

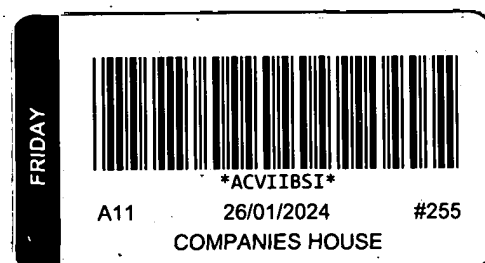
Aion Bidco Limited

Annual Report and Financial Statements

Period Ended

30 June 2023

Company Number 13850199



Aion Bidco Limited

Company Information

Directors	Dr M. Murphy
Company secretary	Mr A. Mitchell
Registered number	13850199
Registered office	4 Stirling House Stirling Road Surrey Research Park Guildford Surrey GU2 7RF
Independent auditor	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

Aion Bidco Limited

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Aion Bidco Limited

Group Strategic Report For the Period Ended 30 June 2023

The directors present the strategic report and financial statements for the period ended 30 June 2023.

Incorporation

The company was incorporated in the United Kingdom on 14 January 2022 with the registered company number 13850199. During April 2022, Aion Bidco Limited acquired Actica Holdings Limited group.

Principal activities

The principal activities of the company are the provision of management and technical services in support of Digital Transformation. This includes architectures development and assurance, agile transformation and delivery support, cloud consultancy, cyber security and digital trust, data analytics and business intelligence, procurement support, portfolio, programme and project management and strategy, design and delivery services.

Fair review of the business

The company had a successful period. Our commitment to achieving client success on every assignment ensured we retained high levels of customer satisfaction. Our investment in capability development ensured our service remained relevant to our clients and therefore in strong demand.

Underlying trading operations (on an annual like for like basis) have increased over overall revenue by approximately 34% and the revenue generated by our employees by approximately 27%. Operating profit on a like for like basis increased by approximately 49%.

Future developments

The company continues to make good progress in delivering against its growth strategy. During the period we succeeded in both:

- growing our business within our core public sector client base (central and local government, emergency services and non-departmental public bodies); and
- making significant progress in the development of our business in adjacent markets (finance, utilities and health).

We maintained our presence on key public sector framework contracts and won new frameworks that facilitate customer access to our newer service offerings (e.g., AI). We have maintained and developed our relationships with suitable partners (e.g., system Integrators). We have grown our resource pool by recruiting and retaining excellent consultants and architects, providing them with challenging work and supporting them with opportunities for learning and development. We have also maintained our pool of associates providing complimentary skills and surge capacity.

The outlook continues to look favourable. There are significant opportunities within our current client base. Demand remains strong for our services and our sales pipeline looks healthy.

The management team remain focused on continuing to grow a robust profitable business, prioritising the delivery of high-quality services that meet or exceed our clients' expectations.

Aion Bidco Limited

Group Strategic Report (continued) For the Period Ended 30 June 2023

Key performance indicators

The Key Performance Indicators used to monitor Group performance are associated with turnover, EBITDA, profit margin, staff utilisation and achieved charge-out rates. Turnover and EBITDA are detailed in the table below for the Group.

KPI	2023
Turnover	£47,326,230
EBITDA	£14,451,242
EBITDA %	31%

* EBITDA is calculated as earnings before interest, tax, depreciation and amortisation.

Principal risks and uncertainties

Risks are monitored regularly by the Board. The principal risks faced by the business together with how management mitigates these risks are set out below:

Operational risk

This is managed and mitigated through the maintenance of appropriate systems, processes and controls, and training of staff. Operational risk is further mitigated by public liability insurance.

Reputational risk

A robust project management structure ensures full transparency and communication with clients to ensure projects are managed and completed to the expected standard and within the given timescales.

Price Risk

A robust bidding process ensures that projects are priced appropriately for the scope of delivery. Whilst the market continues to be price sensitive, our deep technical expertise and commitment to quality delivery ensures that we are the consultant of choice for our clients.

Credit Risk

This is managed with robust credit control procedures rigorously enforced. At the centre of these procedures is regular informal and formal dialogue with both our clients and our internal account holders to ensure potential problems are managed proactively.

Liquidity Risk

Cash forecasts are produced monthly and cash balances and flows are managed on a daily basis to monitor liquidity, ensure our interest payable commitments are met and there are sufficient funds available for unforeseen requirements.

Going Concern

The ultimate Parent Company, Aion Topco Limited and its subsidiaries (the Group), for which this company is a wholly owned subsidiary, are funded by bank loans of £17m and shareholder loan notes of £61m. The bank loans and loan notes are due for repayment on 31 March 2029. In addition, the Group has access to a working capital facility of £1.5m until 30 September 2028, as at the period-end none of this had been drawn.

The bank loans and revolving facility are subject to quarterly financial covenant tests. If the Group does not comply with the covenants, then the lenders would have the right, but would not be obliged, to demand immediate repayment of all amounts owed.

Aion Bidco Limited

Group Strategic Report (continued) For the Period Ended 30 June 2023

Going Concern (continued)

The Directors have reviewed the Group's forecasts and projections, including assumptions regarding sales, gross margins, cost levels and the associated cash flows generated, taking into account current market conditions and recent trading. In carrying out this assessment for the next 12 months, the Directors have identified actions that can be taken if trading varies from forecast and as a result are satisfied that the Group can operate within its covenants.

Based on their forecasts and analysis as set out above, the Directors are satisfied that the Group and Company will be able to operate within the level of its facilities and comply with its covenants for a period of at least 12 months from the signing of these financial statements. The Group therefore continues to adopt the going concern basis of accounting in preparing the annual financial statements.

Environmental policies

We remain committed to minimising the company's impact on the environment. We do this through setting objectives and targets to continually improve our environmental performance; providing training and communications to raise awareness and understanding of environmental issues, and to show their impact on the business; ensuring that all decisions regarding working practices and purchasing take environmental considerations into account; minimizing and monitoring our usage of resources and consumables; purchasing recycled or long-life products, and ensuring the use of public transport when practical is the norm and avoiding air travel.

Section 172 Statement

From 1 January 2019 legislation was introduced requiring companies to include a statement pursuant to section 172 of the Companies Act 2006.

The Board of control recognises the importance of the Group's wider stakeholders' interests when performing their duties under section 172(1) of the Companies Act and their duties to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the Group's employees;
- The need to foster the Group's business relationships with suppliers, customers, and others;
- The impact of the Group's operations on the community and the environment;
- The desirability of the Group maintaining a reputation for high standards of business conduct; and
- The need to act fairly between members of the Group.

The Board considers that all their decisions are taken with the long term in mind, understanding that these decisions need to regard the interests of the Group's employees, its relationships with suppliers, customers, the communities, and the environment in which it operates.

Other information and explanations

In summary, the Directors remain optimistic about future growth opportunities and the Company continues to pursue increasing targets for revenue and profit. On behalf of the board, I would like to thank all our employees for their effort during the past period.

This report was approved by the board on 19 December 2023 and signed on its behalf.



Mike Murphy (Dec 19, 2023, 3:32pm)

Dr M. Murphy

Director

Aion Bidco Limited

Directors' Report For the Period Ended 30 June 2023

The director presents their report together with the audited financial statements for the period ended 30 June 2023.

Principal activity

The principal activities of the Company have been disclosed within the Strategic Report, being that of a holding company for its 100% subsidiary, Actica Holdings Limited.

Business review

A review of the business and its principal risks and uncertainties is set out in the strategic report on pages 1 to 3 of these financial statements.

Results and dividends

The results for the period are set out on page 11.

There were no dividends declared or paid.

Directors

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

Ms E. Flin (Appointed 14 January 2022, resigned 1 April 2022)

Mr J. Morgan (Appointed 14 January 2022, resigned 1 April 2022)

Dr M. Murphy (Appointed 1 April 2022)

Energy and carbon report

As the Group and company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Post statement of financial position events

No significant events of note occurred after the period end date.

Matters covered in the group strategic report

The group has chosen in accordance with Section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 to set out within the Group's Strategic Report the Group's Strategic Report Information required by Schedule 7 of the Large and Medium sized companies and groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

Auditor

The auditor, BDO LLP, who were appointed during the period, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Aion Bidco Limited

Directors' Report (continued) For the Period Ended 30 June 2023

Statement of disclosure 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 Director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware; and
- the 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 and the Group's auditor is aware of that information.

This report was approved by the board on 19 December 2023 and signed on its behalf.



Mike Murphy (Dec 19, 2023, 3:32pm)

Dr M. Murphy
Director

Aion Bidco Limited

Statement of Directors Responsibilities For the Period Ended 30 June 2023

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 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 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 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

Aion Bidco Limited

Independent Auditor's Report to the Members of Aion Bidco Limited

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2023 and of the Group's loss for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Aion Bidco Limited ("the Parent Company") and its subsidiaries ("the Group") for the period ended 30 June 2023 which comprise the consolidated statement of comprehensive income, consolidated and company statement of financial position, consolidated and company 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 Group and the Parent 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 Group or Parent 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.

Aion Bidco Limited

Independent Auditor's Report to the Members of Aion Bidco Limited (continued)

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' 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 period 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 Group and the Parent 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 by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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 Statement of Directors Responsibilities, 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.

Aion Bidco Limited

Independent Auditor's Report to the Members of Aion Bidco Limited (continued)

In preparing the financial statements, the Directors are responsible for assessing the Group's and the Parent 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 Group or the Parent 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the industry in which it operates;
- Discussion with management and those charged with governance;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations;

we considered the significant laws and regulations to be [the applicable accounting framework, UK tax legislation and Global Data Protection Rules (GDPR)].

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be health and safety legislation, anti-bribery laws and GDPR.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;

Aion Bidco Limited

Independent Auditor's Report to the Members of Aion Bidco Limited (continued)

- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be inappropriate journal entries relating to revenue recognition and exertion of bias in accounting estimates and key judgements.

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the people, which met a defined risk criteria, by agreeing to supporting documentation;
- We have reviewed and assessed the appropriateness of management estimates and exercised professional scepticism in considering the impact of those estimates in the financial statements.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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 Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

James Newman

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James Newman (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton, UK
Date: 19 December 2023

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

Aion Bidco Limited

Consolidated Statement of Comprehensive Income For the Period Ended 30 June 2023


	Note	Period ended 30 June 2023 £
Turnover	3	47,326,230
Cost of sales		(31,030,196)
Gross profit		16,296,034
Administrative expenses	4	(3,739,915)
Other operating income	7	1,895,123
EBITDA		14,451,242
Depreciation	13	(56,694)
Amortisation	12	(9,323,669)
Operating profit		5,070,879
Interest receivable and similar income	9	36,978
Interest payable and similar charges	10	(10,091,562)
Loss before taxation		(4,983,705)
Taxation	11	(1,944,598)
Loss for the financial period		(6,928,304)
Other comprehensive income/(loss) for the period		-
Tax on OCI items		-
Total comprehensive loss for the period		(6,928,304)
(Loss) for the period attributable to:		
Owners of the parent company		<u>(6,928,304)</u>

Aion Bidco Limited

Consolidated Statement of Financial Position As at 30 June 2023

	Note	2023 £	2023 £
Fixed assets			
Intangible assets	12		64,865,685
Tangible assets	13		<u>63,634</u>
			64,929,319
Current assets			
Debtors	15	16,136,460	
Cash at bank		<u>7,404,367</u>	
		23,540,827	
Creditors: amounts falling due within one year	19	<u>(78,419,996)</u>	
Net current liabilities			<u>(54,879,170)</u>
Total assets less current liabilities			10,050,149
Creditors: amounts falling due after more than one year	20		(16,977,699)
Net liabilities			<u>(6,927,550)</u>
Capital and reserves			
Called up share capital	23		754
Share premium account			
Profit and loss account			(6,928,304)
Total equity			<u>(6,927,550)</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 December 2023.


 Dr M. Murphy (Dec 19, 2023, 3:32pm)
 Director

The notes on pages 17 to 41 form part of these financial statements.

Aion Bidco Limited

Company Statement of Financial Position As at 30 June 2023

	Note	2023 £	2023 £
Fixed assets			
Investments	14		80,998,053
Current assets			
Debtors	15	1,940,956	
Cash at bank		490	
		1,941,446	
Creditors: amounts falling due within one year	19	(75,547,325)	
Net current liabilities			<u>(73,605,879)</u>
Total assets less current liabilities			7,392,174
Creditors: amounts falling due after more than one year			(16,977,699)
Net liabilities			<u>(9,585,525)</u>
Capital and reserves			
Called up share capital	23		754
Share premium account			
Profit and loss account			(9,586,279)
Total equity			<u>(9,585,525)</u>

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 loss after tax of the parent company for the period was £9,586,279.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 19 December 2023



Mike Murphy (Dec 19, 2023, 3:32pm)

Dr M. Murphy

Director

The notes on pages 17 to 41 form part of these financial statements.

Aion Bidco Limited

Consolidated Statement of Changes in Equity For the Period Ended 30 June 2023

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
On incorporation	-	-	-	-
Shares issued	754	-	-	754
Loss for the period	-	-	(6,928,304)	(6,928,304)
Balance at 30 June 2023	<u>754</u>	<u>-</u>	<u>(6,928,304)</u>	<u>(6,927,550)</u>

The notes on pages 17 to 41 form part of these financial statements.

Aion Bidco Limited

Company Statement of Changes in Equity For the Period Ended 30 June 2023

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
On incorporation	-	-	-	-
Shares issued	754	-	-	754
Loss for the period	-	-	(9,586,279)	(9,586,279)
Balance at 30 June 2023	<u>754</u>	<u>-</u>	<u>(9,586,279)</u>	<u>(9,585,525)</u>

Reserves

- Called up share capital: Represents the nominal value of the shares issued;
- Share premium account: Represents the consideration paid in excess of the nominal value for the shares issued;
- Profit and loss reserves: Represents cumulative profits and losses net of dividends paid and other adjustments.

The notes on pages 17 to 41 form part of these financial statements.

Aion Bidco Limited

Consolidated Statement of Cash Flows For the Period Ended 30 June 2023

	Period ended 30 June 2023 £
Cash flows from operating activities	
(loss) for the financial period	(6,928,304)
Adjustments for:	
Amortisation of intangible assets	9,323,669
Depreciation of tangible assets	56,694
Interest payable	10,091,562
Taxation credit	1,944,598
Decrease in debtors	(1,868,249)
Increase in creditors	693,215
Interest receivable	(36,978)
Fair value gain on current asset investments	(14,931)
Other income in respect of R&D tax credits	(1,895,123)
Operating cashflows before payment of dividend creditor acquired on acquisition	11,366,155
Payment of dividend creditor acquired on acquisition.	(5,650,750)
Net cash generated from operating activities	5,715,405
Cash flows from investing activities	
Payments to acquire tangible fixed assets	(81,869)
Proceeds of disposal of investments	522,077
Cash acquired with business combinations	6,082,171
Cash paid for subsidiary undertakings	(40,284,621)
Interest received	36,978
Amounts paid to parent undertakings	(4,597,707)
Net cash used in investing activities	(38,322,971)

Aion Bidco Limited

Consolidated Statement of Cash Flows (continued) For the Period Ended 30 June 2023

	Period ended 30 June 2023 £
Cash flows from financing activities	
Issue of ordinary shares	754
New bank loans	17,500,000
Amounts received from parent undertaking	25,176,988
Debt issue fees	(635,845)
Interest paid	(2,029,454)
Net cash from in financing activities	40,011,935
Net increase in cash and cash equivalents	7,404,367
Cash and cash equivalents at beginning of period	-
Cash and cash equivalents at the end of period	<u>7,404,367</u>
Cash and cash equivalents at the end of period comprise:	
Cash at bank and in hand	7,404,367

Aion Bidco Limited

Notes to the Financial Statements For the Period Ended 30 June 2023

1. Company information

Aion Bidco Limited is a company limited by shares and 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 activities are set out in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in Sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on the historical cost convention, modified to include the revaluation certain financial instruments at fair value. The principal accounting policies adopted are set out below.

2.2 Parent company disclosure exemptions

In preparing the separate financial statements of the Parent company, advantage has been taken of disclosure exemptions available in FRS 102

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the group and the company would be identical;
- No separate cash flow statement has been presented for the parent company;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole; and
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole

Aion Bidco Limited

Notes to the Financial Statements For the Period Ended 30 June 2023

2 Accounting policies (continued)

2.3 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 the Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, 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.

2.4 Going concern

As set out in the statement of directors' responsibilities, in preparing these financial statements the directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business. In satisfaction of this responsibility the directors have prepared forecasts (including cash flows) for a period of at least 12 from the date of signing the financial statements and considered the company's ability to meet its liabilities as they fall due. The forecast continues to show good EBITDA performance and cash generation, underpinning the going concern basis of accounting in preparing these financial statements.

The directors have produced a detailed going concern stress test for Aion TopCo limited, which this company is a wholly owned subsidiary. The conclusion of the stress test is that the business could sustain the loss of more than 50% of EBITDA over the course of the 12 months following the date of the financial statements, without breaching current debt conditions.

2.5 Turnover

Turnover is recognized to the extent that it is probable that the economic benefits will flow to the entity and can be reliably measured. Turnover represents amounts derived from the provisions of services to third party customers on a time completed basis or in relation to delivery milestones achieved, plus recharged disbursements, and is stated net of VAT and discounts given.

2.6 Research and development expenditure

In accordance with FRS 102 Section 18.8H, where development costs meet certain criteria, they may be capitalized, which gives rise to an accounting policy choice. The directors have chosen to expense these costs in the year in which they are incurred which is permitted by FRS 102 section 18.8H.

R&D tax credits are included within other operating income within the statement of comprehensive income and are accounted for as a government grant.

Aion Bidco Limited

Notes to the Financial Statements For the Period Ended 30 June 2023

2.7 Business combinations

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the fair value is incorporated in goodwill. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

2.8 Intangible assets

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the 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 over its expected useful life which is estimated to be ten years. Goodwill is assessed for impairment when there are indicators for impairment and any impairment is charged to the statement of comprehensive income. No reversals of impairment are recognised.

Other intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.9 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold property	straight line over the length of the lease
Plant and machinery	33% straight line or 25% reducing balance

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

2 Accounting policies (continued)

2.10 Financial Instruments

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

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

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

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Current asset investments are recognised initially at fair value which is normally the transaction price (but excludes any transaction costs) and subsequently measured at fair value through profit or loss.

Other financial assets

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

Impairment of financial assets

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

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

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

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

2 Accounting policies (continued)

2.10 Financial instruments (continued)

Basic financial liabilities

Basic financial liabilities, such as creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

2.11 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.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

2 Accounting policies (continued)

2.12 Current and deferred taxation

Tax is recognised in profit or loss 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 balance sheet date in the countries where the Company and the Group operate and generate income.

Research and development tax credits are included within other operating income within the statement of comprehensive income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet 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 balance sheet date.

R&D tax credits are included within other operating income within the statement of comprehensive income and are accounted for as a government grant.

2.13 Equity instruments

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

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

2 Accounting policies (continued)

2.14 Dividends

Equity dividends are recognized when they become legally payable. Interim equity dividends are recognized when paid. Final equity dividends are recognized when approved by the shareholders at an annual general meeting. Dividends on shares recognized as liabilities are recognized as expenses and classified within interest payable.

2.15 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.16 Finance costs

Finance costs are charged to profit or loss 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.

2.17 Operating leases

Rentals paid under operating leases are charged to profit or loss 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.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

2 Accounting policies (continued)

2.18 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.19 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the reporting date and accrued forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

2.20 Cost of sales

Cost of sales include all wages and salaries for such staff.

2.21 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.

2.22 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.

2.23 Provisions for liabilities

Provisions are made where an event has taken place that gives the group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation

Provisions are charged as an expense to profit or loss in the year that the group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payment are eventually made, they are charged to the provision carried in the statement of the financial position.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

2 Accounting policies (continued)

2.24 Valuation of investments

In the company's individual accounts, investments in subsidiaries are measured at cost less accumulated impairment

Investments in unlisted company shares, which have been classified as fixed asset investments as the Group intends to hold them on a continuing basis, are remeasured to market value at each balance sheet date. Gain and losses on remeasurement are recognised in profit and loss for the period.

Investment in listed company shares, which have been classified as current asset investment, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period

2.25 Defined contribution pension plan

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account, and once the contributions have been paid, the company has no further payment obligations.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

2.26 Judgements and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods. In preparing these financial statements, the Directors have had to make the following judgments:

Measurement of revenue and resulting profit recognition

The Directors exercise their judgement in assessing and estimating the measurement and timing of revenue recognition and the recognition of assets and liabilities that result from the performance of the contract. Revenue derived from contracts to provide services reflects the sales value of the work performed in the year, to the extent that the profit to be earned on the contract can be determined with reasonable certainty. The amount of revenue recognised is calculated on a time incurred basis or based on the delivery of service.

Recoverability of deferred tax asset

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets which can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies. At 30 June, the group recognised a deferred tax asset of £508,696.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

3 Turnover

An analysis of turnover by class of business is as follows:

	Period ended 30 June 2023 £
Turnover	
United Kingdom	<u>47,326,230</u>

The turnover above is derived from the principal activity of the group.

4 Operating profit

The operating profit for the period is stated after charging/(crediting):

	Period ended 30 June 2023 £
Depreciation of tangible fixed assets	56,694
Amortisation of goodwill	9,323,669
Operating lease expense	86,519
Defined contribution pension scheme expense	275,512
R&D expenditure	<u>4,102,244</u>

5 Directors' remuneration

	Period ended 30 June 2023 £
Emoluments	2,374,785
Pension contributions	<u>27,703</u>
	<u>2,402,488</u>

During the period retirement benefits were accruing to 9 directors in respect of defined contribution pension schemes.

The highest paid director received remuneration of £484,608. Company pension contributions of £1,651 were made to a pension scheme on his behalf.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

6	Auditor's remuneration	
	Fees payable to the company's auditor and associates:	Period ended 30 June 2023 £
	For audit services	
	Audit of the financial statements of the group	82,790
7	Other operating income	Period ended 30 June 2023 £
	R&D expenditure tax credit	
	R&D tax credits are accounted for as a government grant.	1,895,123

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

8 Employees

	Group Period ended 30 June 2023 £	Company Period ended 30 June 2023 £
Their aggregate remuneration comprised:		
Wages and salaries	14,374,885	637,008
Social security costs	1,960,563	83,436
Pension costs	289,167	13,655
	<u>16,624,614</u>	<u>734,099</u>

The average monthly number of employees, including the directors, during the period was as follows:

	Group Period ended 30 June 2023 No	Company Period ended 30 June 2023 No
Directors	9	1
Administration Staff	8	1
Consultants	147	-
	<u>164</u>	<u>2</u>

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

9 Interest receivable and similar income

	Period ended 30 June 2023 £000
Interest income	
Interest on bank deposits	<u>36,978</u>

10 Interest payable and similar charges

	Period ended 30 June 2023 £
Bank interest payable	2,029,454
Amortisation of debt issue costs	113,544
Intercompany loan interest	7,948,564
	<u><u>10,091,562</u></u>

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

11 Taxation

	Period ended 30 June 2023 £
Current tax	
UK corporation tax charge/ (credits) on profits for the current period	800,644
Adjustments in respect of prior periods	-
	<u>800,644</u>
Deferred tax	
Origination and reversal of timing differences	1,075,794
Changes in tax rates	142,075
Adjustments in respect of prior periods	(73,915)
Total deferred tax	<u>1,143,954</u>
	<u>1,944,598</u>
Total tax charge	

The actual charge for the period can be reconciled to the expected charge for the period based on the profit or loss and the standard rate of tax as follows:

	Period ended June 2023 £
Profit/(loss) before taxation	(4,983,705)
Expected tax rate charge based on the standard rate of corporation tax in the UK of 21.00% (2022:19.00%)	(991,715)
Tax effect of expenses that are not deductible in determining taxable profit	1,907,055
Adjustment to deferred tax in respect of previous periods	(73,915)
Impact of changes in tax rates on deferred tax	142,075
Group relief (claimed)/surrendered	764,481
Other timing and permanent differences	196,617
	<u>1,944,598</u>
Taxation charge	

An increase in the main rate of corporation tax to 25% with effective from 1 April 2023 was substantially enacted in May 2021 and has been reflected in the deferred tax calculations laid out above.

The R&D tax credit is cash settled and relates to the previous periods ending 30 June 2021 and 30 June 2022, for which the work was undertaken, and were claimed, during the period to 30 June 2023.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

For the R&D tax credits to June 2023 these have reduced the company's taxable profits, which these profits (after the R&D claim) have been offset against available tax losses. The latter giving rise to a reduction in the deferred tax asset during the year.

12 Intangible assets

Group

	Goodwill £	Total £
Cost or valuation		
At 12 January 2023	-	-
Additions	74,189,354	74,189,354
Disposals	-	-
Impairment	-	-
At 30 June 2023	74,189,354	74,189,354
Amortisation		
At 12 January 2023	-	-
Charge for the period	9,323,669	9,323,669
Disposals	-	-
Impairment	-	-
At 30 June 2023	9,323,669	9,323,669
Carrying amount		
At 30 June 2023	64,865,685	64,865,685
At 12 January 2023	-	-

The directors consider each acquisition separately for the purpose of determining the amortisation period of any goodwill that arises. The company ultimately acquired the entire issued share capital of Actica Holdings Limited on 1 April 2023 which created goodwill of £74,233,481. The directors consider the useful economic life of goodwill acquired to be 10 years.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

13 Tangible fixed assets

Group	Plant and machinery £	Total £
Cost or valuation		
At 12 January 2023	-	-
Additions	81,869	81,869
Acquisitions	38,459	38,459
Disposals	-	-
Transfer	-	-
Impairment	-	-
At 30 June 2023	120,328	120,328
Depreciation and impairment		
At 12 January 2023	-	-
Charge for the period	56,694	56,694
Eliminated in respect of disposals	-	-
At 30 June 2023	63,634	63,634
Carrying amount		
At 30 June 2023	63,634	63,634
At 12 January 2023	-	-

The group had no tangible fixed assets at 30 June 2022 which were held under hire purchase or finance leases. The Company had no tangible fixed assets.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

14 Fixed asset investments

Company

	Investment in subsidiary companies
Cost or valuation	
At 12 January 2023	-
Additions	80,998,053
At 30 June 2023	80,998,053
Carrying amount	
At 30 June 2023	80,998,053
At 12 January 2023	-

Direct subsidiary undertaking

The undertakings in which the company had an interest are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class and percentage of shares held	
Actica Holdings Limited	UK Holding company	100%	Ordinary shares

Indirect subsidiary undertaking

The undertakings in which the company had an interest are as follows:

Name of undertaking and country of incorporation or residency	Nature of business	Class and percentage of shares held	
Actica Consulting Limited	UK Technical and management consultancy	100%	Ordinary shares

The registered address for all the subsidiary undertakings listed above is the same as the registered address stated on the contents page of these financial statements.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

15 Debtors

	Group 2023	Company 2023
	£	£
Trade debtors	3,277,007	-
Amounts due from group undertakings	4,519,949	1,364,782
Corporation tax repayable	3,269,517	-
Prepayments and accrued income	4,380,926	-
Other debtors	180,365	134,348
Deferred tax asset	508,696	441,827
	<u>16,136,460</u>	<u>1,940,956</u>

The R&D tax credit receivable during the period has been offset against corporation tax. This is on the basis that these will be settled net.

16 Creditors: amounts falling due within one year

	Group 2023	Company 2023
	£	£
Trade creditors	1,114,994	-
Amounts owed to group undertakings	69,782,573	71,465,805
Corporation tax	-	-
Other taxation and social security	2,131,996	-
Other creditors	4,077,145	4,077,145
Accruals and deferred income	1,313,288	4,375
	<u>78,419,996</u>	<u>75,547,325</u>

Other creditors include £4,077,145 of deferred consideration which is due within 1 year and is based on the Directors best estimate at both the acquisition and balance sheet date.

17 Creditors: amounts falling due in over one year

	Group 2023	Company 2023
	£	£
Bank loans	17,500,000	17,500,000
Debt issue costs	(522,301)	(522,301)
	<u>16,977,699</u>	<u>16,977,699</u>

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

18 Loans

	Group 2023 £	Company 2023 £
Amounts falling due within one year		
Loan notes	-	-
Amounts falling due after more than 5 years		
Bank loans	17,500,000	17,500,000
Loan notes	-	-
	<u>17,500,000</u>	<u>17,500,000</u>

Bank loans

The bank loan is repayable in April 2029. The loan attracts an interest rate of 6.5% plus Sonia per annum. The amount of this loan repayable at the period end was £17,500,000 which was drawn during the period.

Interest on these loans of £2,029,454 was charged to the statement of comprehensive income during the period. Interest is calculated up to and paid each quarter.

During the period, bank loan arrangement fees of £635,845 were capitalised. £113,544 of these were amortised in the statement of comprehensive income.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

19 Deferred taxation

Deferred tax assets and liabilities are offset where the group or company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Group 2023 £	Company 2023 £
Balances: Asset/(Liabilities)		
Accelerated capital allowances	(15,597)	-
Tax losses carried forward	524,293	441,827
	<u>508,696</u>	<u>441,827</u>
Movements in the year:		
	Group 2023 £	Company 2023 £
On acquisition	1,652,650	-
(Charged)/ credited to profit or loss	(1,143,954)	411,827
Asset at 30 June 2023	<u>508,696</u>	<u>411,827</u>

20 Retirement benefit schemes

Defined contribution schemes

	2023 £
Charge to profit or loss in respect of defined contribution schemes	289,167
	<u>289,167</u>

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

21 Analysis of net debt

	At 12 January 2023 £	Cash flows £	Acquisition of subsidiaries £	Other non- cash changes £	At 30 June 2023 £
Cash at bank and in hand	-	41,606,817	(34,202,450)	-	7,404,367
Bank loans	-	(17,500,000)	-	-	(17,500,000)
	<u>-</u>	<u>(24,106,817)</u>	<u>(34,202,450)</u>	<u>-</u>	<u>(10,095,633)</u>

In addition to the above there are amounts due from and to group undertakings as detailed in notes 15 & 16.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

22 Business combinations

Acquisition of Actica Holdings Limited

On 1 April 2022, Aion Bidco Limited purchased Actica Holdings Limited.

In calculating the goodwill arising on acquisition, the fair value of net assets has been assessed and adjustments from book value have been made where necessary. The directors do not consider there to be any intangible assets arising on the acquisition that are both contractual and separable, due to their truly distinguishing features, resulting in the intangible assets not being separable. Therefore, no intangible asset has been recognised as part of the business combinations.

	Book value £	Fair value adjustment £	Fair value £
Fixed assets			
Tangible	38,459	-	38,459
Currents assets			
Debtors	5,970,047	-	5,970,047
Corporation tax receivable	2,175,039	-	2,175,039
Deferred tax asset	1,652,650	-	1,652,650
Current asset investments	581,848	(74,702)	507,146
Cash at bank and in hand	6,082,171	-	6,082,171
Total assets	16,500,214	(74,702)	16,425,513
Creditors			
Due within one year	9,640,907	(24,094)	9,616,813
Total identifiable assets	<u>6,859,308</u>	<u>(50,608)</u>	<u>6,808,700</u>
Goodwill			74,189,354
Total purchase consideration			<u>80,998,054</u>
Consideration			
Cash			38,430,257
Non-cash: Rollover debt instruments			36,636,288
Deferred consideration			4,077,145
Acquisition costs			1,854,364
Total purchase consideration			<u>80,998,054</u>

Deferred consideration will be paid on the realisation of historic tax losses and is not linked to remuneration.

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

Rollover debt instruments relate to consideration that was rolled into loan notes with Aion Midco Limited.

22 Business combinations (continued)

The results of Actica Holdings Limited since the acquisition are as follows:

	Current period since acquisition £
Turnover	<u>47,326,230</u>
Result for the period	<u>12,025,772</u>

23 Share capital

	2023 £
Ordinary share capital Issued and fully paid 75,360 Ordinary A shares of £0.01 each	754
	<u>754</u>

24 Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £000
Within one year	23,072
	<u>23,072</u>

Aion Bidco Limited

Notes to the Financial Statements (continued) For the Period Ended 30 June 2023

25 Related party transactions

The company has taken advantage of the exemption available under FRS 102 Section 33.1A, whereby it has not disclosed transactions with the wholly owned subsidiary undertaking of the company.

Purchase of services

During the period, Aion Bidco Limited made no purchases from related parties.

Key Management

Key management personnel include all directors and senior management across the company who together have authority and responsibility for planning, directing, and controlling the activities of the company. Total compensation for key management personnel for services rendered to the company was £2,566,885. There are no balances owed to key management personnel at period end.

Business combination

At the end of the period, deferred consideration of £4,077,000 was owed to related parties.

During the period, as part of the business combination, cash consideration totalling £38,430,257 was paid to directors and management of Actica Holdings Limited Group, which are considered related parties as they remain as part of the Aion Topco group, as part of the business combination.

During the period, as part of the business combination, non-cash consideration totalling £36,636,288 was paid to directors and management of Actica Holdings Limited group, which are considered related parties as they remain as part of the Aion Topco group.

26 Post balance sheet events

There were no post balance sheet events

27 Controlling party

The company's immediate parent is Aion Holdco Limited, a company incorporated in the United Kingdom.

The smallest group in which results of the company were consolidated are these financial statements. These are available to the public and may be obtained from Companies House.

The largest group in which results of the company were consolidated for the period ended 30 June 2023 were that headed by of Aion Topco Limited. The consolidated accounts for this company are available to the public and may be obtained from Companies House.

There is no ultimate controlling party, however Sovereign Capital Partners LLP and Athica Limited are regarded as persons with significant control.