed by group undertakings represent a receivable *from Origin Bidco Limited of* £76,293,000, which is non-interest bearing and repayable on demand.

Management have assessed both historical and forward looking qualitative and quantitative information, to determine that the intercompany loans are of a low credit risk at 30 September 2022.

14. SHARE CAPITAL AND SHARE PREMIUM

As of 30 September 2022, there were 10,000,001 ordinary shares issued and none outstanding. Ordinary shares have a nominal value of £0.01.

Share capital	Ordinary shares number	Ordinary shares £'000
At 30 September 2021 and 30 September 2022	10,000,001	100

Share premium	Share premium £'000
At 30 September 2021 and 30 September 2022	203,300

15. RESERVES

Accumulated losses comprise the accumulated retained losses.

Foreign exchange translation reserves include exchange differences arising on the translation of overseas subsidiaries that are recognised in other comprehensive income and accumulated in a separate reserve within equity.

Share premium reserve includes the excess amount paid on the nominal value of shares.

16. TRADE AND OTHER PAYABLES

Group

	2022 £'000	2021 £'000
Non-current		
Contract liabilities - Deferred revenue	94	338
Current		
Trade payables	2,569	2,205
Amounts owed to parent undertaking	12,335	9,388
Accruals	2,742	2,939
Other creditors	291	53
Contract liabilities - Deferred revenue	13,461	9,675
Other taxation and social security	959	414
	32,357	24,674

Amounts owed to group undertakings represent a payable of £12,335,000 (2021: £9,388,000) to the parent undertaking Origin Holdings Limited, which is non-interest bearing and repayable on demand.

16. TRADE AND OTHER PAYABLES (continued)

Of the deferred revenue included in current liabilities balance above, £12,766,000 relates to Software as a Service (SaaS) which customers pay up to 12 months in advance and £695,000 relates to On Premise Software Support and Maintenance services which is also paid up to 12 months in advance. These amounts will both be recognised evenly over the remaining service term of the respective customer agreements and all within 12 months of the statement of financial position date.

Of the deferred revenue in non-current liabilities above £57,000 relates to SaaS paid more than 12 months in advance and £37,000 relates to On Premise Software Support and Maintenance services paid more than 12 months in advance. These amounts will both be recognised evenly over the remaining service term of the respective customer agreements and all within 3 years of the statement of financial position date.

At the statement of financial position date, there are no customer contracted future revenues not included in the deferred revenue balances above.

Company

	2022	2021
	£'000	£'000
Current		
Amounts owed to group undertakings	**76,293**	76,293

Amounts owed to group undertakings represent a payable to Origin Holding Limited of £76,293,000, which is non-interest bearing and repayable on demand.

17. BORROWINGS

Group

	2022	2021
	£'000	£'000
Current liabilities		
Bank loans	**399**	323
Bank loan arrangement fees	**(386)**	(348)
	13	(25)
Non-current liabilities:		
Bank loans	**98,965**	87,816
Bank loan arrangement fees	**(2,220)**	(2,518)
	96,745	85,298
Total borrowings	**96,758**	85,273

The bank loan is held with Barings and consists of a fixed term loan denominated in US Dollars and Euros, repayable over 7 years with varying rates of interest. The loan is secured over the net assets of the Group. The bank loan arrangement fees are amortised over the 7-year term of the loan.

At 30 September 2022, £64,974,000 of the total loan balance is denominated in US Dollars and £34,390,000 is denominated in Euros.

17. BORROWINGS *(continued)*

The maturity of the loans is noted below:

	2022 £'000	2021 £'000
Due within one year		
Bank loans	**399**	323
Due after more than five years		
Bank loans	**98,965**	87,816

18. DEFERRED TAX LIABILITIES

Group

Deferred tax liabilities/(assets)

	Fixed assets £'000	Intangible assets £'000	Losses £'000	Other timing differences £'000	Total £'000
1 October 2021	88	26,291	(95)	70	**26,354**
FX movement	-	203	-	-	**203**
Acquired on acquisition	-	1,042	-	-	**1,042**
Net addition/(utilisation)	51	(2,203)	(707)	(1,171)	**(4,030)**
Impact of impairment	-	(904)	-	-	**(904)**
At 30 September 2022	**139**	**24,429**	**(802)**	**(1,101)**	**22,665**

19. FINANCIAL INSTRUMENTS

Group

The Group manages its capital to ensure that entities in the Group will be able to continue operating as a going concern. The capital structure of the Group consists of cash and cash equivalents, cash restricted for letters of credit, loans, and equity attributable to equity holders of the parent, comprising issued capital, reserves and retained earnings. The Group is not subject to externally imposed capital requirements.

Financial instruments by category

	Note	2022 £'000	2021 £'000
Financial assets measured at amortised costs:			
Current			
Trade receivables	13	**4,212**	3,193
Other debtors	13	**344**	144
Cash and cash equivalents		**20,339**	16,555
Total financial assets		**24,895**	19,892

	Note	2022 £'000	2021 £'000
Financial liabilities measured at amortised costs:			
Borrowings	17	**96,758**	85,273
Trade payables	16	**2,569**	2,205
Amounts owed to parent undertaking	16	**12,335**	9,388
Accruals	16	**2,742**	2,939
Other creditors	16	**291**	53
Lease liabilities	11	**2,350**	2,382
Total financial liabilities		**117,045**	102,240

Fair value measurement and hierarchy
For trade and other receivables, cash and cash equivalents, and trade and other payables fair values approximate to book values primarily due to the short maturity periods of these financial instruments. The fair value of borrowings is £109.2m (2021: book value approximated fair value). For trade and other receivables, allowances are made within their book value for credit risk. Lease liabilities are outside the scope of IFRS 7 "Financial Instruments: Disclosures" with regards to fair value disclosures. There is no material difference between the book value and the fair value of these financial assets. There were no transfers of assets or liabilities between levels of the fair value hierarchy in the year.

Financial risk management
The Group's operations expose it to a variety of financial risks that include liquidity risk, fluctuations in foreign exchange rates and credit risk. The Group has in place a risk management programme that seeks to limit any *adverse effects on the financial performance of the Group.*

19. FINANCIAL INSTRUMENTS (continued)

Credit risk
The exposure to credit risk at the end of the period is representative of the exposure during the period. The Group's credit risk is primarily attributable to its trade receivables. All new material customers are credit checked using external credit rating agency reports, audited financial statements (where required) and bank and trade references. Provisions are made against receivables using management judgment, taking into account the time by which the receivable amount is overdue, the customer's previous payment history and the most recent understanding of the customer's financial position, past events, current conditions and forecasts of future economic conditions.

In order to manage credit risk with customers, the directors set credit limits based on a combination of trading, payment history, and market knowledge. No individual customer exceeded 5% of the Group's trade receivables as of 30 September 2022.

Interest rate risk
The Group's £98,965,000 of external loans have variable interest rates linked to LIBOR/EURIBOR. As these rates change the cost of supporting the borrowings also changes. Currently there are no interest rate hedging instruments in place. As such the Group's results before tax and net cash flows are directly impacted by changes in market interest rates.

Liquidity risk
The Group manages a liquidity position with the objective of maintaining the ability to fund commitments and repay liabilities in accordance with their required terms. The financing of operations is managed at a group level. The Group generated net cash from operating activities of £10,176,000.

The Group expects to continue to generate net cash from operating activities over the next twelve-month period as it invests in technology and expands its presence in the market, the Group has sufficient funds to maintain operations throughout this period.

The £98,965,000 external bank loan is due for repayment in June 2028. Full details regarding repayment of the loan and associated interest is explained in Note 17, Borrowings.

The Group's objective when managing its capital structure is to minimise the cost of capital whilst maintaining adequate capital to protect against volatility in earnings and net assets. The strategy is designed to maximise shareholder return over the long term. The Group's capital structure is as follows:

Net Debt : Equity Ratio 46%

The Board believes that in maintaining an efficient balance sheet, a net debt : equity ratio of between 25% and 50% is appropriate, whilst retaining the flexibility to move outside the range if appropriate.

Foreign exchange risk
The Group's reporting currency is GBP, with revenue generated in GBP, USD, EUR, CAD and AUD. Future business performance can be impacted by adverse foreign exchange movements in these main trading currencies as detailed in Note 1. However, the Group's borrowings are denominated in USD and EUR and thus there is an element of protection to the extent that cash trading inflows in USD and EUR net off against those borrowings. Currently there are no foreign exchange rate hedging instruments in place.

Cash balances held in each of the currencies are monitored on a continual basis and converted into GBP in line with the foreign exchange management policy that is applied by the Group.

19. FINANCIAL INSTRUMENTS (continued)

Sensitivity
The Group is primarily exposed to changes in the USD and EUR to sterling exchange rates. The sensitivity of profit or loss to changes in the exchange rates arise mainly from USD and EUR denominated loans, along with revenue from billings made in USD or EUR currencies.

Presented below is the impact on loss before tax of a change in exchange rates of 4%, being the movement in the average USD and EUR exchange rates experienced between the current year and its comparative.

	Impact on loss before tax 2022 £'000	Impact on loss before tax 2021 £'000
GBP strengthens 4%	**2,992**	3,877
GBP weakens 4%	**(3,241)**	(4,200)

20. RELATED PARTY TRANSACTIONS

There were no related party transactions during the year for the Company or the Group.

21. PARENT UNDERTAKING

The ultimate controlling party of Origin Midco Limited is Insight Partners XI LP. Copies of the consolidated statement of financial statements are available from the Company secretary at 250 Fowler Avenue, Farnborough, Hampshire, GU14 7JP.

The immediate and ultimate parent undertaking of Origin Midco Limited is Origin Holdings Limited, a company incorporated in Jersey.

22. SUBSEQUENT EVENTS

Following a review of the Periodic business performance, in November 2022, the Company announced the decision to retire the product with immediate effect. Management made this decision looking at the increasingly competitive market environment for scheduling software along with the technical requirements necessary to make the product scalable, robust and competitive.

While a small number of legacy Periodic customers remain with the Company, their revenues are not deemed to be material, and as such management have concluded that the appropriate accounting treatment is to write down the initial investment in Periodic to nil and to treat this as an adjusting post balance sheet event for the purposes of the financial statements.

23. ACQUISITIONS

In January 2022, Exclaimer Ltd, a 100% owned subsidiary of the Company acquired 100% of the shares of Periodic Inc ('Periodic'), a company based in Bloomington Indiana, US. The acquisition was intended to support the Group in broadening its service offerings to existing and new customers in the calendaring and appointment scheduling market. However, in November 2022, management decided to commence the closure of the Periodic business, and an impairment has been recorded accordingly (see notes 4 and 22 for further details).

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	Book value on acquisition £'000	Fair value and other adjustments £'000	Fair value to Group £'000
Intangible assets	-	3,919	3,919
Property, plant and equipment	-	-	-
Total non current assets	-	**3,919**	**3,919**
Trade and other receivables	30	-	30
Cash and cash equivalents	33	-	33
Total current assets	**63**	-	**63**
Trade and other payables	(35)	-	(35)
Deferred tax	-	(1,042)	(1,042)
Total liabilities	**(35)**	**(1,042)**	**(1,077)**
Net assets	**28**	**2,877**	**2,905**
Goodwill			1,428
			4,333

Goodwill is attributable to the workforce, the high profitability and growth of the acquired business, and expected synergies from combining operations. It will not be deductible for tax purposes. For acquired receivables at acquisition date, there was no material difference between the gross contractual amounts receivable and the best estimate of the contractual cash flows expected to be collected.

Satisfied by:	
Purchase consideration (cash)	1,404
Less cash acquired	(33)
Net outflow of cash – investing activities	1,371
Non-cash consideration payable to parent undertaking	2,929
Total cost of acquisition less cash acquired	4,300

The terms of the acquisition did not include any contingent consideration. It is not practicable to identify separately the amounts of revenue and results of this acquired business as the business has become subsumed within the operations of the group.