

# Financial Statements

**For the year ended 31 December 2022**

**Registered number: 10334533**

# Company Information

Directors	Deborah Kobewka (resigned 14 February 2022) Lucy Ralph (appointed 2 February 2022, resigned 13 January 2023) Matthew Wright (appointed 21 March 2022, resigned 30 August 2022) Kevin Morgan (appointed 9 September 2022) Vicky Harris (appointed 16 January 2023) Levine Randiga (appointed 6 March 2023) Roberto Simon Rabanal (appointed 6 March 2023)
Company secretary	Hackwood Secretaries Limited (resigned 31 January 2023)
Registered number	10334533
Registered office	C/O Evaluate Limited 3 More London Riverside London United Kingdom SE1 2AQ
Independent auditor	Grant Thornton Chartered Accountants & Statutory Auditors 13-18 City Quay Dublin 2

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# Strategic report

**For the year ended 31 December 2022**

The directors present their strategic report on the company for the year ended 31 December 2022.

A review of the business and future developments, including key performance indicators and the principal risks and uncertainties is set out below.

## Change in Ultimate Parent Company

On 3 November 2022, the ultimate parent company changed to Caerus PIKCo S.À.R.L. from Mahalo Group Holdings LLC. Caerus PIKCo S.À.R.L. is a company incorporated and registered in Luxembourg.

## Review of activities and future trading developments

The company's turnover of £451k (2021: £2,229k) is derived from management services provided to group companies. The company incurred a loss before tax for the period of £12,381k (2021: loss before tax of £11,630k). The company had net liabilities of £52,589k (2021: net liabilities £40,208k) as at the end of the period. The principal activity of the company is that of a management services and a holding company.

## Key performance indicators

The directors believe the key performance indicator of the company to be the performance of its underlying investments. A full report on the trading performance of the group and these entities can be found in the consolidated financial statements of Redwood Midco Limited.

## Going concern

The accompanying financial statements have been prepared on the assumption that the Group will continue as a going concern. Management has considered the consequences of all events and conditions mentioned above, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

The Group performed forecasts for 12 months from the signing of these financials and noted resilience in the financials including revenues and the cash position, through the period to date.

In preparing forecasts, the directors have considered a number of different scenarios to ensure that continued investment can be maintained into the business and that sufficient funds are available to enable the company to fulfil obligations. Based on this forecast and the various scenarios considered and the sensitivities applied thereto, and the support of its ultimate parent company the directors are satisfied that the company will continue in operational existence for the foreseeable future and meet its liabilities as they fall due. Further, the Companies' intermediate parent Company, Caerus PIKCo S.À.R.L., has committed to provide immediate financial support in case of financial difficulties of the Companies. Accordingly, the directors continue to adopt the going concern basis in preparing these financial statements.

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

**Roberto Simon Rabanal**

Director

Date: 1 December 2023

# Directors' report

For the year ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

## Principal activity

The principal activity of the company is to provide management services and act as a holding company for its subsidiaries which are primarily engaged in the provision of online information for the pharmaceutical industry.

## Results and dividends

The loss for the year, after taxation, amounted to £12,381 thousand (2021 – loss £11,630 thousand).

No dividends were paid during the year or proposed at the end of the year.

## Directors

The directors who served during the year were:

Deborah Kobewka (resigned 14 February 2022)

Lucy Ralph (appointed 2 February 2022, resigned 13 January 2023)

Matthew Wright (appointed 21 March 2022, resigned 30 August 2022)

Kevin Morgan (appointed 9 September 2022)

## Political contributions

During the year, the company made no political contributions.

## Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

## Event since the end of the year

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

## Change in ultimate parent company

On 3 November 2022, the ultimate parent company changed to Caerus PIKCo S.À.R.L. from Mahalo Group Holdings LLC. Caerus PIKCo S.À.R.L. is a company incorporated and registered in Luxembourg.

## Auditor

The auditor, Grant Thornton, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

## Directors' report (continued)

For the year ended 31 December 2022

Directors' statement of compliance with duty to promote the success of the company

The directors have acted in a way that they consider in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006) in the decisions taken during the period ended 31 December 2022. The following paragraphs summarise how the directors fulfil their duties:

- The directors recognise that their employees are fundamental and core to their business and aim to be a responsible employer in their approach to pay and benefits their employees receive and through training. The health, safety and wellbeing of their colleagues are of the highest importance and ensuring these is one of their primary considerations in the way they do business.
- The directors also aim to act responsibly and fairly in their engagement with suppliers, customers, regulators, bankers and insurers and are in direct contact on a regular basis. The directors respond quickly and fully to queries from regulators, bankers and insurers as required.
- The directors always intend to behave responsibly and to ensure that the business operates in a responsible manner, adhering to high standards of business conduct and good governance. The directors recognise that the maintenance of their good reputation, founded on responsible behaviour is fundamental to their continuing ability to achieve profitable growth for the benefit of all their stakeholders in the future.

Energy and carbon reporting

The Company has not consumed more than 40,000 kWh of energy during the year and is therefore qualified as a low energy user and exempt from reporting under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

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

**Roberto Simon Rabanal**

Director

Date: 1 December 2023

## Directors' responsibilities statement

For the year ended 31 December 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

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

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

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

**Roberto Simon Rabanal**

Director

Date: 1 Decemeber 2023

## Independent auditor's report to the members of Evaluate Bidco Limited

### Opinion

We have audited the financial statements of Evaluate Bidco Limited, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity for the year ended 31 December 2022, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Evaluate Bidco Limited's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the company as at 31 December 2022 and of its financial performance for the year then ended; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ('ISAs (UK)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, namely the FRC's Ethical Standard and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances of the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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



## Independent auditor's report to the members of Evaluate Bidco Limited (continued)

### Other information

Other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon, including the Directors' report and the Strategic Report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion 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 such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in 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 in this regard.

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

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

- the information given in the Directors' report and the Strategic Report for the year for which the financial statements are prepared is consistent with the financial statements, and
- the Directors' report and the Strategic Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment we have obtained in the course of the audit, we have not identified material misstatements in the Directors' report and the Strategic Report.

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

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

## Independent auditor's report to the members of Evaluate Bidco Limited (continued)

### Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS101 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing 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 management either intend to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the company's financial reporting process.

### Responsibilities of the auditor for the audit of the financial statements

The objectives of an auditor are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes their 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.

A further description of an auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### *Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud*

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatement in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with data protection and Employment laws, Health and Safety Regulation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulation that have a direct impact on the preparation of the financial statements such as Companies Act 2006 and UK tax legislation. 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 inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statements.

## Independent auditor's report to the members of Evaluate Bidco Limited (continued)

Responsibilities of the auditor for the audit of the financial statements (continued)

*Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)*

In response to these principal risks, our audit procedures included but were not limited to:

- inquiries of management and board on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the Company's legal correspondence and review of minutes of board meetings during the financial year to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including impairment assessment of investments and estimating expected credit losses; and review of the financial statements disclosures to underlying supporting documentation and inquiries of management

The primary responsibility for the prevention and detection of irregularities including fraud rests with those charged with governance and management. As with any audit, there remains a risk of non-detection or irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or override of internal controls.

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

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

Tracey Sullivan (Senior statutory auditor)  
for and on behalf of  
Grant Thornton  
Chartered Accountants  
& Statutory Auditors  
Dublin

Date: 1 December 2023

# Statement of comprehensive income

For the year ended 31 December 2022

		15 months ended 31 December 2021 £'000
	Note	31 December 2022 £'000
Turnover		451
Gross profit		451
Administrative expenses		(1,518)
Operating (loss)/profit		(1,067)
Interest payable and similar charges	6	(11,314)
Loss before taxation		(12,381)
Tax on loss		-
Profit/(loss) for the year/period		(12,381)

All amounts relate to continuing operations.

There was no other comprehensive income for 2022 (2021: £Nil).

The notes on pages 12 to 21 form part of these financial statements.

## Statement of financial position

As at 31 December 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Investments	8	72,996	72,996
		<u>72,996</u>	<u>72,996</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	2,089	1,639
Cash at bank and in hand	10	2	2
		<u>2,091</u>	<u>1,641</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	11	(127,676)	(114,845)
		<u>(127,676)</u>	<u>(114,845)</u>
<b>Net current liabilities</b>		<u>(125,585)</u>	<u>(113,204)</u>
<b>Net liabilities</b>		<u>(52,589)</u>	<u>(40,208)</u>
<b>Capital and reserves</b>			
Called up share capital	12	10	10
Share premium account	13	362	362
Other reserves	13	1,140	1,140
Profit and loss account	13	(54,101)	(41,720)
		<u>(52,589)</u>	<u>(40,208)</u>
<b>Shareholder's deficit</b>		<u>(52,589)</u>	<u>(40,208)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by 1 December 2023.

**Roberto Simon Rabanal**

Director

The notes on pages 12 to 21 form part of these financial statements.

## Statement of changes in equity

For the year ended 31 December 2022

	Called up share capital £000	Share premium account £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 January 2022	10	362	1,140	(41,720)	(40,208)
Comprehensive loss for the year					
Loss for the year	-	-	-	(12,381)	(12,381)
At 31 December 2022	<u>10</u>	<u>362</u>	<u>1,140</u>	<u>(54,101)</u>	<u>(52,589)</u>

## Statement of changes in equity

For the period ended 31 December 2021

	Called up share capital £000	Share premium account £000	Other reserves £000	Profit and loss account £000	Total equity £000
At 1 October 2020	10	362	1,140	(30,090)	(28,578)
Comprehensive loss for the period					
Loss for the period	-	-	-	(11,630)	(11,630)
At 31 December 2021	<u>10</u>	<u>362</u>	<u>1,140</u>	<u>(41,720)</u>	<u>(40,208)</u>

The notes on pages 12 to 21 form part of these financial statements.

# Notes to the financial statements

For the year ended 31 December 2022

## 1. General information

Evaluate Bidco Limited is a private limited company which is registered and incorporated in the United Kingdom with a registered number 10334533 and with its registered office at C/O Evaluate Limited, 3 More London Riverside, London, United Kingdom, SE1 2AQ. The company operates as a management services provider and holding company for its subsidiary entities.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

### 2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-based payment
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of paragraph 33(c) of IFRS 5 Non Current Assets Held For Sale and Discontinued Operations
- the requirement of paragraph 24(b) of IFRS 6 Exploration for and Evaluation of Mineral Resources to disclose the operating and investing cash flows arising from the exploration for and evaluation of mineral resources
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases. The requirements of paragraph 58 of IFRS 16, provided that the disclosure of details in indebtedness relating to amounts payable after 5 years required by company law is presented separately for lease liabilities and other liabilities, and in total
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
  - paragraphs 76 and 79(d) of IAS 40 Investment Property; and
  - paragraph 50 of IAS 41 Agriculture

# Notes to the financial statements

For the year ended 31 December 2022

## 2. Accounting policies (continued)

### 2.2 Financial Reporting Standard 101 - reduced disclosure exemptions (continued)

- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

This information is included in the consolidated financial statements of Caerus UK 1 Limited as at 31 December 2022 and these financial statements may be obtained from 3 More London Riverside, London, England, SE1 2AQ.

### 2.3 Exemption from preparing consolidated financial statements

These financial statements are prepared as the company's separate financial statements. The company is exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006, as the company is a subsidiary undertaking included in the consolidated financial statements of a larger UK group.

### 2.4 Going concern

The accompanying financial statements have been prepared on the assumption that the Group will continue as a going concern. Management has considered the consequences of all events and conditions mentioned above, and it has determined that they do not create a material uncertainty that casts significant doubt upon the entity's ability to continue as a going concern.

The Group performed forecasts for 12 months from the signing of these financials and noted resilience in the financials including revenues and the cash position, through the period to date.

In preparing forecasts, the directors have considered a number of different scenarios to ensure that continued investment can be maintained into the business and that sufficient funds are available to enable the company to fulfil obligations. Based on this forecast and the various scenarios considered and the sensitivities applied thereto, and the support of its ultimate parent company the directors are satisfied that the company will continue in operational existence for the foreseeable future and meet its liabilities as they fall due. Further, the Companies' intermediate parent Company, Caerus PIKCo S.À.R.L., has committed to provide immediate financial support in case of financial difficulties of the Companies. Accordingly, the directors continue to adopt the going concern basis in preparing these financial statements.



# Notes to the financial statements

For the year ended 31 December 2022

## 2. Accounting policies (continued)

### 2.5 Foreign currency translation

#### **Functional and presentation currency**

The company's functional and presentational currency is GBP. The financial statements are presented in round thousands (£'000).

#### **Transactions and balances**

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

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

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

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

### 2.6 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Turnover arises from management services charges to its related companies.

To determine whether to recognise revenue, the Company follows a 5-step process:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised over time, as the Company satisfies performance obligations by providing the services to its related companies. Revenue is measured based on the consideration to which the Company expects to be entitled to in its arrangement with related companies excluding VAT and sales related taxes.

### 2.7 Finance costs

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

# Notes to the financial statements

For the year ended 31 December 2022

## 2. Accounting policies (continued)

### 2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

### 2.9 Debtors

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

### 2.10 Cash and cash equivalents

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

### 2.11 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

### 2.12 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expired. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets and financial liabilities are initially measured at fair value.

#### Financial assets

All recognised financial assets are subsequently measured in their entirety at either fair value or amortised cost, depending on the following:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

#### Fair value through profit or loss

All of the company's financial assets are subsequently measured at fair value at the end of each reporting period, with any fair value gains or losses being recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

# Notes to the financial statements

For the year ended 31 December 2022

## 2. Accounting policies (continued)

### 2.12 Financial instruments (continued)

#### Impairment of financial assets

The company always recognises lifetime ECL for trade receivables and amounts due on contracts with customers. The expected credit losses on these financial assets are estimated based on the company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

#### Financial liabilities

##### Fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss, when the financial liability is held for trading, or is designated as at fair value through profit or loss. This designation may be made if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise, or the financial liability forms part of a group of financial instruments which is managed and its performance is evaluated on a fair value basis, or the financial liability forms part of a contract containing one or more embedded derivatives, and IFRS 9 permits the entire combined contract to be designated as at fair value through profit or loss. Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

##### At amortised cost

Financial liabilities which are neither contingent consideration of an acquirer in a business combination, held for trading, nor designated as at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. This is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate a shorter period, to the amortised cost of a financial liability.

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

When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenditure.

#### Going concern

In preparing the financial statements, the Directors consider it appropriate to continue to use the going concern assumption, which assumes the Company will have sufficient resources to enable it to meet its liabilities as they fall due, including adequate financial support. During the year, the Company incurred a net loss of £12,381k (2021: £11,630k) and as at year-end, the Company had net liabilities of £52,589k (2021: £40,208k). As the Company is a holding company, its ability to continue as a going concern anchors on the performance of the Group. The Directors have reviewed the future projections of the Group and are satisfied that the Company will continue in operational existence for the foreseeable future and meet its liabilities as they fall due. The Company has also obtained a letter of support from its ultimate parent company confirming that it will provide necessary financial support and that no amounts owed within the Group will be recalled for a period of at least 12 months from the date of signing these financial statements.

# Notes to the financial statements

For the year ended 31 December 2022

## 3. Judgments in applying accounting policies and key sources of estimation uncertainty (continued)

### Impairment of non-financial assets

The Company reviews its investment in subsidiary for any indicators of impairment in value. Determining whether the carrying value of financial assets has been impaired requires an estimation of the value in use of the investment in subsidiaries. This also takes into account other impairment indicators such as projected future operating results and significant negative industry or economic trends.

### Impairment of financial assets

The Company measures expected credit losses of a financial instrument in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and information about past events, current conditions and forecasts of future economic conditions. When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

## 4. Employees

The Company has no employees other than the Directors, who did not receive any remuneration (2021: £Nil).

## 5. Administrative expenses

		15 months ended 31 December
	2022	2021
	£000	£000
Intercompany expenses	416	2,034
Acquisition and related costs	-	(15)
Other expenses	1,102	(332)
	<u>1,518</u>	<u>1,687</u>

Other expenses include professional fees, bank charges, and foreign exchange gain.

## 6. Interest payable and similar expenses

		15 months ended 31 December
	31 December 2022	31 December 2021
	£000	£000
Loans from group undertakings	<u>11,314</u>	<u>12,172</u>

# Notes to the financial statements

For the year ended 31 December 2022

## 7. Taxation

	31 December 2022 £000	15 months ended 31 December 2021 £000
Current tax on profits for the year	<u>-</u>	<u>-</u>

Factors affecting tax charge for the year/period

The tax assessed for the year/period is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	31 December 2022 £000	15 months ended 31 December 2021 £000
Loss on ordinary activities before tax	<u>(12,381)</u>	<u>(11,630)</u>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(2,352)	(2,210)
<b>Effects of:</b>		
Tax Effect of expenses that are not deductible	-	6
Movement in deferred tax not recognised	1,397	-
Remeasurement of deferred tax for changes in tax rates	(335)	-
Group relief	1,290	2,204
<b>Total tax charge for the year/period</b>	<u>-</u>	<u>-</u>

The amount of unrecognised deferred tax asset during the year arising from loan relationships amounted to £4,552k (2021: £559k).

Factors that may affect future tax charges

The standard rate of UK Corporation Tax is to remain at 19% until 31 March 2023. The Finance Act 2021 states that this rate is to be increased from 19% to 25% from 1 April 2023 for companies generating taxable profits of more than £250,000. The current 19% tax rate will continue to apply to 'small' companies with profits less than £50,000, with a 'taper relief rate' for those companies with profits between the new thresholds. The unrecognised deferred tax asset has been measured using this rate.

There were no other factors which may affect future tax charges.

## Notes to the financial statements

For the year ended 31 December 2022

8. Fixed asset investments

	Investment in subsidiary company £000
<b>Cost or valuation</b>	
At 1 January 2022	72,996
At 31 December 2022	72,996
<b>Net book value</b>	
At 31 December 2022	72,996
At 31 December 2021	72,996

Subsidiary undertakings

Name	Country of incorporation	Class of shares	Holding	Principal activity	Registered office
<b>Direct subsidiary</b>					
Evaluate Group Limited	United Kingdom	Ordinary	100%	Holding company	Note 7.1
<b>Indirect subsidiaries</b>					
Evaluate Japan KK	Japan	Ordinary	100%	Marketing services company	Note 7.2
Evaluate Limited	United Kingdom	Ordinary	100%	Provider of online information for the pharmaceutical industry	Note 7.1
EvaluatePharma USA Inc.	United States of America	Ordinary	100%	Marketing services company	Note 7.3
Bioscience Advisors, Inc.	United States of America	Ordinary	100%	Provider of online information for the pharmaceutical industry	Note 7.3

Note 7.1: C/O Evaluate Limited, 3 More London Riverside, London, United Kingdom, SE1 2AQ

Note 7.2: 2-2-5 Toranomon, Minato-ku, Tokyo, Japan

Note 7.3: 265 Franklin Street, Boston, MA 02110, United States.

# Notes to the financial statements

For the year ended 31 December 2022

9. Debtors: Amounts falling due within one year

	2022 £000	2021 £000
Amounts owed by group undertakings	2,089	1,638
Other debtors	-	1
	<u>2,089</u>	<u>1,639</u>

Amounts owed by group undertakings are non-trade balances that are unsecured, interest-free and repayable on demand.

10. Cash

	2022 £000	2021 £000
Cash at bank	<u>2</u>	<u>2</u>

11. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	8	8
Amounts owed to group undertakings	127,668	114,837
	<u>127,676</u>	<u>114,845</u>

Amounts owed to group undertakings include non-trade balances and intercompany loans. Non-trade balances are unsecured, interest-free and repayable on demand. Intercompany loans carry an interest rate of 10% (2021:10%) per annum and are repayable on demand.

12. Share capital

	2022 £000	2021 £000
<b>Allotted, called up and fully paid</b>		
972,882 (2021: 972,882) Ordinary shares of £0.01 each	<u>10</u>	<u>10</u>

The company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the company.

# Notes to the financial statements

For the year ended 31 December 2022

13. Reserves

**Share premium account**

Consideration received for shares issued above their nominal value net of transaction costs.

**Share capital**

Nominal value of share capital subscribed for.

**Profit and loss account**

Cumulative profits or losses, net of dividends paid and other adjustments.

14. Related party transactions

The Company has availed itself of the exemption under Financial Reporting Standard 101 section 8(k) not to give details of related party transactions with fellow group companies as they are 100% controlled by Redwood Midco Limited.

15. Post balance sheet events

There have been no significant post balance sheet events that require disclosure in the financial statements.

16. Controlling party

The immediate parent company is Redwood Bidco Limited, a company incorporated and registered in the UK. On 3 November 2022, the shares of Redwood Midco Limited, an intermediate parent company, were acquired by Caerus UK 1 Limited, a company incorporated and registered in the UK. Concurrently, the ultimate parent company changed from Mahalo Group Holdings LLC to Caerus PIKCo S.À.R.L., a company incorporated and registered in Luxembourg.

The smallest group of undertakings for which group accounts are drawn up and of which the Company is included is the group headed by Caerus UK 1 Limited. The largest group undertakings for which group accounts are drawn up and of which the Company is included is the group headed by Caerus PIKCo S.À.R.L.

Copies of the consolidated financial statements of Caerus UK 1 Limited and Caerus PIKCo S.À.R.L. are available on request from their registered offices.

The registered office of Caerus UK 1 Limited is at 3 More London Riverside, London, England, SE1 2AQ. The registered office of Caerus PIKCo S.À.R.L. is at 412F, route d'Esch, L-1471 Luxembourg.





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