



Consolidated Financial Statements

Fortus Group Holdings Limited

For the period from the date of incorporation on 1 November 2019 to 31 December 2020



Registered number: 12293040

Fortus Group Holdings Limited

Company Information

Directors

Brian Honan (appointed 1 November 2019)
Mark Gerrard Brophy (appointed 19 August 2020)
Michael O'Donnell (appointed 24 December 2019)
Huntsmoor Limited (appointed 1 November 2019, resigned 1 November 2019)
Huntsmoor Nominees Limited (appointed 1 November 2019, resigned 1 November 2019)

Company secretary

Mark Gerrard Brophy (appointed 19 August 2020)

Registered number

12293040

Registered office

Camfield House
Avenue One
Letchworth
Garden City
SG6 2WW
England

Independent auditor

Grant Thornton
Chartered Accountants & Statutory Auditors
13-18 City Quay
Dublin 2

Bankers

Allied Irish Bank
Ballsbridge
Dublin 4

Lloyds Bank
25 Gresham Street
London
EC2V 7HN

Solicitors

Eversheds
One Earlsfort Centre
Earlsfort Terrace
Dublin 2

Fortus Group Holdings Limited

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Fortus Group Holdings Limited

Directors' report

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

The directors present their first report and the audited consolidated financial statements for the period ended 31 December 2020.

Principal activities

The core business of the group is offering the most comprehensive range of CCTV Camera & Surveillance products to the Security industry across Ireland and the United Kingdom. The business of the company is that of an investment holding company.

Results and dividends

The loss for the period, after taxation, amounted to £671,236, after amortisation of goodwill in the amount of £1,705,532. The directors are satisfied with the results for the period.

The directors did not recommend the payment of a dividend.

Directors

The directors who served during the period were:

Brian Honan (appointed 1 November 2019)

Mark Brophy (appointed 19 August 2020)

Michael O'Donnell (appointed 24 December 2019)

Huntsmoor Limited (appointed 1 November 2019, resigned 1 November 2019)

Huntsmoor Nominees Limited (appointed 1 November 2019, resigned 1 November 2019)

Future developments

The directors do not envisage any substantial changes to the nature of the business in the foreseeable future.

Disclosure of information to auditor

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

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

Post statement of financial position events

Apart from the ongoing COVID-19 crisis and the associated impact of government restrictions imposed, there have been no other significant events affecting the Company since the period end.

Research and development

The Company and its subsidiaries did not engage in any research and development related activities during the period.

Fortus Group Holdings Limited

Directors' report (continued)

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

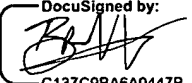
Auditor

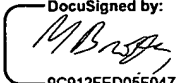
The auditor, Grant Thornton, was appointed during the financial period end and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on

25 November 2021

and signed on its behalf.

DocuSigned by:

C137C9BA6A0447B...
Brian Honan
Director

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Mark Gerrard Brophy
Director

Fortus Group Holdings Limited**Strategic report****For the period ended 31 December 2020****Principal activities**

The core business of the group is offering the most comprehensive range of CCTV Camera & Surveillance products to the Security industry across Ireland and the United Kingdom. The business of the company is that of an investment holding company.

Business review

The loss for the period, after taxation, is £671,236.

2020 was a successful period for the group after its formation at the end of 2019. Despite a challenging economic backdrop with Brexit uncertainty and the ongoing COVID-19 pandemic, the group generated revenue of £35,414,447 and gross profit of £7,394,546. EBITDA for the period was £1,831,356.

The directors are very proud and grateful to the entire employee team, who have worked tirelessly to achieve this result, despite the disruption of working from home, travel restrictions, and changing work patterns. The resilience of the business has been very evident during the pandemic and bodes well for the future.

The company continues to invest in People as a key asset in a Value-Added Distribution business, and we have had some great achievements in this area. Despite having to furlough or temporarily lay off some staff in Q2, we were successful in bringing many of those employees back as business increased in Q3. Our average employees during the period was 73.

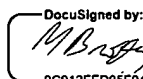
Aiming to provide a solid platform for future growth, we also continue to strengthen both our Board and our management team, with a combination of internal promotions, and selected external hires. Throughout 2020 we have added several key customers to our portfolio, and our pipeline of new vendors remains strong. In 2021 we completed the acquisition of a number of new subsidiaries which are expected to further add to the group's financial performance.

Finally, we will continue to build on initiatives taken in the past number of years to ensure that we take advantage of our Group structure, by eliminating duplication of functions across geographies. We are confident of achieving another healthy return from trading activities in 2021.

This report was approved by the board on 25 November 2021 and signed on its behalf.

DocuSigned by:

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Brian Honan
 Director

DocuSigned by:

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Mark Gerard Brophy
 Director

Fortus Group Holdings Limited

Directors' responsibilities statement

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

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


Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 Group and Company and of the profit or loss of the Group for that period.

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

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

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

On behalf of the board

DocuSigned by:

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Brian Honan
Director

DocuSigned by:

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Mark Gerrard Brophy
Director

Date: 11/25/2021

Independent auditor's report to the members of Fortus Group Holdings Limited

Opinion

We have audited the financial statements of Fortus Group Holdings Limited ("the Company") and its subsidiaries ("the Group"), which comprise the Consolidated statement of comprehensive income, the Consolidated and Company Statements of financial position, the Consolidated and Company Statements of changes in equity and the Consolidated Statement of cash flows for the period ended 31 December 2020, and the related notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including the Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, Fortus Group Holdings Limited and Group's financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice of the assets, liabilities and financial position of the Group and the Company as at 31 December 2020 and of the Group financial performance and cash flows for the period then ended; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Independent auditor's report to the members of Fortus Group Holdings Limited (continued)

Other information

Other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon, including the Directors' report and the Strategic report. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

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

As explained more fully in the Directors' responsibilities statement, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102, and for such internal control as directors determine necessary to enable the preparation of financial statements are free from material misstatement, whether due to fraud or error.

Independent auditor's report to the members of Fortus Group Holdings Limited (continued)

Responsibilities of management and those charged with governance for the financial statements (continued)

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

Those charged with governance are responsible for overseeing the Group's and Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

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

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

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

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

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

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to compliance with data protection requirements in the jurisdictions in which the Group operates and holds data, non-compliance related to employment regulation and other environment regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and local tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial performance and management bias through judgements and assumptions in significant accounting estimates, in particular in relation to significant one-off or unusual transactions. We apply professional scepticism through the audit to consider potential deliberate omission or concealment of significant transactions, or incomplete/inaccurate disclosures in the financial statement.

The group engagement team shared the risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work.

Independent auditor's report to the members of Fortus Group Holdings Limited (continued)

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

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

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

- inquiries of management on the policies and procedures in place regarding compliance with laws and regulations, including consideration of known or suspected instances of non-compliance and whether they have knowledge of any actual, suspected or alleged fraud;
- inspection of the Group's and Company's regulatory and legal correspondence and review of minutes of board meetings during the period to corroborate inquiries made;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team in relation to the identified laws and regulations and regarding the risk of fraud, and remaining alert to any indications of non-compliance or opportunities for fraudulent manipulation of financial statements throughout the audit;
- identifying and testing journal entries to address the risk of inappropriate journals and management override of controls;
- designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- challenging assumptions and judgements made by management in their significant accounting estimates, including cost to completion, trade debtors and provisions;
- review of the financial statement disclosures to underlying supporting documentation and inquiries of management; and
- we requested information from component auditors on instances of non-compliance with laws or regulations that could give rise to a material misstatement of the Group financial statements.

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

Where the auditor is reporting on consolidated financial statements, the auditor's responsibilities are to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit, and the group auditor remains solely responsible for the audit opinion.



Independent auditor's report to the members of Fortus Group Holdings Limited (continued)

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

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

A handwritten signature in black ink, appearing to read "Michael Shelley".

Michael Shelley (Senior statutory auditor)
for and on behalf of

Grant Thornton
Chartered Accountants
& Statutory Auditors
Dublin

25 November 2021

Fortus Group Holdings Limited

Consolidated statement of comprehensive income

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

	Note	14 month period ended 31 December 2020 £
Turnover	4	35,414,447
Cost of sales		(27,788,765)
Gross profit		7,625,682
Distribution costs		(378,606)
Administrative expenses		(6,952,843)
Operating loss	5	294,233
Exceptional items	9	(326,000)
Loss before interest		(31,767)
Interest payable and similar expenses	10	(456,335)
Loss before taxation		(488,102)
Tax on loss	11	(183,134)
Loss for the financial period		(671,236)
Other comprehensive income		
Currency translation differences		20,540
Other comprehensive income for the financial period		20,540
Total comprehensive income for the financial period		(650,696)
Loss for the financial period attributable to:		
Owners of the parent Company		(671,236)
Total comprehensive income for the period attributable to:		
Owners of the parent Company		(650,696)

All amounts relate to continuing operations.

The notes on pages 16 to 35 form part of these financial statements.

Fortus Group Holdings Limited


Registered number:12293040

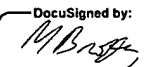
Consolidated statement of financial position

As at 31 December 2020

	Note	2020 £	2020 £
Fixed assets			
Intangible assets	12		15,349,789
Tangible assets	14		556,228
			<u>15,906,017</u>
Current assets			
Stocks	16	5,753,198	
Debtors: amounts falling due within one year	17	9,070,375	
Cash at bank and in hand	18	1,247,747	
		<u>16,071,320</u>	
Current liabilities			
Creditors: amounts falling due within one year	19	(14,818,476)	
Net current assets			<u>1,252,844</u>
Total assets less current liabilities			<u>17,158,861</u>
Creditors: amounts falling due after more than one year	20		(8,012,347)
Net assets			<u><u>9,146,514</u></u>
Capital and reserves			
Called up share capital	24		62,975
Share premium account	25		9,734,235
Foreign exchange reserve	25		20,540
Profit and loss account	25		(671,236)
Shareholders' equity			<u><u>9,146,514</u></u>

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

DocuSigned by:

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Brian Honan
 Director

DocuSigned by:

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Mark Gerrard Brophy
 Director

Date: 11/25/2021

The notes on pages 16 to 35 form part of these financial statements.

Fortus Group Holdings Limited

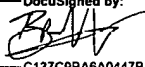
Registered number:12293040

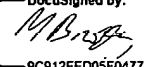
Company statement of financial position

As at 31 December 2020

	Note	2020 £
Fixed assets		
Investments	15	11,612,661
		<u>11,612,661</u>
Current assets		
Cash at bank and in hand	18	2,881
		<u>11,615,542</u>
Total assets less current liabilities		
Creditors: amounts falling due after more than one year	20	(1,815,452)
		<u>9,800,090</u>
Net assets		
Capital and reserves		
Called up share capital	24	62,975
Share premium account	25	9,734,235
Profit and loss account		2,880
		<u>9,800,090</u>
Shareholders' equity		
		<u>9,800,090</u>

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

DocuSigned by:

 C137C9BA6A0447B.....
Brian Honan
 Director

DocuSigned by:

 9C912FED05F0477.....
Mark Gerrard Brophy
 Director

Date: 11/25/2021

The notes on pages 16 to 35 form part of these financial statements.

Fortus Group Holdings Limited

Consolidated statement of changes in equity

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

	Called up share capital £	Share premium account £	Foreign exchange reserve £	Profit and loss account £	Total equity £
Comprehensive income for the period					
Loss for the period	-	-	-	(671,236)	(671,236)
Currency translation differences	-	-	20,540	-	20,540
Total comprehensive income for the period	-	-	20,540	(671,236)	(650,696)
Contributions by and distributions to owners					
Shares issued during the period	62,975	9,734,235	-	-	9,797,210
At 31 December 2020	62,975	9,734,235	20,540	(671,236)	9,146,514

Company statement of changes in equity

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
Comprehensive income for the period				
Profit for the period	-	-	2,880	2,880
Contributions by and distributions to owners				
Shares issued during the period	62,975	9,734,235	-	9,797,210
At 31 December 2020	62,975	9,734,235	2,880	9,800,090

The notes on pages 16 to 35 form part of these financial statements.

Fortus Group Holdings Limited

Consolidated statement of cash flows

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

	2020 £
Cash flows from operating activities	
Loss for the financial period	(671,236)
Adjustments for:	
Amortisation of intangible assets	1,705,532
Depreciation of tangible assets	157,591
Interest paid	456,335
Taxation charge	183,134
Decrease in stocks	30,864
(Increase) in debtors	(1,872,554)
(Decrease) in creditors	(1,069,455)
Foreign exchange movement	(423,467)
Corporation tax paid	(204,986)
Net cash used in operating activities	<u>(1,708,242)</u>
Cash flows used in investing activities	
Purchase of tangible fixed assets	(271,821)
Net cash used in investing activities	<u>(271,821)</u>
Issue of ordinary shares	1
Repayment of bank loans	(90,599)
Drawdown of new finance leases	104,060
Interest paid	(292,780)
Net cash used in financing activities	<u>(279,318)</u>
Net (decrease) in cash and cash equivalents	<u>(2,259,381)</u>
Cash and cash equivalents acquired with subsidiary	(2,746,139)
Cash and cash equivalents at the end of period	<u><u>(5,005,520)</u></u>
Cash and cash equivalents at the end of period comprise:	
Cash at bank and in hand	1,247,747
Bank overdrafts	(6,253,267)
	<u><u>(5,005,520)</u></u>

The notes on pages 16 to 35 form part of these financial statements.

Fortus Group Holdings Limited**Consolidated analysis of net debt**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

	Acquisition of subsidiaries £	New finance leases £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	1,839,296	-	(591,549)	1,247,747
Bank overdrafts	(4,585,435)	-	(1,667,832)	(6,253,267)
Debt due after 1 year	(8,483,750)	-	550,929	(7,932,821)
Debt due within 1 year	(695,000)	-	(625,781)	(1,320,781)
Finance leases	-	(122,670)	18,610	(104,060)
Total	(11,924,889)	(122,670)	(2,315,623)	(14,363,182)

The notes on pages 16 to 35 form part of these financial statements.

Fortus Group Holdings Limited

Notes to the financial statements

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

1. General information

Fortus Group Holdings Limited ("the Company") is a private company limited by shares incorporated in the United Kingdom. Its registered office is located at Camfield House, Avenue One, Letchworth Garden City, SG6 2WW, England. The principal activity of the company and the group is disclosed in the Directors' Report.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in Sterling (£).

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements. The Company's profit for the period was £2,880.

FRS102 allows certain disclosure exemptions and the company has taken advantage of the following exemptions for the company financial statements:

- From preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows;
- From the financial instruments disclosures required under FRS102 paragraphs 11.39 to 11.48A and paragraphs 12.26 – 12.29, as the information is provided in the consolidated statement disclosures; and
- From disclosing the company key management personnel compensation, as required by FRS102 paragraph 33.7, as the information is included within the consolidated statement disclosures.

Going concern

After reviewing the Group's and Company's forecasts and projections, the directors have a reasonable expectation that the Group and Company has adequate resources to continue in operational existence for the foreseeable future. The Group and Company therefore continues to adopt the going concern basis in preparing the financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

2. Accounting policies (continued)**2.2 Basis of consolidation (continued)**

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Turnover

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

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of the goods.

Rendering of services

Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date of the total estimated contract costs. Turnover is only recognised to the extent of recoverable expenses when the outcome of a contract cannot be estimated reliably.

2.4 Pensions**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

2.5 Foreign currency translation**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

Transactions and balances

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

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

2. Accounting policies (continued)**2.5 Foreign currency translation (continued)**

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

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

Foreign exchange gains and losses are presented in the Consolidated statement of comprehensive income within 'administrative expenses'.

Translation of Group companies

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated from their functional currency to Sterling (£) using the closing exchange rate. Income and expenses are translated using the average rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising on the translation of Group companies are recognised in other comprehensive income and are not reclassified to profit or loss. Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of comprehensive income in the period in which they are incurred.

2.8 Taxation

Tax is recognised in the Consolidated Statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and the Group operate and generate income.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

2. Accounting policies (continued)**2.8 Taxation (continued)**

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.9 Intangible assets**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the net fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its expected useful economic life of ten years.

2.10 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the straight-line and reducing balance methods.

Depreciation is provided on the following basis:

Short-term leasehold property	- 10%
Motor vehicles	- 15% - 50%
Fixtures and fittings	- 20% - 50%
Office equipment	- 20% - 50%
Computer equipment	- 20%

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

2. Accounting policies (continued)**2.10 Tangible fixed assets (continued)**

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of comprehensive income.

2.11 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.12 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.13 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquiree plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the Consolidated statement of financial position immediately below goodwill.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Consolidated Statement of comprehensive income.

2.15 Debtors

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

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

2. Accounting policies (continued)**2.16 Cash and cash equivalents**

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

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, including transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Finance leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the Statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

2.19 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

2. Accounting policies (continued)**2.19 Financial instruments (continued)**

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

3. Judgements in applying accounting policies and key sources of estimation uncertainty**Significant management judgement**

The following are significant management judgements in applying the accounting policies of the Group that have the most significant effect on the financial statements:

Impairment of investments in subsidiaries

Determining whether the carrying value of investments in subsidiaries has been impaired, may require an estimate of the value in use of the investment in subsidiaries. The directors are satisfied that the carrying value of the Company's subsidiary investment is at least equal to its recoverable amount following recognition of an impairment provision of £Nil.

Estimating impairment of goodwill

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating unit based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discounts rate.

Useful lives of depreciable assets

The annual depreciation charge depends primarily on the estimated lives of each type of asset and, in certain circumstances, estimates of fair values and residual values. The directors annually review these asset lives and adjust them as necessary to reflect current thinking on remaining lives in light of technological change, prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have significant impact on depreciation charges for the period. It is not practical to quantify the impact of changes in asset lives on an overall basis, as asset lives are individually determined, and there are significant number of asset lives in use. The impact of any change would vary significantly depending on the individual changes in assets and the classes of assets impacted.

Recoverability of debtors

Debtors arising out of operations are considered by the directors to have a low credit risks and therefore no provision for bad debts or doubtful debts has been made other than those already presented in the financial statements. The directors consider that the carrying amounts of debtor approximates to their value. All other receivables balances are due within one year and none are past due. The bad debt provision is £173,494 for the financial period ended 31 December 2020.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty (continued)**Determining net realisable value of stocks**

Management estimates the net realisable values of stocks, taking into account the most reliable evidence available at each reporting date. The future realisation of these stocks may be affected by future technology or other marker-driven changes that may reduce future selling prices.

4. Turnover

In the opinion of the directors, the disclosure of particulars of turnover would be seriously prejudicial to the interests of the group and as a result such disclosures have not been provided in the financial statements.

5. Operating loss

The operating loss is stated after charging/(crediting):

	14 month period ended 31 December 2020 £
Exchange differences	(699,002)
Operating lease - land and buildings	60,219
Operating lease - motor vehicles	35,321
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6. Auditor's remuneration

	14 month period ended 31 December 2020 £
Audit of the company's annual financial statements	9,119
Audit of the financial statements of subsidiaries	26,469
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	35,588

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

7. Employees

	Group 14 month period ended 31 December 2020 £	Company 14 month period ended 31 December 2020 £
Wages and salaries	2,693,487	-
Social security costs	232,554	-
Cost of defined contribution scheme	61,842	-
	<u>2,987,883</u>	<u>-</u>

The average monthly number of employees, including the directors, during the period was 73.

The Group operates a defined contribution pension scheme for the benefit of the employees and the directors. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the financial period amounted to £67,336 and no contributions were outstanding at the period end.

Capitalised employee costs amounted to £Nil in the period.

8. Directors' remuneration

	14 month period ended 31 December 2020 £
Directors' remuneration	<u>238,664</u>

Key management personnel consist only of the directors.

The highest paid director received remuneration of £153,918 during the financial period.

9. Exceptional items

	14 month period ended 31 December 2020 £
Reorganisation costs	<u>326,000</u>

Fortus Group Holdings Limited

Notes to the financial statements

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

10. Interest payable and similar expenses

	14 month period ended 31 December 2020 £
Bank interest payable	292,780
Other loan interest payable	163,555
	<u>456,335</u>

11. Taxation

	14 month period ended 31 December 2020 £
Corporation tax	
Current tax on loss for the period	183,134
Taxation on loss on ordinary activities	<u>183,134</u>

Factors affecting tax charge for the period

The tax assessed for the period is higher than the loss for the period multiplied by the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	14 month period ended 31 December 2020 £
Loss on ordinary activities before tax	<u>(488,102)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19%	(92,739)
Effects of:	
Expenses not deductible for tax purposes	425,071
Differences between depreciation and capital allowances	(19,143)
Utilisation of tax losses acquired	(12,879)
Tax losses carried forward	19,281
Overseas taxation differences	(136,457)
Total tax charge for the period	<u>183,134</u>

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

12. Intangible assets**Group**

	Goodwill £
Cost	
Additions (Note 12)	16,616,677
Exchange adjustments	438,644
At 31 December 2020	<u>17,055,321</u>
Amortisation	
Charge for the period	1,705,532
At 31 December 2020	<u>1,705,532</u>
Net book value	
At 31 December 2020	<u><u>15,349,789</u></u>

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

13. Business combinations

The goodwill is derived from the excess consideration paid over the fair value of the assets acquired and liabilities assumed as part of the acquisition of Fortus Group Ireland Limited and its subsidiaries. The total excess amounted to £16,616,677 at the date of the acquisition.

On 24 December 2019 ("the closing date"), Fortus Group Holdings Limited ("the Group") completed the purchase of 100% of Fortus Group Ireland Limited and its subsidiaries. The total consideration paid on the closing date amounted to £9,797,209. The consideration is comprised entirely of shares issued in Fortus Group Holdings Limited.

Recognised amounts of identifiable assets acquired and liabilities assumed

	Book value £	Fair value £
Fixed Assets		
Tangible	436,635	436,635
	<u>436,635</u>	<u>436,635</u>
Current Assets		
Stocks	5,784,062	5,784,062
Debtors	7,133,620	7,133,620
Cash at bank and in hand	1,295,902	1,295,902
Total Assets	<u>14,650,219</u>	<u>14,650,219</u>
Creditors		
Due within one year	(12,985,937)	(12,985,937)
Due after more than one year	(8,483,750)	(8,483,750)
	<u>(6,819,468)</u>	<u>(6,819,468)</u>
Total identifiable net liabilities		<u>(6,819,468)</u>
Goodwill		<u>16,616,677</u>
Total purchase consideration		<u><u>9,797,209</u></u>

The acquired business contributed total revenues and other income of £35,414,447 and contributed £1,182,731 of profit before taxation to Fortus Group Holdings Limited for the financial period ended 31 December 2020.

Notes to the financial statements

For the period ended 31 December 2020

14. Tangible fixed assets

Group

	Short-term leasehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
Cost						
Acquisition of subsidiaries	233,939	5,716	59,191	80,281	57,508	436,635
Additions	56,178	19,884	49,229	24,403	122,127	271,821
Exchange adjustments	-	538	2,436	3,184	-	6,158
At 31 December 2020	<u>290,117</u>	<u>26,138</u>	<u>110,856</u>	<u>107,868</u>	<u>179,635</u>	<u>714,614</u>
Depreciation						
Charge for the period	33,556	4,802	31,799	51,153	36,281	157,591
Exchange adjustments	-	50	275	470	-	795
At 31 December 2020	<u>33,556</u>	<u>4,852</u>	<u>32,074</u>	<u>51,623</u>	<u>36,281</u>	<u>158,386</u>
Net book value						
At 31 December 2020	<u>256,561</u>	<u>21,286</u>	<u>78,782</u>	<u>56,245</u>	<u>143,354</u>	<u>556,228</u>

Computer equipment with a carrying value of £90,816 is held under finance leases and depreciation of £22,704 was charged on these assets.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

15. Fixed asset investments**Company**

	Investments in subsidiary companies £	Loans to subsidiaries £	Total £
Cost			
Additions	9,797,209	1,815,452	11,612,661
At 31 December 2020	<u>9,797,209</u>	<u>1,815,452</u>	<u>11,612,661</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Fortus Group Ireland Limited	Unit 15, Park West Road, Park West Industrial Park, Dublin 12	A, B, C, E, F and G Ordinary shares	100%
Fortus Ireland Limited*	Unit 15, Park West Road, Park West Industrial Park, Dublin 12	A, B and D Ordinary shares	100%
Fortus England & Wales Limited*	Camfield House, Avenue One, Letchworth Garden City, England, SG6 2WW	A, B, C, D, E, F and G Ordinary shares	100%

* Held indirectly

16. Stocks

	Group 2020 £	Company 2020 £
Goods for resale	<u>5,753,198</u>	<u>-</u>

An impairment loss of £173,494 was recognised in cost of sales against stock during the period.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

17. Debtors: Amounts falling due within one year

	Group 2020 £	Company 2020 £
Trade debtors	8,317,855	-
Other debtors	321,246	-
Corporation tax repayable	64,201	-
Prepayments	171,289	-
Accrued income	161,940	-
Director's loan account (Note 20)	33,844	-
	<u>9,070,375</u>	<u>-</u>

An impairment loss of £Nil was recognised against trade debtors.

18. Cash and cash equivalents

	Group 2020 £	Company 2020 £
Cash at bank and in hand	1,247,747	2,881
Less: bank overdrafts	(6,253,267)	-
	<u>(5,005,520)</u>	<u>2,881</u>

19. Creditors: Amounts falling due within one year

	Group 2020 £	Company 2020 £
Bank overdrafts	6,253,267	-
Bank loans	1,320,781	-
Trade creditors	5,247,383	-
Corporation tax	42,349	-
Other taxation and social security	1,294,934	-
Obligations under finance leases	24,534	-
Other creditors	13,842	-
Accruals	621,386	-
	<u>14,818,476</u>	<u>-</u>

Fortus Group Holdings Limited

Notes to the financial statements

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

19. Creditors: Amounts falling due within one year (continued)

Bank overdrafts are repayable on demand. Bank loans are repayable in line with the appropriate payment dates as specified within the loan agreement including any accrued interest payable.

Trade creditors are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

Obligations under finance leases are payable in instalments as detailed by the initial agreement and inclusive of interest charges.

Corporation tax and other taxation and social security are payable at various dates over the coming months in accordance with applicable statutory provisions.

Other creditors and accruals are payable at various dates over the coming months in accordance with the suppliers' usual and customary credit terms.

	Group 2020 £	Company 2020 £
Other taxation and social security		
PAYE/PRSI/NI	104,984	-
VAT	1,189,950	-
	<u>1,294,934</u>	<u>-</u>

20. Creditors: Amounts falling due after more than one year

	Group 2020 £	Company 2020 £
Bank loans	6,117,369	-
Obligations under finance leases	79,526	-
Other loans	1,815,311	1,815,311
Convertible loans	141	141
	<u>8,012,347</u>	<u>1,815,452</u>

Other loans and convertible loans represent interest bearing loans due to shareholders and other parties and are repayable on 24 December 2024. The convertible loans may be converted into shares by the holders in accordance with the underlying agreement, as explained in Note 23.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

21. Director's loan

	Group 2020 £
Acquisition of subsidiary	35,552
Repayments from director	(1,708)
At 31 December	33,844

22. Loans

Analysis of the maturity of loans is given below:

	Group 2020 £	Company 2020 £
Amounts falling due within one year		
Bank loans	1,320,781	-
Amounts falling due 1-2 years		
Bank loans	1,290,372	-
Amounts falling due 2-5 years		
Bank loans	4,826,997	-
	7,438,150	-

23. Bank security

The Group provided a guarantee to Allied Irish Bank which is secured by a first fixed charge over the non-vesting debts, a first floating charge over all the book debts and all the non-vesting debts to the extent not effectively charged by way of fixed charge under the deed.

The Group provided a guarantee to AIB Commercial Finance Limited which is secured by a fixed and floating charge on book and other debts. The floating charge covers all the property or undertaking of the Group.

The Group provided guarantees to Rockpool (Security Trustee) Limited as a continuing security for the payment or discharge of the secured liabilities by way of a legal mortgage which is further secured by a fixed and floating charge over all of the Group's book debts.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

24. Share capital

	2020 £
Allotted, called up and fully paid	
1,713,640 Ordinary shares of £0.01 each	17,136
1,003,600 A Ordinary shares of £0.01 each	10,036
2,498,964 B Ordinary shares of £0.01 each	24,990
1,013,273 C Ordinary shares of £0.01 each	10,133
57,777 D Ordinary shares of £0.01 each	578
100 E Ordinary shares of £0.01 each	1
10,000 F Ordinary shares of £0.01 each	100
100 G Ordinary shares of £0.01 each	1
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	62,975 <hr/>

The Company issued 1 ordinary share upon incorporation and a further 62,974 shares with premium totalling £9,734,235 were issue during the period.

Shares reserved for issue

The company has entered into a convertible loan note whereby in the event of a sale or listing, and at the election of the noteholders, the loan would be either converted into 14,067 A Ordinary Shares at a rate of £0.01 per share or redeemed by the company at the higher of the redemption price and the nominal amount at par of the convertible unsecured loan note. The redemption price is the amount payable by a purchaser or the placing price in respect of A Ordinary Shares, less £0.01 per share.

The company has also entered into option agreements granting the holders an option to subscribe for any part of the 477,390 A Ordinary option shares at the nominal value of £0.01 each at any time during the option period. The options are exercisable up until they have been fully exercised or the occurrence of an exit event being a listing or a change of control.

Ordinary shares

The shares have attached to them full voting and dividend rights and capital distribution (including on winding up) rights of an equal share of any surplus following the priority payment to any B, A, C and D shareholders; they do not confer any rights of redemption.

A Ordinary Shares

The shares have attached to them full voting and dividend rights and capital distribution (including on winding up) rights of an A share amount following the priority payment to any B Shareholders; they do not confer any rights of redemption.

B Ordinary Shares

The shares have attached to them no voting or dividend rights and priority capital distribution (including on winding up) rights; they do not confer any rights of redemption.

C Ordinary Shares

The shares have attached to them full voting and dividend rights and capital distribution (including on winding up) rights of a C share amount following the priority payment to any B, A and D shareholders; they do not confer any rights of redemption.

D Ordinary Shares

The shares have attached to them full voting and dividend rights and capital distribution (including on winding up) rights of a D share amount following the priority payment to any B and A shareholders; they do not confer any rights of redemption.

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

24. Share capital (continued)**E Ordinary Shares**

The shares have attached to them no voting or dividend rights and capital distribution (including on winding up) rights of an amount following priority payments to the B, A, C and D shareholders; they do not confer any rights of redemption.

F Ordinary Shares

The shares have attached to them no voting or dividend rights and capital distribution (including on winding up) rights of an equal amount of any surplus following the priority payments to the B, A, C and D shareholders; they do not confer any rights of redemption.

G Ordinary Shares

The shares have attached to them no voting or dividend rights and capital distribution (including on winding up) rights of an equal amount of any surplus following the priority payments to the B, A, C and D shareholders; they do not confer any rights of redemption.

25. Reserves**Share Capital**

The called up share capital represents the nominal value of shares that have been issued.

Share Premium

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Foreign exchange reserve

Comprises translation differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

Profit and loss account

Includes all current period retained losses.

26. Leasing commitments

At 31 December 2020 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £
Land & buildings	
Not later than 1 year	59,434
Later than 1 year and not later than 5 years	193,159
Later than 5 years	-
	<hr/> 252,593 <hr/>

Fortus Group Holdings Limited**Notes to the financial statements**

For the period from the date of incorporation on 1 November 2019 to 31 December 2020

26. Leasing commitments (continued)

	Group 2020 £
Vehicles & software	
Not later than 1 year	17,754
Later than 1 year and not later than 5 years	11,598
	<hr/> 29,352 <hr/>

The group's future minimum finance lease payments are as follows:

	Group 2020 £
Computer equipment	
Within one year	24,534
Between 1-5 years	79,526
	<hr/> 104,060 <hr/>

27. Post statement of financial position events

Apart from the ongoing COVID-19 crisis and the associated impact of government restrictions imposed, there has been no other significant events affecting the Group since the period end.

28. Controlling party

The company is controlled by Brian Honan through his direct and indirect holdings in the company.