

Abyssinian Bidco Limited

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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Company Information

Registered number	11650137
Registered office	Investcorp House 48 Grosvenor Street Mayfair London W1K 3HW
Directors	Julian Bennet Gilbert Kamieniecky
Independent auditor	MHA MacIntyre Hudson 2 London Wall Place London EC2Y 5AU

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Strategic Report

for the year ended 31 December 2021

Introduction

The directors present their strategic report of the company for the year ended 31 December 2021.

Incorporation and principal activities

Abyssinian Bidco Limited ('the Company') was incorporated on 30 October 2018, the primary activity of which is that of an investment holding company to a group of companies headed by Ubisense Limited ('Group') which develops and manufactures real time location technology which tracks the precise location, movement and interaction of things within programmable spaces.

Business review

The company acts as a holding company and does not generate income from third-party trading. The company provides the Group loan finance and the company's sole operating income stream is loan interest which is receivable from the Group. The company generated operating income of £221,000 for the year ended 31 December 2021 (2020: £195,000). The company incurred incidental operating expenses of £1,000 for the year ended 31 December 2021 (2020: £1,000) resulting in an operating profit of £220,000 for the year ended 31 December 2021 (2020: £164,000).

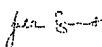
Key performance indicators

In its capacity as a holding company, the company does not generate income from third-party trading. The board monitors the performance of the company within the context of the trading Group by reference to a number of KPIs. The KPIs of the Group are included in the consolidated financial statements of Ubisense Limited.

Principal risks and uncertainties

The principal risks facing the business are linked to the risks associated with Ubisense Limited and are set out in the directors report for that company. Abyssinian Bidco Limited will continue to operate as one of the holding companies for the Ubisense group and does not conduct third-party trading on its own account.

This report was approved by the board on 20 September 2022 and signed on its behalf.



Julian Bennet
Director

Directors' Report

for the year ended 31 December 2021

The Directors present their report and the audited financial statements of the company for the year ended 31 December 2021.

Results and dividends

The result for the year is set out on page 7. No dividends have been declared or paid during the year (2020: £NIL).

Incorporation

Abyssinian Bidco Limited ('the Company') was incorporated on 30 October 2018 and is a holding company which was primarily formed for the acquisition of Ubisense Limited by Investcorp.

Directors

The Directors who served during the year were:

Julian Bennet

Gilbert Kamieniecky

Directors' Indemnity Arrangements

The Company has made qualifying third party indemnity provisions for the benefit of the Directors which were made during the year and remain in force at the date of this report.

The Company has purchased and maintained throughout the year Directors' & Officers' liability insurance in respect of itself and its Directors.

Going concern

See note 2.2 for information on going concern.

Disclosure of information to auditor

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

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

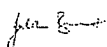
Post balance sheet events

Since the balance sheet date, the company received equity investment of £8.4m from the principal shareholder, Investcorp Private Equity, in July 2022. Of the £8.4m funding received, £4.1m was passed down to Ubisense Limited, the company's immediate subsidiary via an intercompany loan.

Auditor

MHA MacIntyre Hudson were appointed as auditors during the year and will be proposed for appointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 20 September 2022 and signed on its behalf.



Julian Bennet
Director

Directors' Responsibilities Statement

for the year ended 31 December 2021

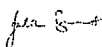
The Directors are responsible for preparing the Directors' report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law the Directors have elected to prepare the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year.

In preparing these Financial Statements, the Directors are required to:

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

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



Julian Bennet

Director

Date: 20 September 2022

Independent Auditor's Report

to the members of Abyssinian Bidco Limited

Opinion

We have audited the financial statements of Abyssinian Bidco Limited for the year ended 31 December 2021, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of the company's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The directors are responsible for the other information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Independent Auditor's Report

to the members of Abyssinian Bidco Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the 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.

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

Independent Auditor's Report

to the members of Abyssinian Bidco Limited

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

- Testing the financial statement disclosures to supporting documentation, performing substantive testing on account balances which were considered to be of greater susceptibility to fraud;
- Performing targeted journal entry testing based on identified characteristics that the audit team considered to be indicative of fraud, for example credit entries to revenue without a corresponding entry to receivables, accrued income or deferred income;
- Critically assessing areas of the financial statements which include judgement and estimates, as set out in Note 3 of the financial statements;
- We obtained an understanding of the legal and regulatory frameworks applicable to the company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework, the Companies Act 2006 and relevant tax compliance regulations; and
- We understood how the company is complying with those frameworks by making enquiries of management and those responsible for legal and compliance procedures. We corroborated our enquiries through our review of board minutes and other corroborating evidence.

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

Use of our report

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

Andrew Gandell

Andrew Gandell
(Senior Statutory Auditor)
for and on behalf of MHA MacIntyre Hudson, Statutory Auditor
London
20 September 2022

Statement of Comprehensive Income

for the year ended 31 December 2021

	Notes	2021 £'000 Total	2020 £'000 Total
Operating income		221	195
Operating expenses		(1)	(1)
Operating profit		220	194
Finance income	[6]	-	2
Profit before and after tax		220	196
Total comprehensive income for the year		220	196

The notes on pages 10 to 15 are an integral part of these financial statements.

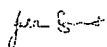
Statement of Financial Position

for the year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Non-current assets			
Investments	[8]	29,487	29,487
Total non-current assets		29,487	29,487
Current assets			
Trade and other receivables	[10]	7,190	4,972
Cash and cash equivalents	[9]	801	2,799
Total current assets		7,991	7,771
Current liabilities			
Trade and other payables	[11]	1	1
Total current liabilities		1	1
Net assets		37,477	37,257
Equity			
Called up share capital	[14]	368	368
Share premium	[15]	36,529	36,529
Retained earnings		580	360
Equity attributable to owners of the parent Company		37,477	37,257

The notes on pages 10 to 15 are an integral part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 20 September 2022 and signed on its behalf by:



Julian Bennet

Abyssinian Bidco Limited
Registered Number: 11650137

Statement of Changes in Equity

for the year ended 31 December 2021

	Notes	Share capital £'000	Share premium £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2020		379	37,521	164	38,064
Shares issued in the year		9	988	-	997
Shares redeemed in the year		(20)	(1,980)	-	(2,000)
Comprehensive income					
Profit for the year		-	-	196	196
Balance at 1 January 2021		368	36,529	360	37,257
Comprehensive income					
Profit for the year		-	-	220	220
Balance at 31 December 2021		368	36,529	580	37,477

The notes on pages 10 to 15 are an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 31 December 2021

1. General information

Abyssinian Bidco Limited was incorporated on 30 October 2018 and is a limited company that is incorporated and domiciled in the United Kingdom. The registered office and principle place of business is: Investcorp House, 48 Grosvenor Street, Mayfair, London, W1K 3HW.

Abyssinian Bidco Limited ('the Company') is a holding company which was primarily formed for the acquisition of Ubisense Limited by Investcorp.

The Financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these Financial statements are rounded to the nearest £'000.

2. Accounting policies

2.1 Basis of preparation of Financial statements

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

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

The following principal accounting policies have been applied:

2.2 Going concern

The entity is an intermediate holding company. The directors have considered the fifteen month forecast which indicates that the company has adequate resources to both continue in operational existence and meet its liabilities as they fall due for the foreseeable future being at least 12 months from the date of approval of the financial statements. Accordingly the directors continue to adopt the going concern basis in preparing these financial statements.

2.3 Consolidated financial statements

The company is a wholly owned subsidiary of Abyssinian Midco Limited and ultimately by Abyssinian Topco Limited. It is included in the consolidated financial statements of Abyssinian Topco Limited which are publicly available. The company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. The address of the parent's registered office is Investcorp House 48 Grosvenor Street, Mayfair, London, United Kingdom, W1K 3HW. Further details of the parent and ultimate parent undertakings can be found in note 17.

These financial statements are the company's separate financial statements.

2.4 Statement of cash flows

The Company has taken advantage of the provisions made by FRS102 section 3.1B of not preparing a statement of cash flows.

2.5 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

Notes to the Financial Statements

for the year ended 31 December 2021

2. Accounting policies (Continued)

2.6 Taxation

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

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

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

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

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

2.7 Investment in subsidiary company

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Receivables

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

2.9 Cash and cash equivalents

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

2.10 Financial instruments

The Company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and cash at bank.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting year for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

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

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

2.11 Related party transactions

The company discloses transactions with related parties which are not wholly owned with the same group. The company takes advantage of the exemptions provided by FRS102 to not disclose transactions with its parent or with members of the same group that are wholly owned.

Notes to the Financial Statements

for the year ended 31 December 2021

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

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of investment in subsidiary

Management continually review the expected recoverable value of the Company's investment in its subsidiary. Where indicators of impairment exist such as poor financial performance or adverse cashflows, management consider if the investment in its subsidiary is recoverable or whether it has become impaired. In carrying out this assessment, management review all qualitative and quantitative financial information, including cashflow forecasts, trading forecast, and the five-year business plan.

4. Auditor's remuneration

The auditor of the Company is MHA MacIntyre Hudson.

The auditor's remuneration of £6,000 was borne by Ubisense Limited, the Company's subsidiary undertaking.

5. Employees and directors

The company does not have any employees, and neither of the Directors received remuneration for the year ended 31 December 2021 (2020: £NIL).

6. Finance income

	2021 £'000	2020 £'000
Interest income from cash and cash equivalents	-	2
Total finance income	-	2

7. Taxation

	2021 £'000	2020 £'000
Current tax		
UK corporation tax	-	-
Total income tax	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	2021 £'000	2020 £'000
Profit before tax	220	196
Loss before tax multiplied by the standard rate of corporation tax in the UK of 19%	42	37
Tax effects of:		
Group relief	(42)	(37)
Total income tax	-	-

Notes to the Financial Statements

for the year ended 31 December 2021

8. Investments in subsidiary companies

	2021 £'000	2020 £'000
Acquisition of shareholding and associated costs	29,487	29,487
At 31 December	29,487	29,487

On 31 December 2018, the Company acquired 100% of the ordinary share capital of Ubisense Limited for an acquisition price of £29.487m including direct costs.

Ubisense Limited is incorporated in the UK and its registered office is St Andrew's House, St Andrew's Road, Chesterton, Cambridge, CB4 1DL. Ubisense Limited provide real time location system solutions.

Management have considered the recoverable value of the investment in Ubisense Limited in light of its financial performance and position at the year end date. In carrying out its review, Company management reviewed cashflow forecasts, trading projections and the 5-year business plan and determined that no impairment was required.

9. Cash and cash equivalents

	2021 £'000	2020 £'000
Cash and cash equivalents	801	2,799

10. Trade and other receivables

	2021 £'000	2020 £'000
Amounts due from group undertakings	7,190	4,972
Total	7,190	4,972

Interest is charged on amounts due from group undertakings at 4% over Libor. The sums advanced have no fixed settlement date but are not expected to be repaid in the next financial year. The loan is not secured.

11. Trade and other payables

	2021 £'000	2020 £'000
Accruals	1	1
Total	1	1

12. Financial instruments

	2021 £'000	2020 £'000
Financial assets		
Financial assets measured at amortised cost	7,991	7,771
Financial liabilities		
Financial liabilities measured at amortised cost	1	1
Net financial assets	7,990	7,770

Financial assets measured at amortised cost comprise cash and cash equivalents and amounts owed by group undertakings.

Financial liabilities that are measured at amortised cost comprise accruals.

Notes to the Financial Statements

for the year ended 31 December 2021

13. Commitments and contingencies

The Company does not have any commitments or contingencies at the year end (2020: £NIL).

14. Share Capital

	No.	Nominal value (£)	2021
Allotted share capital			
Balance as at 1 January 2021 and 31 December 2021	36,777,081	0.01	367,771
Total	36,777,081	0.01	367,771

	No.	Nominal value (£)	2021
Allotted, called up and fully paid			
Ordinary shares	36,777,081	0.01	367,771

All shares rank equally for voting purposes.

15. Reserves

Share premium account

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

Retained earnings

Includes all current and prior year retained profits and losses.

16. Related party transactions

The company is exempt from disclosing related party transactions with other companies that are wholly owned within the Group.

There are no other related party transactions.

Notes to the Financial Statements

for the year ended 31 December 2021

17. Controlling party

At 31 December 2021, the Company's immediate parent company was Abyssinian Midco Limited, a private limited company incorporated in England.

The smallest group to consolidate these financial statements is Abyssinian Topco Limited. Copies of the Abyssinian Topco Limited consolidated financial statements can be obtained from the Company Secretary at Investcorp House 48 Grosvenor Street, Mayfair, London, United Kingdom, W1K 3HW.

The Company's ultimate parent company is Investcorp Bank B.S.C, a public limited company incorporated in the Kingdom of Bahrain and listed on the Bahrain Stock Exchange.

Investcorp Bank B.S.C is 50% owned and controlled by SIPCO Limited which is 100% owned by SIPCO Holdings Limited. SIPCO Holdings Limited is owned by a number of private shareholders, none of whom own more than 25% of the issued share capital. Accordingly there is no ultimate controlling party.

18. Post balance sheet events

Since the balance sheet date, the company received equity investment of £8.4m from the principal shareholder, Investcorp Private Equity, in July 2022. Of the £8.4m funding received, £4.1m was passed down to Ubisense Limited, the company's immediate subsidiary via an intercompany loan agreement.