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In accordance with Regulation 32 of the Overseas Companies Regulations 2009.

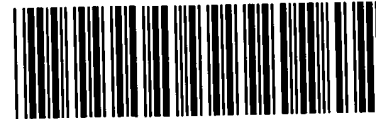
DON'T
STAPLE**OS AA01**Statement of details of parent law and other
information for an overseas company

Companies House

✓ **What this form is for**
You may use this form to
accompany your accounts
disclosed under parent law.

✗ **What this form is NOT for**
You cannot use this form for
an alteration of memorandum
with accounting requirements.

THURSDAY



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28/04/2022

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COMPANIES HOUSE

Part 1 Corporate company nameCorporate name of
overseas company ①

Halo Technology Bidco Limited

UK establishment
number

B R 0 1 9 7 4 8

→ **Filling in this form**Please complete in typescript or in
bold black capitals.All fields are mandatory unless
specified or indicated by *① This is the name of the company in
its home state.**Part 2 Statement of details of parent law and other
information for an overseas company****A1 Legislation**Please give the legislation under which the accounts have been prepared and
audited.

Legislation ②

Companies (Guernsey) Law, 2008

② This means the relevant rules or
legislation which regulates the
preparation of accounts.**A2 Accounting principles**

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ **No.** Go to **Section A3**.☒ **Yes.** Please enter the name of the organisation or other
body which issued those principles below, and then go to **Section A3**.③ Please insert the name of the
appropriate accounting organisation
or body.Name of organisation
or body ③

UK and Ireland Financial Reporting Standards (FRS 102)


OS AA01

Statement of details of parent law and other information for an overseas company

A3	Audited accounts	
Audited accounts	<p>Have the accounts been audited in accordance with a set of generally accepted auditing standards?</p> <p>Please tick the appropriate box.</p> <p><input checked="" type="checkbox"/> No. Go to Part 3 'Signature'.</p> <p><input type="checkbox"/> Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.</p>	<p>❶ Please insert the name of the appropriate accounting organisation or body.</p>
Name of organisation or body ❶		

Part 3

Signature

	I am signing this form on behalf of the overseas company.	
Signature	<p>Signature</p> <p>X  X</p>	
	This form may be signed by: Director, Secretary, Permanent representative.	

OS AA01

Statement of details of parent law and other information for an overseas company



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Andrew Jeremiah
Company name	Halo Technology Bidco Ltd
Address	Eagle House, Lakeside Business Park
Soutgh Cerney,	
Post town	Gloucestershire
County/Region	
Postcode	G L 7 5 X L
Country	UK
DX	
Telephone	01285 718 604



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

Please note that all this information will appear on the public record.



Where to send

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.



Further information

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Company Registration Number 63665

HALO TECHNOLOGY BIDCO LIMITED

Report and Financial Statements

Year ended 31 March 2021

HALO TECHNOLOGY BIDCO LIMITED

REPORT AND FINANCIAL STATEMENTS
Year ended 31 March 2021

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HALO TECHNOLOGY BIDCO LIMITED

CORPORATE INFORMATION

DIRECTORS

A Aguirre
W S Krzywicki
J Ma
A Majumdar
M McCormick
R J W Sweet

SECRETARY

A Jeremiah

REGISTERED OFFICE

2nd Floor Trafalgar Court
Les Banques
St. Peter Port
Guernsey
GY1 4LY

BANKER

Royal Bank of Scotland International Limited
Royal Bank Place
1 Glatigny Esplanade
St Peter Port
Guernsey
GY1 4BQ

SOLICITOR

Goodwin Procter (UK) LLP
100 Cheapside
London
United Kingdom
EC2V 6DY

HALO TECHNOLOGY BIDCO LIMITED

DIRECTORS' REPORT

The directors present their report together with the audited financial statements for the year ended 31 March 2021. The financial statements have been prepared on the basis set out in note 2 to the financial statements. The company is incorporated in Guernsey.

PRINCIPAL ACTIVITY

The company is a holding company of the Halo group of companies whose principle activities are the provision of high-quality network and connectivity products that are compatible with leading Original Equipment Manufacturers (OEMs).

Halo is challenging OEM dominance with superior products and service. Customers can make significant cost savings against the major networking vendors with no loss of quality or reliability, backed by extensive warranties and first class support.

DIRECTORS

The directors who held office during the year were:

A Aguirre
W S Krzywicki
J Ma
A Majumdar
M McCormick
R J W Sweet

DIVIDENDS

No interim ordinary dividends were paid to the shareholders of the company in respect of the current year (2020: \$nil). Dividends of \$nil (2020: \$nil) were received in respect of the current year.

No final dividend is proposed for the year ended 31 March 2021 (2020: \$nil).

RE-FINANCING AND BUSINESS COMBINATIONS

On 30 June 2021 another company within the group entered into an agreement to secure a \$194,000,000 loan facility and a \$7,000,000 Revolving credit facility. On 30 June \$80,937,000 was borrowed from this group company, and all the proceeds were utilised in repaying the existing Barings Europe loan facility (\$44,000,000) as well as acquiring an investment in the Solid Optics group of companies on 2 July 2021 (\$36,937,000).

GOING CONCERN

COVID-19 and its impact on the ability to continue as a going concern has been assessed in detail. Over the past twelve months the Company has not been overly affected by COVID-19, and the directors do not anticipate a significant disruption to the operations going forward. The directors have taken adequate steps to ensure that operations at all locations can continue in a safe manner, including enabling all non-production staff to work from home. Our offices and systems enabled operations from home for all core functions across the business. The directors have evaluated the risks and put in place mitigating controls to ensure the health and wellbeing of employees is safeguarded.

Following the year-end the group has acquired two significant business, both of which are profitable and cash-generative, and which have been acquired using existing cash resources supplemented by additional borrowings. The group relies on bank finance for long term financial support, and covenants with certain earnings related financial performance measures are in place.

After reviewing the group's and company's forecasts and projections, the directors have a reasonable expectation that the group and company have adequate resources to continue in operational existence for the foreseeable future. Whilst the group has a net liability position, the cash amounts held remain high and the Directors believe that cash reserve and future operating cash flows will be sufficient to continue as a going concern. The group and company therefore continue to adopt the going concern basis in preparing these financial statements.

HALO TECHNOLOGY BIDCO LIMITED

DIRECTORS' REPORT (continued)

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing financial statements for each financial year which 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 and in accordance with applicable laws. In preparing these 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; 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and which enable them to ensure that the financial statements have been properly prepared in accordance with the Companies (Guernsey) Law, 2008. 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.

AUDIT EXEMPTION

Under section 256(1) of the Companies (Guernsey) Law, 2008 it has been formally agreed that the Company shall dispense with the requirement for the Company to undergo an annual audit for an indefinite period.

W S Krzywicki
Director
17 November 2021



HALO TECHNOLOGY BIDCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME
Year ended 31 March 2021

		Year Ended 2021 \$000	Year Ended 2020 \$000
	Note		
Administrative expenses		(1,781)	(249)
OPERATING LOSS		(1,781)	(249)
Income from investments		-	-
Interest receivable and similar income	4	2,998	3,072
Interest payable and similar charges	5	(8,954)	(9,311)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(7,737)	(6,488)
Tax on loss on ordinary activities	6	2,170	(970)
LOSS AND TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR		(5,567)	(7,458)

All results, including operating loss in the year has been derived from continuing operations.

The notes on pages 7 to 15 form part of these financial statements.

HALO TECHNOLOGY BIDCO LIMITED

STATEMENT OF FINANCIAL POSITION As at 31 March 2021

	Note	2021 \$000	2021 \$000	Restated 2020 \$000	Restated 2020 \$000
FIXED ASSETS					
Investments	8		82,287		68,168
CURRENT ASSETS					
Debtors	9	39,036		43,544	
Cash at bank and in hand		362		3	
		<u>39,398</u>		<u>43,547</u>	
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	10	<u>(24,836)</u>		<u>(17,616)</u>	
NET CURRENT ASSETS			14,562		25,931
TOTAL ASSETS LESS CURRENT LIABILITIES			96,849		94,099
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	11		(124,157)		(113,670)
PROVISIONS FOR LIABILITIES	13		-		(2,170)
TOTAL NET LIABILITIES			<u>(27,308)</u>		<u>(21,741)</u>
CAPITAL AND RESERVES					
Called up share capital	14		-		-
Profit and loss account			(27,308)		(21,741)
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			<u>(27,308)</u>		<u>(21,741)</u>

The financial statements of Halo Technology Bidco Limited, registered number 63665, were approved by the board of directors and authorised for issue on 17 November 2021.

The notes on pages 7 to 15 form part of these financial statements.

Signed on behalf of the board of directors

W S Krzywicki
Director



HALO TECHNOLOGY BIDCO LIMITED

STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2021

	Note	Called up Share capital \$000	Profit and Loss account \$000	Total \$000
At 1 April 2019		-	(14,283)	(14,283)
Total comprehensive loss for the year		-	(7,458)	(7,458)
At 31 March 2020		-	(21,741)	(21,741)
Total comprehensive loss for the year		-	(5,567)	(5,567)
At 31 March 2021		-	(27,308)	(27,308)

The notes on pages 7 to 15 form part of these financial statements.

HALO TECHNOLOGY BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

1. STATUTORY INFORMATION

Halo Technology Bidco Limited is a private company limited by shares incorporated in Guernsey under the Companies (Guernsey) Law 2008, registration number 63665. The registered office is 2nd Floor Trafalgar Court, Les Banques, St. Peter Port, Guernsey, GY1 4LY.

2. ACCOUNTING POLICIES

The following accounting policies have been applied in the year in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation of financial statements

The financial statements have been prepared in accordance with FRS 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland under historical cost accounting rules. The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the management to exercise judgement in applying the company's accounting policies, as highlighted in note 3.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 for qualifying entities:

- Section 3 Financial Statement Presentation paragraph 3.17(d) and Section 7 Statement of Cash Flows not to prepare a statement of cash flows; and
- Section 33 Related Party Disclosures paragraph 33.7 not to disclose key management personnel compensation in total.

The company's results are included in the publicly available consolidated financial statements of Halo Technology Limited and these financial statements can be obtained from the address given in note 16.

Period of account

The results of these statements are shown for the year ended 31 March 2021. Comparative figures are shown for the year ended 31 March 2020.

Consolidated financial statements

The company does not prepare consolidated financial statements as it is not a requirement under FRS 102 where an entity is not reporting under UK law is following a statutory framework that does not require it. The Companies (Guernsey) Law 2008 does not require the preparation of consolidated financial statements.

Prior year adjustments

During the financial year a review of the disclosure on the balance sheet in relation to inter-company debtors and creditors were undertaken and concluded that the balance sheet asset and liability accounts should be grossed up.

- In the balance sheet, debtors due more than one year increased by \$38,296,000, and creditors falling due more than one year increased by \$38,296,000.
- There was no impact to the income statement.

HALO TECHNOLOGY BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 March 2021**

2. ACCOUNTING POLICIES (continued)

Financial assets

Financial assets, other than investments and derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at cost.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities, excluding derivatives, are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost using the effective interest rate method.

Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). These financial statements are presented in US dollars, which is the company's functional currency.

Foreign currency transactions are translated into the company's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Derivative instruments

The company hedges interest rates to reduce exposure to interest rate movements. Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit and loss. Derivative contracts are held by subsidiary undertakings with any gain or loss being recharged to the company. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative. fair value of the interest rate hedge is calculated by reference to current interest rates.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders.

Dividends unpaid at the reporting date are only recognised as a liability at that date to the extent they are appropriately authorised and are no longer at the discretion of the company. Unpaid dividends that do not meet these criteria are disclosed in the notes to these financial statements.

Reserves

The company's reserves are as follows:

- Called up share capital reserve represents the nominal value of the shares issued; and
- Profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

HALO TECHNOLOGY BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

2. ACCOUNTING POLICIES (continued)

Exceptional items

Exceptional items are expenses incurred by the company which the directors identify as being both material and one off in nature. These are disclosed separately in the statement of comprehensive income as they are relevant to an understanding of the company's financial performance.

Current and deferred taxation

Tax is recognised in profit or loss, except that a change attributable to an item of income or 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 company maintains a provision for any withholding tax falling due where recoverability at the year-end is uncertain.

The income tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company's subsidiaries operate and generate taxable income.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the reporting date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the reporting date. Timing differences are differences between the company's taxable profits and its results that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is recognised as recoverable and therefore only recognised to the extent that, on the basis of all available evidence, it can be regarded as more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries only to the extent that, at the reporting date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax is measured on a non-discounted basis.

Going Concern

COVID-19 and its impact on the ability to continue as a going concern has been assessed in detail. The directors do not anticipate a significant disruption to their operations. Our customers are not concentrated in retail areas which cannot be delivered remotely, or hospitality, and most have seen minimal impact on their own businesses as a result of the pandemic. Whilst most of our products are initially sourced from China, we have not had any issues in terms of our supply through the initial stages of the pandemic, and subject to continued government action to contain the pandemic, we believe that this situation will continue through the coming months. The group and company's operations have not been impacted by stay at home requirements, as the products which we supply have been classified as essential, and all sites have been operating close to normal, with no staff being furloughed. The directors have taken adequate steps to ensure that operations at all locations can continue in a safe manner, including enabling all non-production staff to work from home. Our offices and systems enabled operations from home for all core functions across the business. The directors have evaluated the risks and put in place mitigating controls to ensure the health and wellbeing of employees is safeguarded.

HALO TECHNOLOGY BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2021

2. ACCOUNTING POLICIES (continued)

Going Concern (continued)

The group and company relies on bank finance for long term financial support. These facilities have covenant requirements around certain financial performance measures. Trading since year end has been positive with growth when compared to the prior period. After reviewing the group and company's forecasts and projections, and with due consideration of the impacts of COVID-19 on the business, as further described above, the directors have a reasonable expectation that the company will continue to meet these covenant requirements. The company therefore continues to adopt the going concern basis in preparing these financial statements

3. SIGNIFICANT JUDGEMENTS AND ESTIMATIONS

The preparation of these financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported for revenues and expenses during the year.

The directors believe there are no significant sources of estimation uncertainty in preparing these financial statements.

4. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year Ended 2021 \$000	Year Ended 2020 \$000
Interest received from group undertakings	2,998	3,072

5. INTEREST PAYABLE AND SIMILAR CHARGES

	Year Ended 2021 \$000	Year Ended 2020 \$000
Bank loans and overdrafts	3,150	3,652
Interest payable to group undertakings	5,804	5,659
	8,954	9,311

HALO TECHNOLOGY BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

6. TAX ON LOSS ON ORDINARY ACTIVITIES

	Year Ended 2021 \$000	Year Ended 2020 \$000
Current tax on loss for the year	-	-
Overseas tax	(2,170)	970
Tax charge on loss on ordinary activities	(2,170)	970

Factors affecting the tax charge for the current year

The current tax charge for the year is higher than the standard rate of corporation tax in the UK of 19% (2020: 19%). The differences are explained below.

	Year Ended 2021 \$000	Year Ended 2020 \$000
Current tax reconciliation		
Loss on ordinary activities before tax	(7,737)	(6,488)
Current tax at 19%	(1,470)	(1,233)
Effects of:		
Expenses not deductible for tax purposes	217	-
Group relief	467	1,233
Deferred tax not recognised	786	-
Foreign tax credits / (credits reversal)	(2,170)	970
Tax on loss on ordinary activities	(2,170)	970

7. DIVIDENDS

No interim ordinary dividends were paid to the shareholders of the company in respect of the current year (2020: \$nil). Dividends of \$nil (2020: \$nil) were received in respect of the current year.

No final dividend is proposed for the year ended 31 March 2021 (2020: \$nil).

HALO TECHNOLOGY BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2021

8. FIXED ASSET INVESTMENTS

	2021
	\$000
Cost	
At 1 April 2020	68,168
Additions in year	14,119
At 31 March 2021	82,287
Accumulated impairment	
At 1 April 2020	-
At 31 March 2021	-
Net book value	
At 31 March 2021	82,287
At 31 March 2020	68,168

The undertakings in which the company's interest at the balance sheet date is more than 20% are as follows:

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares held
ProLabs Holdings Limited	England	Holding company	100.0%
ProLabs (UK) Limited	England	Accessories vendor	100.0%
Halo Technology Bidco Inc	USA	Holding company	100.0%
AddOn Computer Peripherals LLC	USA	Accessories vendor	100.0%
LinxIT LLC	USA	Accessories vendor	100.0%
Halo Technology Bidco SRL	Belgium	Holding company	100.0%
Bipho SRL	Belgium	Holding company	100.0%
Skylane Optics SRL	Belgium	Accessories vendor	100.0%
Skylane Optics Inc.	USA	Dormant	100.0%
Skylane Optics do Brasil Servicos de Pesquisa Ltda	Brasil	Accessories vendor	100.0%

Halo Technology Bidco SRL was incorporated on 24 December 2020, in Walcourt, Belgium.

On 20 January 2021 the wholly owned intermediate holding subsidiary, Halo Technology Bidco SRL, acquired 100% of the share capital of Bipho SRL ("Skylane Optics") and its subsidiaries for cash consideration of \$3,936,000, \$10,183,000 in respect of a share for share exchange where management rolled their investment from Bipho SRL into Halo Technology Limited, and contingent consideration of \$3,030,000.

There are two payment dates of the deferred consideration, one in January 2022 for a maximum of \$1,800,000, and one in January 2023 for a maximum of \$1,200,000. These amounts are based on achieving a certain Turnover target in the previous 12 months preceding the measurement date.

Acquisition costs of \$1,398,000 arose as a result of the transaction. These have been recognised as part of administrative expenses in the statement of comprehensive income.

HALO TECHNOLOGY BIDCO LIMITED**NOTES TO THE FINANCIAL STATEMENTS**

Year ended 31 March 2021

8. FIXED ASSET INVESTMENTS (CONTINUED)

There are no minority interests in any of the acquired businesses, and none of business were acquired in stages. There were no contingent liabilities in any of the businesses acquired.

See the Subsequent Events note for details of business combinations whose acquisition date is after the end of the reporting period but before the financial statements are authorised for issue.

9. DEBTORS

	2021	Restated
	\$000	2020
		\$000
Amounts owed by group undertakings	38,881	43,544
Prepayments	155	-
	<u>39,036</u>	<u>43,544</u>

Included within amounts owed by group undertakings are amounts due more than one year \$33,633,000 (restated 2020: \$38,296,000).

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	\$000	\$000
Amounts owed to group undertakings	23,695	17,599
Accruals and deferred income	1,141	17
	<u>24,836</u>	<u>17,616</u>

HALO TECHNOLOGY BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2021

11. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 \$000	Restated 2020 \$000
Bank loans and overdrafts	43,313	43,124
Amounts owed to group undertakings	80,844	70,546
	<u>124,157</u>	<u>113,670</u>

Bank loans and overdrafts and amounts owed to group undertakings due after more than one year are repayable as follows:

	2021 \$000	Restated 2020 \$000
Between one and five years	124,157	113,670
More than five years	-	-
	<u>-</u>	<u>-</u>

During the year the company took out a \$5,000,000 rolling credit facility to cover additional short term liquidity needs. The facility was aligned with the other bank facility and is repayable in full on 21 November 2024. The loan transaction fee of \$162,500 has been capitalised and is amortised over the life of the facility. The facility accrues interest at US LIBOR plus 5.5% for any amounts drawn, and also a minimum commitment fee of 0.35%, which is paid quarterly in arrears.

The bank facility totalling \$44,000,000 (2020: \$44,000,000) accrues interest at US LIBOR plus 5.5%, which is paid quarterly in arrears. The US LIBOR Rate has a floor at a minimum rate of 1.0%. The facility is repayable in full on 21 November 2024. The bank loans and overdrafts are secured via a charge over the assets of each group company. The loan transaction fee of \$1,320,000 had been capitalised, which continues to be amortised over the life of the loan. After the year end on 30 June 2021, the bank facility was repaid, and a new bank facility of \$194,000,000 was drawn on a US bank, in order to acquire two new companies. As part of the new banking facility, the rolling credit facility put in place in the year was cancelled (see note 16).

Liquidity risk is managed through detailed cash forecasting and the application of strict cash management practices to ensure the group has sufficient funds for operations.

Included within amounts owed to group undertakings are amounts due more than one year \$80,844,000 (restated 2020: \$70,546,000).

12. FINANCIAL ASSETS AND LIABILITIES

The company's financial instruments may be analysed as follows:

	2021 \$000	Restated 2020 \$000
Financial assets		
Financial assets measured at amortised cost	<u>39,036</u>	<u>43,544</u>
Financial liabilities		
Financial liabilities measured at amortised cost	<u>148,993</u>	<u>131,286</u>

Financial assets measured at amortised cost comprise amounts owed by group undertakings and other debtors. Financial liabilities measured at amortised cost comprise amounts owed to group undertakings, bank loans and overdrafts, and accruals.

HALO TECHNOLOGY BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2021

13. PROVISION FOR LIABILITIES

The company had the following provisions during the year:

	Withholding Tax Provision \$000
As at 1 April 2020	2,170
Additions recognised in profit or loss	-
Provisions released in the year	(2,170)
At 31 March 2021	-

During the prior year the company agreed its tax residency position with the UK and Guernsey tax authorities. Additional work was carried out in the year identifying further information to lead to the conclusion that there was minimal risk that it could have to account to the tax authorities for withholding tax on interest payments made. The Directors are of the opinion that these amounts will not be due and have made the decision to release the provision at the year end to \$nil (2020: \$2,170,000).

14. CALLED UP SHARE CAPITAL

	2021 \$000	2020 \$000
Authorised, allotted, called up and fully paid		
1 Ordinary shares of £1.00 each (converted to US Dollars on date of issue)	-	-
	-	-

On incorporation the company issued 1 £1.00 Ordinary shares at par. Share capital is converted from sterling to US Dollars using the exchange rate on the date of issue.

The entire share capital of the company is owned by Halo Technology Midco Limited.

15. ULTIMATE CONTROLLING PARTY

At the balance sheet date, the ultimate controlling party of the group was Halo Technology Limited, a Guernsey registered entity. The company's parent company at the balance sheet date is Halo Technology Midco Limited.

The only group within which these accounts are consolidated at 31 March 2021 is Halo Technology Limited. The consolidated accounts of Halo Technology Limited, can be obtained from: Eagle House, Lakeside Business Park, South Cerney, Cirencester, Gloucestershire, GL7 5XL.

There are no provisions against related party receivables at the statement of financial position date (2020: \$nil).

16. SUBSEQUENT EVENTS

On 30 June 2021, a subsidiary undertaking entered into an agreement with Barings Finance LLC and secured a \$194,000,000 loan facility and a \$7,000,000 Revolving credit facility. At the same time, the company borrowed an amount of \$80,936,000 from this subsidiary undertaking, and with this money repaid the company's bank facility with Barings Europe (\$44,000,000). With the remaining cash, the company acquired an additional group of companies, Solid Optics group (\$62,428,000) on 2 July 2021. The other proceeds of the additional funding were utilised by a subsidiary undertaking of the company to buy an additional group of companies, Aria Technologies (\$85,091,000).

There are no other subsequent events of note.