

# Cobra Topco Limited

Annual report and consolidated financial  
statements

Year ended 31 December 2020

*Company registration number: NI 0632928*



# Cobra Topco Limited

## Annual report and consolidated financial statements

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# Cobra Topco Limited

## Directors and other information

### Directors

Mr J Darragh  
Mr G Adams  
Mr C Rodgerson  
Mr M Rogerson

### Registered office

Pilot Point  
21 Clarendon Road  
Belfast  
BT1 3BG

### Auditor

KPMG  
Chartered Accountants  
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1 Lanyon Place  
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BT1 3LP

### Banker

HSBC Bank plc  
4<sup>th</sup> Floor  
5 Donegall Square South  
Belfast  
BT1 2BE

### Solicitor

Pinsent Masons Belfast LLP  
1 Lanyon Place  
Belfast  
BT1 3LP

### Company registration number

NI 0632928

# Cobra Topco Limited

## Chief Executive's Statement

### Introduction

The Cobra Topco group comprises Totalmobile and its subsidiaries (together the 'Group' or 'Totalmobile'). 2020 was a landmark year for Totalmobile as, despite the challenges presented by the Covid-19 pandemic, the business continued to grow to further establish itself as the leading provider of Field Service Management Software in the UK. Meeting and exceeding all target metrics, the organisation continued to develop across all key areas including:

- Revenue growth – Increasing YoY by 21% to £22.6m (2019: £18.7m)
- Adjusted EBITDA growth – Increasing YoY by 44% to £6.9m (2019: £4.8m)
- Adjusted EBITDA margin growth – Increasing from 26% to 31%
- Recurring revenues – Increasing to £16.4m (2019: £11.3m); 73% of revenues (2019: 60%)
- Revenue per head – Increasing to >£118k (2019: >£105k)
- Delivering 71 new customers on multi-year agreements
- Securing major investment from Bowmark Capital LLP, a leading private equity firm that specialises in UK growth companies
- Acquiring two high-performing and complementary businesses, adding to Totalmobile's technology offering while enhancing management and profile in key verticals
- Continuing the migration of long-standing customers to the business' SaaS software platform
- Growing the team from 173 to 190 while integrating the functions of recent acquisitions into the Totalmobile operating model
- Further strengthening the leadership and management teams while adding to vertical market expertise

### Market Overview

The Field Service Management market continues to demonstrate rapid growth, with Totalmobile uniquely positioned to take advantage of the range of opportunities being presented. In 2019 the Field Service Management market was valued at \$2.9 billion and is forecast to reach circa \$7.1 billion by 2027, representing a compound annual growth rate of 13.8%. The addressable UK market is anticipated to hit £800m, with 55% of the current market believed to either be classified as "liquid" or "greenfield". This highlights the significant opportunity that continues to present itself to Totalmobile.

As the market develops, a number of key trends are appearing. An increased adoption of Field Service Management technologies is apparent, as organisations look for solutions to better deal with the diversity of demand being placed on services. This has also resulted in a growing appreciation on the importance of the mobile worker, who is increasingly being viewed as the heart of any organisation that delivers field-based services.

Linked to this is the rising need for service providers to differentiate themselves from the competition, which has resulted in the implementation of technology to aid the delivery of a more modern, innovative and high-quality offering. As organisations explore these innovations, there is also an increased demand for better usage of data and predictive analytics to stimulate the ever-growing need for efficiency. Requirements across the market have been further amplified during the Covid-19 pandemic.

Organisations have found themselves in a position where they need to adopt new technology to empower new ways of working and support a more mobile and flexible workforce. For many this has resulted in a more positive attitude towards innovation, with it being viewed as a true driver of transformation. Totalmobile's technology continues to be aligned to the evolving needs of the market, as the product roadmap continues to drive improvements within the existing product suite and also introduce new capabilities to market.

# Cobra Topco Limited

## Chief Executive's Statement (*continued*)

### Market Overview (*continued*)

By enabling organisations to digitalise, optimise and automate field service processes, Totalmobile is strongly placed to deliver long-term transformation trends in the market, while empowering increases in efficiency, productivity, compliance and service quality. This has led to Totalmobile experiencing strong performance in many key areas. The Public Service and Housing sectors continue to be particularly productive as Totalmobile's technology helps service providers deliver more services at reduced operational cost. There has also been continued growth across large commercial organisations as the range of capabilities provided enables them to streamline the delivery of large scale, complex services. 2020 also seen Totalmobile win key strategic deals within the social care sector, as the Group looks to continue to grow its profile and product offering in this vertical.

The demand for a diverse range of product capabilities also continues across multiple markets. Although Mobilise and Connect remain the bedrock of many of Totalmobile's propositions, the addition of Protect has highlighted an area of high opportunity as organisations look to ensure the safety and wellbeing of their workforce, while the launch of Remote Assist demonstrated the ability to take advantage of new demand in the market, which can then be incorporated into the wider product suite.

### Totalmobile's Products and Solutions

Providing a comprehensive, end-to-end suite of innovative Field Service Management SaaS software is imperative to Totalmobile's competitive advantage across the range of vertical markets that the Group serves. The range of capabilities provided by the technology are proven to deliver significant value and true return on investment to our customers, as a result of the Group's continued commitment to innovation. Across 2020 the business made significant strides in continually enhancing our core technologies, including:

- Mobilise – a mobile workforce management solution that remains at the core of the Group's proposition
- Optimise – a dynamic scheduling technology that has been proven to operate at unparalleled scale via ongoing work with The Office for National Statistics and the delivery of Census 2021
- Connect – a cloud-based job management solution that continues to prove itself as a market leader in the Housing and Local Government market, providing a modern, innovative approach to managing service delivery
- Our suite of complementary solutions including Sense (IoT), Task (development toolkit) and Care (care plan management) that enables specific markets to enhance the value they receive from our technologies

Throughout 2020, each of these products continued to further penetrate their respective markets with particular highlights including Connect, which experienced a 72% revenue growth, and Mobilise experienced a substantial increase in live licenses. In addition to this, advancements in integrations across the product suite offer additional opportunity and value, while assisting in increasing the presence of Totalmobile's technology within customer organisations.

Totalmobile also launched a range of new products into the market over the course of the year. Both Protect (lone worker protection) and Organise (workforce rostering), were launched to market following acquisitions, adding to a diverse range of capabilities and opening up additional new business and cross sell opportunities. Remote Assist, a real time video based remote support solution, was also developed at the start of the Covid-19 pandemic, following a clear demand from the customer base for innovations that support the delivery of quality services while reducing face to face contact with customers.

As always, Totalmobile displayed an ongoing commitment to continuous innovation with business innovation hub, 'TotalLabs'. This ensured the maintenance of a strong product roadmap that focuses on customer demands, while also exploring the potential of new innovations that could have a positive impact on the delivery of field-based services.

# Cobra Topco Limited

## Chief Executive's Statement (*continued*)

### Opportunities

The field service market continues to display clear trends that have placed Totalmobile in a strong position and presented significant opportunity.

Field based and remote working is an area that continues to grow, driven by an increasing demand for services and rising customer expectations. With end service users not only expecting services to be delivered to a high standard, but also in a way which provides greater flexibility and control than ever before, organisations are required to invest in their front line to ensure they can match market demands. Although the Covid-19 pandemic has been damaging for many industries, this has not necessarily been the case for the Field Service Management market, as providers have had to explore new ways of delivering required services in a safe and efficient manner. As we continue to exit national lockdowns and transition towards a "new normal", many organisations are looking towards the future with a more positive view of how digital innovations can positively transform service delivery.

Innovation led transformation projects still need to provide a clear return on investment and this is where Totalmobile are uniquely positioned. With a large, diverse customer base, there is significant evidence to prove that Totalmobile's suite of Field Service Management technologies provide exceptional levels of benefit in areas such as:

- Workforce Capacity – enabling 33% more jobs to be undertaken per day
- Cost Efficiencies – generation operational savings in the £millions
- Compliance – ensuring a 43% reduction in missed work and 100% adherence to processes
- Customer Satisfaction – providing a 30% improvement across major metrics
- Community – driving a 15% reduction in carbon emissions

To complement a strong prospective market, Totalmobile is also presented with significant opportunity within a strong and stable existing customer base. With the introduction of new products to market, there is now greater cross sell opportunity than ever before, enabling Totalmobile to encourage customers along a maturity journey that sees them experience benefits at each stage.

This ability to empower continuous innovation and improvement in customer organisations places Totalmobile in an increasingly strong position with well-developed C-suite relationships in each customer account. This situates the Group as a genuine strategic partner that is integral to quality service delivery. As Totalmobile continue to explore new capabilities such as real time performance analysis and employee engagement, the levels of opportunities will continue to grow as the Group expands its offering and provides a solution for all possible field service technology requirements. By further expanding vertical profile and expertise, Totalmobile also ensures that the technology provided offers a best of breed solution that delivers leading return on investment.

### Risk

By completing the transition to a fully SaaS-based business, Totalmobile displays proven resilience through a strong, and increasing, recurring revenue profile. This provides ever increasing stability and predictability throughout the business, while remaining highly cash generative. Complementary to this is a stable customer base, that displays low churn. This continues to be a key metric which is consistently tracked and analysed.

With a customer base that is growing in volume and diversity, Totalmobile is providing a wider range of products to a greater spread of vertical markets than ever before. This continued expansion provides an improved spread of revenue sources and protects the Group against any significant negative trends that may develop in a particular market.

# Cobra Topco Limited

## Chief Executive's Statement (continued)

### **Risk** *(continued)*

Totalmobile has continued to experience significant growth across all major metrics during the Covid-19 pandemic, highlighting the robust nature of the business. Although all predictions expect that the impact of the pandemic will continue throughout 2021 and likely into 2022, Totalmobile is well positioned to deal with continued challenges, while also being situated to take advantage of any opportunities that present themselves within the market.

As the Group continues to experience a growth in revenue, there remains tight controls around all areas of cost management. To ensure Totalmobile enhance efficiency in this area, a number of new processes have been introduced to improve the management of expenditure and better control costs.

### **Financial Performance**

Totalmobile delivered a 21% increase in revenues to £22.6m during the year (2019: £18.7m), due to a continued focus on delivering market leading software solutions, leading sales and marketing processes and strong integration with previously acquired companies.

The business continues to develop a significant recurring revenue, growing to £16.4m during the year (2019: £11.3m), which accounted for 73% of all revenue (2019: 61%). This figure is expected to continue to rise over the next 12 months and represent around 80% of total revenues by the end of 2021. Following a strong 2019, EBITDA metrics continued to experience positive growth in 2020, which an increase in adjusted EBITDA to £6.9m (2019: £4.8m), a 44% increase, whilst maintaining investment across major strategic areas, including product and people. Adjusted EBITDA margin achieved strong growth, increasing to 31%, from 26% the previous year. These figures further highlight the successful completion of the SaaS transition programme, the companies leading position within the UK market and its ability to grow in multiple market sectors without incurring significant additional costs.

The combination of Totalmobile's growth rate and EBITDA margin ensures that it again significantly exceeds the 'Rule of 40' – a benchmark for high performing SaaS businesses. The Group also generated a strong flow of new business wins, with 71 "new logos" signing up to multi-year agreements with Totalmobile. This represented an increase of 69% on 2019's figure and includes wins from a diverse range of sectors including Government, Health and Social Care, Housing, Facilities Management, Transport, Logistics and Infrastructure.

A number of high profile new business wins include supporting National Records of Scotland in their delivery of the Scottish Census in 2022, an enterprise wide solution within Scottish Borders Council to offer mobile and lone worker functionality across the authority and providing rostering capabilities to St John's Ambulance as they deliver a series of high profile projects. Key wins were also experienced in Hyde Housing and Sheffield City Council, providing a strong platform to further establishing Totalmobile's market leading position in repairs services across Local Government and Housing Associations. Significant deals were also made in a number of existing customer accounts, including EKFB, as Totalmobile's technology continues to support the development of HS2, and Leeds City Council as they upgraded their legacy repairs system to Connect.

# Cobra Topco Limited

## Chief Executive's Statement (*continued*)

### Acquisitions

The previous 12 months has highlighted Totalmobile's commitment to the Group's mergers and acquisitions strategy, which remains fundamental to continued growth. Through ongoing activity in this area, Totalmobile has inherited additional products, scale, expertise and profile within key market verticals. In July 2020, Totalmobile made significant progress in its buy-and-build strategy by acquiring and integrating two high-performing complementary businesses, Lone Worker Solutions Limited ("LWS") and Software Enterprises (UK) Limited ("Software Enterprises"):

LWS's lone worker technology provides Totalmobile with market leading lone worker protection technology that is currently being used by over 70,000 field-based workers. Meanwhile, the acquisition of Software Enterprises adds a feature rich rostering platform that has a leading market position in the UK Emergency Services sector. The addition and integration of these companies presents Totalmobile with an enhanced technology platform and additional opportunity via entry into new markets.

In October 2020 Totalmobile announced that after five successful years in partnership with Horizon Capital, it had secured a major investment from Bowmark Capital LLP. This new partnership with Bowmark provides significant capital for further investment which will enable Totalmobile to accelerate its growth, with a particular focus on research and development, sales, marketing and larger-scale acquisitions. Progress in these areas has already been seen, with the successful completion of two further acquisitions made by the Group in Q1 2021.

### Operations

The acquisitions LWS (Rochdale) and Software Enterprises (Birmingham) has enabled Totalmobile to significantly expand its UK footprint, while also providing additional staff, resources and expertise that will support the Group as it looks towards further growth.

Following the acquisitions of LWS and Software Enterprises, Totalmobile is operating with a network of five locations, with further offices in Derby and Bury-St-Edmunds, alongside Belfast based headquarters. With a growth in locations, Totalmobile has maintained its "Centre of Excellence" model, with each location taking ownership of the roadmap and development of specific products.

- Belfast (HQ) – Centre of Excellence for our Mobilise and Optimise products
- Derby – Centre of Excellence for our Sense and Task products
- Birmingham – Centre of Excellence for our Organise product
- Rochdale – Centre of Excellence for our Protect product
- Bury-St-Edmunds – Centre of Excellence for our Connect and Assist product

Continued investment has been made in the development of a shared services hub in Belfast headquarters, which provide all areas of the Group with core business services including finance, marketing, HR and customer support. This approach provides consistent operational processes that are being implemented across all areas of the business, ensuring quality and synergies are enabled via a location that provides a lower cost base.

This standardisation of processes and technologies is key across the Group and of particular importance throughout the integration workstreams associated to acquired businesses. With a clear target operating model that supports both vertical go-to-market functions and horizontal support units, Totalmobile has a stable platform to efficiently integrate acquisitions and support future growth.



# Cobra Topco Limited

## Chief Executive's Statement (*continued*)

### Team

Due to significant growth, both organic and via acquisition, 2020 seen the Groups average number of employee grow from 173 in 2019 to 190 in 2020; a particularly pleasing achievement given the backdrop of the Covid-19 pandemic. This growth in resource has provided the Group with the additional experience, skills and capacity that puts the Group in the optimum position to continue growth. In parallel to growth in staff numbers, the average revenue per head increased to >£118k (2019: >£105k).

Following the investment by Bowmark, a number of key appointments have been made in key executive and wider management resources. This has included the addition of a CTO and number of vertical market experts, providing enhanced experience and leadership qualities. In late 2020, Totalmobile also announced the appointment of Craig Rodgerson as Chairman, offering a wealth of experience in driving high growth SaaS technology organisations.

Throughout the year, Totalmobile continued to invest in market leading 3<sup>rd</sup> party expertise to complement in house resources, where necessary. This included working with a range of suppliers including Deloitte, Graph Strategy and PwC. One high profile outcome from these investments was the creation of a comprehensive "datacube" that provides the Group with an in-depth understanding of the existing customer base, including details of contracts and revenue streams. This invaluable resource will be pivotal as the Group looks to further streamline processes and take advantage of opportunities in both the new business and cross sell markets.

Totalmobile takes pride in the high-performance culture that exists throughout its team. Work continues to nurture this ethos and further inspire a motivated and dedicated workforce via continuous training and development, combined with a focus on retention and recruitment. With an average service of 7 years, the Group is committed to establishing a market leading employer brand and identifying itself as a true employer of choice. To support current staff, Totalmobile continues to review and standardise processes and guidelines to both enhance training and ensure compliance with all major Group policies.

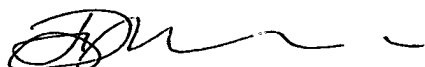
### Environmental, Social and Governance

As Totalmobile continues to grow, the Group is putting in place additional policies and initiatives that ensure it operates in a socially conscious and responsible manner. Key to this is placing staff engagement at the core of our efforts and having forums in place to hear firsthand how staff believe Totalmobile can enhance CSR activity. This has recently resulted in the launch of a new charity initiative that has been created to provide significant donations to local charities. These charities are nominated by staff via an employee forum, an individual charity is selected each quarter.

The last few years have seen Totalmobile transform and there is the recognition that this could not have been accomplished without the commitment of all employees. The happiness and safety of our employees is paramount and Totalmobile is committed to ensuring fair and equal treatment and opportunity to all. To support this, work has been undertaken to launch a new equality and diversity initiative to promote equality and diversity both internally and externally.

To support this increased emphasis on environmental, social, and corporate governance activity, Totalmobile continues to introduce new, and amend existing, policies and procedures. This ensure all staff are aligned to our efforts in these areas and that Totalmobile creates a culture that represents a safe, inclusive, and responsible Group for all.

On behalf of the board



Mr J Darragh  
Chief Executive

28 May 2021

# Cobra Topco Limited

## Directors' report

The directors present their report and consolidated financial statements for year ended 31 December 2020.

### Dividends

The directors have not recommended a dividend (2019: £Nil).

### Research and development

During the year, costs of £1,306,575 (2019: £1,095,752) were capitalised in respect of activities which are deemed to be development activities in accordance with the accounting policies. Research and development costs of £3,013,718 (2019: £2,128,807) were expensed during the year.

### Directors

The directors who held office during the year were:

Mr J Darragh  
Mr C Rodgerson  
Mr M Rogerson  
Mr G Adams  
Mr J Hand (resigned on 24 October 2020)

### Political contributions

The Group and Company made no political contributions nor incurred any political expenditure in the year ended 31 December 2020 (2019: £Nil).

### Future developments

The directors do not envisage any change in the activity of the Group for the foreseeable future.

### Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group and Company's auditor is unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Group and Company's auditor is aware of that information.

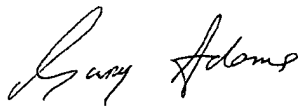
# Cobra Topco Limited

## Directors' report *(continued)*

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

On behalf of the board



Mr G Adams  
*Director*

28 May 2021

Pilot Point  
21 Clarendon Road  
Belfast  
BT1 3BG

# Cobra Topco Limited

## Strategic report

### Business review

#### Principal activities

The Group's principal activities during the year were that of the sale of computer software and related products and services.

#### Review of business

With a focus on a SaaS and subscription model, expanding our business organically and investing in the capabilities of our product platform, the Group delivered positive results in 2020.

#### Key performance indicators

The key performance indicators for the Group are highlighted in the table below:

	FY20	FY19	Year on year change
Revenue	£22,573k	£18,672k	21%
Recurring revenues	£16,377k	£11,322k	45%
Adjusted EBITDA*	£6,945k	£4,839k	44%
Adjusted EBITDA Margin	31%	26%	5%

The Group's Adjusted EBITDA, which is management's preferred measure of underlying operational profitability, has delivered an increase of £2,106k (44%) compared to 2019. The reconciliation of EBITDA to the numbers reported in the statutory financial statements are as follows:

	FY20 £'000	FY19 £'000
<b>Reconciliation to Adjusted EBITDA</b>		
Loss before interest and tax	(5,028)	(4,260)
<i>Add back:</i>		
Amortisation of intangible assets	6,142	5,394
Depreciation of tangible fixed assets	198	110
Non-recurring items*	1,893	1,917
Share based payment charge	2,883	1,125
Non-executive / board monitoring fees	311	553
Fair value adjustments**	546	-
<b>Adjusted EBITDA</b>	<b>6,945</b>	<b>4,839</b>

\*Management define non-recurring items as expenditure incurred for activities not considered part of the ongoing trade in the Group.

\*\* Fair value adjustments of £546k relate to acquired deferred income on the acquisition of Lone Worker Solutions and Global Rosters Limited.

#### Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The principal risk factors affecting the Group's business are outlined below. These are not all within the Group's control; other factors besides those listed may also affect the Group.

# Cobra Topco Limited

## Strategic report *(continued)*

### **Project delivery risk**

The success of the Group's business is dependent in part on the successful implementation of projects within budget, cost and specification. The delivery of these projects is subject to certain technical, commercial, legal, contractor and economic risks. The Group seeks to minimise this risk through the use of formal project implementation methodologies, allocation of trained and experienced personnel and proactive project management.

### **Strategic and operational risks**

- The nature and speed of market changes occurring as a result of the UK Government's agenda for change and increased efficiencies in local government.
- Market changes towards shared customer and management services.
- Customer consolidation.

### **Financial risks**

The Group's activities expose it to a number of financial risks including costs, the nature of commercial contracts, exchange rates, insurances and other financial risks. The Group's financial instruments comprise cash and other items such as trade debtors and creditors arising from operations. The main risks arising from these financial instruments are credit risk, liquidity risk and foreign exchange risk.

The board reviews and agrees policies for the prudent management of these financial risks as follows:

#### **Credit risk**

This is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group's principal financial assets are trade and other receivables and bank balances. The Group's credit risk attributable to its trade receivables is limited as the greater majority of the Group's customers are government bodies in the UK. The credit risk on bank balances is limited because the counterparties to these assets are highly rated financial institutions.

The amounts presented in the balance sheet are net of allowances for doubtful receivables. The Group has no significant concentration of credit risk, with exposure widely spread over a large number of customers.

#### **Liquidity risk**

The Group's objective is to maintain a balance and continuity of funding and flexibility through the use of bank overdrafts and longer-term bank facilities. The Group has strong operating cash inflows and has focused efforts on managing its working capital.

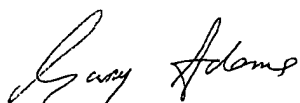
# Cobra Topco Limited

## Strategic report *(continued)*

### **Post balance sheet events**

Subsequent to the year end, the Group acquired 100% shareholding in two entities – Geoforms Software Limited and Cognito IQ Limited. Further details can be found in the Subsequent Events note (note 27) in these financial statements.

On behalf of the board



Mr G Adams  
*Director*

28 May 2021

Pilot Point  
21 Clarendon Road  
Belfast  
BT1 3BG

# Cobra Topco Limited

## Statement of directors' responsibilities in respect of the directors' report, the strategic report and the financial statements

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

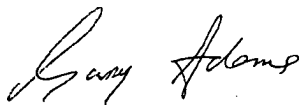
Company law requires the directors to prepare Group and Company financial statements for each financial year. Under that law they have elected to prepare the Group and Company financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* as applied in accordance with the provisions of Companies Act 2006.

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 Group's profit or loss for that period. In preparing the Group and Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Parent Company or to cease operations, or have no realistic alternative but to do so.

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

On behalf of the board



Mr G Adams  
Director

28 May 2021



**KPMG**  
**Audit**  
The Soloist Building  
1 Lanyon Place  
Belfast BT1 3LP  
Northern Ireland

## Independent auditor's report to the members of Cobra Topco Limited

### Report on the audit of the financial statements

#### *Opinion*

We have audited the financial statements of Cobra Topco Limited ('the Company') and its consolidated undertakings ('the Group') for the year ended 31 December 2020 set out on pages 18 to 56, which comprise the consolidated profit and loss account and other comprehensive income, the consolidated and Company balance sheet, the consolidated and Company statement of changes in equity, the consolidated cash flow statement and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

#### *Basis for opinion*

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Conclusions relating to going concern*

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group and the Company's business model and analysed how those risks might affect the Group and the Company's financial resources or ability to continue operations over the going concern period.

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 the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Group or the Company will continue in operation.





## Independent auditor's report to the members of Cobra Topco Limited (*continued*)

### Report on the audit of the financial statements (*continued*)

#### Detecting irregularities including fraud

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Group's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Group's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Group is subject to laws and regulations that directly affect the financial statements including companies, financial reporting legislation and taxation legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery and employment law.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address relevant fraud risks including the risk of management override of controls and the risk of fraudulent revenue recognition. We identified a fraud risk in relation to the Group in respect of the revenue recognition of perpetual licenses and certain transactions with a similar revenue recognition profile.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.



## Independent auditor's report to the members of Cobra Topco Limited *(continued)*

### **Report on the audit of the financial statements *(continued)***

#### ***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report, the directors' report and Chief Executive's Statement. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

#### **Opinions on other matters prescribed by the Companies Act 2006**

Based solely on our work on the other information undertaken during the course of the audit:

- we have not identified material misstatements in the directors' report or the strategic report;
- in our opinion, the information given in the directors' report and the strategic report is consistent with the financial statements;
- in our opinion, the directors' report and the strategic report have been prepared in accordance with the Companies Act 2006.

#### ***Matters on which we are required to report by exception***

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in these respects.

### **Respective responsibilities and restrictions on use**

#### ***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 13, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group and Company or to cease operations, or have no realistic alternative but to do so.



## Independent auditor's report to the members of Cobra Topco Limited *(continued)*

### **Respective responsibilities and restrictions on use *(continued)***

#### ***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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

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

Our 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.

**John Poole (Senior Statutory Auditor)  
for and on behalf of  
KPMG Statutory Auditor**

28 May 2021

The Soloist Building  
1 Lanyon Place  
Belfast  
BT1 3LP

## Cobra Topco Limited

### Consolidated profit and loss account and other comprehensive income for the year ended 31 December 2020

	Note	2020 £	2019 £
<b>Turnover</b>	2	<b>22,572,975</b>	18,672,391
Cost of sales		<b>(2,510,230)</b>	(1,490,872)
<b>Gross profit</b>		<b>20,062,745</b>	17,181,519
Operating expenses		<b>(25,093,471)</b>	(21,762,190)
Other operating income	3	<b>2,888</b>	321,000
<b>Operating loss</b>		<b>(5,027,838)</b>	(4,259,671)
Interest payable and similar expenses	7	<b>(1,901,427)</b>	(4,807,823)
<b>Loss before taxation</b>		<b>(6,929,265)</b>	(9,067,494)
Tax on loss	8	<b>21,386</b>	697,488
<b>Loss for the financial year</b>		<b>(6,907,879)</b>	(8,370,006)
<b>Other comprehensive income for the year</b>		-	-
<b>Total comprehensive (loss)/income for the year</b>		<b>(6,907,879)</b>	(8,370,006)

All reported profits arise from continuing operations.

The notes on pages 26 to 56 form part of these financial statements.

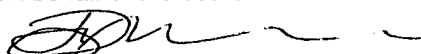
# Cobra Topco Limited

## Consolidated balance sheet as at 31 December 2020

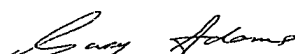
	Note	2020 £	2020 £	2019 £	2019 £
<b>Fixed assets</b>					
Goodwill and intangible assets	9		37,869,481		26,112,995
Tangible assets	10		525,442		288,408
			<hr/>		<hr/>
			38,394,923		26,401,403
<b>Current assets</b>					
Stocks	14	135,620		-	
Contract assets		464,037		-	
Debtors	12	8,765,555		7,423,175	
Cash at bank and in hand	13	13,955,583		3,036,893	
		<hr/>		<hr/>	
		23,320,795		10,460,068	
<b>Creditors: amounts falling due within one year</b>	15	(59,860,392)		(9,618,915)	
		<hr/>		<hr/>	
<b>Net current (liabilities)/assets</b>			(36,539,597)		841,153
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			1,855,326		27,242,556
<b>Creditors: amounts falling after one Year</b>	16		-		(21,310,908)
<b>Provisions for liabilities</b>					
Deferred tax liability	8		(1,095,798)		(963,027)
			<hr/>		<hr/>
<b>Net assets</b>			759,528		4,968,621
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	17		374,274		374,283
Share premium account			29,153,514		29,153,514
Profit and loss account			(40,105,033)		(33,197,145)
Capital redemption reserve			9		-
Capital contribution			7,259,810		7,259,810
Share based payment reserve			4,076,954		1,378,159
			<hr/>		<hr/>
<b>Shareholder's funds</b>			759,528		4,968,621
			<hr/>		<hr/>

These financial statements were approved by the board of directors on 28 May 2021.

On behalf of the board



Mr J Darragh  
Director



Mr G Adams  
Director

Company registration number: NI 0632928

The notes on pages 26 to 56 form part of these financial statements.

# Cobra Topco Limited

## Company balance sheet as at 31 December 2020

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Investments	11	26,464,227	26,464,227
<b>Current assets</b>			
Debtors	12	6,772,017	4,335,044
<b>Creditors: amounts falling due within one year</b>	15	(77,887)	(13,840)
<b>Net current assets</b>		6,694,130	4,321,204
<b>Total assets less current liabilities</b>		33,158,357	30,785,431
<b>Net assets</b>		33,158,357	30,785,431
<b>Capital and reserves</b>			
Called up share capital	17	374,274	374,283
Share premium account		29,153,514	29,153,514
Capital redemption reserve		9	-
Profit and loss account		(446,394)	(120,525)
Share based payment reserve		4,076,954	1,378,159
<b>Shareholder's funds</b>		33,158,357	30,785,431

The Company's loss for the year ended 31 December 2020 was £325,860 (2019: £71,734).

These financial statements were approved by the board of directors on 28 May 2021.

On behalf of the board



Mr J Darragh  
Director

Mr G Adams  
Director

Company registration number: NI 632928

The notes on pages 26 to 56 form part of these financial statements.

## Cobra Topco Limited

### Consolidated statement of changes in equity for the year ended 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Capital contribution £	Capital Redemption Reserve £	Share based payment reserve £	Total Equity £
<b>Balance at 1 January 2019</b>	274,180	27,066,514	(24,827,139)	7,259,810	-	253,499	10,026,864
<b>Total comprehensive loss for the year</b>							
Loss for the year	-	-	(8,370,006)	-	-	-	(8,370,006)
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	-	(8,370,006)	-	-	-	(8,370,006)
<b>Transactions with owners</b>							
Shares issued	100,103	2,087,000	-	-	-	-	2,187,103
Share based payment charge	-	-	-	-	-	1,124,660	1,124,660
<b>Total Transactions with owners</b>	100,103	2,087,000	-	-	-	1,124,660	3,311,763
<b>Balance at 31 December 2019</b>	<b>374,283</b>	<b>29,153,514</b>	<b>(33,197,145)</b>	<b>7,259,810</b>	<b>-</b>	<b>1,378,159</b>	<b>4,968,621</b>

The notes on pages 26 to 56 form part of these financial statements.

## Cobra Topco Limited

### Consolidated statement of changes in equity for the year ended 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Capital contribution £	Capital Redemption Reserve £	Share based payment reserve £	Total Equity £
<b>Balance at 1 January 2020</b>	374,283	29,153,514	(33,197,145)	7,259,810	-	1,378,159	4,968,621
<b>Total comprehensive loss for the year</b>							
Loss for the year	-	-	(6,907,879)	-	-	-	(6,907,879)
Other comprehensive income	-	-	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	-	(6,907,879)	-	-	-	(6,907,879)
<b>Transactions with owners</b>							
Buy back and cancellation of own shares	(9)	-	(9)	-	9	-	(9)
Share based payment charge	-	-	-	-	-	2,698,795	2,698,795
<b>Total Transactions with owners</b>	(9)	-	(9)	-	9	2,698,795	2,698,786
<b>Balance at 31 December 2020</b>	<b>374,274</b>	<b>29,153,514</b>	<b>(40,105,033)</b>	<b>7,259,810</b>	<b>9</b>	<b>4,076,954</b>	<b>759,528</b>

The notes on pages 26 to 56 form part of these financial statements.



## Cobra Topco Limited

### Company statement of changes in equity for the year ended 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Capital redemption reserve £	Share based payment reserve £	Total equity £
<b>Balance at 1 January 2019</b>	274,180	27,066,514	(48,791)	-	253,499	27,545,402
<b>Total comprehensive loss for the year</b>						
Loss for the year	-	-	(71,734)	-	-	(71,734)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive year for the year</b>	-	-	(71,734)	-	-	(71,734)
<b>Transactions with owners</b>						
Shares issued	100,103	2,087,000	-	-	-	2,187,103
Share based payment charge	-	-	-	-	1,124,660	1,124,660
<b>Total transactions with owners</b>	100,103	2,087,000	-	-	1,124,660	3,311,763
<b>Balance at 31 December 2019</b>	<b>374,283</b>	<b>29,153,514</b>	<b>(120,525)</b>	<b>-</b>	<b>1,378,159</b>	<b>30,785,431</b>

The notes on pages 26 to 56 form part of these financial statements.

## Cobra Topco Limited

### Company statement of changes in equity for the year ended 31 December 2020

	Called up share capital £	Share premium account £	Profit and loss account £	Capital Redemption Reserve £	Share based payment reserve £	Total equity £
<b>Balance at 31 December 2019</b>	374,283	29,153,514	(120,525)	-	1,378,159	30,785,431
<b>Total comprehensive loss for the year</b>						
Loss for the year	-	-	(325,860)	-	-	(325,860)
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	-	(325,860)	-	-	(325,860)
<b>Transactions with owners</b>						
Buy back and cancellation of own shares	(9)	-	(9)	9	-	(9)
Share based payment charge	-	-	-	-	2,698,795	2,698,795
<b>Total transactions with owners</b>	(9)	-	(9)	9	2,698,795	2,698,786
<b>Balance at 31 December 2020</b>	<b>374,274</b>	<b>29,153,514</b>	<b>(446,394)</b>	<b>9</b>	<b>4,076,954</b>	<b>33,158,357</b>

The notes on pages 26 to 56 form part of these financial statements.

# Cobra Topco Limited

## Consolidated cash flow statement for the year ended 31 December 2020

	Note	2020 £	2019 £
<b>Cash flows from operating activities</b>			
Loss for the year		(6,907,879)	(8,370,006)
<i>Adjustments for:</i>			
Depreciation and amortisation and impairment		6,340,186	5,504,181
Interest payable and similar charges		1,901,427	4,807,823
Deferred government grant income		(2,888)	(321,000)
Taxation		(21,386)	(697,488)
Share based payment charge		2,882,595	1,124,660
		<b>4,192,055</b>	<b>2,048,170</b>
Decrease in stocks		47,974	-
Increase in contract assets		(49,472)	-
Increase in trade and other debtors		(487,320)	(2,751,911)
Increase in trade and other creditors		10,504,634	1,550,586
Tax received		189,182	334,483
<b>Net cash from operating activities</b>		<b>14,397,053</b>	<b>1,181,328</b>
<b>Cash flows from investing activities</b>			
Acquisition of tangible fixed assets		(289,072)	(231,756)
Acquisition of intangible assets		(1,306,575)	(1,095,753)
Acquisition of a subsidiary, net of cash acquired		(9,663,772)	(8,037,847)
Payment of contingent deferred purchase consideration		(1,000,000)	-
Proceeds from the receipt of government grants		175,191	237,329
<b>Net cash from investing activities</b>		<b>(12,084,228)</b>	<b>(9,128,027)</b>
<b>Cash flows from financing activities</b>			
Buy back of shares		(9)	-
Issue of shares		-	100,103
Issue of loan notes		-	9,600,807
Repayment of loan notes		-	(17,658,313)
Drawdown of loans and borrowings		12,900,000	21,400,000
Repayment of loans and borrowings		(3,138,125)	-
Interest paid		(1,156,001)	(2,843,230)
<b>Net cash from financing activities</b>		<b>8,605,865</b>	<b>10,599,367</b>
Net increase in cash and cash equivalents		10,918,690	2,652,668
Cash and cash equivalents at beginning of year		3,036,893	384,225
<b>Cash and cash equivalents at end of year</b>	13	<b>13,955,583</b>	<b>3,036,893</b>

# Cobra Topco Limited

## Notes

*forming part of the consolidated financial statements*

### 1 Accounting policies

Cobra Topco Limited (the "Company") is a private company incorporated, domiciled and registered in Northern Ireland. The registered number is NI0632928 and the registered address is Pilot Point, 21 Clarendon Road, Belfast, BT1 3BG.

These Group and Company financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* ("FRS 102"). The presentation currency of these financial statements is sterling.

The parent Company is included in the consolidated financial statements and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent Company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included a second time.
- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- Certain disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 24.

#### 1.1 Measurement convention

The financial statements are prepared on the historical cost basis.

#### 1.2 Going concern

The financial statements are prepared on the going concern basis, notwithstanding net current liabilities of £36,539,597, which the directors believe to be appropriate for the following reasons. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report. The Group has net assets of £759,528 but made a loss of £6,907,879 which included the amortisation of goodwill and intangible assets of £6,142,307, together with interest payable on bank loans of £1,901,427. The amortisation of goodwill and intangible assets do not result in any cash movement.

Of the total current liabilities at 31 December 2020, £38,879,624 relates to amounts owed to group undertakings. Mobilise (Bidco) Limited, the immediate parent undertaking, has indicated that for at least 12 months from the date of approval of these financial statements, it will continue to make available such funds as are needed by the Group and in particular does not intend to seek repayment of the amounts currently made available. The directors consider that this should enable the Group and Company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. As with any Group or Company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

# Cobra Topco Limited

## Notes *(continued)*

### **1 Accounting policies *(continued)***

#### **1.2 Going concern *(continued)***

After making enquiries, the directors have a reasonable expectation that the Group and Company has more than adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

#### **1.3 Basis of consolidation**

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2020. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

#### **1.4 Foreign currency**

Transactions in foreign currencies are translated to the Group's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account.

The assets and liabilities of foreign operations are translated to the Group's presentational currency, Sterling, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income.

#### **1.5 Classification of financial instruments issued by the Company**

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

# Cobra Topco Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.6 Basic financial instruments

##### *Trade and other debtors/creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

#### 1.7 Other financial instruments

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss.

#### 1.8 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

The Company assesses at each reporting date whether tangible fixed assets are impaired.

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible fixed assets. Leased assets are depreciated over the shorter of the lease term and their useful lives. Land is not depreciated. The estimated useful lives are as follows:

Leasehold improvements	-	2% per annum straight line
Leasehold improvements	-	life of lease
Fixtures and fittings	-	20% per annum straight line
Computer equipment	-	33 1/3% per annum straight line

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

# Cobra Topco Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.9 Business combinations

Business combinations are accounted for using the purchase method as at the acquisition date, which is the date on which control is transferred to the entity.

At the acquisition date, the Group recognises goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- estimated amount of contingent consideration; plus
- the fair value of the equity instruments issued; plus
- directly attributable transaction costs; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Consideration which is contingent on future events is recognised based on the estimated amount of the contingent consideration is probable and can be measured reliably. Any subsequent changes to the amount are treated as an adjustment to the cost of the acquisition.

#### 1.10 Intangible assets

##### *Goodwill*

Goodwill is stated at cost less any accumulated amortisation and accumulated impairment losses. Goodwill is allocated to cash-generating units or group of cash-generating units that are expected to benefit from the synergies of the business combination from which it arose.

##### *Research and development*

Expenditure on research and development activities are recognised in the profit and loss account as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised in respect of software assets includes the cost of direct labour which is directly attributable to preparing the asset for its intended use. Other development expenditure is recognised through profit and loss as an expense as incurred. Capitalised development expenditure is measured at cost less accumulated amortisation and impairment losses, which are presented in operating expenses.

Intangible assets are amortised based on the cost of the asset less its residual value. Amortisation is charged to the income statement on a straight-line basis over the estimated useful life of the intangible asset, from the date the asset is available for use as follows:

Developed software	20% - 50%
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Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

# Cobra Topco Limited

## Notes *(continued)*

### 1 Accounting policies *(continued)*

#### 1.10 Intangible assets *(continued)*

##### *Other intangible assets*

Other intangible assets that are acquired by the Company and Group are stated at cost less accumulated amortisation and less accumulated impairment losses.

The cost of intangible assets acquired in a business combination are capitalised separately from goodwill if the fair value can be measured reliably at the acquisition date.

##### *Amortisation*

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- |                                 |   |             |
|---------------------------------|---|-------------|
| • Internally generated software | - | 2 - 5 years |
| • Customer relationships        | - | 10 years    |
| • Brand                         | - | 10 years    |

The basis for choosing these useful lives is the core element of internally generated software is gradually replaced over a five year period, and customer relationships and brand are amortised with the maximum useful life of 10 years and generally in practice exceed this.

Goodwill is amortised on a straight line basis over its useful life. Goodwill has no residual value. The finite life of goodwill is estimated to be 10 years.

The fair value of customer relationships acquired in a business combination is determined using the multi-period excess earnings method, whereby the subject asset is valued after deducting a fair return of all other assets that are part of creating the related cash flows. The fair value of other intangible assets acquired in a business combination is based on the discounted cash flows expected to be derived from the use and eventual sale of the assets.

The Group reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

#### 1.11 Government grants

Government grants are included within accruals and deferred income in the balance sheet and credited to the profit and loss account over the expected useful lives of the assets to which they relate or in periods in which the related costs are incurred.

#### 1.12 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, director labour costs and those overheads that have been incurred in bringing stocks to their present location and condition. At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment are also recognised in profit or loss.



# Cobra Topco Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.13 Contract related assets

When hardware that is integral to the provision of services is provided to the customer it is capitalised as a contract related asset. This asset is amortised over the contract life which is typically 24 months. The balance expected to be amortised over the next 12 months is £263,066.

#### 1.14 Impairment excluding stocks and deferred tax assets

##### *Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

##### *Non-financial assets*

The carrying amounts of the entity's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

# Cobra Topco Limited

## Notes *(continued)*

### 1 Accounting policies *(continued)*

#### 1.14 Impairment excluding stocks and deferred tax assets *(continued)*

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### 1.15 Employee benefits

##### *Defined contribution plans and other long term employee benefits*

A defined contribution plan is a post-employment benefit plan under which the entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

##### *Share-based payment arrangements*

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

On the lapse of share options on the vesting date the amount recognised in shares to be issued is transferred to retained earnings. On the exercise of share options, the amount recorded in shares to be issued is transferred to retained earnings.

Where the Company grants rights to its equity instruments to the Group's employees, the Company accounts for the fair value of the share based payment, measured at the date of grant, as an increase in the carrying value of the investment in the subsidiary, recognised over the period during which the employees become unconditionally entitled to the share option. No expense is recognised in the profit and loss of the Company for the share based payment. Amounts recharged by the parent are recognised as a recharge reconcile with a corresponding credit to investments in subsidiaries.

#### 1.16 Provisions

A provision is recognised in the balance sheet when the entity has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

# Cobra Topco Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.17 Turnover

Revenue comprises the fair value of the sale of goods and services to external customers net of value added tax, volume and promotional rebates, allowances and discounts. Revenue is recorded when the collection of the amount is reasonably assured and when specific criteria have been met as detailed below. On contracts involving a combination of products and services, revenue is recognised separately on each deliverable in accordance with the policy below.

Revenue from software sales is recognised upon delivery to the customer where there are no significant vendor obligations remaining following delivery, and the collection of the resulting receivable is considered probable. In instances where significant vendor obligations exist beyond the point of delivery and implementation, revenue recognition is delayed until the obligations have been satisfied.

Where appropriate revenue is recognised over the period services are provided using a percentage completion method.

Revenue from software subscriptions is recognised over the period to which the contracted service relates.

Revenue from associated professional services, such as implementation services, training and consultancy, is recognised when the services are performed, where the period over which the services are delivered is short and no significant vendor obligations exist beyond the point of customer acceptance. Where significant vendor obligations exist beyond the point of customer acceptance then revenue in respect of professional services is recognised over the life of the contract.

Revenue from software maintenance and support contracts is recognised over the period to which the contract relates. Costs associated with these contracts are capitalised within prepayments and recognised as an expense consistent with the transfer of the related goods or services to the customer over the life of the initial term of the contract.

#### 1.18 Expenses

##### *Operating lease*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

##### *Interest receivable and Interest payable*

Interest payable and similar charges include interest payable and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

# Cobra Topco Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### 1.19 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

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

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met to the extent that it is not probable that they will reverse in the foreseeable future. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2 Turnover	2020 £	2019 £
<i>By geographical market</i>		
United Kingdom	22,228,653	18,394,307
Republic of Ireland	226,707	137,844
USA and Canada	84,346	57,595
Europe	13,445	82,645
Rest of World	19,824	-
	<hr/>	<hr/>
	22,572,975	18,672,391
	<hr/>	<hr/>

The directors consider that the disclosure of revenue by activity to be prejudicial to the interests of the Group and therefore have not disclosed this information.

3 Other operating income	2020 £	2019 £
Government grants	2,888	321,000
	<hr/>	<hr/>

# Cobra Topco Limited

## Notes (continued)

<b>4 Expenses and auditor's remuneration</b>	<b>2020 £</b>	<b>2019 £</b>
Included in loss are the following items:		
Research and development expensed as incurred	<b>3,013,718</b>	2,128,807
Depreciation of owned fixed assets	<b>197,879</b>	109,895
Amortisation of goodwill and intangibles	<b>6,142,307</b>	5,394,286
Auditor's remuneration		
- audit of these financial statements	<b>6,335</b>	3,175
Amounts receivable by the Company's auditor and its associates in respect of:		
- audit of financial statements of subsidiary of the Company	<b>81,130</b>	44,745
- taxation compliance services	<b>25,000</b>	14,000

## 5 Staff numbers and costs

The average number of persons employed by the Group including directors during the year analysed by category was as follows:

	<b>2020 No</b>	<b>2019 No</b>
Sales and marketing staff	<b>39</b>	41
Services and support staff	<b>69</b>	50
Development staff	<b>57</b>	55
Administration staff	<b>25</b>	27
	<b>190</b>	173

The aggregate payroll costs of these persons were as follows:

	<b>2020 £</b>	<b>2019 £</b>
Wages and salaries	<b>10,077,368</b>	9,297,110
Social security costs	<b>1,755,058</b>	928,491
Other pension costs	<b>772,441</b>	640,369
Share based payment (note 25)	<b>2,882,595</b>	1,124,660
Less staff related capitalised development costs (note 9)	<b>(998,269)</b>	(647,485)
	<b>14,489,193</b>	11,343,145

# Cobra Topco Limited

## Notes (continued)

### 6 Directors' remuneration

The directors' aggregate emoluments in respect of qualifying services were:

	2020 £	2019 £
Directors' remuneration	566,961	527,648
Company contributions to money purchase pension schemes	35,681	37,884
Amounts paid to third parties in respect of directors' services	75,000	100,000
Share based payment	1,827,081	700,793
	<b>2,504,723</b>	<b>1,366,325</b>

The aggregate of emoluments paid to the highest paid director was £1,014,850 (2019: £466,334) and Company pension contributions of £Nil (2019: £Nil) were made to a money purchase scheme on his behalf. During the year, the highest paid director exercised share options and received shares under a long-term incentive scheme.

During the year, retirement benefits were accruing to 1 director under money purchase schemes (2019: 2) and 4 directors received shares in respect of qualifying services (2019: 4).

### 7 Interest payable and similar charges

	2020 £	2019 £
Interest payable on financial liabilities at amortised cost	1,901,427	4,807,823

### 8 Taxation

*Total tax expenses recognised in the profit and loss account*

	2020 £	2019 £
<i>Current tax</i>		
Current tax on income for the year	(27,048)	(230,552)
Adjustment in respect of prior periods	37,374	(233,044)
<b>Total current tax</b>	<b>10,326</b>	<b>(463,596)</b>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(133,479)	(255,282)
Impact of change in tax rates	121,717	21,390
Adjustments in respect of prior periods	(19,950)	-
<b>Total deferred tax</b>	<b>(31,712)</b>	<b>(233,892)</b>
<b>Total tax credit</b>	<b>(21,386)</b>	<b>(697,488)</b>

# Cobra Topco Limited

## Notes (continued)

### 8 Taxation (continued)

	2020 Current tax £	2020 Deferred tax £	2020 Total tax	2019 Current tax £	2019 Deferred tax £	2019 Total tax
Recognised in profit and loss account	10,326	(31,712)	(21,386)	(463,596)	(233,892)	(697,488)
<b>Total tax</b>	<b>10,326</b>	<b>(31,712)</b>	<b>(21,386)</b>	<b>(463,596)</b>	<b>(233,892)</b>	<b>(697,488)</b>

#### Analysis of current tax recognised in profit and loss

	2020 £	2019 £
UK corporation tax	10,326	(463,596)
<b>Total current tax recognised in profit and loss</b>	<b>10,326</b>	<b>(463,596)</b>

#### Reconciliation of effective tax rate

	2020 £	2019 £
Loss for the year	(6,907,879)	(8,370,006)
Total tax credit	(21,386)	(697,488)
<b>Loss excluding taxation</b>	<b>(6,929,265)</b>	<b>(9,067,494)</b>

#### Tax using the UK corporation tax rate of 19% (2019: 19%)

	(1,316,560)	(1,722,824)
--	-------------	-------------

#### Effects of:

Expenses not deductible for tax purposes	786,214	1,475,008
Non-taxable income	3,135	-
Group relief received	(81,973)	-
Carried forward group relief surrendered	81,972	-
Research and development relief	(22,572)	(187,701)
Deferred tax not recognised	(170,371)	(218,400)
Impact of change in tax rates	96,751	21,390
Share based payments	547,693	168,083
Adjustments to tax charge in respect of previous periods	54,248	(233,044)
Other adjustments	77	-

#### Total tax credit included in profit and loss

	(21,386)	(697,488)
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# Cobra Topco Limited

## Notes (continued)

### 8 Taxation (continued)

#### Deferred taxation

Deferred tax assets and liabilities are attributable to the following:

	2020 £	2019 £
Tax losses carried forward	849,851	790,325
Accelerated capital allowances	(424,111)	(204,071)
Other timing differences	15,570	13,600
Intangible assets	(698,211)	(763,548)
	<hr/>	<hr/>
<b>Total deferred tax liability</b>	<b>(256,901)</b>	<b>(163,694)</b>
	<hr/>	<hr/>
Deferred tax liability recognised	(1,095,798)	(963,027)
Deferred tax asset not recognised	838,897	799,333
	<hr/>	<hr/>
	<b>(256,901)</b>	<b>(163,694)</b>
	<hr/>	<hr/>

In the current and prior year, a deferred tax asset has not been recognised due to uncertainty regarding its recoverability.

#### Company

As at 31 December 2020, the Company had an unrecognised deferred tax asset of £4,099 (2019: £2,892). This asset had not been recognised in the financial statements due to uncertainty regarding its recoverability.

In the 11 March 2020 Budget, it was announced that the UK tax rate would remain at the current 19% and not reduce to 17% from 1 April 2020, and therefore the UK deferred tax asset as at 31 December 2020 has been calculated based on this rate. In the 3 March 2021 Budget, it was announced that the UK tax rate will increase to 25% from 1 April 2023. This will have a consequential effect on the company's future tax charge. If this rate had been substantively enacted at the current balance sheet date the deferred tax liability would have increased by £304,114.



## Cobra Topco Limited

### Notes (continued)

#### 9 Intangible assets and goodwill

	Goodwill	Software Acquired	Development costs	Customer relationships	Brand	Total
	£	£	£	£	£	£
<b>Cost</b>						
<b>Balance at 1 January 2020</b>	30,251,297	5,580,018	3,017,115	4,941,732	1,333,828	45,123,990
Additions	-	-	1,306,575	-	-	1,306,575
Acquisitions	15,867,717	603,307	121,194	-	-	16,592,218
<b>At 31 December 2020</b>	<b>46,119,014</b>	<b>6,183,325</b>	<b>4,444,884</b>	<b>4,941,732</b>	<b>1,333,828</b>	<b>63,022,783</b>
<b>Amortisation and impairment</b>						
At 1 January 2020	9,910,396	4,561,093	1,820,096	2,141,417	577,993	19,010,995
Amortisation for the year	3,818,516	1,049,408	646,827	494,173	133,383	6,142,307
<b>Balance at 31 December 2020</b>	<b>13,728,912</b>	<b>5,610,501</b>	<b>2,466,923</b>	<b>2,635,590</b>	<b>711,376</b>	<b>25,153,302</b>
<b>Net book value</b>						
<b>At 31 December 2020</b>	<b>32,390,102</b>	<b>572,824</b>	<b>1,977,961</b>	<b>2,306,142</b>	<b>622,452</b>	<b>37,869,481</b>
At 31 December 2019	20,340,901	1,018,925	1,197,019	2,800,315	755,835	26,112,995

#### Amortisation charge

The amortisation charge is recognised in administrative expenses in the profit and loss account.

#### Development costs

Included within development costs capitalised in the year is £998,269 (2019: £647,485) of capitalised employee costs for the year.

# Cobra Topco Limited

## Notes (continued)

<b>10 Tangible fixed assets</b>	<b>Leasehold improvements</b>	<b>Fixtures and fittings</b>	<b>Computer equipment</b>	<b>Total</b>
<b>Group</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 January 2020	95,451	151,369	562,774	809,594
Additions	29,175	4,914	254,983	289,072
Acquisitions	63,800	17,620	64,421	145,841
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2020</b>	<b>188,426</b>	<b>173,903</b>	<b>882,178</b>	<b>1,244,507</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>				
At 1 January 2020	81,304	103,762	336,120	521,186
Charge for year	17,998	26,280	153,601	197,879
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2020</b>	<b>99,302</b>	<b>130,042</b>	<b>489,721</b>	<b>719,065</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
<b>At 31 December 2020</b>	<b>89,124</b>	<b>43,861</b>	<b>392,457</b>	<b>525,442</b>
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2019	14,147	47,607	226,654	288,408
	<hr/>	<hr/>	<hr/>	<hr/>

The Group has no assets held under finance leases.

<b>11 Fixed asset investments</b>	<b>Shares in Group undertakings</b>
<b>Company</b>	<b>£</b>
<b>Cost or valuation</b>	
At 1 January 2020 and 31 December 2020	26,464,227
	<hr/>
<b>Net book value</b>	
At 1 January 2020 and 31 December 2020	26,464,227
	<hr/>

During the year, the Group acquired 100% shareholdings of Lone Worker Solutions Limited and Global Rosters Limited- see note 26.

# Cobra Topco Limited

## Notes (continued)

### 11 Fixed asset investments (continued)

The undertakings in which the Group and Company's interest at the year-end is more than 20% are as follows.

Name	Country of registration or incorporation	Principal activity	Class and percentage of shares held
Cobra Midco Limited	Northern Ireland	Holding company	100% ordinary shares
Cobra Bidco Limited*	Northern Ireland	Holding company	100% ordinary shares
TotalMobile Holdings Limited*	Northern Ireland	Holding company	100% ordinary shares
TotalMobile Limited*	Northern Ireland	Supplying of software and related services	100% ordinary shares
TotalMobile Solutions Limited*	Northern Ireland	Development of mobile application software	100% ordinary shares
eNGn Limited*	Northern Ireland	Dormant	100% ordinary shares
eNcubator Limited*	Northern Ireland	Dormant	100% ordinary shares
Technological Business Solutions Limited*	England	Supplying of software and related services	100% ordinary shares
Cloud Dialogs Ltd*	England	Supplying of software and related services	100% ordinary shares
Lone Worker Solutions Limited*	England	Supplying of software and related services	100% ordinary shares
Continuum Limited*	England	Supplying of software and related services	100% ordinary shares
Global Rosters Limited*	England	Intermediate holding Company	100% ordinary shares
Software Enterprises (UK) Limited*	England	Supplying of software and related services	100% ordinary shares
Global Rosters International Ltd*	England	Supplying of software and related services	100% ordinary shares

\* Interest held indirectly

12 Debtors	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	4,791,328	3,457,347	-	-
Amounts owed by Group				
Undertakings	-	-	6,688,299	4,147,935
Prepayments and accrued income	3,599,948	3,204,297	-	9,775
Loan to related parties	-	120,000	-	-
Other debtors	133,000	177,334	-	177,334
Corporation tax receivable	241,279	464,197	83,718	-
	<b>8,765,555</b>	<b>7,423,175</b>	<b>6,772,017</b>	<b>4,335,044</b>

Amounts owed by Group undertakings and related parties are unsecured, interest free and have been agreed as being repayable on demand.

# Cobra Topco Limited

## Notes (continued)

<b>13 Cash and cash equivalents</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Group</b>		
Cash at bank and in hand	<b>13,955,583</b>	3,036,893
	<hr/>	<hr/>
Cash and cash equivalents per cash flow statements	<b>13,955,583</b>	3,036,893
	<hr/>	<hr/>

£6,813,254 of cash and cash equivalents held is restricted. This balance relates to cash held on behalf of Mobilse (Bidco) Limited, the Company's parent undertaking, in respect of amounts due to paid to selling shareholders and other liabilities related to its acquisition of the Company.

<b>14 Stocks</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Stock at hand	<b>135,620</b>	-
	<hr/>	<hr/>
	<b>135,620</b>	-
	<hr/>	<hr/>

Stocks recognised as cost of sales in the year amounted to £206,465 (2019: £Nil).

<b>15 Creditors: amounts falling due within one year</b>	<b>Group</b>	<b>Group</b>	<b>Company</b>	<b>Company</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Loans and borrowings	-	162,290	-	-
Amounts owed to Group undertakings	<b>38,879,624</b>	-	<b>17,500</b>	-
Trade creditors	<b>692,397</b>	691,594	<b>51,378</b>	2,015
Other taxes and social security	<b>4,104,769</b>	840,490	-	-
Deferred income	<b>6,758,850</b>	3,669,693	-	-
Accruals and other creditors	<b>1,887,413</b>	2,254,848	<b>9,009</b>	11,825
Deferred purchase consideration	<b>2,500,000</b>	-	-	-
Contingent deferred purchase consideration	<b>5,000,000</b>	2,000,000	-	-
Corporation tax payable	<b>37,339</b>	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>59,860,392</b>	9,618,915	<b>77,887</b>	13,840
	<hr/>	<hr/>	<hr/>	<hr/>

Amounts owed to Group undertakings are unsecured, interest free and have been agreed as being repayable on demand.

# Cobra Topco Limited

## Notes (continued)

<b>16 Creditors:</b> amounts falling due after more than one year	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Company 2020 £</b>	<b>Company 2019 £</b>
Loans and borrowings	-	21,310,908	-	-

### Loans and borrowings

#### Group

This note provides information about the contractual terms of the group's interest-bearing loans and borrowings, which are measured at amortised cost.

	<b>Current £</b>	<b>Non-current £</b>	<b>Total £</b>
<b>At 31 December 2020</b>	-	-	-
<b>At 31 December 2019</b>			
Secured bank loans – outstanding principal and interest	229,937	21,840,000	<b>22,069,937</b>
Unamortised debt issue costs	(67,647)	(529,092)	<b>(596,739)</b>
	<b>162,290</b>	<b>21,310,908</b>	<b>21,473,198</b>

Terms and debt repayment schedule:

	<b>Currency</b>	<b>Normal interest rates</b>	<b>Year of maturity</b>	<b>2020 £</b>	<b>2019 £</b>
Term A Loan	GBP	3.75% + LIBOR	2025 <sup>1</sup>	-	4,009,429
Term B Loan	GBP	4.25% + LIBOR	2026	-	12,031,412
Mezzanine Loan	GBP	7.75% + LIBOR	2026	-	6,029,096
				-	<b>22,069,937</b>

<sup>1</sup> Term A had quarterly repayments of £40,000 up to 31 December 2021, then £100,000 per quarter to 12 September 2025 with a final term repayment.

Borrowings have the following maturity profile:

	<b>2020 £</b>	<b>2019 £</b>
Less than one year	-	229,937
Between one and five years	-	1,360,000
More than five years	-	20,480,000
	-	<b>22,069,937</b>

All loan facilities were repaid during the year following the acquisition of the Company by Mobilise (Bidco) Limited, as part of a strategic investment by Bowmark Capital LLP.

# Cobra Topco Limited

## Notes (continued)

### 16 Creditors: amounts falling due after more than one year (continued)

#### Net debt/cash

The below is an analysis of changes in net debt/cash of the Group from the beginning to the end of the current reporting period:

	Borrowings due within one year £	Borrowings due after one year £	Subtotal £	Cash and Cash equivalents £	Net debt/ cash £
<b>Net debt analysis</b>					
Balance at 1 January 2020	(162,290)	(21,310,908)	<b>(21,473,198)</b>	3,036,893	<b>(18,436,305)</b>
Cash flows	162,290	(8,768,164)	(8,605,874)	10,918,690	<b>2,312,816</b>
Other non-cash changes	-	30,079,072	30,079,072	-	30,079,072
<b>Balance at 31 December 2020</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,955,583</b>	<b>13,955,583</b>

### 17 Capital and reserves

Share capital	2020 Number	2020 £	2019 Number	2019 £
<b>Allotted, called-up and fully paid:</b>				
Ordinary 'A' shares of £0.01 each	593,076	5,931	593,076	5,931
Ordinary 'B1' shares of £0.01 each	143,372	1,434	143,372	1,434
Ordinary 'B2' shares of £0.01 each	13,550	135	13,550	135
Ordinary 'C1' shares of £0.01 each	230,000	2,300	230,000	2,300
Ordinary 'D' shares of £0.01 each	1,505,872	15,059	1,505,872	15,059
Ordinary 'F' shares of £0.01 each	24,922,493	249,225	24,922,493	249,225
Ordinary 'E' shares of £0.01 each	19,025	190	19,900	199
Ordinary 'G' shares of £0.0001 each	1,000,000,000	100,000	1,000,000,000	100,000
	<b>1,027,427,388</b>	<b>374,274</b>	<b>1,027,428,263</b>	<b>374,283</b>

The A, B1, B2, C1 and C2 ordinary shares rank pari passu in respect of all rights other than voting rights. B2, C2, F, E and G shares carry no voting rights. A, B1 and C1 ordinary shares confer rights to vote at all general meetings on the basis of one vote for each share held. D ordinary shares confer rights to vote at all general meetings on the basis of one hundred votes for each share held. Under certain conditions, as detailed in the Articles of Association of the Company, the A ordinary shareholders have enhanced voting rights conferring 95% of the total rights to this class of shareholder.

# Cobra Topco Limited

## Notes (continued)

### 17 Capital and reserves (continued)

#### Reconciliation of share capital – number of shares

	A Ordinary	B1 Ordinary	B2 Ordinary	C1 Ordinary	D Ordinary	E Ordinary	F Ordinary	G Ordinary
At 1 Jan 2020	593,076	143,372	13,550	230,000	1,505,872	19,900	24,922,493	1,000,000,000
Cancelled shares	-	-	-	-	-	(875)	-	-
<b>At 31 Dec 2020</b>	<b>593,076</b>	<b>143,372</b>	<b>13,550</b>	<b>230,000</b>	<b>1,505,872</b>	<b>19,025</b>	<b>24,922,493</b>	<b>1,000,000,000</b>

During the year, the Company bought back and cancelled 875 E ordinary shares for cash consideration of £9.

#### Reserves

*Share premium account* – This reserve records the amount above the nominal value received for shares sold, less transaction costs.

*Share based payment reserve* – The share-based payment reserve comprises the charge for unexercised share options granted to employees.

*Capital contribution reserve* – The reserve comprises amounts provided by the Company's shareholders.

*Capital redemption reserve* – This reserve records the nominal value of shares repurchased by the Company.

# Cobra Topco Limited

## Notes (continued)

### 18 Operating leases

#### Group

Non-cancellable operating lease rentals are payable as follows:

	2020 £	2019 £
Less than one year	299,080	347,659
Between one and five years	489,229	450,685
More than five years	24,375	56,875
	<hr/>	<hr/>
	812,684	855,219
	<hr/>	<hr/>

During the year ended 31 December 2020 £514,295 (2019: £450,547) was recognised as an expense in the profit and loss account in respect of operating leases.

#### Company

The company has no commitments under non-cancellable operating leases (2019: £Nil) and incurred no operating lease expenses during the year (2019: £Nil).

### 19 Commitments

#### Capital commitments

The Group and Company have no contractual capital commitments at the year-end (2019: £Nil).

### 20 Employee benefits

#### Defined contribution plan

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. Contributions payable by the Group for the year ended 31 December 2020 amounted to £772,441 (2019: £640,369). There were contributions of £82,839 outstanding at the year-end (2019: £58,852).

### 21 Related party transactions

#### Group

##### *Transactions with key management personnel*

Total compensation of key management personnel (including the directors) in the year amounted to £1,486,454 (2019: £1,404,944).



# Cobra Topco Limited

## Notes (continued)

### 21 Related party transactions (continued)

#### *Other related party transactions*

During the year, the Group entered into the following transactions:

- The Company bought back 875 'E' ordinary shares from shareholders for cash consideration of £9.
- A director of the Group's ultimate parent entity, Cobra Topco Limited repaid a loan of £120,000 to Totalmobile Limited. The balance of the outstanding loan at 31 December 2020 was £Nil (2019: £120,000). Interest accrued on this loan was £Nil at 31 December 2020 (2019: £Nil).
- Loans totalling £31,984,936 were provided to the Group by Mobilise (Bidco) Limited, a related parent undertaking, to facilitate repayment of the existing bank borrowings. No interest was charged on the loans.
- Management costs of £215,528 were recharged from Totalmobile Limited to Mobilise (Bidco) Limited. In addition, Mobilise (Topco) Limited recharged management charges of £297,036 to the Group.
- The Group was recharged £183,800 by Mobilise (Topco) Limited in respect of the Group's employees awarded share options under the Mobile (Topco) Limited share incentive program.
- Mobilise (Bidco) Limited transferred cash of £9,685,698 to the Group, relating to amounts due to be paid to selling shareholders and other liabilities related to its acquisition of the Company. £2,872,444 was subsequently paid by the Group with £6,813,254 of cash continued to be held at 31 December 2020.

As at 31 December 2020 there were payable balances of £38,879,624 (2019: £nil) due to Group parent undertakings.

During the prior year, the Group entered into the following transactions:

- Cobra Topco Limited issued 1,000,000,000 G shares to shareholders of the Group for cash consideration of £100,000. This issuance was stapled with a requirement to subscribe for a Series G loan note (see below).
- Horizon Capital Fund 2013 B Limited Partnership provided Cobra Bidco Limited with an unsecured loan of £250,000 for a period of 12 days. The loan had an interest of 15% per annum, compounded annually. Interest totalling £1,336 was accrued during the year. The loan, including accrued interest, was fully repaid during the year.
- Cobra Bidco Limited issued £9,391,000 of Series F loan notes to shareholders of the Group's ultimate parent entity, Cobra Topco Limited. The loan notes carried interest of 30% per annum, compounded annually. Interest totalling £467,761 was accrued during the year. The loan notes, including accrued interest, were subsequently refinanced through the issuance of Series G loan notes and G shares.
- Cobra Bidco Limited issued £9,900,000 of Series G loan notes to shareholders of the Group's ultimate parent entity, Cobra Topco Limited. (Amortised cost carrying value upon recognition was £7,813,000). Interest totalling £2,615,666 was accrued during the year. The loan notes, including accrued interest, were fully repaid during the year. (Principal and accrued interest balance of £10,428,666). The loan notes bear an initial interest at 5% per annum, compounded annually, for the first 4 months, before increasing to 10% per annum, compounded annually.
- Cobra Bidco Limited, incurred interest expense of £1,234,221 on Series E loan notes held by shareholders of the Group's ultimate entity, Cobra Topco Limited. Series E loan notes were settled in cash on 12 December 2019 (Principal and accrued interest balance of £9,948,865). No balances remain outstanding as at 31 December 2019.
- Cobra Topco Limited issued 10,300 E Ordinary shares to key management of the Group for cash consideration of £103.
- Totalmobile Limited issued a loan of £120,000 to a director of the Group's ultimate parent entity, Cobra Topco Limited. The loan is repayable upon demand and had a balance of £120,000 at 31 December 2019. Interest accrued on this loan was £Nil at 31 December 2019.

# Cobra Topco Limited

## Notes (continued)

### 22 Contingencies

#### *Grants*

A portion of grants may become repayable should the conditions of offer cease to be met. There were no other contingencies requiring disclosure.

#### *Loans*

The Group has guaranteed bank loans and other bank facilities of Mobilise (Bidco) Limited, a parent undertaking, by way of composite cross guarantees. At 31 December 2020, the total amount of group borrowings and facilities amounted to £55,581,062 of principal and interest (2019: £nil).

#### *Tax liability*

Following the acquisition of the Company by Mobile (Bidco) Limited, the Company made a voluntary disclosure and settlement for PAYE income tax and national insurance purposes in relation to acquisition of shares in the Company from members of management. HMRC has are currently considering any penalty to be levied in respect of this matter. The Company has estimated that no penalty will arise due to the voluntary disclosure and correction of the matter.

### 23 Ultimate parent company and parent company of larger Group

The immediate parent company is Mobilise (Bidco) Limited, a company incorporated and registered in England. The ultimate controlling party is Bowmark Capital LLP, a limited liability partnership registered in England.

No other group financial statements include the results of the Company and its subsidiary undertakings as at 31 December 2020.

### 24 Accounting estimates and judgements

#### **Key sources of estimation uncertainty**

**Taxation** – Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

**Development expenditure** - Development expenditure is capitalised in accordance with the accounting policy given above. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management have estimated the amount of time spent on projects qualifying for capitalisation. The percentage of non-capitalisable time is in the region of 30-40% representing annual leave, sickness, mentoring, training and other company events not directly relating to development.

# Cobra Topco Limited

## Notes (continued)

### 25 Share based payment

#### i) Description of share-based payment arrangements

The Group had the following share-based payment arrangements:

##### ***Cobra Topco Limited share incentive program (equity-settled)***

The Cobra Topco group had a share incentive program under which Directors and certain employees subscribe for E Ordinary shares of Cobra Topco Limited. This arrangement was settled on 24 October 2020.

The Group had classified awards under the incentive arrangements as equity settled as Participants in the arrangement received a share and realised value on the occurrence of a future sale or listing of the Group. There were no performance conditions other than service.

##### ***Mobilise (Topco) Limited share incentive program (equity-settled)***

The Mobilise (Topco) group has a share incentive program under which Directors and certain employees subscribe for C Ordinary shares of Mobilise (Topco) Limited which was granted during the year ended 31 December 2020.

The Group has classified awards under the incentive arrangements as equity settled as Participants in the arrangement will receive a share and it is expected that they will realise value on the occurrence of a future sale or listing of the Group. There were no performance conditions other than service.

#### ii) Measurement of fair values

The fair value of services received in return for share awards under share incentive arrangements is based on the fair value of a notional share options granted, measured using a Black Scholes model. Service conditions attached to the arrangements were not taken into account in measuring fair value.

The inputs used in the measurement of the fair values at grant date of equity-settled share-based payment awards were as follows:

##### ***Mobilise (Topco) Limited share incentive program***

<b><i>Awards during the year ended 31 December 2020</i></b>	<b><i>C Ordinary shares</i></b>
Grant date	24/10/20
Fair value at grant date	£32.23
Share price at grant date	£156.00
Exercise price	£210.28
Number of shares	97,500
Expected volatility (weighted average volatility)	55.0%
Expected weighted average life	3.2 years
Expected dividends	0.0%
Risk-free interest rate (based on government bonds)	(0.04)%

# Cobra Topco Limited

## Notes (continued)

### 25 Share based payment (continued)

#### ii) Measurement of fair values

##### *Cobra Topco Limited share incentive program*

<i>Awards during the year ended 31 December 2019</i>	<b>E Ordinary shares</b>	<b>E Ordinary shares</b>
Grant date	24/07/19	01/11/19
Fair value at grant date	£189.64	£189.64
Share price at grant date	£0.01	£0.01
Exercise price	£0.01	£0.01
Number of shares	9,900	400
Expected volatility (weighted average volatility)	69.80%	69.80%
Expected weighted average life	2.2 years	2 years
Expected dividends	0.0%	0.0%
Risk-free interest rate (based on government bonds)	0.616%	0.616%

#### iii) Reconciliation of outstanding share awards

##### *Mobilise (Topco) Limited share incentive program*

The number and weighted average exercise prices of share options have been analysed as follows:

	<b>Number of options 2020</b>	<b>Weighted average exercise price (£) 2020</b>
Outstanding at the beginning of the year	-	-
Granted during the year	97,500	1.00
	<hr/>	<hr/>
Outstanding at the end of the year	97,500	1.00
	<hr/>	<hr/>
Exercisable at the end of the year	-	-
	<hr/>	<hr/>

# Cobra Topco Limited

## Notes (continued)

### 25 Share based payment (continued)

#### iii) Reconciliation of outstanding share awards

##### **Cobra Topco Limited share incentive program**

The number and weighted average exercise prices of share options have been analysed as follows:

	Number of options 2020	Weighted average exercise price (£) 2020	Number of options 2019	Weighted average exercise price (£) 2019
Outstanding at the beginning of the year	19,900	0.01	9,600	0.01
Granted during the year	-	0.01	10,300	0.01
Forfeited during the year	(875)	0.01	-	-
Exercised during the year	(19,025)	0.01	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Outstanding at the end of the year	-	-	19,900	0.01
	<hr/>	<hr/>	<hr/>	<hr/>
Exercisable at the end of the year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

##### **Employee expenses**

	2020 £	2019 £
Expense relating to equity-settled award	2,882,595	1,124,660
	<hr/>	<hr/>
<b>Total share-based payment charge</b>	<b>2,882,595</b>	<b>1,124,660</b>
	<hr/>	<hr/>

Of the above charge £2,698,795 (2019: £1,124,660) was recognised directly in the share-based payment reserve relating to the Cobra Topco Limited share incentive program. The remainder of the current year charge of £183,800 (2019: £nil) relates to the share option charge on the Mobilise (Topco) Limited share incentive program, with the associated cost recharged to the Company and recognition with amounts owed to group undertakings.

# Cobra Topco Limited

## Notes (continued)

### 26 Acquisition of businesses

#### *Acquisition of Lone Worker Solutions Limited*

On 30 June 2020 the Company acquired 100% controlling interest in Lone Worker Solutions Limited. This acquisition will enable the wider Totalmobile Group to accelerate its product development roadmap whilst providing access to new customers. The business contributed revenue of £1,627,043 and net loss of £193,336 to the revenue and net loss for the year.

The acquisition had the following effect on the Group's assets and liabilities:

	Book values £	Fair value adjustments £	Recognised values on acquisition £
<b>Acquiree's net assets at the acquisition date:</b>			
Intangible assets	720,562	(133,462)	587,100
Tangible fixed assets	128,817	(63,340)	65,477
Stocks	598,159	-	598,159
Trade and other debtors	1,132,016	-	1,132,016
Cash	967,565	-	967,565
Trade and other creditors	(2,006,794)	300,083	(1,706,711)
Deferred tax liabilities	(57,334)	(88,522)	(145,856)
	<hr/>	<hr/>	<hr/>
Net identifiable assets and liabilities	<b>1,482,991</b>	<b>14,759</b>	<b>1,497,750</b>
	<hr/>	<hr/>	<hr/>
<b>Total cost of business combination:</b>			
Consideration paid:			
Initial cash price paid			8,884,209
Deferred purchase consideration			2,000,000
Contingent deferred purchase consideration			4,000,000
Costs directly attributable to the business combination			249,654
			<hr/>
Total consideration			<b>15,133,863</b>
			<hr/>
Goodwill on acquisition			<b>13,636,113</b>
			<hr/>

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets. The goodwill reflects the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill is expected to be deductible for tax purposes. The expected useful life of goodwill stemming from this acquisition is ten years.

*Deferred purchase consideration-* Deferred purchase consideration of £2,000,000 was accrued at 31 December 2020 and is payable by 31 March 2021.

*Contingent deferred purchase consideration-* The Group has agreed to pay the selling shareholders additional consideration of £4,000,000 if the certain EBITDA performance targets are reached by 30 April 2021. The Group has included £4,000,000 as contingent consideration related to the additional consideration, which is continued to be assessed as being payable as at 30 August 2021 and the corresponding liability is recognised within note 15.

# Cobra Topco Limited

## Notes (continued)

### 26 Acquisition of businesses (continued)

#### Acquisition of Global Rosters Limited

On 30 June 2020 the Company acquired 100% controlling interest in Global Rosters Limited. This acquisition will enable the wider Totalmobile Group to accelerate its product development roadmap whilst providing access to new customers. The business contributed revenue of £957,834 and net profit of £355,865 to the revenue and net loss for the year.

The acquisition had the following effect on the Group's assets and liabilities:

	Book values £	Fair value adjustments £	Recognised values on acquisition £
<b>Acquiree's net assets at the acquisition date:</b>			
Intangible assets	-	137,401	137,401
Tangible fixed assets	80,364	-	80,364
Trade and other debtors	134,392	-	134,392
Cash	1,443,814	-	1,443,814
Trade and other creditors	(790,791)	245,766	(545,025)
Deferred tax liabilities	(15,145)	(26,106)	(41,251)
	<hr/>	<hr/>	<hr/>
Net identifiable assets and liabilities	<b>852,634</b>	<b>357,061</b>	<b>1,209,695</b>
	<hr/>	<hr/>	<hr/>
<b>Total cost of business combination:</b>			
Consideration paid:			
Initial cash price paid			2,798,450
Deferred purchase consideration			500,000
Costs directly attributable to the business combination			142,849
			<hr/>
Total consideration			<b>3,441,299</b>
			<hr/>
Goodwill on acquisition			<b>2,231,604</b>
			<hr/>

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets. The goodwill reflects the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill is expected to be deductible for tax purposes. The expected useful life of goodwill stemming from this acquisition is ten years.

*Deferred purchase consideration-* Deferred purchase consideration of £500,000 was accrued at 31 December 2020 and is payable by 30 June 2021.

# Cobra Topco Limited

## Notes (continued)

### 26 Acquisition of businesses (continued)

#### Acquisitions in the prior period

##### *Acquisition of Technological Business Solutions Limited*

On 30 January 2019 the Company acquired 100% controlling interest in Technological Business Solutions Limited. This acquisition will enable the wider Totalmobile Group to accelerate its product development roadmap whilst providing access to new customers. The business contributed revenue of £2,727,607 and net profit of £265,714 to the revenue and net profit for the prior year.

The acquisition had the following effect on the Group's assets and liabilities:

	Book values £	Fair value adjustments £	Recognised values on acquisition £
<b>Acquiree's net assets at the acquisition date:</b>			
Intangible assets	-	336,332	336,332
Tangible fixed assets	7,224	-	7,224
Trade and other debtors	787,015	-	787,015
Cash	432,417	-	432,417
Trade and other creditors	(629,649)	-	(629,649)
Deferred tax liability	-	(57,176)	(57,176)
	<hr/>	<hr/>	<hr/>
Net identifiable assets and liabilities	<b>597,007</b>	<b>279,156</b>	<b>876,163</b>
	<hr/>	<hr/>	<hr/>
<b>Total cost of business combination:</b>			
Consideration paid:			
Initial cash price paid			3,000,000
Deferred purchase consideration			1,271,000
Contingent deferred purchase consideration			1,000,000
Costs directly attributable to the business combination			161,892
			<hr/>
Total consideration			<b>5,432,892</b>
			<hr/>
Goodwill on acquisition			<b>4,556,729</b>
			<hr/>

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets. The goodwill reflects the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill is expected to be deductible for tax purposes. The expected useful life of goodwill stemming from this acquisition is ten years.

*Deferred purchase consideration* - Deferred purchase consideration was settled during the prior year and no amounts remain outstanding at the year end.

*Contingent deferred purchase consideration* - The Group has agreed to pay the selling shareholders additional consideration of £1,000,000 if the certain sales performance targets are reached by 31 March 2020. The Group has included £1,000,000 as contingent consideration related to the additional consideration, and this was settled during the current year.



# Cobra Topco Limited

## Notes (continued)

### 26 Acquisition of businesses (continued)

#### Acquisitions in the prior period (continued)

##### Acquisition of Cloud Dialogs Ltd

On 30 January 2019 the Company acquired 100% controlling interest in Cloud Dialogs Limited. This acquisition will enable the wider Totalmobile Group to accelerate its product development roadmap whilst providing access to new customers. The business contributed revenue of £1,413,046 and net profit of £60,522 to the revenue and net profit for the prior year.

The acquisition had the following effect on the Group's assets and liabilities:

	Book values £	Fair value adjustments £	Recognised values on acquisition £
<b>Acquiree's net assets at the acquisition date:</b>			
Intangible assets	-	332,051	332,053
Tangible fixed assets	8,531	-	8,531
Trade and other debtors	224,468	-	224,464
Cash	261,785	-	261,785
Trade and other creditors	(275,967)	-	(275,967)
Deferred tax liability	-	(56,449)	(56,449)
	<hr/>	<hr/>	<hr/>
Net identifiable assets and liabilities	<b>218,817</b>	<b>275,602</b>	<b>494,417</b>
	<hr/>	<hr/>	<hr/>
<b>Total cost of business combination:</b>			
Consideration paid:			
Initial cash price paid			3,830,000
Deferred purchase consideration			99,000
Contingent deferred purchase consideration			1,000,000
Costs directly attributable to the business combination			370,157
			<hr/>
Total consideration			<b>5,299,157</b>
			<hr/>
Goodwill on acquisition			<b>4,804,740</b>
			<hr/>

Goodwill has arisen on the acquisition and reflects the future economic benefits arising from assets that are not capable of being identified individually and recognised as separate assets. The goodwill reflects the anticipated profitability and synergistic benefits arising from the combination. None of the goodwill is expected to be deductible for tax purposes. The expected useful life of goodwill stemming from this acquisition is ten years.

*Contingent deferred purchase consideration* – The Group has agreed to pay the selling shareholders additional consideration of £1,000,000 which is continued to be assessed as being payable at the year end and the corresponding liability remains outstanding at 31 December 2020 and the corresponding liability is recognised within note 15.

# Cobra Topco Limited

## Notes *(continued)*

### **26 Acquisition of businesses *(continued)***

#### ***Fair value of net assets acquired***

The fair value of net assets acquired is based on information available within twelve months after the acquisition date. If new information becomes available within twelve months after the acquisition date about facts and circumstances that existed at the date of acquisition which require adjustment to the above amounts, the accounting for the acquisition will be revised.

### **27 Subsequent events**

Since the financial year end, the Group has undertaken the acquisition of the entire share capital of Geoforms Software Limited and Cognito IQ Limited for a combined initial and contingent consideration of up to approximately £40m.

#### ***Geoforms Software Limited***

On 5 February 2021 the Group acquired the entire share capital of Geoforms Software Limited, a company incorporated and registered in the Republic of Ireland. This acquisition will enable the Group to accelerate its product development roadmap whilst providing access to new customers.

#### ***Cognito IQ Limited***

On 18 March 2021 the Group acquired the entire share capital of Cognito IQ Limited, a company incorporated and registered in England. This acquisition will enable the Group to accelerate its product development roadmap whilst providing access to new customers.