

# TOG UK Topco Ltd

Report and Unaudited  
Financial Statements

Year Ended

31 December 2022

Company Number 11504739

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# TOG UK Topco Ltd

## Company Information

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<b>Directors</b>	O Olsen J Blank E Sanna M Hitchcock L Machenaud
<b>Registered number</b>	11504739
<b>Registered office</b>	1 Bartholomew Lane London EC2N 2AX

# TOG UK Topco Ltd

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# TOG UK Topco Ltd

## Strategic Report for the Year Ended 31 December 2022

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The Directors present their Strategic Report for TOG UK Topco Ltd ("the Company") for the year ended 31 December 2022. TOG UK Topco Ltd is an indirect subsidiary undertaking of Concert JV Holdco Limited ("the Group") which is the ultimate parent company incorporated in Jersey.

### **Our purpose**

The Company is part of a Group who provides flexible office space to clients. The Group's purpose is to energise and empower people to create their best work. We lead, challenge and set the standard for what the workspace experience can be. We do this by creating beautifully designed buildings and progressive memberships, making the spaces (and contracts) flexible to allow businesses to thrive. We respond to the architecture, location and context of each building so that we can generate a real sense of ownership and community. We are ambitious for continued growth but with only the best buildings being run by the best people. The people in our buildings are at the heart of our business and these relationships drive how we act as a business.

### **Ownership**

On 19 September 2022, a joint venture between Blackstone Real Estate Partners VIII, Blackstone Real Estate Partners Europe V and Brockton Capital Fund III GP Limited was completed. The joint venture brought together the operations of Fora Holdings Limited ("Fora") and Cheetah Concert Holdco Limited ("TOG") creating Concert JV Holdco Limited as the immediate parent company of the newly combined business.

Cheetah Concert Holdco Limited is wholly owned by Cheetah Wild Holdco Limited which is ultimately controlled by Blackstone Real Estate Partners VIII and Blackstone Real Estate Partners Europe V, being funds managed and controlled by affiliates of Blackstone Inc. (hereby referred to collectively as "Blackstone"), with Blackstone and Brockton Capital both having joint control of the Group.

Fora Holdings Limited is controlled by Fora Group Holdings Limited which is ultimately controlled by Brockton Capital Fund III GP Limited, the General Partner of Brockton Capital Fund III (General Partner) LP, the General Partner of Brockton Capital Fund III LP.

The combination has brought together two highly complementary businesses within the flexible workspace sector, businesses that have similar cultures, values & visions for the future. The combination was enacted through the creation of a Joint Venture arrangement.

### **Business model**

TOG UK Topco Ltd has not been impacted in the year through the combination and therefore the below section focusses on the Group.

#### *Key activities*

The Group is one of Europe's leading flexible office providers, providing office space on flexible contracts and memberships to a wide range of clients. Properties are held on a freehold or leasehold basis and redeveloped into well designed workplaces. The Group also operates third party properties through either a Joint Venture agreement or a Management Agreement. In addition, the Group also provides meeting rooms, events and a platform for community and networking for thousands of members.

#### *Members*

The Group's offering has proven to resonate with companies from start-ups to well-established corporates across a broad spectrum of industries. The Group is committed to providing a high level of service and remains connected to the needs of its customers. This enables the business to respond by driving the continual enhancement of the service and amenities in our space, particularly in wellness, events, food & beverage, technology and sustainability.

# TOG UK Topco Ltd

## Strategic Report (continued) for the Year Ended 31 December 2022

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### Strategy

The Group's core objective is to achieve meaningful growth via acquisition, lease or management agreement opportunities, capitalising on the market shift across all sizes of business towards more flexible and design-led working environments. The impact of COVID-19 has led to an acceleration in the pre-existing trend toward quality, flexibility, variety and amenity in work settings. The way people work has changed drastically since the pandemic and corporates of all sizes are increasingly viewing flexible workspace as a core part of their real estate strategy.

There has also been an increased demand by office landlords wanting to move to providing flexible workspaces given the excess demand. The Group is able to take advantage of this using its expertise in the sector to provide management services for landlords. The increase in this revenue stream further diversifies the portfolio with a low capital investment required which is particularly attractive given the current instability in the financial and economic environments and inflationary pressures.

The driving force behind the significant steps taken in advancing our technology, wellness and amenities is our focus on enhancing member experience. The Group continually evaluates its product in line with forecasted trends, ensuring it maintains agility to meet the changing needs and demands of its members. The Group has invested in the technology and people to develop and deliver more sophisticated systems with a direct benefit to the member experience.

The combination with Fora in September 2022 brings together two strong brands and creates an even stronger platform for growth. The Group has plans to create a premier flexible workspace group in London and other key European cities and is well positioned to draw on the expertise and scale of both companies. During 2022 both brands retained their current identities. A full brand review is being undertaken in 2023 which will create a new combined vision and strategy for the Group going forward.

### Trends and factors

COVID-19 accelerated trends impacting how people work and live. The way that people want to engage with spaces has changed over the last few years and the Group has been able to capitalize on that through the flexible workspaces that the Group provides. As well as continuing to monitor licence fee rates, occupancy and costs we also have a dedicated procurement team aligned with a ESG team, who negotiate cost efficient controls and where possible make our buildings as energy efficient as we can to both manage costs and reduce environmental impact.

Many of the largest and most forward-thinking businesses in the world are now demanding shorter term, and more flexible solutions to their space requirements. Clients also see this flexibility and focus on design, wellness and sustainability as an important element in attracting and retaining the right calibre of staff. This is very apparent in a post pandemic world where there is a need to provide greater amenities and alternate work settings that cannot be replicated via either working from home or in many traditional corporate offices.

During 2022 the lead flow of new business has increased beyond pre pandemic levels. The Group expects that flexible contracts will be more desirable during uncertain times; an opinion supported by leading global real estate experts and widely reported in the mainstream press. The Group was ready for a strong return to normal operations, having prepared its buildings with an improved technology offer, revised layouts and furniture settings and new health and safety protocols.

# TOG UK Topco Ltd

## Strategic Report (continued) for the Year Ended 31 December 2022

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### Risk management & internal control

Risk Management & Internal Control is operated at a Group level. The Board is ultimately responsible for ensuring the Group maintains a system of internal control that is appropriate to the various business environments in which it operates.

Business risks are identified through a system of continuous monitoring. During 2023 the Company has begun formalising its risk control framework which includes the following key features:

- Creation of an Audit & Risk Committee, which is a formal committee of the Company Board.
- Risk Appetite Statements which set out the tolerance the business has for identified risks.
- A risk register which identifies and evaluates risks to which the Company may be exposed so that they can be managed in line with risk policies.
- Regular reporting of ongoing and emerging risks to assess whether risk positions are within the limits set by the risk appetite.
- Implementation of an internal audit function which will provide independent assurance on the effectiveness of business risk management and the overall operation of the risk framework.

### Principal risks and uncertainties

#### *Economic Environment*

A significant portion of the Group's costs are fixed which creates a risk to profitability if either occupancy or license fee rates fall. Although a significant portion of the Group's regular operating costs are fixed, some will be impacted by rising inflation and energy price increases. As well as continuing to monitor licence fee rates, occupancy and costs we also have a dedicated Procurement team who negotiate cost efficient contracts and where possible make our buildings as energy efficient as we can to control costs. The Group monitors occupancy and license fee rates on a weekly basis. The Group's clients are from a diverse range of industries. *The Group has a property portfolio of mixed tenures which helps mitigate this risk to an extent as its EBITDA (earnings before interest, tax, depreciation and amortisation) margins are higher than would otherwise be possible with a pure leasehold model, reducing any exposure to falls in income.*

This risk is further mitigated by the Group's strategy of providing a long-term home for businesses as well as its emphasis on central London, the largest flexible office market in the world.

The Group has found that any economic uncertainty created has increased demand for flexible workspace by clients wishing to avoid long term lease commitments.

While the economy is recovering, short and medium-term inflationary pressures are becoming embedded in market expectations. To monitor the effects of this on the Group, we regularly track the construction costs of developments versus expectations and any inflationary impacts on those costs to understand the impact on our business.

The latter part of 2022 and start of 2023 has seen interest rates rise in the UK as the Bank of England tries to tackle inflation. Although the Group has debt facilities in place these are fully hedged with an interest rate cap instrument against interest rate rises as per a condition of the facility agreements and will continue to be hedged for the duration of the facilities. The Group has also taken advantage of the increased interest rates by placing surplus cash in money market deposit accounts to earn interest income.

Forecasting and scenario modelling has been undertaken, including sensitivities arising from the current macroeconomic environment, to help plan for future impacts on the business. A downside scenario has been analysed in connection with the going concern assessment, details of which are set out in note 2 'Accounting Policies' within 'Going concern'.

# TOG UK Topco Ltd

## Strategic Report (continued) for the Year Ended 31 December 2022

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### Principal risks and uncertainties (continued)

#### *Client Retention*

The majority of clients are bound to commitments of between 12 and 36 months. The Group manages this risk by monitoring the proportion of revenue from clients having a policy of not over-committing to licensing to one client, having a proactive and early renewals process and staggering the exit of larger clients over several months. The Group is increasingly offering longer term commitments to larger clients, further mitigating the risk of losing clients.

#### *Financial Market Volatility*

The current loan facilities within the Group expired in February 2024. The full existing amount of the loans were extended to August 2024 on the substantially the same terms. The date was established to coincide with the FORA loan expiry and facilitate a full group refinancing process that has already commenced. The funding requirements of the Group are reviewed regularly and options for alternative sources of funding monitored.

#### *Cybersecurity*

Cybersecurity continues to be a focal point for the Group in light of the increasingly digital nature of modern business operations and the rising prevalence of cyber threats. Recognising the importance of securing our digital assets, our approach encompasses a comprehensive suite of proactive and reactive measures aimed at risk mitigation.

Our proactive measures involve maintaining robust and updated systems and protocols, which include advanced security software, continuous network monitoring, and multi-factor authentication mechanisms. This is supplemented with continuous vulnerability assessments, quarterly phishing simulations, and annual penetration tests to identify potential security gaps. On the reactive front, we have incident response plans in place, ensuring swift action and minimum disruption in the event of a security breach.

In our commitment to building a resilient cybersecurity culture, we have recently re-launched our employee security awareness programme. Regular training is provided to all staff members to raise awareness of potential cyber threats and to foster best practices for digital security.

All end-user devices are encrypted and have the latest antimalware protection in place.

Finally, we maintain cyber risk insurance to mitigate financial losses related to potential cyber incidents. Our cybersecurity strategy is continually revised and updated to address evolving risks, ensuring we are well-positioned to protect our stakeholders' interests and uphold our operational integrity in the increasingly digital world in which we operate.

#### *Regulatory Risk*

The Directors ensure the Group complies with, and where possible is ahead of current regulations. As a matter of policy, the Group compliance checks all clients against leading databases and conducts annual independent audits of clients' files, going further than currently recommended as industry best practice. The Group also monitors sanction lists on a regular basis to ensure the latest restrictions are adhered to. Another key area of focus is the requirement to comply with increasing health and safety as well as environmental regulations. This is one of the factors driving the development of the flexible office market due to the increasing administrative burden it forces on small businesses.

# TOG UK Topco Ltd

## Strategic Report (continued) for the Year Ended 31 December 2022

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### Environment, Social and Governance

The Directors have considered the impact of the Group's activities on the environment, its workforce, stakeholders and the wider community. Following the combination, the Group's primary focus in 2022 was aligning the Group's combined approach on Environment, Social and Governance ("ESG"). This included a new ESG department to create a strategy and framework which aligns with the business and wider regulatory and voluntary requirements. The Group has employed sustainability procedures focused on developing higher performance buildings, improving operational efficiency and enabling long term strategic improvements. This includes 100% REGO certified renewable energy, zero waste to landfill and improvements in recycling rates and energy efficiency. We are undertaking embodied carbon studies across our new developments to further understand our Scope 3 emissions.

### Financial performance

The Company made an operating loss of £Nil (2021 - £2k) in the year.

The Directors do not recommend payment of a dividend (2021 - £Nil).

### S172 statement

Section 172 of the Companies Act 2006 requires the Board of Directors (the "Board") to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard to the interests of stakeholders. The Company is a holding company and does not have operations of its own. In forming this statement, the Company has therefore adopted a Group approach.

The Group has several key stakeholder groups, including employees, customers, suppliers and business partners, and the communities in which the Group operates.

The Directors confirm that during the year under review, through their business decisions, they have acted to promote the long-term success of the Group and Company for the benefit of shareholders, whilst considering the potential impact of those decisions on the Group's stakeholders. The factors considered would often include the long-term consequences of the decision, the interests of employees, the relationships with customers and suppliers, the impact on the community and environment, maintaining the Group's reputation and acting fairly for all members of the Group.

The Board strives to take decisions for the long term, with the aim of understanding and respecting the views and needs of the Company's stakeholders and its ultimate shareholders to whom the Company is accountable. The Directors receive regular updates on stakeholder views from senior management. The Directors seek to achieve an appropriate balance of stakeholder preferences, which in turn will assist the Group in achieving its long-term growth objectives.

#### *Customers*

We encourage our members to give us regular feedback, and this is shared across the business including the leadership team to ensure we are acting upon it. We offer exceptional, friendly, and reliable service because we genuinely care about their happiness, health, and success. Data such as building footfall is captured to give further insight into changing work behaviours, informing the Group as to how best to respond to the needs of people in the workplace. This is particularly relevant in a post-pandemic environment with the widely adopted strategy for occupiers of hybrid working.

#### *Suppliers*

The Group is committed to responsible procurement and supports the engagement of diverse suppliers on equal basis with other suppliers. The Group is committed to responsible sourcing and our 'Procurement Framework & Governance' supports the engagement of suppliers through best practice procurement to engage with those who contribute to our drive for value, whilst complying with our ESG commitments. We seek to pay suppliers in line with contractual obligations.



## Strategic Report (continued) for the Year Ended 31 December 2022

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### **S172 statement (continued)**

#### *Employees*

The Group's objective is to recruit the best talent and give all potential candidates an efficient and positive recruitment experience. The combined Group has brought their recruitment team in house during 2022 and have introduced a new applicant tracking platform to promote consistency and fairness in our approach. The in-house team partner with the business to understand the challenges faced by leaders and departments whilst being fully immersed in the culture. Therefore, we can create an efficient process for candidates whilst recruiting in line with our competencies and values.

The Group supports and encourages our people to grow and develop their careers. One of the ways this has been achieved is via the launch of apprenticeship opportunities for our existing employees, to enable them to work and study at the same time and achieve a qualification to support their ambitions for their future careers. Supporting and investing in our employees is the best way we can seek to support our customers. This means creating an engaging, supportive environment and a positive place to work.

There is an established practice and culture of communication with all employees regularly through various platforms and regular cascading of information from the leadership team.

Our vision, purpose and values have recently been relaunched to the business and guide the experiences we share with our teams, with each other and, with our clients. Our values inspire how we behave, the way we talk and the decisions we make and what we stand for. They are representative of who we are at our best and who we want to be every day.

Regular feedback is encouraged on all our current initiatives and to challenge our ways of working to ensure decision making is fair, void of biases and our working environment is inclusive. We have introduced an Environmental Social & Governance team that allows the business to target different areas of the organisation and implement and promote equality, inclusivity, ethical and sustainable practices.

Employees are appraised on their performance, including their alignment with company values. Programmes actively promoting good health, wellbeing and which provide training and support for mental health have been provided to all staff. We have several employees trained as Mental Health Champions and Mental Health First Aiders. These are people from all areas of the business who are focused and passionate about building a mentally healthy workplace, challenging stigma and supporting positive wellbeing company wide. We have a hybrid working policy for all head office employees and summer hours for operational employees.

#### *Disabled persons*

The Office Group is committed to promoting an inclusive and supportive culture amongst its workforce. Our aim is for our business to be representative of all sections of society and to create a working environment where everyone feels valued and respected.

The organisation recognises the importance of diversity and the role inclusion plays in contributing to an empowered workforce. The Office Group is on a journey to get this right and are committed to learn, grow and develop our approach to create a culture that champions the underrepresented and supports all of its employees no matter what their background.

The Office Group values diversity, equality and inclusion and is committed to drawing on the different lived experiences and perspectives of the individuals that work within our organisation. We recognise the importance of creating safe spaces for feedback, discussion and disagreement and will always endeavour to value the opinions and voices of all team members.

#### *Environment*

The Company ensures that environmental issues are fully considered. Detailed in the 'Environment, Social and Governance' section on page 5, the Group has employed sustainability policies focused on developing higher performance buildings, improving operational efficiency and enabling long term strategic improvement. Across the Group's portfolio we have 100% renewable energy.

## TOG UK Topco Ltd

### Strategic Report (continued) for the Year Ended 31 December 2022

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

DocuSigned by:

*Michael Hitchcock*

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**M Hitchcock**

Director

Date: 29/02/2024

# TOG UK Topco Ltd

## Directors' Report for the Year Ended 31 December 2022

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

### Principal activity

The principal activity of the Company during the year was an intermediate holding company.

### Directors

The Directors who served during the year and up to the date of signing this report were:

C Green (resigned 19 September 2022)  
M Green (resigned 17 January 2023)  
G Katakya (resigned 5 June 2023)  
O Olsen  
E Sanna (appointed 19 September 2022)  
J Blank (appointed 19 September 2022)  
M Hitchcock (appointed 19 January 2023)  
L Machenaud (appointed 6 June 2023)

### Results and dividends

The Company made an operating loss of £Nil (2021 - £2k) in the year.

The Directors do not recommend payment of a dividend (2021 - £Nil).

### Going concern

The financial statements have been prepared on a going concern basis.

Since the merger of the TOG and Fora Groups, a significant amount of work has been completed on integrating the two businesses. This ranges from work on the brand identity and product offering, the technology architecture and team alignment. The integration work has been focussed on creating a stabilised business and creating efficiencies in how the business operates and the platforms it utilises to deliver the Group strategy.

The Directors have assessed the business plan and cash flow forecasts for the Group for a period of at least 12 months from the date of issuance of these financial statements which reflects the ongoing integration. The forecasts include consideration of future trading performance, capital expenditure, refinancing of debt and continued compliance with debt covenants. In addition to a base-case scenario, being the Director's view of the most likely outcome, a severe-but-plausible downside forecast has been prepared which reflects the principal risks and uncertainties set out in the Strategic Report. The sensitivities applied in the downside scenario include reductions in occupancy of 9%, higher than expected inflation and potential increases in cost of debt on refinancing.

As disclosed in full in the Cheetah Holdco Limited accounts, as contemplated in the initial post-merger business plan, under the base case and downside forecasts, before consideration of any loan refinancing, additional funding would be required from the Group's shareholders. The two shareholders have confirmed to the Directors that they intend to provide such financial support. The Directors have received a letter from Cheetah Holdco Limited, the Group's indirect parent undertaking, confirming its intent to provide additional funding to the Group and that it does not intend to seek repayment of the amounts due at the balance sheet date during the going concern assessment period.

## TOG UK Topco Ltd

### Directors' Report (continued) for the Year Ended 31 December 2022

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#### Going concern (continued)

As is the case for any entity potentially placing reliance on other related entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they consider the risk of support not being given is remote. In reaching this conclusion, the Directors have assessed the ability and intent of the shareholders to continue to provide the intended support.

As at the year-end date (and as described in more detail in the Cheetah Holdco Limited accounts), The Group has debt that matures in August 2024. The Directors are confident to be able to manage the debt maturities in 2024 across the Group. The shareholders of the Group have extensive experience of real estate capital markets. The Directors have consulted with its shareholders in reaching the above conclusion.

Based on the above the Directors consider that the risk of the Group failing to trade within the sensitised business case is remote. This includes the risk of not being able to refinance the debt or losing the support of the shareholders. Therefore, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

#### Streamlined Energy and Carbon Reporting (SECR)

The Company is exempt from the requirement to include Streamlined Energy and Carbon Reporting ('SECR') data due to this information being included in the group report of the Ultimate Parent Undertaking, Cheetah Holdco Limited. The Group report is prepared for the same financial year end as the Company and complies with the SECR requirements as set out in Part 7A of Schedule 7 of the Companies Act.

#### Matters covered in the Strategic Report

As permitted by paragraph 1A of schedule 7 to the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008, certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report on pages 1 - 7.

#### Events after the reporting date

There have been no significant events after the reporting date.

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

DocuSigned by:

*Michael Hitchcock*

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**M Hitchcock**

Director

Date: 29/02/2024

# TOG UK Topco Ltd

## Directors' Responsibilities Statement for the Year Ended 31 December 2022

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### **Statement of directors' responsibilities in respect of the Directors' report and the financial statements**

The directors are responsible for preparing 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

# TOG UK Topco Ltd

## Statement of Profit and Loss and Other Comprehensive Income for the Year Ended 31 December 2022

	Note	2022 £000	2021 £000
Operating costs		-	(2)
<b>Loss before tax</b>		-	(2)
Tax on loss		-	-
<b>Loss for the financial year</b>		-	(2)

All amounts relate to continuing operations.

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

The notes on pages 14 to 22 form part of these financial statements.

**TOG UK Topco Ltd****Registered number: 11504739****Balance Sheet  
as at 31 December 2022**

	<b>Note</b>	<b>2022 £000</b>	<b>2021 £000</b>
<b>Fixed assets</b>			
Investments	4	154,146	154,146
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	5	(22)	(22)
<b>Net current liabilities</b>		<u>(22)</u>	<u>(22)</u>
<b>Net assets</b>		<u>(154,124)</u>	<u>(154,124)</u>
<b>Capital and reserves</b>			
Share capital	6	21,316	21,316
Retained earnings	6	132,808	132,808
		<u>154,124</u>	<u>154,124</u>

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

The company was entitled to exemption from audit under section 479A of the Companies Act 2006.

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

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

DocuSigned by:

*Michael Hitchcock*

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**M Hitchcock**

Director

Date: 29/02/2024

The notes on pages 14 to 22 form part of these financial statements.

# TOG UK Topco Ltd

## Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital £000	Retained earnings £000	Total equity £000
<b>Balance at 1 January 2021</b>	-	132,810	132,810
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(2)	(2)
Shares issued during the year	21,316	-	21,316
<b>Balance at 31 December 2021</b>	<b>21,316</b>	<b>132,808</b>	<b>154,124</b>
<b>Comprehensive loss for the year</b>			
Result for the year	-	-	-
<b>Balance at 31 December 2022</b>	<b>21,316</b>	<b>132,808</b>	<b>154,124</b>

The notes on pages 14 to 22 form part of these financial statements.



# TOG UK Topco Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2022

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### 1. General information

TOG UK Topco Ltd is a private company, limited by shares, registered in England and Wales and domiciled in the United Kingdom. The Company's registered number and registered office address can be found on the Company information page.

### 2. Accounting policies

#### 2.1 Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of international accounting standards in conformity with the requirements of the Companies Act 2006 ("UK-adopted IFRS"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The financial statements have been prepared on a historical cost basis, except for the revaluation of certain properties and financial instruments. The presentation currency used is sterling and amounts have been presented in round thousands ("£000").

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- 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;
- 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*.

# TOG UK Topco Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

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

##### New standards, interpretations and amendments adopted from 1 January 2022

- Onerous contracts – Costs of Fulfilling a Contract (Amendments to IAS 37);
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16);
- Annual improvements to IFRS Standards 2018-2020 (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41); and
- References to Conceptual Framework (Amendments to IFRS 3).

None of these amendments had any impact on the company.

##### New standards, interpretations and amendments not yet effective

The following UK-adopted IFRSs have been issued but have not been applied by the Company in these financial statements. Their adoption is not expected to have a material effect on the financial statements unless otherwise indicated:

*The following amendments are effective for the period beginning 1 January 2023:*

- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2);
- Definition of Accounting Estimates (Amendments to IAS 8); and
- Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).

*The following amendments, which have been issued by the IASB but have not yet been adopted by the UKEB, are effective for the period beginning 1 January 2024:*

- IFRS 16 Leases (Amendment – Liability in a Sale and Leaseback);
- IAS 1 Presentation of Financial Statements (Amendment – Classification of Liabilities as Current or Non-current); and
- IAS 1 Presentation of Financial Statements (Amendment – Non-current Liabilities with Covenants).

The Company is currently assessing the impact of these new accounting standards and amendments.

##### Other

The Company does not expect any other standards issued by the IASB, but not yet effective, to have a material impact on the Company.

##### Profit and loss account presentation

The directors have reviewed the presentation of the profit and loss account and consider items to be more appropriately presented using the “by nature” format as this benefits the reader of the financial statements. In preparing the financial statements the “by nature” format has been adopted. This has also been applied to the comparative financial information and this has been represented onto the same basis. The adjustments have not affected previously reported profit or loss or net assets.

# TOG UK Topco Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.2 Taxation

Tax is recognised in the statement of profit and loss and other comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised directly in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the balance sheet differs from its tax base.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 2.3 Exemption from preparing consolidated financial statements

The financial statements contain information about TOG UK Topco Ltd as an individual company and do not contain consolidated financial information as the parent of the group. The Company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the UK consolidated accounts of Cheetah Holdco Limited. The registered office of Cheetah Holdco Limited is 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX.

#### 2.4 Judgements and key areas of estimation uncertainty

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires the Company's directors to exercise judgment in applying the Company's accounting policies. There are no estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities as at the year end.

# TOG UK Topco Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.5 Going concern

The financial statements have been prepared on a going concern basis.

Since the merger of the TOG and Fora Groups, a significant amount of work has been completed on integrating the two businesses. This ranges from work on the brand identity and product offering, the technology architecture and team alignment. The integration work has been focused on creating a stabilised business and creating efficiencies in how the business operates and the platforms it utilises to deliver the Group strategy.

The Directors have assessed the business plan and cash flow forecasts for the Group for a period of at least 12 months from the date of issuance of these financial statements which reflects the ongoing integration. The forecasts include consideration of future trading performance, capital expenditure, refinancing of debt and continued compliance with debt covenants. In addition to a base-case scenario, being the Director's view of the most likely outcome, a severe-but-plausible downside forecast has been prepared which reflects the principal risks and uncertainties set out in the Strategic Report. The sensitivities applied in the downside scenario include reductions in occupancy of 9%, higher than expected inflation and potential increases in cost of debt on refinancing.

As disclosed in full in the Cheetah Holdco Limited accounts, as contemplated in the initial post-merger business plan, under the base case and downside forecasts, before consideration of any loan refinancing, additional funding would be required from the Group's shareholders. The two shareholders have confirmed to the Directors that they intend to provide such financial support. The Directors have received a letter from Cheetah Holdco Limited, the Group's indirect parent undertaking, confirming its intent to provide additional funding to the Group and that it does not intend to seek repayment of the amounts due at the balance sheet date during the going concern assessment period. As is the case for any entity potentially placing reliance on other related entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they consider the risk of support not being given is remote. In reaching this conclusion, the Directors have assessed the ability and intent of the shareholders to continue to provide the intended support.

As at the year-end date (and as described in more detail in the Cheetah Holdco Limited accounts), The Group has debt that matures in August 2024. The Directors are confident to be able to manage the debt maturities in 2024 across the Group. The shareholders of the Group have extensive experience of real estate capital markets. The Directors have consulted with its shareholders in reaching the above conclusion.

Based on the above the Directors consider that the risk of the combined Group failing to trade within the sensitised business case is remote. This includes the risk of not being able to refinance the debt or losing the support of the shareholders. Therefore, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

#### 2.6 Investment in subsidiaries

Investments in subsidiaries are carried at cost less any provision for losses arising on impairment.

## Notes to the Financial Statements for the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.7 Financial assets

The Company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The Company has not classified any of its financial assets as held to maturity.

##### 2.7.1 Loans and receivables

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers e.g. trade receivables, but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairments.

Loss allowances for trade debtors and contract assets are measured at an amount equal to lifetime expected credit losses (ECLs), i.e. the ECLs that result from all possible default events over the expected life of the asset. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECL, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward-looking information. The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery.

The Company's loans and receivables comprise trade and other receivables and cash and cash equivalents in the balance sheet.

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and - for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the balance sheet.

# TOG UK Topco Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.8 Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired.

##### 2.8.1 Fair value through profit or loss

Financial liabilities are classified as fair value through profit or loss where the liability is either held for trading or is designated as held at fair value through profit or loss on initial recognition. They are carried in the balance sheet at fair value with changes in fair value recognised in the statement of profit and loss and other comprehensive income. The Company does not have any liabilities held for trading nor has it designated any financial liabilities as being at fair value through profit or loss.

##### 2.8.2 Other financial liabilities

Other financial liabilities include the following items:

- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method.
- Loans from group companies are initially recognised at fair value and are subsequently carried at amortised cost using the effective interest method. The difference between the fair value of the loan on initial recognition and the amount of the proceeds is credited directly to equity as a capital contribution.

#### 2.9 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### 3. Employees and directors

There were no employees for the year ended 31 December 2022 nor for the year ended 31 December 2021. The directors of the Company are also directors of a number of subsidiaries of the ultimate parent undertaking. The directors consider their qualifying services in respect on this Company to be negligible.

# TOG UK Topco Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2022

### 4. Investments

	Investments in subsidiary companies £000
<b>Cost</b>	
At 1 January 2022	284,316
At 31 December 2022	<u>284,316</u>
<b>Impairment</b>	
At 1 January 2022	130,170
At 31 December 2022	<u>130,170</u>
<b>Net book value</b>	
At 31 December 2022	<u>154,146</u>
At 31 December 2021	<u>154,146</u>

In the year ended 31 December 2021 the company subscribed for a further £21,316k of additional share capital in TOG UK Mezzco Ltd.

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
TOG UK Mezzco Limited	Ordinary	100%	Intermediate holding company
TOG UK Pledgeco Limited	Ordinary	*100%	Intermediate holding company

The subsidiaries as stated above have the registered office address of 1 Bartholomew Lane, London, EC2N 2AX, United Kingdom.

# TOG UK Topco Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2022

### 4. Investments (continued)

The Office Group Holdings Limited	Ordinary	*100%	Intermediate holding company
The Office Group Midco Limited	Ordinary	*100%	Intermediate holding company
The Office Group Properties Limited	Ordinary	*100%	Flexible office provider
TOG 7 Limited (formerly The Office Group Limited)	Ordinary	*100%	Intermediate holding company
The Office Islington Limited	A, B and Deferred	*100%	Management services provider
The Office (Farringdon) Limited	Ordinary	*100%	Flexible office provider
The Office (Bristol1) Limited	Ordinary	*100%	Flexible office provider
The Office (Kirby) Limited	Ordinary	*100%	Flexible office provider

The subsidiaries and joint venture as stated above have the registered office address of 179 Great Portland Street, London, W1W 5PL, United Kingdom.

The Office (Marylebone) Limited	Ordinary	*100%	Flexible office provider
EOP DL Limited	Ordinary	*100%	Flexible office provider

The subsidiaries as stated above have the registered office address of C/O BDO Llp, 5 Temple Square, Liverpool, L2 5RH.

\*shares held indirectly

### Joint venture

At the year ended 31 December 2022 the Company held an indirect 50% interest in The Station Office Network LLP. The principal activity of the partnership is that of a flexible office provider. The registered office address of The Station Office Network LLP is The Smiths Building, 179 Great Portland Street, London, W1W 5PL.

The principal place of business for all companies is the United Kingdom.

### 5. Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	1	1
Amounts owed to group undertakings	21	21
	<u>22</u>	<u>22</u>

All amounts owed to group undertakings are payable on demand and are not interest bearing. Amounts owed to group undertakings of £21k (2021 - £21k) includes amounts of £Nil (2021 - £Nil) which are expected to be settled in more than 12 months.



# TOG UK Topco Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2022

### 6. Share capital and other reserves

#### Share capital

	2022 £000	2021 £000
<b>Authorised, allotted, called up and fully paid</b>		
21,316,258 (2021 - 21,316,258) Ordinary shares of £1.00 each	<b>21,316</b>	21,316

On 22 December 2021, the Company issued 21,316,000 ordinary £1 shares at par.

#### Other reserves

Retained earnings includes all current and prior period retained profits and losses.

### 7. Events after the reporting date

There have been no significant events after the reporting date.

### 8. Controlling party

Up to and including 18 September 2022, the Company was an indirect undertaking of Cheetah-Wild Holdco Limited which was the ultimate parent company incorporated in Jersey. Following the merger with Fora on 19 September 2022, the ultimate parent company is Concert JV Holdco Limited, incorporated in Jersey. The immediate parent company before and after the merger is TOG 6 Limited, registered in the United Kingdom.

The accounts of Concert JV Holdco Limited are not available to the public.

The largest group in which the results of the Company are consolidated for which accounts are publicly available is that headed by Cheetah Holdco Limited. The smallest group in which the Company is consolidated is that headed by TOG 4 Limited, registered in the UK.

Copies of the group financial statements of TOG 4 Limited and Cheetah Holdco Limited will be available on request from the Companies' registered office, 1 Bartholomew Lane, London, United Kingdom, EC2N 2AX.