

# **Argus Midco Limited**

**Company Number 11143771**

## **Annual Report - 31 December 2022**

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**Argus Midco Limited**  
**Contents**  
**31 December 2022**

|                                       |   |
|---------------------------------------|---|
| Strategic report                      | 2 |
| Directors' report                     | 3 |
| Directors' responsibilities statement | 4 |
| Statement of comprehensive income     | 5 |
| Balance sheet                         | 6 |
| Statement of changes in equity        | 7 |
| Notes to the financial statements     | 8 |

**General information**

The financial statements cover Argus Midco Limited as an individual entity. The financial statements are presented in Pounds Sterling, which is Argus Midco Limited's functional and presentation currency.

Argus Midco Limited is a private company limited by shares, incorporated and domiciled within England in the United Kingdom. Its registered office and principal place of business is:

9 Millars Brook  
Molly Millars Lane  
Wokingham  
Berkshire  
RG41 2AD

**Argus Midco Limited**  
**Strategic report**  
**31 December 2022**

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

**New ownership**

On 15 July 2022 Argus Topco Limited, of whom the company is a wholly owned subsidiary, was acquired by FIS3 Bidco Limited with the ultimate controlling party being Livingbridge 7 Global LP.

**Principal activities**

The principal activity of the company is that of a holding company.

**Review of operations**

Argus Midco Limited is an intermediate parent of a group of companies involved in the development and supply of a range of technology based solutions to the automotive industry. The key performance indicators of the company consist of Loss before income tax and Net liabilities.

The results shown are for the entity only.

|                        | 2022<br>£'000 | 2021<br>£'000 | Change<br>£'000 | Change<br>% |
|------------------------|---------------|---------------|-----------------|-------------|
| Loss before income tax | (1,210)       | (517)         | (693)           | 134%        |
| Net liabilities        | (1,475)       | (137)         | (1,338)         | 977%        |

**Principal risks and uncertainties**

The company is subject to liquidity risk that is discussed below. Further discussion of the risks and uncertainties, in the context of the Group as a whole, is provided in the annual report of the parent undertaking, FIS3 Topco Limited, of which Argus Midco Limited is a wholly owned subsidiary.

*Liquidity risk*

Liquidity risk is the risk of loss from not having access to sufficient funds to meet both expected and unexpected cash demands.


The company seeks to manage the financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs and does this through management of intercompany amounts and consideration of group wide cash flows.

**Future developments**

As an intermediary parent company, the company's directors monitor the performance of its investments. The directors are pleased with the performance of the group and anticipate subsidiary companies will continue to grow their revenue in both the UK and overseas whilst retaining the group's valued customers.

This report is made in accordance with a resolution of directors.

On behalf of the board

DocuSigned by:  
  
F6F3CEE66BF244C...  
G G Page-Morris  
Director

21 August 2023

**Argus Midco Limited**  
**Directors' report**  
**31 December 2022**

The directors present their report, together with the financial statements, on the company for the year ended 31 December 2022.

**Directors**

The following persons were directors of the company during the whole of the financial year and up to the date of this report, unless otherwise stated:

C S Hamilton (resigned 22 February 2021)  
R J Pinder (resigned 15 July 2022)  
I D Brewer (resigned 23 November 2022)  
J Messer (appointed 22 February 2021 and resigned 15 July 2022)  
G Page-Morris (appointed 24 August 2022)

**Information contained within the strategic report**

The strategic report contains information in relation to Principal activities, Review of operations and Likely future developments.

**Dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Matters subsequent to the end of the financial year**

On 31 May 2023 Argus Bidco Limited, a wholly owned subsidiary, acquired the entire share capital of Vehicle Vision International Limited for an initial consideration of £2,500,000 and contingent consideration of up to £300,000.

**Financial instruments**

Risk relating to the company's financial instruments are disclosed in the strategic report.

**Charitable and political donations**

No charitable or political donations were made during the year.

**Going concern**

Argus Midco Limited is an intermediate parent within the FIS3 Topco Limited group of companies (the Group) which are involved in the development and supply of a range of technology based solutions to the automotive industry. As the company, along with the Group, is party to a cross guarantee in respect of borrowings by FIS3 Bidco Limited as described in note 16, its liquidity is intrinsically linked with the performance of the Group. The going concern status of the company has therefore partly been assessed taking account of these obligations.


The directors have forecast various scenarios in considering the going concern status of the company for a period of at least twelve months from the date of approval of these financial statements. The directors have concluded that there are no material uncertainties that lead to significant doubt upon the company's ability to continue as a going concern at this time and therefore have prepared the financial statements on a going concern basis.

**Indemnity of directors**

The company has third party professional indemnity insurance in place for the year and at the time of approval of these financial statements.

This report is made in accordance with a resolution of directors.

On behalf of the board

DocuSigned by:  
  
F6F3CEE06BF244C  
G G Page-Morris  
Director

21 August 2023

**Argus Midco Limited**  
**Directors' responsibilities statement**  
**31 December 2022**

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

Company law requires the directors to prepare financial statements for each financial 12 month period. Under that law the directors have prepared the 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 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

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

**Argus Midco Limited**  
**Statement of comprehensive income**  
**For the year ended 31 December 2022**

|   | <b>Note</b> | <b>2022<br/>£'000</b> | <b>2021<br/>£'000</b> |
|---|-------------|-----------------------|-----------------------|
| <b>Expenses</b>   |             |                       |                       |
| Administrative expenses                                     |             | <u>(24)</u>           | <u>(6)</u>            |
| <b>Operating loss</b>                                       |             | <u>(24)</u>           | <u>(6)</u>            |
| Finance expense   | 4           | (3,652)               | (1,360)               |
| Finance income  | 5           | <u>2,466</u>          | <u>849</u>            |
| <b>Loss before income tax (expense)/benefit</b>             |             | <u>(1,210)</u>        | <u>(517)</u>          |
| Income tax (expense)/benefit                                | 6           | <u>(128)</u>          | <u>102</u>            |
| <b>Loss after income tax (expense)/benefit for the year</b> | 14          | <u>(1,338)</u>        | <u>(415)</u>          |
| Other comprehensive income for the year, net of tax         |             | <u>-</u>              | <u>-</u>              |
| <b>Total comprehensive expenses for the year</b>            |             | <u><u>(1,338)</u></u> | <u><u>(415)</u></u>   |

*The above statement of comprehensive income should be read in conjunction with the accompanying notes*

**Argus Midco Limited**  
**Balance sheet**  
**As at 31 December 2022**

|   | <b>Note</b> | <b>2022<br/>£'000</b> | <b>2021<br/>£'000</b> |
|---|-------------|-----------------------|-----------------------|
| <b>Assets</b>   |             |                       |                       |
| <b>Non-current assets</b>   |             |                       |                       |
| Deferred tax  | 8           | -                     | 128                   |
| Loans   | 9           | 44,382                | 11,464                |
| Total non-current assets  |             | <u>44,382</u>         | <u>11,592</u>         |
| <b>Current assets</b>   |             |                       |                       |
| Trade and other receivables - amounts falling due within one year | 10          | 29,356                | 17,461                |
| Total current assets  |             | <u>29,356</u>         | <u>17,461</u>         |
| <b>Total assets</b>   |             | <u>73,738</u>         | <u>29,053</u>         |
| <b>Liabilities</b>  |             |                       |                       |
| <b>Non-current liabilities</b>                                    |             |                       |                       |
| Borrowings  | 11          | 64,373                | 18,352                |
| Total non-current liabilities                                     |             | <u>64,373</u>         | <u>18,352</u>         |
| <b>Current liabilities</b>  |             |                       |                       |
| Trade and other payables - amounts falling due within one year    | 12          | 10,840                | 10,838                |
| Total current liabilities   |             | <u>10,840</u>         | <u>10,838</u>         |
| <b>Total liabilities</b>  |             | <u>75,213</u>         | <u>29,190</u>         |
| <b>Net liabilities</b>  |             | <u>(1,475)</u>        | <u>(137)</u>          |
| <b>Equity</b>   |             |                       |                       |
| Issued capital  | 13          | -                     | -                     |
| Accumulated losses  | 14          | (1,475)               | (137)                 |
| <b>Total deficiency in equity</b>                                 |             | <u>(1,475)</u>        | <u>(137)</u>          |


Argus Midco Limited's company number is 11143771.

For the year ended 31 December 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting recorded and preparation of financial statements.

The financial statements on pages 5 to 16 were approved by the Board of Directors on 21 August 2023 and signed on its behalf by

DocuSigned by:  
  
 F6F3CEE66BF244C  
 G G Page-Morris  
 Director

21 August 2023

*The above balance sheet should be read in conjunction with the accompanying notes*

**Argus Midco Limited**  
**Statement of changes in equity**  
**For the year ended 31 December 2022**

|   | <b>Issued<br/>capital<br/>£'000</b> | <b>(Accumulated losses) /<br/>retained<br/>earnings<br/>£'000</b> | <b>Total<br/>deficiency in<br/>equity<br/>£'000</b> |
|---|-------------------------------------|---|---|
| Balance at 1 January 2021                           | -                                   | 278   | 278   |
| Loss after income tax benefit for the year          | -                                   | (415)   | (415)   |
| Other comprehensive income for the year, net of tax | -                                   | -   | -   |
| Total comprehensive expenses for the year           | -                                   | (415)   | (415)   |
| Balance at 31 December 2021                         | -                                   | (137)   | (137)   |

|   | <b>Issued<br/>capital<br/>£'000</b> | <b>Accumulated<br/>losses<br/>£'000</b> | <b>Total<br/>deficiency in<br/>equity<br/>£'000</b> |
|---|-------------------------------------|---|---|
| Balance at 1 January 2022                           | -                                   | (137)                                   | (137)   |
| Loss after income tax expense for the year          | -                                   | (1,338)                                 | (1,338)   |
| Other comprehensive income for the year, net of tax | -                                   | -                                       | -   |
| Total comprehensive expenses for the year           | -                                   | (1,338)                                 | (1,338)   |
| Balance at 31 December 2022                         | -                                   | (1,475)                                 | (1,475)   |

*The above statement of changes in equity should be read in conjunction with the accompanying notes*



**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 1. Significant accounting policies**

The financial statements cover Argus Midco Limited as an individual entity. The financial statements are presented in Pound Sterling, which is Argus Midco Limited's functional and presentation currency. The accounts are presented in £000's.

Argus Midco Limited is a private company limited by shares, incorporated and domiciled within England in the United Kingdom.

The principal accounting policies adopted in the preparation of the financial statements are set out below.

**New or amended Accounting Standards and Interpretations adopted**

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Financial Reporting Council ('FRC') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

**Going concern**

Argus Midco Limited is an intermediate parent within the FIS3 Topco Limited group of companies (the Group) which are involved in the development and supply of a range of technology based solutions to the automotive industry. As the company, along with the Group, is party to a cross guarantee in respect of borrowings by FIS3 Bidco Limited as described in note 16, its liquidity is intrinsically linked with the performance of the Group. The going concern status of the company has therefore partly been assessed taking account of these obligations.

The directors have forecast various scenarios in considering the going concern status of the company for a period of at least twelve months from the date of approval of these financial statements. The directors have concluded that there are no material uncertainties that lead to significant doubt upon the company's ability to continue as a going concern at this time and therefore have prepared the financial statements on a going concern basis.

**Basis of preparation**

These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' and the Companies Act 2006.

As permitted by FRS 101, the company has taken advantage of all of the disclosure exemptions available to it, including: statement of cash flows, new Accounting Standards not yet mandatory, disaggregation of revenue, reconciliations of contract assets and liabilities, unsatisfied performance obligations, presentation of comparative information for certain assets, impairment of assets, capital risk management, financial instruments, fair value measurement, key management personnel, related party transactions, business combinations and share-based payments.

The company's intermediary parent entity is FIS3 Topco Limited (incorporated in the United Kingdom) and its consolidated financial statements, which the company forms part of, are available from Companies House. The company's immediate parent entity is Argus Topco Limited.

The financial statements contain information about Argus Midco Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, FIS3 Topco Limited.

*Historical cost convention*

The financial statements have been prepared under the historical cost convention.

*Critical accounting estimates*

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

**Income tax**

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 1. Significant accounting policies (continued)**

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

**Current and non-current classification**

Assets and liabilities are presented in the balance sheet based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**Trade and other receivables**

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Investments and other financial assets**

Investments and other financial assets are initially measured at fair value. Transaction costs are not included as part of the initial measurement. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the company has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

*Financial assets at amortised cost*

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 1. Significant accounting policies (continued)**

*Impairment of financial assets*

The company recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the company's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

**Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

**Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Dividend income**

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

**Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**Fair value measurement**

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on 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 assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**Value-Added Tax ('VAT') and other similar taxes**

Revenues, expenses and assets are recognised net of the amount of associated VAT, unless the VAT incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of VAT receivable or payable. The net amount of VAT recoverable from, or payable to, the tax authority is included in other receivables or other payables in the balance sheet.

Commitments and contingencies are disclosed net of the amount of VAT recoverable from, or payable to, the tax authority.

**Rounding of amounts**

Amounts in this report have been rounded off to the nearest thousand pounds, or in certain cases, the nearest pound.

**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 2. Critical accounting judgements, estimates and assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

*Recoverability of intercompany*

The company assesses recoverability of intercompany receivables at each reporting date by evaluating the performance and ability of fellow group companies to settle balances. If reasonable doubt exists, an appropriate provision is made based on net assets / (liabilities) and future cash generation of the company in question.

**Note 3. Directors' remuneration**

The remuneration of directors during the current period were paid by other group companies for services to the group as a whole, and the directors received no separate remuneration for their services to this company. The directors consider the services provided to the company to be incidental.

No recharge for any of these services was made to the company.

**Note 4. Finance expense**

|                                 | <b>2022</b><br><b>£'000</b> | <b>2021</b><br><b>£'000</b> |
|---------------------------------|-----------------------------|-----------------------------|
| Loan note interest              | 787                         | 1,357                       |
| Intercompany loan note interest | -                           | 3                           |
| Intercompany loan interest      | 2,865                       | -                           |
|                                 | <u>3,652</u>                | <u>1,360</u>                |

**Note 5. Finance income**

|                                 | <b>2022</b><br><b>£'000</b> | <b>2021</b><br><b>£'000</b> |
|---------------------------------|-----------------------------|-----------------------------|
| Intercompany loan note interest | 491                         | 849                         |
| Intercompany loan interest      | 1,975                       | -                           |
|                                 | <u>2,466</u>                | <u>849</u>                  |

**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 6. Income tax expense/(benefit)**

|   | 2022<br>£'000 | 2021<br>£'000 |
|---|---------------|---------------|
| <i>Income tax expense/(benefit)</i>   |               |               |
| Deferred tax - origination and reversal of temporary differences                              | 94            | (94)          |
| Effect of tax rate change on opening balance  | 34            | (8)           |
| Aggregate income tax expense/(benefit)  | <u>128</u>    | <u>(102)</u>  |
| Deferred tax included in income tax expense/(benefit) comprises:                              |               |               |
| Decrease/(increase) in deferred tax assets (note 8)   | 94            | (94)          |
| <i>Numerical reconciliation of income tax expense/(benefit) and tax at the statutory rate</i> |               |               |
| Loss before income tax (expense)/benefit  | (1,210)       | (517)         |
| Tax at the statutory tax rate of 19%  | (230)         | (98)          |
| Adjustment to deferred tax balances as a result of change in statutory tax rate               | -             | (31)          |
| Group relief surrendered / (claimed)  | 216           | (41)          |
| Expenses not deductible for tax purposes  | 38            | 68            |
| Hybrid and other mismatches adjustment  | 2             | -             |
| Remeasurement of deferred tax for changes in tax rates  | 8             | -             |
| Adjustments to tax charge in respect of previous periods - deferred tax                       | 94            | -             |
| Income tax expense/(benefit)  | <u>128</u>    | <u>(102)</u>  |

The future tax rate of 25% which is applicable from April 2023 has been applied on the basis that it was substantively enacted at the balance sheet date.

**Note 7. Non-current assets - investments**

|   | 2021<br>£ | 2020<br>£ |
|---|-----------|-----------|
| Shares in Argus Bidco Limited - at cost | <u>1</u>  | <u>1</u>  |

On 29 April 2022 Argus Bidco Limited, a wholly owned subsidiary, acquired the entire share capital of Web1on1 B.V. for an initial consideration of £8,090,000 (€10,097,000) with an amount of £422,000 (€500,000) placed into escrow, this is to be released in full 18 months following acquisition should no claims arise.

On 12 August 2022 Argus Bidco, a subsidiary company, acquired 100% of the ordinary shares of CTS Holdings Limited for the total consideration of £25,180,000 consisting of £22,194,000 cash, £2,986,000 deferred contingent consideration and contingent remuneration with no capped value. The deferred contingent consideration, which has no capped value, was recorded at a fair value of £4,016,000 at the acquisition date before discounting for time value of money.

On 12 August 2022 Argus Bidco, a subsidiary company, acquired 100% of the ordinary shares of AutoSLM Limited for the total consideration of £1,478,000 consisting of £1,362,000 cash and £116,000 deferred consideration. The acquisition also included consideration classified as contingent remuneration with a value of up to £600,000.

On 2 September 2022 Argus Bidco, a subsidiary company, acquired 100% of the ordinary shares of Eloweb Limited for the total consideration of £5,794,000 consisting of cash only.

On 12 September 2022 Argus Bidco, a subsidiary company, acquired 100% of the ordinary shares of dealerdesk GmbH for the total consideration of £13,347,000 (€15,371,000), consisting of £9,486,000 (€10,925,000) cash and £3,861,000 (€4,446,000) deferred contingent consideration. The deferred contingent consideration has a value of up to £10,758,000 (€12,390,000) of which £4,872,000 (€5,611,300) was recorded as fair value at the acquisition date before discounting for time value of money.

**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 7. Non-current assets - investments (continued)**

**Interests in subsidiaries**

As at the 31 December 2022, the company had investments in the following subsidiary companies:

| <b>Name</b>                       | <b>Country of incorporation /<br/>Registered office</b>  | <b>Holding</b>  | <b>Proportion<br/>held<br/>%</b> |
|-----------------------------------|--|-----------------|----------------------------------|
| Argus Bidco Limited               | UK - 9 Millars Brook, Molly Millars Lane,<br>Wokingham, Berkshire, RG41 2AD                              | Ordinary shares | 100.00%                          |
| CitNow Video Limited*             | UK - 9 Millars Brook, Molly Millars Lane,<br>Wokingham, Berkshire, RG41 2AD                              | Ordinary shares | 100.00%                          |
| Zype TV Limited*                  | UK - 9 Millars Brook, Molly Millars Lane,<br>Wokingham, Berkshire, RG41 2AD                              | Ordinary shares | 100.00%                          |
| CitNOW GmbH*                      | Germany - Unter den Linden 10, D-10117,<br>Berlin  | Ordinary shares | 100.00%                          |
| CITNOW Inc*                       | United States - 555 North Point Center<br>East, Suite 400, Alpharetta, GA 30022                          | Ordinary shares | 100.00%                          |
| CitNow Video Italy SRL*           | Italy - Via Paola Barison 42, Ed 12 - B5,<br>Roma (RM) 00142   | Ordinary shares | 100.00%                          |
| CitNow Video Benelux B.V.*        | Netherlands - De Cuserstraat 93, 1081<br>CN, Amsterdam   | Ordinary shares | 100.00%                          |
| CitNOW Video France SARL*         | France - 47 Boulevard Georges<br>Clemenceau, 92415 Courbevoie CEDEX                                      | Ordinary shares | 100.00%                          |
| CitNOW Video Iberia, SLU*         | Spain - Calle, Orense 34, Planta 8, 28020<br>Madrid  | Ordinary shares | 100.00%                          |
| CitNOW Nordic A/S*                | Denmark - Nymøllevej 50, 2800 Kgs.<br>Lyngby, Danmark  | Ordinary shares | 100.00%                          |
| CitNOW Canada Inc.*               | Canada - 1055 West Georgia Street, 1500<br>Royal Centre, P.O. Box 11117, Vancouver<br>BC V6E 4N7, Canada | Ordinary shares | 100.00%                          |
| 8 Technology Group Limited*       | UK - Centenary House Peninsula Park,<br>Rydon Lane, Exeter, Devon, United<br>Kingdom, EX2 7XE            | Ordinary shares | 100.00%                          |
| Eight Technology Limited*         | UK - Centenary House Peninsula Park,<br>Rydon Lane, Exeter, Devon, United<br>Kingdom, EX2 7XE            | Ordinary shares | 100.00%                          |
| CitNow Limited*                   | UK - 9 Millars Brook, Molly Millars Lane,<br>Wokingham, Berkshire, RG41 2AD                              | Ordinary shares | 100.00%                          |
| Falamar Limited*                  | Ireland - John F. Kennedy Drive, Naas<br>Road, Dublin 12, D12T320  | Ordinary shares | 100.00%                          |
| Quik Video LLC*                   | USA - 100 Cummings Center Suite 427-<br>J, Beverly, MA 01915, USA  | Ordinary shares | 100.00%                          |
| Reef Business Systems Limited*    | UK - Triune Court Monks Cross Drive,<br>Huntington, York, England, YO32 9GZ                              | Ordinary shares | 100.00%                          |
| Auto Imaging Limited*             | UK - 9 Millars Brook, Molly Millars Lane,<br>Wokingham, Berkshire, RG41 2AD                              | Ordinary shares | 100.00%                          |
| Eloweb Limited*                   | UK - 9 Millars Brook, Molly Millars Lane,<br>Wokingham, Berkshire, RG41 2AD                              | Ordinary shares | 100.00%                          |
| Autoslm Ltd*                      | UK - Turing Building Babbage Way, Clyst<br>Honiton, Exeter, England, EX5 2FN                             | Ordinary shares | 100.00%                          |
| Dealerdesk*                       | Haus C4-6, Essener Str. 4, 22419<br>Hamburg, Germany   | Ordinary shares | 100.00%                          |
| Real Time Communications Limited* | UK - 6 Clarence Terrace, Warwick Street,<br>Leamington Spa, Warwickshire, England,<br>CV32 5LD           | Ordinary shares | 100.00%                          |
| CTS Holdings Limited*             | UK - 6 Clarence Terrace, Warwick Street,<br>Leamington Spa, Warwickshire, England,<br>CV32 5LD           | Ordinary shares | 100.00%                          |

**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 7. Non-current assets - investments (continued)**

|                                  |  |                 |         |
|----------------------------------|--|-----------------|---------|
| CTS Automotive Insights Limited* | UK - 6 Clarence Terrace, Warwick Street,<br>Leamington Spa, Warwickshire, England,<br>CV32 5LD | Ordinary shares | 100.00% |
| Web1on1 B.V.*                    | Netherlands - Transistorsstraat 7, 1322<br>CJ, Almere  | Ordinary shares | 100.00% |
| Web1on1 DE B.V.*                 | Netherlands - Transistorsstraat 7, 1322<br>CJ, Almere  | Ordinary shares | 100.00% |

\* Indirect holdings

The principal activities of Argus Bidco Limited, CitNow Video Limited, Falamar Limited, 8 Technology Group Limited, Eloweb Limited, CTS Holdings Limited and Web1on1 DE B.V. for the period were all that of holding companies. All other entities were trading in line with consolidated entities principal activities.

**Note 8. Non-current assets - deferred tax**

|   | 2022<br>£'000 | 2021<br>£'000 |
|---|---------------|---------------|
| Deferred tax asset                            | -             | 128           |
| <i>Movements:</i>                             |               |               |
| Opening balance                               | 128           | 26            |
| Credited/(charged) to profit or loss (note 6) | (94)          | 94            |
| Effects of tax rate change on opening balance | (34)          | 8             |
| Closing balance                               | -             | 128           |

**Note 9. Non-current assets - Loans**

|                         | 2022<br>£'000 | 2021<br>£'000 |
|-------------------------|---------------|---------------|
| Intercompany loan notes | -             | 11,464        |
| Intercompany loans      | 44,382        | -             |
|                         | <u>44,382</u> | <u>11,464</u> |

The intercompany loan notes accrue interest at 8% fixed rate. They were issued on 28 February 2018 and were redeemable at par together with accrued interest on 11 June 2028. These were settled on 15 July 2022 following the acquisition of the group by FIS3 Bidco Limited.

Intercompany loans accrue at 10% fixed rate. They were issued on 15 July 2022 and are redeemable together with accrued interest on 15 July 2032.

**Note 10. Current assets - trade and other receivables - amounts falling due within one year**

|                                    | 2022<br>£'000 | 2021<br>£'000 |
|------------------------------------|---------------|---------------|
| Amounts owed by group undertakings | 29,356        | 17,440        |
| Prepayments and accrued income     | -             | 17            |
| Other debtors                      | -             | 4             |
|                                    | <u>29,356</u> | <u>17,461</u> |

Amounts owed by group undertakings are unsecured, interest free, have no fixed repayment date and are repayable on demand.

**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 11. Non-current liabilities - borrowings**

*Total secured liabilities*

The total secured liabilities (current and non-current) are as follows:

|                         | 2022<br>£'000 | 2021<br>£'000 |
|-------------------------|---------------|---------------|
| Loan notes              | -             | 18,314        |
| Intercompany loan notes | -             | 38            |
| Intercompany loans      | 64,373        | -             |
|                         | <u>64,373</u> | <u>18,352</u> |

*Assets pledged as security*

The external loan notes issued by the company were secured by both fixed and floating charges over the assets of the company.

Loan notes and intercompany loan notes were on 28 February 2018 were redeemable at par together with any accrued interest on 11 June 2028. All loan notes accrue interest at 8% fixed rate. Interest charges on the B3 and B4 loan notes commenced 1 January 2019. These were settled on 15 July 2022 following the acquisition of the group by FIS3 Bidco Limited.

Intercompany loans accrue at 10% fixed rate. They were issued on 15 July 2022 and are redeemable together with accrued interest on 15 July 2032.

|                         | 2022<br>£'000 | 2021<br>£'000 |
|-------------------------|---------------|---------------|
| A Loan notes            | -             | 8,570         |
| B1 Loan notes           | -             | 778           |
| B2 Loan notes           | -             | 5,557         |
| B3 Loan notes           | -             | 394           |
| B4 Loan notes           | -             | 3,015         |
| Intercompany loan notes | -             | 38            |
|                         | <u>-</u>      | <u>18,352</u> |

**Note 12. Current liabilities - trade and other payables - amounts falling due within one year**

|                                    | 2022<br>£'000 | 2021<br>£'000 |
|------------------------------------|---------------|---------------|
| Trade payables                     | -             | 4             |
| Amounts owed to group undertakings | 10,840        | 10,834        |
|                                    | <u>10,840</u> | <u>10,838</u> |

Amounts owed to group undertakings are unsecured, interest free, have no fixed repayment date and are repayable on demand.

**Note 13. Equity - issued capital**

|                   | Number<br>2022 | Value (£)<br>2022 | Number<br>2021 | Value (£)<br>2021 |
|-------------------|----------------|-------------------|----------------|-------------------|
| Ordinary £1 share | <u>1</u>       | <u>1</u>          | <u>1</u>       | <u>1</u>          |

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The company does not have a limited amount of authorised capital.



**Argus Midco Limited**  
**Notes to the financial statements**  
**31 December 2022**

**Note 14. Equity - Accumulated losses**

|  | 2022<br>£'000         | 2021<br>£'000       |
|--|-----------------------|---------------------|
| (Accumulated losses)/retained profits at the beginning of the financial year | (137)                 | 278                 |
| Loss after income tax (expense)/benefit for the year                         | <u>(1,338)</u>        | <u>(415)</u>        |
| Accumulated losses at the end of the financial year                          | <u><u>(1,475)</u></u> | <u><u>(137)</u></u> |

**Note 15. Equity - dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Note 16. Contingent liabilities**

As at the 31 December 2022 the company had guaranteed the borrowings of FIS3 Bidco Limited totalling £114,258,000 (Previously guaranteed borrowings were with Argus Bidco Limited - £33,335,000).

At the balance sheet date FIS3 Bidco Limited had fulfilled all of its obligations under the terms of the loan.

**Note 17. Related party transactions**

No transactions with related parties were undertaken such as are required to be disclosed under International Accounting Standard (IAS 24). The directors have taken the exemption available under FRS 101 Section 8k, where it is a wholly owned subsidiary and the parents consolidated financial statements, FIS3 Topco Limited, are publicly available.

*Ultimate controlling party*

The ultimate controlling party is Livingbridge 7 Global LP.

**Note 18. Events after the reporting period**

On 31 May 2023 Argus Bidco Limited, a wholly owned subsidiary, acquired the entire share capital of Vehicle Vision International Limited for an initial consideration of £2,500,000 and contingent consideration of up to £300,000.