

Laser Bidco Limited

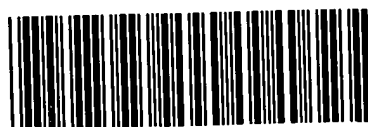
Annual Report and Financial Statements

Year Ended

31 December 2022

Company Number 13234624

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COMPANIES HOUSE

Laser Bidco Limited

Company Information

Directors J Jansen-Alder
D S O'Brien
G C Plumer

Registered number 13234624

Registered office Jubilee House
Third Avenue
Globe Park
Marlow
SL7 1EY

Independent auditor BDO LLP
55 Baker Street
London
W1U 7EU

Laser Bidco Limited

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Laser Bidco Limited

Strategic Report For the Year Ended 31 December 2022

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2022. The comparative information is for the period from date of incorporation on 1 March 2021 to 31 December 2021.

Principal activity

The principal activity of the Company in the year under audit was that of an intermediate holding company for the Laser Group of companies ("the Group"), which provide a range of commercialisation services that includes medical communications, healthcare marketing, market access and digital services.

Business review

The Company was established to flow funds through the Group in order to facilitate the purchase of the investments within the Laser Topco Group. The sole purpose of the entity is to manage the loans between companies within the Group.

The Company's loans performed well in the year. The loan to a subsidiary company performed suitably well to be able to meet the interest burden, which allowed the business to cover all costs of interest on loans provided to it by its parent company.

The directors are satisfied that the loans made to subsidiary are performing in line with expectations and therefore there is no requirement to make any impairment or provision against the balances.

Going concern

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

The directors have reviewed the Company's going concern position considering its current business activities, budgeted performance and factors likely to affect its future performance.

Based on the information contained within the accounts and including specific consideration with the risks associated with increased inflation and the ongoing impact of Covid, the directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

At 31 December 2022, the Company had net current assets, including debtors falling due after more than one year, of £42.9m (2021 restated - £30.3m) and net liabilities of £6.2m (2021 restated - £4.0m) and generated net loss of £2.2m (2021 - £4.0m) for the year then ended.

The Company is part of the large group headed up by Laser Topco Limited.

The Group has recognised a statutory EBITDA of £10.4m (2021 - £8.3m) for the year ended 31 December 2022 and, as at that date, current assets exceed current liabilities by £15.3m (2021 - £13.4m) and the Group had cash resources of £10.4m (2021 - £12.1m).

In addition to the above, the directors believe that the Group will be able to meet the repayment terms of its bank and other loans as disclosed in Note 14. The directors believe that the covenants around the bank and other loans will be met, with no anticipated breaches of any covenant conditions.

The directors have carried out a rigorous group stress test modelling a plausible but severe scenario in order to consider a reduction in performance and earnings before cash would be constrained, along with the likelihood of such a scenario occurring. Although the scenario is remote with confirmed booked revenue for FY23, the directors considered additional potential mitigating actions. With a modelled decline in revenue, the directors would be able to mitigate costs, mainly driven by the reduction in expansion of staff on payroll and a reduced need for freelancer work, in order to stay within the covenant terms. This scenario is considered remote. After undergoing this exercise, the directors have a reasonable expectation that the Group will have adequate resources to continue in operation for at least 12 month from the signing date of these financial statements.

Laser Bidco Limited

Strategic Report (continued) For the Year Ended 31 December 2022

Going concern (continued)

As is typical for the sector, most purchase orders covering FY23 revenues would not be expected to be received until part way through the year, however the FY23 full-year revenue forecast as at July 2023 was 88% covered for the Shoo 802AA group and 87% covered for DiD Agency LLC which is supportive of the delivery of FY23 revenues. In both cases these values represent the proportion of the full years revenue that has been booked and confirmed by customers as at the end of July 2023.

After reviewing the Group's forecast and projections, the directors consider that the Company has access to sufficient funding to meet its financial obligations as they fall due. As a result, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Financial key performance indicators

As an intermediate holding company of Laser Group of companies, the directors do not review the performance in isolation, but together with the results of the Group. For the review of the results of the Group and relevant key performance indicators see consolidated accounts of Laser Topco Limited, which are available from Companies House.

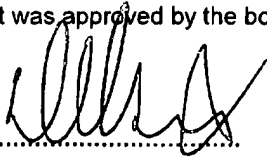
Principal risks and uncertainties

The Company has minimum exposure in terms of price risk, credit risk and cash flow risk. As the Company has overseas subsidiaries and bills a material proportion of the Group sales in EUR and USD, there is some exposure to the effects of fluctuations in foreign exchange rates. This exposure has been hedged by denominating the loans for the purchase of the US entities in USD, so to create a natural hedge for exchange rate movements.

The management and directors monitor cashflow closely and take steps to ensure that appropriate funding is in place and that sufficient headroom exists to manage the day to day business. The directors monitor the requirements against funding arrangements and ensure that covenants in place are not breached.

The directors monitor the exposure to interest rate risk, following the introduction of long term external borrowings during the year. As a consequence of this, on behalf of the Group, the Company has entered into an Interest Rate Cap from June 2022 to June 2024

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



.....
D S O'Brien
Director

Date:

18/9/23

Laser Bidco Limited

Directors' Report For the Year Ended 31 December 2022

The directors present their report together with the audited financial statements for the year ended 31 December 2022. The comparative information is for the period from date of incorporation on 1 March 2021 to 31 December 2021.

Results and dividends

The loss for the year, after taxation, amounted to £2,200k (period ended 31 December 2021 - loss £3,963k).

The Company declared and paid dividends of £Nil during the year (period ended 31 December 2021 - £Nil).

Directors

The directors who served during the year were:

J Jansen-Alder
D S O'Brien
T M Skelton (resigned 27 May 2022)
G C Plumer (appointed 28 July 2022)

Directors' responsibilities statement

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 Company and of the profit or loss of the Company for that period.

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

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

The directors are 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.

Going concern

For further information on going concern, see note 2.3 of the financial statements.

Laser Bidco Limited

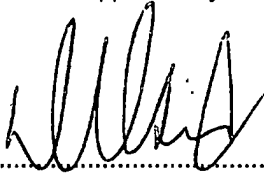
Directors' Report (continued) For the Year Ended 31 December 2022

Disclosure of information to auditor

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

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

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



.....
D S O'Brien
Director

Date:

18/9/23

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LASER BIDCO LIMITED

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Laser Bidco Limited ("the Company") for the year ended 31 December 2022 which comprise Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. 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.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of Directors

As explained more fully in the Responsibilities of directors, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives 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 our 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.

Extent to which the audit was 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of legal and regulatory frameworks that are applicable to the Company. We determined that the most significant which are directly related to special assertions in the financial statements are those relating to report framework: United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006. We have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and determined that principal risks relating to management override of controls, posting journal entries to increase revenue or profits and management bias in accounting estimates.

In order to address the identified risk, we have performed the following procedures:

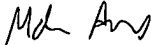
- We gained an understanding of how the Company is complying with reporting requirements by making enquiries of management. We corroborated our enquiries through our review of board minutes and review of any regulatory correspondence.
- We have considered the processes and controls that the Company has established to address risks identified, or that otherwise prevent, detect and deter fraud and how management monitors that processes and controls.
- We designed our audit procedures to detect irregularities, including fraud. Other procedures include target testing or specific journal entries based on identified characteristics the audit team considered could be indicative of fraud, for example credit entries to revenue without a corresponding entry to trade debtor, cash, accrued income, or deferred income as well as focus on large and unusual transactions based on our knowledge of the business.
- We have performed testing of the financial statement disclosures to supporting documentation, performing substantive testing on account balances which were considered to be a greater risk of susceptibility to fraud. A particular focus was percentage of completion of projects at the year end. Our work included an assessment on the appropriateness of the judgements made in making accounting estimates and if those are indicative of a potential bias.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.

DocuSigned by:

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Mark Ayres (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
United Kingdom
Date: 18 September 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Laser Bidco Limited

Statement of Comprehensive Income For the Year Ended 31 December 2022

		Year ended 31 December 2022 £000	10 month Period ended 31 December 2021 £000
	Note		
Administrative expenses		(2,656)	(1,354)
Other operating income	4	5,495	1,726
Fair value movements		689	-
Operating profit	5	3,528	372
Interest receivable and similar income	7	3,085	2,060
Interest payable and similar expenses	8	(8,813)	(6,395)
Loss before tax		(2,200)	(3,963)
Taxation	9	-	-
Loss and total comprehensive loss for the financial year / period		(2,200)	(3,963)

All amounts relate to continuing activities.

There was no other comprehensive income for 2022 (period ended 31 December 2021 - £Nil).

The notes on pages 12 to 24 form part of these financial statements.

Laser Bidco Limited
Registered number: 13234624

Statement of Financial Position
As at 31 December 2022

	Note	2022 £000	As restated 2021 £000
Fixed assets			
Investments	10	56,783	56,783
Current assets			
Debtors: amounts falling due after more than one year	11	39,598	29,753
Debtors: amounts falling due within one year	11	5,808	3,203
Cash and cash equivalents		2,260	1,488
Current liabilities		47,666	34,444
Creditors: amounts falling due within one year	12	(4,727)	(4,125)
Net current assets		42,939	30,319
Total assets less current liabilities		99,722	87,102
Creditors: amounts falling due after more than one year	13	(105,885)	(91,065)
Net liabilities		(6,163)	(3,963)
Capital and reserves			
Share capital	15	-	-
Retained earnings	16	(6,163)	(3,963)
Total equity		(6,163)	(3,963)

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


.....
D S O'Brien
Director

Date:

18/9/23

The notes on pages 12 to 24 form part of these financial statements.

Laser Bidco Limited

Statement of Changes in Equity For the Year Ended 31 December 2022

	Share capital £000	Retained earnings £000	Total equity £000
At 1 January 2022	-	(3,963)	(3,963)
Comprehensive loss for the year			
Loss for the year	-	(2,200)	(2,200)
At 31 December 2022	-	(6,163)	(6,163)

Statement of Changes in Equity For the Period Ended 31 December 2021

	Share capital £000	Retained earnings £000	Total equity £000
At 1 March 2021	-	-	-
Comprehensive loss for the period			
Loss for the period	-	(3,963)	(3,963)
Contributions by owners			
Shares issued during the period	-	-	-
At 31 December 2021	-	(3,963)	(3,963)

The notes on pages 12 to 24 form part of these financial statements.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. General information

Laser Bidco Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the Company's operations and its principal activity is set out in the strategic 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The Company has taken advantage of the exemption conferred by S400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the consolidated accounts of a larger group, Laser Topco Limited.

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest £000.

The following principal accounting policies have been applied:

2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Laser Topco Limited as at 31 December 2022 and these financial statements may be obtained from Companies House.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.3 Going concern

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

The directors have reviewed the Company's going concern position considering its current business activities, budgeted performance and factors likely to affect its future performance.

Based on the information contained within the accounts and including specific consideration with the risks associated with increased inflation and the ongoing impact of Covid, the directors have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

At 31 December 2022, the Company had net current assets, including debtors falling due after more than one year, of £42.9m (2021 restated - £30.3m) and net liabilities of £6.2m (2021 restated - £4.0m) and generated net loss of £2.2m (2021 - £4.0m) for the year then ended.

The Company is part of the large group headed up by Laser Topco Limited.

The Group has recognised a statutory EBITDA of £10.4m (2021 - £8.3m) for the year ended 31 December 2022 and, as at that date, current assets exceed current liabilities by £15.3m (2021 - £13.4m) and the Group had cash resources of £10.4m (2021 - £12.1m).

In addition to the above, the directors believe that the Group will be able to meet the repayment terms of its bank and other loans as disclosed in Note 14. The directors believe that the covenants around the bank and other loans will be met, with no anticipated breaches of any covenant conditions.

The directors have carried out a rigorous group stress test modelling a plausible but severe scenario in order to consider a reduction in performance and earnings before cash would be constrained, along with the likelihood of such a scenario occurring. Although the scenario is remote with confirmed booked revenue for FY23, the directors considered additional potential mitigating actions. With a modelled decline in revenue, the directors would be able to mitigate costs, mainly driven by the reduction in expansion of staff on payroll and a reduced need for freelancer work, in order to stay within the covenant terms. This scenario is considered remote. After undergoing this exercise, the directors have a reasonable expectation that the Group will have adequate resources to continue in operation for at least 12 month from the signing date of these financial statements.

As is typical for the sector, most purchase orders covering FY23 revenues would not be expected to be received until part way through the year, however the FY23 full-year revenue forecast as at July 2023 was 88% covered for the Shoo 802AA group and 87% covered for DiD Agency LLC which is supportive of the delivery of FY23 revenues. In both cases these values represent the proportion of the full years revenue that has been booked and confirmed by customers as at the end of July 2023.

After reviewing the Group's forecast and projections, the directors consider that the Company has access to sufficient funding to meet its final obligations as they fall due. As a result, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.4 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.

At each year 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 year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of comprehensive income.

2.5 Interest receivable

Interest receivable is recognised in the statement of comprehensive income using the effective interest method.

2.6 Interest payable

Interest payable is charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.7 Taxation

Tax is recognised in 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 operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting 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; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

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.

2.8 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.9 Debtors

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

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 3 months.

2.11 Creditors

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

2.12 Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the Company will not be able to collect all amounts due.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

2. Accounting policies (continued)

2.12 Financial instruments (continued)

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank which are an integral part of the Company's cash management.

Financial liabilities and equity instruments issued by the Company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Derivatives, including interest rate swaps, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. Changes in the fair value of derivatives are recognised in the Statement of Comprehensive Income within Interest receivable and similar income.

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

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgements that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the statement of financial position date and the reported amounts of revenues and expenses during the reporting period.

In preparing these financial statements, the directors have had to make the following judgements:

- Determine whether there are indicators of impairment of the Company's investments. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determining whether there are indicators of impairment of amounts owed by group undertakings and whether provisions are required to amounts owed by group undertakings, based on the ability of the fellow subsidiary to generate profits and cash.

4. Other operating income

	Year ended 31 December 2022 £000	10 month Period ended 31 December 2021 £000
Management recharges	5,495	1,726

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

5. Operating profit

The operating profit is stated after charging:

	Year ended 31 December 2022 £000	10 month Period ended 31 December 2021 £000
Exchange differences	1,247	675

All fees payable to the Company's auditor for the audit of the Company's annual financial statements are borne by another group company.

6. Employees

The Company has no employees other than the directors (period ended 31 December 2021 - Nil). All directors' remuneration was borne by another group company.

7. Interest receivable and similar income

	Year ended 31 December 2022 £000	10 month Period ended 31 December 2021 £000
Interest receivable from group companies	3,085	2,060

8. Interest payable and similar expenses

	Year ended 31 December 2022 £000	10 month Period ended 31 December 2021 £000
Bank interest payable	1,349	564
Other loan interest payable	124	585
Interest payable to group companies	7,143	5,117
Amortisation on capitalised debt issue costs	197	129
	8,813	6,395

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

9. Taxation

	Year ended 31 December 2022 £000	10 month Period ended 31 December 2021 £000
Corporation tax		
Current tax on loss for the year/period	-	-
Total current tax	-	-

Factors affecting tax charge for the year/period

The tax assessed for the year is higher than (period ended 31 December 2021 - higher than) the standard rate of corporation tax in the UK of 19% (period ended 31 December 2021 - 19%). The differences are explained below:

	Year ended 31 December 2022 £000	10 month Period ended 31 December 2021 £000
Loss on ordinary activities before tax	(2,200)	(3,963)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (period ended 31 December 2021 - 19%)	(418)	(753)
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	128
Expenses not deductible for tax purposes	156	-
Group relief surrendered	262	625
Total tax charge for the year/period	-	-

Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. This will impact the Company's future tax charge accordingly.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

10. Fixed asset investments

	Investments in subsidiary companies £000
Cost	
At 1 January 2022	56,783
At 31 December 2022	<u>56,783</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Shoo 802AA Limited	Holding company	Ordinary	100%
Shoo 803AA Limited*	Holding company	Ordinary	100%
Lucid Group Communications Limited*	Holding company	Ordinary	100%
Healthcare 21 (Holdings) Limited*	Holding company	Ordinary	100%
Blue Dog Holdings Limited*	Holding company	Ordinary	100%
Lucid Partners Limited*	Consultancy services	Ordinary	100%
Leading Edge Medical Education Limited*	Consultancy services	Ordinary	100%
Vivid Medcomms Limited*	Consultancy services	Ordinary	100%
Lucid Group Communication Inc*	Consultancy services	Ordinary	100%
Blue Dog Design Limited*	Consultancy services	Ordinary	100%
DiD Agency LLC*	Consultancy services	Ordinary	100%
Leading Edge US LLC*	Consultancy services	Ordinary	100%
Lighthouse Medical Communications US LLC *	Consultancy services	Ordinary	100%
Healthcare 21 Communications Singapore Private Limited*	Consultancy services	Ordinary	100%
Healthcare 21 Communication Limited*	Consultancy services	Ordinary	100%
Hexagon Communications 21 Limited*	Dormant	Ordinary	100%
Medical Education Grants Limited*	Dormant	Ordinary	100%
Bank Source Limited*	Dormant	Ordinary	100%
Synetic Life Sciences Limited*	Consultancy services	Ordinary	100%
Synetic Life Sciences LLC*	Consultancy services	Ordinary	100%

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

10. Fixed asset investments (continued)

*Held indirectly

The registered office of Lighthouse Medical Communications US LLC and Lucid Group Communication Inc is 1740 Broadway, 3rd Floor, New York, NY 10019.

The registered office of Leading Edge US LLC is 11 Park Place, 3rd Floor, New York, NY 10007.

The registered office of Synetic Life Sciences LLC is 919 N.Market St, Suite 725, Wilmington, Delaware, 19801, United States.

The registered office of DiD Agency LLC is 30 South 15th Street, Fourth Floor, Suite 1300, Philadelphia, PA 19102.

The registered office of Healthcare 21 Communications Singapore Private Limited is 50 Raffles Place, #32-01, Singapore Land Tower, Singapore.

The registered office of the remaining subsidiary undertakings is Jubilee House Third Avenue, Globe Park, Marlow, SL7 1EY.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

11. Debtors

	2022 £000	2021 £000
Due after more than one year		
Amounts owed by group undertakings	38,909	29,753
Derivative financial instrument	689	-
	<u>39,598</u>	<u>29,753</u>

Included in amount owed by group undertakings are the intercompany loans due from Shoo 802AA Limited. Loan with a nominal value of £18,612k incurs an interest at the rate of 10% per annum and is repayable in full on 5 March 2031. Loan with a nominal value of \$12,258k incurs an interest at the rate of 10% per annum and is repayable in full on 2 June 2031. Loan with a nominal value of £4,969k incurs an interest at the rate of 10% per annum and is repayable in full the later of 16 December 2023 or the date of exit. Within the balance there is accrued interest of £5,145k (2021 - £2,060k). All loans are unsecured.

Derivative financial instrument comprises an interest rate cap mitigating foreign exchange exposures on the group's foreign denominated bank loan. The agreement was entered into with HSBC Bank Plc with a notional value of \$45,000k. The interest rate cap covers the period from June 2022 to the termination date on June 2024. The cap strike rate is set at 3.50% up until the termination date. A premium of £193k has been charged to facilitate the transaction with a fair value gain of £689k arising in the year.

	2022 £000	2021 £000
Due within one year		
Amounts owed by group undertakings	5,556	3,203
Other debtors	112	-
Prepayments and accrued income	140	-
	<u>5,808</u>	<u>3,203</u>

Amounts owed by group undertakings are interest free and repayable on demand.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

12. Creditors: amounts falling due within one year

	2022	As restated 2021
	£000	£000
Bank loans (note 14)	1,500	-
Trade creditors	151	196
Amounts owed to group undertakings	727	1,546
Other creditors	1,111	1,172
Accruals	119	92
Deferred consideration	1,119	1,119
	<u>4,727</u>	<u>4,125</u>

Amounts owed to group undertakings are interest free and repayable on demand.

The deferred consideration is held on the purchase of the Shoo 802AA group and will be paid to shareholders subject to future performance of the investment.

13. Creditors: amounts falling due after more than one year

	2022	As restated 2021
	£000	£000
Bank loans (note 14)	22,529	19,850
Amounts owed to group undertakings	83,356	71,215
	<u>105,885</u>	<u>91,065</u>

Included in amount owed to group undertakings is the intercompany loan due to Laser Midco Limited. Loan with a nominal value of £51,682k incurs an interest at the rate of 10% per annum and is repayable in full in March 2031. Loans with a nominal value of \$3,388k and £12,013k incur an interest at the rate of 10% per annum and are repayable in full on 2 June 2031. Loan with a nominal value of £4,996k incurs an interest at the rate of 10% per annum and is repayable in full the later of 16 December 2023 or the date of exit. Within the balance there is accrued interest of £12,260k (2021 - £5,117k). All loans are unsecured.

See note 14 for more information in respect of the bank loans.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

14. Loans

Analysis of loans held by the Company are shown net of capitalised debt costs below:

	2022 £000	2021 £000
Bank loans	1,500	-
	<u>1,500</u>	<u>-</u>
Amounts falling due after more than 5 years		
Bank loans	22,529	19,850
	<u>22,529</u>	<u>19,850</u>

On 2 June 2021, the Company drew down an external senior bank debt of \$27,607k from HSBC UK Bank Plc and Siemens Bank GmbH. Interest is charged at base rate plus margin of 4.5% per annum. The bank loans are held net of amortised debt costs of £553k which are amortised over the first 6 years of the debt. Within the balance there is accrued interest of £149k. The loans are repayable in full on 2 June 2027 and are secured on the trade and assets of the Group.

On 19 December 2022, the company drew down a loan from HSBC UK Bank Plc with a nominal value of £1,500k. This loan is unsecured, incurs an interest at the rate of 7.4119% per annum and full payment was made on 20 January 2023.

15. Share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
1 (2021 - 1) Ordinary share of £0.01	-	-
	<u>-</u>	<u>-</u>

16. Reserves

The Company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Retained earnings

Retained earnings represent cumulative profits or losses net of dividends paid and other adjustments.

Laser Bidco Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

17. Prior year adjustment

The Company has identified a misstatement regarding the disclosure of intercompany loans in the prior period.

A significant portion of these intercompany loans were incorrectly classified within current liabilities in error, as a result there is an understatement across non-current liabilities within Laser Bidco Limited disclosures.

This error has been corrected in the results presented as at 31 December 2021 and leads to the following adjustments:

- Increase in non-current creditors of £8,488k (previously stated at £82,577k)
- Decrease in current creditors of £8,488k (previously stated at £12,613k)

This adjustment has no impact on the profit and loss or net assets of the Company.

18. Contingent liabilities

All assets of Laser Bidco Limited have been pledged as a security for a group loan held by Laser Bidco Limited and Lucid Group Communications Inc, subsidiaries of Laser Topco Limited. At 31 December 2022 the Group bank loan was £50,081k (2021 - £42,911k).

19. Related party transactions

The Company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the Group.

20. Ultimate parent and controlling party

The immediate parent company is Laser Midco Limited and the ultimate parent company is Laser Topco Limited.

Laser Topco Limited is the smallest and largest group of which the Company is a member and for which consolidated financial statements are prepared. Copies of the consolidated financial statements of Laser Topco Limited are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

The ultimate controlling party is ICG Europe Mid Market Fund SF No1 SCSp.