

ASSET CONTROL MIDCO LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2022



ASSET CONTROL MIDCO LIMITED

COMPANY INFORMATION

Directors	M Hepsworth S Robertson
Company number	11531130
Registered office	32 Cornhill London EC3V 3SG

ASSET CONTROL MIDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2022

The directors present the strategic report for the year ended 31 March 2022.

Business overview and principal activities

Asset Control Midco Limited (the "Company") was incorporated on 22 August 2018 in England and Wales and the principal activity of the Company is that of a holding company within a group of companies ("the Group") headed by Asset Control Topco Limited. The Company is ultimately owned by Sovereign Capital IV LP.

The principal activity of the Group, before and after the change in ownership in September 2018, is that of the provision of financial data management software, managed services relating to the software and associated professional services to financial institutions globally. The Group provides enterprise-wide data management solutions in support of market risk and reference data operations for sell side and buy side organisations. In particular, Asset Control helps clients with ensuring data quality and the effective acquisition, processing and distribution of market and reference data.

In December 2020, the Group rebranded its trading business to Alveo. By changing the name, the Group wanted to signal how much the business has changed since moving to new ownership in 2018. During this time, the Group has focused on new product innovation, upgrading its core product to be cloud native, introducing a managed services deployment model and leveraged cloud technologies to accelerate implementation timelines.

In addition, the Group changed its year-end from 31 December 2020 to 31 March 2021 to better align with the commercial cycle of our clients, resulting in a 15-month period for the previous financial statements of the Company.

Impact of Covid-19

The rapid spread of the Covid-19 virus, and the ongoing pandemic has caused significant uncertainty within the global economy for most businesses, including the Alveo group. Fortunately, the nature of the business and the actions taken both pre and post outbreak have resulted in continued trading with minimal customer or employee impact. Our customers have largely continued to trade as previously, and no employees have been furloughed across the Group.

Prior to the respective territory lockdown announcements across the jurisdictions where the group has offices (UK, Netherlands, USA and Singapore), we invoked our Business Continuity Plan with all employees working from home using the secure remote working infrastructure deployed through 2020. This has ensured our customer support, managed services and product development functions have continued to operate without issue, our sales and marketing teams have been able to maintain contact with customers, albeit not face to face and the back-office activity has continued unaffected. The function considered most at risk was professional services where a proportion of our employees and contractors would normally attend customers' sites. With the support of our customers all programmes have continued remotely and extensions to engagements have been forthcoming.

Over 60% of the annual income of the Group is contractually recurring maintenance, subscriptions and Managed Services which underpins the trading position of the business. In addition to this, the group has factored in the short-term contracted professional services activity in preparing a sensitized forecast for going concern review. Following the forecast review the Directors have assessed that the business is in a strong position to continue trading through the Covid-19 period and beyond, with manageable downside risk and the going concern assumption is appropriate for the Group.

Our customers have been very supportive with continued trading and prompt cash payments, our banks similarly have maintained their support with no short-term capital repayments due and the projected cashflows provide comfortable headroom against banking covenants. In addition, the Board and investors remain supportive of the directors and the proposed plans for continued trading through the next year.

Financial risk management

The group has long term bank loans and is exposed to limited interest rate and liquidity risks in respect of these.

The Group operates on a global scale and is exposed to currency risk which it seeks to mitigate through natural currency hedges. Management continues to monitor the effect of currency risk and will consider currency hedging if necessary.

The Group has access to a short-term revolver facility, currently unutilized, to manage working capital fluctuations.

ASSET CONTROL MIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Development and performance

Management will continue to seek to drive the business forwards in terms of profitability, client service, market reach and use of technology.

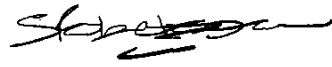
Governance

The Management Board (the "Board") represents the Company. It considers the overall strategic direction, development and control of the Company, investment and divestment opportunities and any other matters of significance to the Company.

Research and development

The Directors consider the Group's ability to deliver products that are innovative and differentiated from its competition as critical to the Group's ongoing success. In this respect, continual investment in research and development is a critical component in the Group's business plan. The Group will continue to invest in research and development going forward in order to ensure the Group maintains its competitive advantage.

On behalf of the board



.....
S Robertson
Director

Date: 31 October 2022

ASSET CONTROL MIDCO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2022

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

Principal activities

The principal activity of the company continued to be that of providing financial software.

Directors

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

M Hepsworth
S Robertson

Results and dividends

No ordinary dividends were paid in the year ended 31 March 2022 (15-month period ended 31 March 2021 - €nil). The company made a loss of €3,842,629 (15-month period ended 31 March 2021: €4,044,097 loss). The directors do not recommend payment of a final dividend.

Going concern

The directors consider the use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern. The risks related to Covid-19 have been considered by the Directors as referred to in the strategic report and the business has traded successfully through the year ended 31 March 2022.


Post balance sheet events

There have been no important post balance sheet events that need to be disclosed.

Strategic report

The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

On behalf of the board



.....
S Robertson
Director

Date: 31 October 2022

ASSET CONTROL MIDCO LIMITED
DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

ASSET CONTROL MIDCO LIMITED

STATEMENT OF TOTAL COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2022

		Year ended 31 March 2022 €	15 months ended 31 March 2021 €
	Notes		
Operating expenses		(314,115)	(84,174)
Operating loss	3	(314,115)	(84,174)
Interest charges	4	(3,528,514)	(3,959,923)
Loss before taxation		(3,842,629)	(4,044,097)
Tax on profit	5	-	-
Loss for the financial year		(3,842,629)	(4,044,097)
Comprehensive income		-	-
Loss and total comprehensive income for the financial period		(3,842,629)	(4,044,097)

Total comprehensive income arose entirely from continuing operations.

ASSET CONTROL MIDCO LIMITED

Company Registration No. 11531130

STATEMENT OF FINANCIAL POSITION**AS AT 31 MARCH 2022**

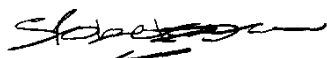
		31 March 2022	31 March 2021
	Notes	€	€
Fixed assets	6	16,899,620	17,142,657
Creditors: amounts falling due within one year	7	(4,629,314)	(1,689,735)
Net current liabilities		(4,629,314)	(1,689,735)
Creditors: amounts falling due after one year	8	(25,371,398)	(24,711,385)
Total assets less liabilities		(13,101,092)	(9,258,463)
Capital and reserves			
Called up share capital	9	82,052	82,052
Accumulated deficit	10	(13,183,144)	(9,340,515)
Total equity		(13,101,092)	(9,258,463)

For the financial year ended 31 March 2022 and the 15-month period ended 31 March 2021 the company was entitled to exemption from audit under s479A 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 members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

The financial statements were approved and signed by the directors and authorised for issue on 31 October 2022.



.....
S Robertson
Director

ASSET CONTROL MIDCO LIMITED

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2022

	Share capital €	Profit and loss reserves €	Total €
Balance at 31 December 2019	82,052	(5,296,418)	(5,214,366)
15-month period ended 31 March 2021:			
Issue of shares	-	-	-
Loss and total comprehensive income for the 15-month period	-	(4,044,097)	(4,044,097)
Balance at 31 March 2021	<u>82,052</u>	<u>(9,340,515)</u>	<u>(9,258,463)</u>
Year ended 31 March 2022:			
Issue of shares	-	-	-
Loss and total comprehensive income for the year	-	(3,842,629)	(3,842,629)
Balance at 31 March 2022	<u>82,052</u>	<u>(13,183,144)</u>	<u>(13,101,092)</u>

ASSET CONTROL MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

Company information

Asset Control Midco Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is 32 Cornhill, London, EC3V 3SG. The Company's Registration number is 11531130.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in euro, which is the functional currency of the company.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Asset Control Topco Limited (United Kingdom), which is the ultimate owner of Asset Control Bidco Limited.

Reporting period

The Company changed its year-end from 31 December 2020 to 31 March 2021 to better align with the commercial cycle of the clients of the Group, resulting in a 15-month period for the previous financial statements.

Going concern

The Company is part of the Asset Control Top Limited Group ("Group"). The directors of the Group have prepared forecasts which show that the Group will comply with its financial covenants, as well as operating well within its available facilities based on prudent forecast of new bookings and continued cost management. However, economic conditions may create some uncertainty in the forecast period particularly over the level of demand for the Group's products and accordingly the directors have also considered actions that are within the Group's control that could mitigate any under-performance.

After considering the forecasts, the available mitigating actions, and making appropriate enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for at least one year from the date of these financial statements. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

ASSET CONTROL MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Going concern (continued)

Post year end, following the emergence of the Covid-19 pandemic, a sensitized forecast was prepared recognizing the potential impact. With over 50% of the Group's annual income contractually recurring, the revenues were considered stable with the potential exposure limited to Professional Services activity, which requires access to customers' site in some cases. As part of our Business Continuity Planning process this has been continually reviewed and mitigating actions taken, namely remote access. Following this, activity has continued at only marginally reduced levels to those budgeted. Should circumstances deteriorate, a number of further mitigation actions have been considered.

Following the forecast review the Directors are confident the business is in a strong position to continue trading through the Covid-19 period and beyond at a level above banking covenants with manageable downside risk and therefore maintain the opinion the business is a going concern.

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods and services are recognised when the significant risks and rewards of ownership has passed to the buyer (usually on dispatch of the goods or completion of the services), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred in respect of the transaction can be measured reliably.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

Financial fixed assets

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand and deposits held at call with banks.

ASSET CONTROL MIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets and liabilities are initially measured at transaction price, including transactions costs, and are subsequently carried at amortised cost using the effective interest method, unless the agreement constitutes a financing transaction, where the financial instrument is measured at the present value of the future cashflows discounted at a market rate of interest.

Other financial assets

Other financial assets, including trade investments, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ASSET CONTROL MIDCO LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies (continued)

Financial instruments (continued)

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments where the contractual returns, repayment of the principal, or other terms (such as prepayment provisions or term extensions) do not meet the conditions to be measured at amortised cost, are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

Equity instruments issued by the company are recorded at the fair value of proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Taxation

The tax expense represents current tax and is charged or credited to profit or loss.

Current tax assets and current tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on the net basis or to realise the asset and settle the liability simultaneously.

Current tax is based on taxable result for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction, or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

ASSET CONTROL MIDCO LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2022

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Operating profit

Operating profit for the year/period is stated after charging:

	Year ended 31 March 2022 €	15 months ended 31 March 2021 €
Exchange losses	318,405	60,000
Fees payable to the company's auditor for the audit of the company's financial statements	-	-
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4 Interest charges

	Year ended 31 March 2022 €	15 months ended 31 March 2021 €
Interest payable to Sovereign and members	3,137,465	3,486,580
Interest payable to management members	170,212	189,903
Closing fees pro-rated	220,837	282,500
Other	-	940
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	3,528,514	3,959,923
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5 Taxation

	Year ended 31 March 2022 €	15 months ended 31 March 2021 €
Current tax		
UK corporation tax on profits for the current period	-	-
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	-	-
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ASSET CONTROL MIDCO LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2022

5 Taxation (continued)

The total tax charge for the year included in the income statement can be reconciled to the profit before tax multiplied by the standard rate of tax as follows:

	Year ended 31 March 2022 €	15 months ended 31 March 2021 €
Loss before taxation	(3,842,629)	(4,044,097)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00%	(730,100)	(768,378)
Interest charges non-deductible	730,100	738,378
	-	-

6 Financial fixed assets

	31 March 2022 €	31 March 2021 €
Investment in subsidiaries	1	1
Amounts falling due after more than one year		
Amounts owed by group undertakings	16,899,619	17,142,656
Total financial fixed assets	16,899,620	17,142,657

Of the amount falling due after more than one year owed by group undertakings, €16,100,065 is covered by a formal loan agreement. The loan accrues interest at 12.0% per annum. Principal and accrued interest is repayable no later than 15 September 2026, or on demand.

Investment in subsidiaries

The entities listed on the next page are subsidiaries of the Company or the Group. The Group percentage of equity capital and voting rights is 100% for all subsidiaries listed below. All shares held are classified as "Ordinary". The results for all of the subsidiaries have been consolidated within the financial statements of Asset Control Topco Limited. The subsidiaries marked with an * are direct subsidiaries, the other subsidiaries are indirectly owned. The subsidiaries marked with an # are holding companies, the other subsidiaries perform the following activities: "Provision of data management software solutions".

ASSET CONTROL MIDCO LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2022

6 Financial fixed assets (continued)
Investment in subsidiaries (continued)

Country	Name	Registered office
United Kingdom	Asset Control Holdco Limited * #	32 Cornhill, London EC3V 3SG
United Kingdom	Asset Control Bidco Limited #	32 Cornhill, London EC3V 3SG
The Netherlands	Asset Control Holdings B.V. #	Trambaan 1-K, 8441 BH Heerenveen
The Netherlands	Asset Control International B.V.	Trambaan 1-K, 8441 BH Heerenveen
United Kingdom	Asset Control Technology Limited	32 Cornhill, London EC3V 3SG
Singapore	Asset Control Singapore Private Limited	77 Robinson Road, #13-00 Robinson 77, Singapore 068896
Ireland	Asset Control Ireland Limited	25-28 North Wall Quay, Dublin 1 D01 H104
Ireland	Asset Control Ireland II Limited	25-28 North Wall Quay, Dublin 1 D01 H104
United States	Asset Control Systems Inc.	1350 Broadway, Suite 1530 New York, NY10018
Canada	Asset Control Pacific Corporation	600-1741 Lower Water Street, Halifax NS B3J 2X2

7 Creditors: amounts falling due within one year

	31 March 2022 €	31 March 2021 €
Other creditors	4,629,314	1,689,735
	<u>4,629,314</u>	<u>1,689,735</u>

8 Creditors: amounts falling due after one year

	31 March 2022 €	31 March 2021 €
Sovereign loan	23,398,070	22,947,070
Management loan	1,973,328	1,764,315
	<u>25,371,398</u>	<u>24,711,385</u>

ASSET CONTROL MIDCO LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2022

8 Creditors: amounts falling due after one year (continued)

Sovereign loan

The Group entered into a loan agreement with Sovereign Capital IV LP and members of that LP on 10 September 2018 for a principal amount of £20,557,720 that was received net of arrangement fees of £1,424,224. The loan is not due for repayment until completion in March 2026. Nominal interest at 12.00% per annum is due on this balance and is payable quarterly in arrears. The effective quarterly rate of interest is 3.64%.

Management loan

The Group entered into a loan agreement with members of Management on 10 September 2018 for a principal amount of €1,332,247. The loan is due for repayment at the end of its term in September 2025. Nominal interest at 12.00% per annum is due on this balance and is payable at the end of the loan term.

In the year ended 31 March 2022, the Group entered in additional loan agreements with members of management for an amount of €43,964 (15-month period ended 31 March 2021 - nil).

9 Share capital

	31 March 2022 €	31 March 2021 €
Ordinary share capital		
Issued and fully paid		
82,052 ordinary shares of €1 each	82,052	82,052
	<u>82,052</u>	<u>82,052</u>

10 Reserves

The accumulated deficits represents the cumulative loss of the company.

11 Financial commitments, guarantees and contingent

On 10 September 2018, a fellow member of the group the Company entered into a facilities agreement with Alcentra, with a maturity in March 2026. The Company is one of the guarantors for the loan the shares of the Company and substantially all assets are pledged as security for the loan and in favour of GLAS Trust Corporation Limited as security agent. As at the year end the balance outstanding on the loan amount was €30,000,000.

12 Related party transactions liabilities

Transactions with related parties

The company has taken advantage of the exemption available in accordance with FRS 102 Section 33 'Related Party Disclosures' not to disclose transactions entered into between two or more members of a group, as the company is a wholly owned subsidiary undertaking of the Group to which it is party to the transactions.

ASSET CONTROL MIDCO LIMITED

SCHEDULE OF ADMINISTRATIVE EXPENSES

FOR THE YEAR ENDED 31 MARCH 2022

13 Ultimate controlling party

The immediate parent company of Asset Control Midco Limited is Asset Control Topco Limited by virtue of a 100% shareholding in the Company. Group accounts are produced by Asset Control Topco Limited, the ultimate parent company of the group of which the Company forms part and are available to the public at its registered office, which is 32 Cornhill, London, EC3V 3SG. The group is ultimately controlled by Sovereign Capital IV LP.

14 Employees

Employees

The average number of persons (excluding directors) employed by the Company during the year ended 31 March 2022 is nil (15-month period ended 31 March 2021 - nil).

Directors

No emoluments were paid to the directors.

15 Post balance sheet events

There are no post balance sheet events.