Cheetah Holdings Limited

Report and Financial Statements

Year Ended

31 March 2021

Company Number 10721368

Cheetah Holdings Limited

Report and financial statements
for the year ended 31 March 2021

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Directors

John Wellford Dillard
Dean Tilsley

Registered office

10 Lower Thames Street, London, England, EC3R 6EN

Company number

10721368

Auditors

BDO LLP, 55 Baker Street, London, W1U 7EU

Cheetah Holdings Limited
Strategic Report
for the year ended 31 March 2021

The Directors present their strategic report on Cheetah Holdings Limited and its subsidiaries (together "the Group") for the year ended 31 March 2021.

Principal activities

The principal activity of the Group is a global software as a service (SaaS) provider of cross-channel customer engagement, serving clients ranging from mid-sized companies to very large and well know global enterprises. The Cheetah Digital Customer Engagement Suite enables corporate marketers to create personalized experiences, cross-channel messaging, and loyalty programs and systems; all underpinned by an engagement data platform that scales to meet the changing demands of today's consumer. The Group also provides strategic marketing, campaign, technical and training services. There have been no significant changes in the nature of these activities during the financial year.

Review of operations

The consolidated financial statements for the Group have been prepared for the year ended 31 March 2021, which include the results of operations of the Company and its wholly owned subsidiaries. These consolidated financial statements reflect revenues of $182 million (year ended 31 March 2020 - $199 million) and net loss for the year of $29 million (year ended 31 March 2020 – net income of $100 million), including $12 million (year ended 31 March 2020 - $24 million) of finance expenses on the debt and working capital facility. For the year ended 31 March 2020, $155 million of the income was due to a gain on the sale of a subsidiary as discussed further below.

On August 22, 2019, the Group sold its operations related to Mail Publisher, a product line sold exclusively in Japan for an aggregate consideration of $273,050, of which $23,050 was held in escrow pursuant to an option to reacquire the Marketing Suite business. The sale generated a gain of $154,675 and a portion of the proceeds ($220,781) were used to pay the outstanding balance on the Group's term loans with a third-party lending institution and reduce further cash obligations related to interest payments. The sale also allowed the Group to invest in new global products and continue investing in its core product, Marketing Suite.

Review of operations (continued)

Loss from continuing operations for the year ended 31 March, 2021, is $29.2 million (year ended 31 March 2020 - $58.7 million). Adjusted EBITDA, which is earnings from continuing operations before interest, tax, depreciation and amortization, excluding one-time, non-recurring items such as the gain on sale of a subsidiary, sub-lease gains, costs incurred in connection with the carve-out from Experian and standing up the business to operate independently from Experian, ownership management fees and one-time restructuring costs, was $23.1 million (year ended 31 March 2020 - $13.2 million).

Reconciliation from Loss for the Year/Period to EBITDA and Adjusted EBITDA

	2021 $'000	2020 $'000
Income/(loss) for the period	(29,235)	99,809
Income tax (credit) expense	(3,356)	3,160
Finance expense	9,927	24,249
Depreciation and amortization	38,834	36,448
EBITDA	**16,161**	**163,666**
Acquisition costs (see Note 6)	-	950
Gain on subsidiary (see Note 7)	-	(154,675)
Gain on sublease (see Note 14)	-	(2,588)
Vector management fee	2,265	2,100
Non – Recurring costs:		
Severance and other employee costs	2,661	2,810
Professional fees	195	1,600
Contractors	150	140
Other restructuring	490	-
TSA	(924)	-
Outside recruiting	388	900
Abandoned facilities	107	2,100
Adjusted EBITDA	**21,502**	**17,003**
Income from discontinued operations (see note 7)	-	(3,879)
Adjusted EBITDA from continuing operations	**21,502**	**13,124**

Strategy

The strategy of the Group is to enable the revolution in insight-driven marketing through customer data management that is accessible, flexible, scalable, and secure; a real-time communication engine that offers seamless integration across channels, devices, media, and partners; analytics that unlock new insights to deepen marketers' relationships with clients.

Geographically, as of 31 March 2021, the Group had operating subsidiaries in Brazil, Australia, China, Hong Kong, India, Ireland, Malaysia, Singapore, Bulgaria, France, Spain, Germany, Japan, Costa Rica, the United States, and the United Kingdom serving 3000+ clients across the world.

The Group continues to invest significantly in its solutions including its foundational platforms which scale email solutions across the globe, its Marketing Suite platform which provides cross-channel marketing, customer data management and rich analytics, and strategic and managed services.

Objectives

The business objectives for 2022 and beyond:

- Continue to invest in products in our Customer Engagement Suite of products, technology, and infrastructure; plan and deliver a successful market introduction to our Customer Engagement Suite of products.
- *Continue to attract talent, and focus on customer engagement satisfaction.*
- Following the merger with CM Group in Feb 2022 (refer to Subsequent Events below), the Group will look for cost synergies and process efficiencies in 2022/2023

Business model

The Group's business model is built around a clearly defined plan that includes investing in product development, winning new clients, retaining and expanding relationships with our existing client base, and increasing presence in under-penetrated markets.

The Group benefits from a contracted revenue stream which provides a high degree of visibility of future performance. The Group has strong, long-standing relationships with some of the world's most sophisticated marketers and consumer brands and the geographical scale and expertise to capture global opportunity. Additionally, the Group continues to invest in developing new products and technology.

Subsequent Events

On 4 February 2022, Cheetah Holdings Limited entered into a Partnership Agreement with CM 2019 (UK) Limited ("CM Group"), and the two entities merged. The new ultimate owner of Cheetah Holdings Limited is Iris Holdings L.P., registered in the Cayman Islands. As the result of the merger, the related party debt of Cheetah Holdings Limited was settled and replaced with an intercompany loan of approximately $119 million provided by CM Acquisitions Holdings, Inc., a subsidiary entity of CM Group. The new loan matures in 2025.

Key Performance Indicators

Management adopts a number of indicators to measure and monitor the overall performance of the Group. These included the following:

- Consolidated new logo revenue bookings and cross sells, where we met did not meet our targets,
- Consolidated churn or revenue from ongoing customers, where we did not meet our target,
- Upfront cash on new logo bookings, cross sells and renewing customers, where we met out target,
- Earnings before Interest, Income Tax, depreciation and amortisation ("EBITDA") which was $17.8 million (year ended 31 March 2020 - $163.7 million), with the decrease mostly related to the sale of a portion of the business in Japan related to mail publisher operations as described in the Note 7. EBITDA is adjusted for costs incurred in connection with the carve-out from Experian and setting up of the business to operate independently from Experian, ownership management fees, one-time restructuring costs, gains on

subleases and the proceedings from the sale of Japanese mail publisher operations, total adjusted EBITDA was $23.1million (year ended 31 March 2020 - $13.1 million).

A budget is set each year and monthly performance, including the key performance indicators above, is monitored against budget. For the year ended 31 March 2021, the Group did not meet its overall revenue and adjusted EBITDA performance targets as it focused primarily developing and investing in its product and sales strategy and hiring key members of the management team.

Future outlook

The outlook for the industry and the Group remains extremely positive as marketers shift focus to more personalised marketing, requiring strong security and data capabilities along with the ability to interact with customers access all channels.

The Group expects increased demand for our multi-products cross-channel marketing solutions through our unique combination of data, software, security, and industry experts that help marketers build meaningful customers relationships and create profitable brand outcomes.

Principal risks and uncertainties

The principal risks facing the business and details of how we mitigate these risks are set out below.

- Technology and Clients - The process of developing or enhancing existing offerings is often quite costly and complex, sometimes driven by evolving and disruptive technology developments. We may experience client attrition or difficulty to attract new clients if we fail to anticipate our clients' changing needs and emerging technological trends or experience delays in the development, marketing or launch of enhancements to our offerings. Our technology risk is mitigated by working closely with our clients as we develop and refine our product road map and by using proven software development methodologies.

- Data privacy - Our industry is highly regulated, including privacy and data security. Privacy laws may be inconsistent across jurisdictions and are subject to evolving and differing interpretations. Any inability to address adequately privacy concerns or perceived failure to comply with applicable privacy or data protection laws, regulations, standards and policies, could result in additional costs and liability to us, damage our reputation, inhibit sales and harm our business. Privacy concerns, whether valid or not valid, may inhibit market adoption of our platform particularly in certain industries and foreign countries. We mitigate the risks associated with data privacy by staying abreast of current developments and adjusting our business practices, supplier and customer arrangements as necessary.

Financial Risk Management

The Group's operations expose it to a variety of financial risks that include the effects of changes in foreign exchange rates, credit risk and liquidity risk. The Board of Directors routinely discuss such risks and seek to limit any adverse effects on the financial performance of the group.

Foreign exchange risk

Cheetah Holdings Limited's functional currency is the U.S. dollar, and the Group is exposed to movements in foreign exchange rates, primarily the rate between the U.S. dollar and the British Pound Sterling. The Group manages the foreign exchange rate risk by managing cash flows within each jurisdiction.

Credit risk

In order to manage credit risk with customers, the Group set credit limits based on a combination of trading, payment history, market knowledge and third-party credit references. Credit limits are reviewed on a regular basis in conjunction with customer's debt ageing and collection history.

Liquidity risk

The Group manages a liquidity position with the objective of maintaining the ability to fund commitments and repay liabilities in accordance with their required terms. The financing of operations is managed at the Group level.

Greenhouse Gas Emissions

The 2018 Regulations introduced requirements under Part 15 of the Companies Act 2006 for large companies to disclose their annual energy use and greenhouse gas emissions, and related information. However, the Group has applied the option permitted to exclude any energy and carbon information relating to its subsidiaries, which the subsidiary would not itself be obliged to include if reporting on its own account, this applies to all subsidiaries within the group. The Company, itself consumes less than 40MWh and therefore as a low energy user, it is not required to make the detailed disclosures of energy and carbon information but is required to state, in its relevant report, that its energy and carbon information is not disclosed for that reason Cheetah Holdings Limited annual energy use and greenhouse gas emissions, and related information has not been disclosed in this annual report as it is a low energy user

The Strategic Report was approved by the Board of Directors on 1 July 2022 and signed on its behalf by:

Wellford Dillard

Wellford Dillard

Director

Section 172 (1) Statement

We welcome our responsibilities to promote the success of the Group in accordance with section 172 of the 2006 Companies Act.

Our Board ensures that all decisions are taken for the long term, and collectively and individually aims to always uphold the highest standard of conduct. Similarly, our Board acknowledges that the business can only grow and prosper over the long-term if it understands and respects the views and needs of the company's investors, customers, employees, suppliers and other stakeholders to whom we are accountable, as well as the environment we operate within.

Typically, in large and complex companies such as the Group, the Directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to the employees of the company. The Board recognises that such delegation needs to be part of a robust governance structure, which covers our values, how we engage with our stakeholders, and how the Board assures itself that the governance structure and systems of controls continue to be robust.

Our Chairman, with the assistance of the Company Secretary, sets the agenda for each Board meeting to ensure that the requirements of section 172 are always met and considered through a combination of the following:

- Board papers ensure that stakeholder factors are addressed where judged relevant.
- Standing agenda points and papers presented at each Board meeting covering updates on the financial overview, strategic progress, investor relations, businesses development, and operational progress.
- Engagement with the company's stakeholders – employees, customers, shareholders and suppliers.
- Corporate responsibility, including publication on our website of statements related to business ethics, anti- bribery and corruption, human rights, environmental stewardship and use of resources, sustainable solutions, greenhouse gas emissions and energy management, investing in our local communities and our commitment to the armed forces.
- Regularly scheduled Board presentations and reports, by way of example: customer engagement, health & safety reports, whistle blowing reports (if relevant), people, culture, strategy and developments

Effect and impact – principal Board decisions and how the Board considered stakeholders views:

Response to COVID-19

With significant continued uncertainty created by the COVID-19 pandemic the Board oversaw the Group's response with the aim of ensuring we emerge from the crisis well positioned for long-term success, whilst supporting our employees and their safety and continuing to deliver for our customers. For more details on our priorities in response to the crisis, please refer below.

Consideration	Outcome/impact
Employees	
Considered the health, safety and wellbeing of the Group's employees. For those still required to be on-site to support customer delivery, the Board deliberated the safety measures to protect their wellbeing. For those able to work from home the Board considered the infrastructure to support this and their working efficiency. Given the increase in homeworking consideration was also given to the increased risk of cyber- attacks and data breaches and how to mitigate this. A range of scenarios whereby the Group experiences subdued demand or inability to deliver for a period of time were debated, with consideration given to how the Group could manage the workforce to match this, whilst protecting our employees' interests and engagement and retaining their expertise within the business for the long-term.	The Board was satisfied that sufficient measures were in place to protect the health, safety and wellbeing of our people and continue to monitor the situation. Additional security measures were deployed to enhance the security of our networks further with most employees working from home during lockdown periods. Actions were taken to reduce costs and minimise the impact on employees, with discretionary costs being reduced.
Customers	
Considered continuity plans and our ability to continue delivering for our customers in the event of a significant proportion of the workforce being unable to work due to sickness. The Board also considered near-term demand and how customers' priorities might change over a longer period of time.	The Board were satisfied with the continuity plans in place to ensure the continued delivery of mission-critical work were a large proportion of the workforce to be absent. Particular attention was given to how we will respond to changing customer priorities over a longer time horizon. The Group negotiated extended payment terms in exchange for extended contract terms, upsells, cross-sell opportunities or establishing C-suite relationships
Shareholders	
Considered the current liquidity and financial position of the business and various scenarios whereby cash flow deteriorates.	Concluded that the Group is in a strong financial position. Following completion of the merger of the Group with CM Group in 4 February 2022, the Group has refinanced its external debt with a new intercompany debt.
Suppliers	
Considered the financial health of suppliers, in particular SMEs and their ability to continue supporting the Group in delivering for our customers over the long-term.	The Group continues to make supplier payments in a timely manner to help minimise the impact of the pandemic on vendors' financial health to ensure they can continue supporting us in delivering for our customers over the long-term.

The directors present their report together with the audited consolidated financial statements of Cheetah Holdings Limited and its subsidiaries ("the Group") comprising Cheetah Holdings Limited (the "Company") and the entities it controlled at the end of, or during, the year ended 31 March 2021.

Principal activities

Information on the Group's principal activities are disclosed in the strategic report.

Review of operations

A review of operations is provided in the strategic report.

Dividends

The Group has not paid any dividends during the year (2020: $nil) and the Directors are not recommending the payments of any dividends.

Directors

The directors of the company who were in office during the year and up to the date of this financial report, unless otherwise stated:

- Andrew Bronstein (resigned February 4, 2022)
- Christine Renee Carsen (resigned February 4, 2022)

On 4 February 2022, upon the merger of the group with CM Group as described in the Strategic Report, the following directors were appointed:

- John Wellford Dillard
- Dean Tilsley

The Group purchased directors' and officers' liability insurance for its active directors and maintained such insurance throughout the year and at the date of approval of the financial statements.

Going concern

The Group going concern assessment is based on forecasts and projections of anticipated trading performance. The assumptions applied are subjective and management applies judgement in estimating the probability, timing and value of underlying cash flows.

The Directors confirm that they have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the next 12 months from approval of these financial statements and accordingly these financial statements are prepared on a going concern basis, with no material uncertainty over going concern.

The continuing impact of the COVID 19 pandemic on our business have been appropriately managed and the Board believes that the business is able to navigate through the impact of COVID-19 due to the strength of its customer proposition, its statement of financial position and the net cash position of the Group.

Employees

Our objective is to create a supportive culture in which all employees can develop their skills, advance their careers and maximise their potential. Performance reviews are completed annually to identify

development and training needs for each employee. We reward employees based on their performance and contribution to the success of the business.

Employees (continued)

The Company follows an employment policy of non-discrimination on the grounds of sex orientation, race or age and gives full and fair consideration to the employment of disabled persons. The Company is committed to all employees and will make every effort to accommodate staff that are disabled or suffer illness during the course of their employment.

Principal risks and uncertainties

The principal risks facing the business and details of how we mitigate these risks can be found in the Strategic report.

Directors' responsibilities

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

The directors have elected to prepare the financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006.The directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for the relevant period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of 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.

Independent auditors

The Directors as at the date of this report have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the company's auditor is unaware.

Following the merger of CM Group and as detailed in the Subsequent Events note, BDO LLP will resign as an auditor of the Group and Parent Company and PricewaterhouseCoopers will be appointed as auditor of the Group and Parent Company for the 2022 audit.

The Directors' Report was approved by the Director on 1 July 2022 and signed on its behalf by:

Wellford Dillard

John Wellford Dillard
Director

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF CHEETAH HOLDINGS LIMITED

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2021 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the Parent Company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Cheetah Holdings Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2021 which comprise the consolidated statement of comprehensive income/(loss), consolidated statement of financial position, company statement of financial position, consolidated statement of cash flows, company statement of cash flows, consolidated statement of changes in equity, company statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 and, as regards the Parent Company financial statements, as applied in accordance with the provisions 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of Directors

As explained more fully in the 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 Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

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

- obtaining an understanding of the legal and regulatory framework that the Company operates in, focusing on those laws and regulations that had a significant effect on the financial statements or that had a fundamental effect on the operations of the Group and Parent Company namely:
    - Companies Act 2006
    - International Accounting Standards
    - Relevant tax legislation
- enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
    - challenging assumptions made by management in their significant accounting estimates.
- we identified and tested journal entries, in particular any journal entries posted with unusual account combinations and those balances considered most susceptible to fraud discussing among the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud.

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

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

Use of our report

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

Joe Lucey

Joe Lucey (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London

Date: 4 July 2022

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

Cheetah Holdings Limited

Consolidated Statement of Comprehensive Income/(Loss)

	Note	Fiscal period ended March 31, 2021 $000s	Fiscal period ended March 31, 2020 $000s
Revenue	8	182,183	199,202
Operating expenses	9, 10	(204,847)	(233,126)
Other operating income	14	-	2,588
Operating loss		(22,664)	(31,336)
Finance expense	11	(9,927)	(24,249)
Loss before income tax		(32,591)	(55,585)
Income tax benefit/(expense)	12	3,356	(3,160)
Loss from continuing operations		(29,235)	(58,745)
Gain on sale of subsidiary	7	-	154,675
Income from discontinued operations	7	-	3,879
Net (loss)/income		(29,235)	99,809
Other comprehensive income/(loss):			
Currency translation gain/(loss)		657	(1,188)
Total comprehensive (loss)/income for the period		(28,578)	98,621

All recognised gains and losses are included in the Statement of Comprehensive Income/(Loss).

The accompanying notes form part of these financial statements.

Cheetah Holdings Limited

Consolidated Statement of Financial Position

Company Number 10721368	Note	As at March 31, 2021 $'000s	As at March 31, 2020 $'000s
ASSETS			
Non-current assets			
Property, plant and equipment	13	11,921	22,635
Right-of-use assets	14	18,795	23,324
Intangible assets	15	175,786	195,515
Investment property	14	1,078	1,328
Non-current leases receivable	14	11,753	12,668
Other non-current assets	16	7,661	7,276
Total non-current assets		226,994	262,746
Current assets			
Trade and other receivables	17	34,811	38,951
Cash and cash equivalents	18	42,068	32,963
Leases receivable	14	890	890
Prepaid expenses and other current assets	19	9,071	9,591
Taxes receivable	12	2,041	-
Total current assets		88,881	82,395
Total Assets		**315,875**	**345,141**
LIABILITIES			
Non-current liabilities			
Loans and borrowings	20	102,319	94,154
Lease liability	14	26,718	31,050
Other non-current liabilities	21	519	1,508
Related party payable	25	143,799	143,799
Deferred tax liability	12	1,141	3,730
Total non-current liabilities		274,496	274,241
Current liabilities			
Loans and borrowings	20	-	10,000
Lease liability	14	7,733	7,823
Trade and other payables	22	43,119	38,692
Taxes payable	12	554	1,443
Related party payable	25	2,018	879
Accrued expenses	23	19,414	14,944
Total current liabilities		72,838	73,781
Total Liabilities		**346,334**	**348,022**
Total Net Liabilities		**(31,459)**	**(2,881)**
Stockholder Equity			
Common stock, £1.00 par value, 135 shares authorized, issued and outstanding	24	-	-
Currency translation reserve		(2,100)	(2,757)
Accumulated deficit		(29,359)	(124)
Total deficit		**(31,459)**	**(2,881)**

The financial statements were approved and authorised for issue by the Board of Directors on 1 July 2022 and were signed on its behalf by:

Wellford Dillard

John Wellford Dillard
Director

The accompanying notes form part of these financial statements.

Cheetah Holdings Limited

Company Statement of Financial Position

Company Number 10721368	Note	As at March 31, 2021 $	As at March 31, 2020 $
ASSETS			
Non-current assets			
Investments in subsidiaries	5	128	128
Total non-current assets		**128**	**128**
Current assets			
Cash and cash equivalents	18	977	873
Total current assets		**977**	**873**
Total Assets		**1,105**	**1,001**
LIABILITIES			
Non-current liabilities			
Related party payable	25	1,160	1,160
Total non-current liabilities		**1,160**	**1,160**
Total Liabilities		**1,160**	**1,160**
Total Net Liabilities		**(55)**	**(159)**
Stockholder Equity			
Common stock, £1.00 par value, 134 shares authorized, issued and outstanding	24	174	174
Accumulated deficit		(229)	(333)
Total deficit		**(55)**	**(159)**

The income / (loss) for the financial year of the parent company, Cheetah Holdings Limited was $104 (2020: $(52). As permitted by section 408 of the Companies Act 2006, no separate Income Statement is presented in respect of the company.

The financial statements were approved and authorised for issue by the Board of Directors on 1 July 2022 and were signed on its behalf by:

Wellford Dillard

Wellford Dillard
Director

The accompanying notes form part of these financial statements

Cheetah Holdings Limited

Consolidated Statement of Cash Flows

	Note	Fiscal period ended March 31, 2021 $000s	Fiscal period ended March 31, 2020 $000s
Operating Activities			
Net (loss)/income for the period		(29,235)	99,809
Depreciation and amortization		38,834	38,513
Bad debt (recovery)/expense		(112)	2,908
Amortisation of deferred financing fees	20	-	4,594
Paid in-kind interest	20	8,165	7,290
Interest on lease liability	14	2,894	2,792
Gain on fixed asset disposals		(66)	(158)
Gain on sublease		-	(2,588)
Gain on sale of subsidiary	7	-	(154,675)
Interest income on rent receivable	14	(1,585)	(292)
Adjustments for:			
(Increase)/decrease in contract asset		(1,714)	(2,219)
(Increase)/decrease in trade and other receivables		4,252	7,326
(Increase)/decrease in prepaid and other current assets		1,288	3,082
(Increase)/decrease in other non-current assets		561	(4,948)
Increase/(decrease) in trade and other payables		(266)	(2,163)
Increase/(decrease) in taxes payable		(4,378)	3,164
Increase/(decrease) in accrued expenses		4,470	(8,455)
Increase/(decrease) in deferred revenue		4,693	16,446
Increase/(decrease) in other non-current liabilities		(989)	(3,805)
Net cash generated from operating activities		**26,812**	**6,621**
Investing Activities			
Purchase of property, plant and equipment		(470)	(3,336)
Proceeds from sale of subsidiary		-	243,926
Proceeds from subleases including interests		2,500	343
Acquisitions	6	-	(182)
Net cash used in investing activities		**2,030**	**240,751**
Financing Activities			
Payment of lease liability including interests	14	(10,394)	(9,362)
Proceeds from loan borrowings	20	-	21,000
Payment of loan borrowings	20	(10,000)	(231,781)
Release of acquisition holdback	6	-	(800)
Net cash generated in financing activities		**(20,394)**	**(220,943)**
Net increase/(decrease) in cash and cash equivalents		**8,448**	**26,429**
Cash and cash equivalents at beginning of period		32,963	6,348
Effect of exchange rate changes		657	186
Cash and cash equivalents at end of period		**42,068**	**32,963**

In 2020 and as discussed further in note 7 the proceeds from sale of subsidiary above are net of $23,050 that was placed in escrow at the time of the transaction. This was subsequently used in connection with the transaction to reacquire the Marketing Suite operations.

The accompanying notes form part of these financial statements.

Cheetah Holdings Limited

Company Statement of Cash Flows

	Note	Fiscal period ended March 31, 2021 $	Fiscal period ended March 31, 2020 $
Operating Activities			
Income/(loss) for the period		104	(52)
Net cash generated from operating activities		**104**	**(52)**
Financing Activities			
Proceeds from related party		-	1
Net cash generated in financing activities		**-**	**1**
Net increase/(decrease) in cash and cash equivalents		**104**	**(51)**
Cash and cash equivalents at beginning of period		873	924
Cash and cash equivalents at end of period		**977**	**873**

The accompanying notes form part of these financial statements.

Cheetah Holdings Limited

Consolidated Statement of Changes in Equity
Fiscal period ended March 31, 2021 and March 31, 2020

	Note	Ordinary Shares Shares	Ordinary Shares Amounts $'000s	Currency translation reserve $'000s	Retained deficit $'000s	Total deficit $'000s
Balance as at March 31, 2019		135	-	(1,569)	(99,933)	(101,502)
Ordinary shares issued (£1.00 par value)		1	-	-	-	-
Income for the year		-	-	-	99,809	99,809
Reclassification of foreign currency gain included in gain on sale of business		-	-	(695)	-	(695)
Foreign currency loss		-	-	(493)	-	(493)
Balance as at March 31, 2020		136	-	(2,757)	(124)	(2,881)
Ordinary shares issued (£1.00 par value)		1	-	-	-	-
Loss for the year		-	-	-	(29,235)	(29,235)
Foreign currency gain		-	-	657	-	657
Balance as at March 31, 2021		137	-	(2,100)	(29,359)	(31,459)

The accompanying notes form part of these financial statements.

Cheetah Holdings Limited

Company Statement of Changes in Equity
Fiscal period ended March 31, 2021 and March 31, 2020

	Note	Ordinary Shares		Retained deficit	Total deficit
		Shares	Amounts $	$	$
Balance as at March 31, 2019		135	173	(281)	(108)
Ordinary shares issued (£1.00 par value)		1	1	-	1
Loss for the year		-	-	(52)	(52)
Balance as at March 31, 2020		136	174	(333)	(159)
Ordinary shares issued (£1.00 par value)		-	-	-	-
Income for the year		-	-	104	104
Balance as at March 31, 2021		136	174	(229)	(55)

The accompanying notes form part of these financial statements.

1 General Information

These financial statements include the consolidated financial statements of Cheetah Holdings Limited and its subsidiaries ("the Group") comprising Cheetah Holdings Limited (the "Company") and the entities it controlled at the end of, or during, the year ended 31 March 2021.

The principal activity of the Group is a global software as a service (SaaS) provider of cross-channel customer engagement, serving clients ranging from mid-sized companies to very large and well know global enterprises.

There have been no significant changes in the nature of these activities during the financial year.

2 Significant accounting policies

The principal policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the periods presented.

Basis of Preparation

These consolidated financial statements of the Parent Company and its subsidiaries (collectively referred to as the "Group") have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are presented in the United States Dollar ($), rounded to the nearest thousand dollar for group numbers.

Going concern

The consolidated financial statements have been prepared on a going concern basis. The ability of the Group and Parent Company to continue as a going concern is contingent on the ongoing viability of the Group. The Group meets its day-to-day working capital requirements through its cash balances. The current economic conditions continue to create uncertainty, particularly over (a) the level of customer and potential customer engagement; and (b) the level of new sales to new customers. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group expects to be able to operate comfortably within the level of its current cash resources.

Sensitivity analyses have been performed to reflect a variety of possible cash flow scenarios, taking into account the continued Covid-19 pandemic, where the Group achieves significantly reduced revenues for the twelve months following the date of this Annual Report. Overall, the directors have prepared cash-flow forecasts covering a period of at least 12 months from the date of approval of the financial statements, which foresee that the Group will be able to operate within its existing working capital facilities.

The Covid-19 pandemic has had some impact on our business, albeit the Board believes that the business is able to navigate through the continued impact of Covid-19 due to the strength of its customer proposition and business partnerships, statement of financial position and the net cash position of the Group.

2 Accounting policies *(continued)*

Going concern *(continued)*

However, the continued impact of the coronavirus pandemic have implications for the wider global economy and to the supply chain within which we reside, including our customers continued willingness to spend on our marketing solutions in the volumes experienced and planned. This said, this environment has elevated the need for companies to engage with their customers effectively, which has increased the importance of our targeted IT driven marketing solutions to our customers and potential customers. There is however a potential risk that the Group will be impacted by reductions in customer confidence. If sales and settlement of existing debts are not in line with cash flow forecasts, the directors have identified cost savings associated with the reduction in revenues and have the ability to identify further cost savings, if necessary, to help mitigate the impact on cash outflows.

Having assessed the principal risks and the other matters discussed in connection with the going concern statement, the Directors have a reasonable expectation that the Group and Parent Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, the directors continue to adopt the going concern basis of accounting in preparing the financial information.

Operating income/(loss)

Operating income/(loss) is stated after charging operating expenses but before finance costs.

Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities and the results of operations of all subsidiaries of the Company. Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies so as to obtain benefits from their activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. The financial statements of the subsidiaries are prepared using consistent accounting policies. Intercompany transactions, balances and unrealised gains or losses on transactions between Group companies are eliminated. Refer to Note 5, *Investments* for a listing of the Group's wholly-owned subsidiaries.

Transfer of Assets under common control

When a company, including the company's parent at year end (Vector CM Holdings, L.P), transfers assets and liabilities to the Company or to its subsidiaries, the transaction is accounted for as a transfer of assets under common control. While common control transactions are outside of the scope of IFRS 3 *Business Combinations*, the company elects to account for such transfers based on the fair values of the assets and liabilities transferred and record a corresponding intercompany or related party liability for the value received.

Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Costs related to acquisitions, other than those directly attributable to the issue of debt or equity, are expensed as incurred.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess is recognised immediately in profit or loss.

2 Accounting policies *(continued)*

Disposals and discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and other comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

Foreign currency translation

The Group's consolidated financial statements are presented in U.S. dollars. The company's functional and reporting currency is U.S. dollars. The Group determines the functional currency for each entity in accordance with IAS 21, *The Effects of Changes in Foreign Exchange Rates*, based on the currency of the primary economic environment in which each subsidiary operates, and items included in the financial statements of such entity are measured using that functional currency. Refer to Note 5, *Investments*, for a listing of the Group's wholly-owned subsidiaries and their functional currencies.

Transactions and balances

Foreign currency transactions are translated into the foreign currency using the approximate exchange rates prevailing at the dates of transactions. Foreign exchange gains and losses resulting from the settlement or revaluation of monetary assets and liabilities denominated in currencies other than the functional currency for the respective subsidiary are recognized in the consolidated statement of comprehensive income and included in operating expenses.

Group companies

On consolidation, the assets and liabilities of the Group's operations are translated at exchange rates prevailing on the balance sheet date. Income and expenses items are translated at average exchange rates for the period. These exchange differences arising from the translation of the net investment in foreign operations upon consolidation are recognised in other comprehensive income and accumulated in a separate component of equity.

2 Accounting policies *(continued)*

Revenue recognition

Revenue is measured based on the consideration specified in contracts with customers and excludes amounts collected on behalf of third parties. The company recognises revenue when it transfers control over a product or service to a customer, as follows:

- Revenue related to email and mobile delivery services is recognized in the month the performance obligation related to the delivery of services is satisfied. Amounts allocated to the performance obligation are based on the actual volume of emails delivered during the month and contractual rates, which represent the stand alone selling price for the services.
- Partnership revenue for reselling partner services and providing referrals is recorded on a gross and net basis, respectively.
- Performance obligations related to Hosting and support services are satisfied over time and revenue is recognized over the period the services are provided.
- Professional service revenue is recognized when performance obligations are satisfied, and the applicable services are performed. Amounts allocated to professional services are based on an hourly rate.
- Revenue for account implementation services is spread rateably over the customer relationship period, estimated to be 5 years.

Costs to obtain a contract

According to IFRS 15, incremental costs of obtaining a contract are those costs that the entity would not have incurred if the contract had not been obtained (for example, sales commissions). Incremental costs of obtaining a contract with a customer are recognized as assets if they are recoverable. The Company recognise an asset in relation to sales commissions paid to sales agents that relate directly to obtaining a contract. The company believes that the costs are recoverable as the proceeds from the customer over the expected relationship period exceed the costs to obtain the contract. The asset is amortised on a systematic basis over the expected customer relationship period including expected contract renewals by customers. The expected customer relationship period is an estimation, which is based on historical renewal data.

Assets recognised from the costs to obtain a contract are subject to impairment testing. An impairment loss is recognised in profit or loss to the extent that the carrying amount of an asset exceeds:

a) The remaining amount of consideration that the entity expects to receive in exchange for the goods or services to which the asset relates, less
b) The costs that relate directly to providing those goods or services and that have not been recognised as expenses.

2 Accounting policies *(continued)*

Revenue recognition *(continued)*

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the assets. Depreciation is calculated to write down the cost of the asset over their estimated useful lives, using the straight-line method, on the following basis:

Leasehold improvements	Lesser of lease life or asset life
Furniture and equipment	3-10 years
Computer equipment	3-4 years

Any gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'operating expenses' in the consolidated statement of comprehensive income.

Intangible assets and long-lived assets

Intangible assets are recorded as separately identifiable assets and recognised at historical cost less any accumulated amortisation. These assets are amortised over their useful economic lives with the charge included in general and administrative expenses in the consolidated statement of comprehensive income.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets-with finite lives are amortised over their estimated useful lives using the straight-line method. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least annually at each fiscal year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in an accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in the consolidated statements of operations under 'amortisation expense'. The estimated useful lives of the intangible assets are as follows:

Customer relationships	12 years
Developed technology	12 years
Trade names	12 years
Software	3-5 years
Leased assets	Over the shorter of economic life or lease term

The Group does not have any intangibles with indefinite useful lives.

2 Accounting policies *(continued)*

Investment property

The property (building) held by the Group (as right-of-use assets) to earn rentals is classified as investment property. The Group measures its investment property applying the cost model. For the investment property held by the Group as a right-of use asset, the cost of initial and subsequent measurement is determined in accordance with the Leases accounting policy stated below.

Deferred financing costs

Deferred financing costs incurred in connection with the issuance of long-term debt are capitalized and amortized to interest expense based on the term of the related debt agreements using the straight-line method, which approximates the effective interest method. Deferred financing costs are recorded against long-term debt on the consolidated balance sheet.

Operating expenses

Operating expenses consist of costs associated with the Group's sales and marketing activities, relationship management and engineering in addition to general and administrative costs and charges for depreciation of property plant and equipment and amortization of intangible assets.

Research and development expenses consist primarily of compensation and related costs for personnel responsible for the research and development of new and existing products and services and engineering costs.

Sales and marketing expenses consist primarily of compensation and related costs for personnel engaged in customer service, sales and sales support functions, as well as advertising and promotional expenditures that are not directly attributable to revenue.

General and administrative expenses consist primarily of compensation and related costs for personnel and facilities, and include costs related to facilities, finance, human resources, information technology and fees for professional services. Professional services are principally comprised of outside legal, audit, information technology consulting and outsourcing services.

Share based payment expense

Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of comprehensive income over the remaining vesting period. Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

Employee benefit costs

The Company operates a defined contribution pension scheme. Contributions payable by the Company's pension scheme are charged to the consolidated statement of comprehensive income in the period to which they relate.

2 Accounting policies *(continued)*

Leases

Right-of-use asset

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:
- Leases of low value assets; and
- Leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:
- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset (typically leasehold dilapidations)

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit or loss.

2 Accounting policies *(continued)*

When the group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy
- if the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial of full termination of the lease with any difference recognised in profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the group to use an identified asset and require services to be provided to the group by the lessor, the group has elected to account for the entire contract as a lease, i.e. it does allocate any amount of the contractual payments to, and account separately for, any services provided by the supplier as part of the contract.

Nature of leasing activities

<u>Company as the lessee</u>

The group leases a number of properties in the jurisdictions from which it operates. Leases in all jurisdictions comprise only fixed payments over the lease term.

The group also leases certain items of computer hardware comprised only fixed payments over the lease terms.

The group sometimes negotiates break clauses in its property leases. On a case-by-case basis, the group will consider whether the absence of a break clause would exposes the group to excessive risk. Typically factors considered in deciding to negotiate a break clause include:

- the length of the lease term;
- the economic stability of the environment in which the property is located; and
- whether the location represents a new area of operations for the group.

<u>Company as the lessor</u>

Where the sublease of certain office spaces is deemed to be a as finance lease in nature the Company derecognises the right-of use asset to the extent that it is subject to the sub-lease. The Company then recognises a finance lease receivable (net investment in the lease).

Where the sublease is deemed to be an operating lease in nature, the Company continues to recognise the right-of-use asset resulting from the head lease. The subleased portion of the right-of-use asset is classified as investment property (subsequently applying the cost model). Revenue from the sublease is recognised over the term of the sublease and is recognised in other miscellaneous income/expense in the statement of comprehensive income.

2 Accounting policies *(continued)*

Financial Instruments

Financial assets are recognised in the Group's and the Parent Company's statement of financial position when Group and the Company becomes party to the contractual provisions of the instrument. Under IFRS 9 the classification of financial assets is based both on the business model and cash flow type under which the assets are held. There are three principal classification categories for financial assets: amortised cost; fair value through other comprehensive income; and fair value through profit or loss. The Group has not classified any of its financial assets as fair value through other comprehensive income.

Trade and other receivables, net
Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Impairment provisions for trade and other receivables are calculated using an expected credit loss model. Under this model, impairment provisions are recognised to reflect expected credit losses based on combination of historic and forward-looking information, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net; such provisions are recorded in a separate allowance account. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment of other financial assets
For other financial assets carried at amortised cost, impairment provisions for trade and other receivables are calculated using an expected credit loss model. Under this model, impairment provisions are recognised to reflect expected credit losses based on combination of historic and forward-looking information, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired asset.

Cash and cash equivalents
In the consolidated statement of cash flows, cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

Trade payables
Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Borrowings
Bank loans and other borrowings are recorded initially at their fair value, net of any transaction costs directly attributable to the acquisition of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that the interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the balance sheet. Interest expense in this context includes initial transaction costs and premiums payable on redemption, as well as any interest payable while the liability is outstanding. There is no material variance between book and fair values.

2 Accounting policies *(continued)*

Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognized in the consolidated statement of comprehensive income, to the extent that it relates to items recognised in other comprehensive income or directly to equity. In this case, the tax is also recognised in other comprehensive income directly in equity, respectively.

Current tax
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted at the balance sheet date.

Deferred tax
Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax basis of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary difference will be utilised.

Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

Uncertain tax positions
The group applies the guidance under IFRIC 23 Uncertain Tax Positions for the recognition of impacts on income tax treatments. The following is applicable:

- The Group to determine whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution;
- The Group to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and
- If it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty. This measurement is required to be based on the assumption that each of the tax authorities will examine amounts they have a right to examine and have full knowledge of all related information when making those examinations.

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, taking into account risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumption that have a significant risk of causing a material adjustment to the carrying accounts of the assets and liabilities with the next financial year are discussed below:

2 Accounting policies *(continued)*

Critical accounting estimates and judgements (continued)

(a) Depreciation and amortisation

The Company depreciates leasehold improvements, furniture and equipment and computer software and hardware and amortises customer relationships, internal use software and internally generated software on a straight-line method over the estimated useful lives. The estimated useful lives reflect the directors' estimate of the periods that the Company intends to derive future economic benefits from the use of the identified assets.

(b) Bad debt and credit note provisions

The Company considers the following factors when determining the collectability of specific customer accounts: customer creditworthiness, past transaction history with the customer, and changes in customer payment terms or practices. In addition, overall historical collection experience, current economic industry trends, and a review of the current status of trade accounts receivable are considered when determining the required bad debt provision. The Company's standard terms require payment within 30 days of the date of the invoice. Balances that remain outstanding after management has used reasonable collection efforts are written off. The credit note provision represents an allowance for refunds and credit memos provided to clients each month for prior invoices. Changes to the credit note provision are a direct charge against revenues.

(c) Goodwill impairment

As set out in the accounting policies above, intangible assets, including Goodwill, acquired in a business combination are capitalized. Intangibles assets, other than Goodwill, are amortised over their useful lives. Both initial valuations and valuations for subsequent impairment tests are based on risk adjusted future cash flows discounted using appropriate discount rates. These future cash flows are based on forecasts which are inherently judgmental. Future events could cause the assumptions to change which could have an adverse effect on the future results of the Group.

3 Financial Instruments

The Group is exposed to the following financial risks:

- Credit risk
- Market risk
- Liquidity risk

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Loans and borrowings

3 Financial Instruments *(continued)*

Fair value of financial instruments

All of the Group's financial assets are trade and other receivables and are carried at amortised cost.

All of the Group's financial liabilities are trade and other payables and loans and borrowings and are carried at amortised cost.

There is no material difference between the carrying and fair value of its financial instruments, in the current or prior period, due to the instruments bearing interest at floating rates or being of short term nature.

General objectives, policies and procedures

The Group has overall responsibility of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure effective implementation of the objectives and policies, to the key management personnel.

The overall objective of the Group is to set policies that seek to reduce risk as far as possible, without unduly affecting the Group's competitiveness and flexibility.

a) Credit risk

Credit risk refers to the possibility that a financial loss will occur as a result of a customer's inability to meet its financial obligations. This arises principally from the Group's trade and other receivables. Potential customers are subjected to credit verification procedures before credit terms are granted. The existing debt which has not been provided for is considered to be collectable, and procedures are in place to monitor trade receivables on an ongoing basis to minimize exposure to bad debts. Trade receivables are only written off once all methods of collection have been exhausted. In addition, the group assessed the receivables from lifetime expected loss based on the situation of the customers due the continuing impact COVID-19 pandemic , this has led the group to recognize additional reserves in connection with the risk level assessed by Management. This was defined as the following:

- High risk level – 100% reserve – This is comprised by customers that have subsequently filed for bankruptcy) or there is public information about an imminent filing) and/or a legal demand has been made to outright terminate the contract due to severe financial distress.
- Medium risk level – 50% reserve – This is comprised by customers that have communicated that they are under severe financial distress causing the pausing of projects/ services due to an inability to pay.
- Low risk level – 20% reserve – This is comprised by customers that have communicated (or it is public information) that they are under some financial distress indicating that a payment plan may be needed.

The approach above has not led to any additional (2020: $2,720) specific reserve to accounts receivables.

3 Financial Instruments *(continued)*

The maximum exposure to credit risk is the trade receivable balance at year end. The Group and Company have no significant exposure to any large or key customers.

	2021 $'000	2020 $'000
Up to 30 days	30,669	34,153
Past due:		
30 - 90 days	996	2,562
More than 90 days	2,436	2,244
Gross	**34,101**	**38,959**
Less: provision for impairment losses	(3,098)	(4,273)
Less: credit note provision	(596)	(899)
Net (see Note 17)	**30,407**	**33,787**

The Company has no trade receivables.

b) Market risk

Market risk refers to fluctuations in interest rates and exchange rates.

c) Interest rate risk

Interest is payable on the Group's term loans and the revolving credit facility at a rate per annum equal to the LIBOR rate plus applicable margin as defined. This is a 5-year commitment and management considers the risk related to interest rate fluctuations as immaterial to the Group.

Foreign currency risk

The Group's principal foreign currency exposure arises from trade with overseas companies. The group manages foreign currency risk through the matching of billing currency with payment currency to the maximum extent possible. When necessary, the group also utilises foreign currency forward contracts to manage this risk (there were no outstanding foreign currency forward contracts at year end).

Each of the companies in the Group trade primarily in the functional currency of that entity and is translated into the presentation currency at reporting date. As a result of fluctuations during the year, this has given rise to 657 gain in the foreign currency reserve during the year.

The tables below analyses the Group and Company's financial assets and liabilities by currency, at the period-end date specified. Changes in foreign currency are not expected to have material effects on the statement of financial performance or equity balances of the group, therefore a sensitivity analysis is not presented.

3 Financial Instruments *(continued)*

Group

	Sterling $'000	Euro $'000	USD $'000	Other currencies $'000	Total $'000
As at 31 March 2021					
Trade and other receivables	464	2,539	29,132	2,676	**34,811**
Subleases receivables	-	-	19,776	-	**19,776**
Cash and cash equivalents and security deposits	73	2,290	36,728	4,050	**43,141**
Loans and borrowings	-	-	(102,319)	-	**(102,319)**
Leases liabilities	(4,387)	(375)	(34,511)	(1,682)	**(40,955)**
Related party payable	-	-	(145,817)	-	**(145,817)**
Trade and other payables	(805)	(3,586)	(37,663)	(1,065)	**(43,119)**
Accrued expenses	(844)	(2,585)	(13,266)	(2,719)	**(19,414)**
Total	**(5,499)**	**(1,717)**	**(247,940)**	**1,260**	**(253,896)**

	Sterling $'000	Euro $'000	USD $'000	Other currencies $'000	Total $'000
As at 31 March 2020					
Trade and other receivables	8,957	3,753	25,622	619	**38,951**
Subleases receivables	-	-	22,276	-	**22,276**
Cash and cash equivalents and security deposits	10,296	2,152	18,358	3,309	**34,115**
Loans and borrowings	-	-	(104,154)	-	**(104,154)**
Leases liabilities	(4,375)	(935)	(40,678)	(2,935)	**(48,923)**
Related party payable	(156)	-	(144,522)	-	**(144,678)**
Trade and other payables	(6,794)	(2,631)	(29,211)	(56)	**(38,692)**
Accrued expenses	(2,166)	(2,793)	(8,681)	(1,304)	**(14,944)**
Total	**5,762**	**(454)**	**(260,990)**	**(367)**	**(256,049)**

Company

	Sterling $'000	Euro $'000	USD $'000	Other currencies $'000	Total $'000
As at 31 March 2021					
Cash and cash equivalents	-	-	977	-	**977**
Related party payable	-	-	(1,160)	-	**(1,160)**
Total	**-**	**-**	**(183)**	**-**	**(183)**

	Sterling $'000	Euro $'000	USD $'000	Other currencies $'000	Total $'000
As at 31 March 2020					
Cash and cash equivalents	-	-	873	-	**873**
Related party payable	-	-	(1,160)	-	**(1,160)**
Total	**-**	**-**	**(287)**	**-**	**(287)**

3 Financial Instruments *(continued)*

Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due, and to replace funds when they are withdrawn.

The Group seeks to manage liquidity risk by ensuring that sufficient liquidity is available to meet its foreseeable needs and to invest cash assets safely and profitably.

The tables below analyses the Group and Company's financial assets and liabilities by remaining contractual maturities, at the period-end date specified, and financial assets which mitigate liquidity risk. The amounts disclosed in the table are the contractual undiscounted cash flows.

Group

	Up to 3 months $'000	3 to 12 months $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
As at 31 March 2021					
Trade and other receivables	34,811	-	-	-	**34,811**
Subleases receivables	662	1,997	10,351	6,766	**19,776**
Cash and cash equivalents and security deposit	42,068	-	-	1,073	**43,141**
Loans and borrowings	-	-	(102,319)	-	**(102,319)**
Lease liabilities	(2,793)	(7,071)	(24,849)	(6,242)	**(40,955)**
Related party payable	(2,018)	-	(1,960)	(141,839)	**(145,817)**
Trade and other payables	(43,119)	-	-	-	**(43,119)**
Accrued expenses	(19,414)	-	-	-	**(19,414)**
Total	**10,197**	**(4,711)**	**(118,649)**	**(140,733)**	**(253,896)**

	Up to 3 months $'000	3 to 12 months $'000	1 to 5 years $'000	More than 5 years $'000	Total $'000
As at 31 March 2020					
Trade and other receivables	38,951	-	-	-	**38,951**
Subleases receivables	542	1,958	10,881	8,895	**22,276**
Cash and cash equivalents and security deposit	32,963	-	-	1,152	**34,115**
Loans and borrowings	-	-	(104,154)	-	**(104,154)**
Lease liabilities	(2,737)	(7,739)	(28,986)	(9,461)	**(48,923)**
Related party payable	(879)	-	(1,960)	(141,839)	**(144,678)**
Trade and other payables	(38,692)	-	-	-	**(38,692)**
Accrued expenses	(14,944)	-	-	-	**(14,944)**
Total	**15,204**	**(5,781)**	**(124,219)**	**(141,253)**	**(256,049)**

3 Financial Instruments *(continued)*

Liquidity risk (continued)

Company

	Up to 3 months $'000	3 to 12 months $'000	1 to 5 periods $'000	More than 5 periods $'000	Total $'000
As at 31 March 2021					
Cash and cash equivalents	977	-	-	-	**977**
Related party payable	-	-	-	(1,160)	**(1,160)**
Total	**977**	**-**	**-**	**(1,160)**	**(183)**

	Up to 3 months $'000	3 to 12 months $'000	1 to 5 periods $'000	More than 5 periods $'000	Total $'000
As at 31 March 2020					
Cash and cash equivalents	873	-	-	-	**873**
Related party payable	-	-	-	(1,160)	**(1,160)**
Total	**873**	**-**	**-**	**(1,160)**	**(287)**

4 Segment information

a) Operating segment

For management purposes, the Group has one reportable segment and categorizes all revenue from operations to this segment. Operating segment information under the primary reporting format is disclosed below:

	2021 $'000	2020 $'000
Revenue	182,183	199,202
Depreciation	(19,034)	(17,649)
Amortisation	(19,800)	(18,536)
Operating expenses	(164,428)	(194,353)
Operating loss	**(21,079)**	**(31,336)**
Finance expense	(11,512)	(24,249)
Loss before income tax	**(32,591)**	**(55,585)**
Income tax expense/(benefit)	(3,356)	3,160
Loss from continuing operations	**(29,235)**	**(58,745)**
Gain on sale of subsidiary	-	154,675
Income from discontinued operations	-	3,879
Net income/(loss)	**(29,235)**	**99,809**

4 Segment information (continued)

b) Geographic segment – secondary basis

The Group has operations in the United Kingdom, Bulgaria, France, Germany and Spain. These entities have been aggregated below as "EMEA". The Group also has operations in India, Australia, China, Hong Kong, Japan, Malaysia and Singapore. These entities have been aggregated below as "APAC". The Group's entities in Brazil, Costa Rica and United States have been aggregated below as "Americas".

The geographical analysis of revenue by location is presented below:

	2021 $'000	2020 $'000
EMEA	44,669	50,068
APAC	11,090	7,622
Americas	126,424	141,512
Total	**182,183**	**199,202**

An analysis of non-current assets by geographical location is given below:

	2020 $'000	2020 $'000
EMEA	161,098	173,079
APAC	6,441	4,828
Americas	59,455	84,839
Total	**226,994**	**262,746**

5 Investments

The principal subsidiaries of Cheetah Holdings Limited, all of which have been included in these consolidated financial statements, are as follows:

Shares held by Cheetah Holdings Limited

Name of Company	Country	Registered Address	Ownership Percentage
Marketing Technology Partners UK Limited (MTPUK)	United Kingdom	10 Lower Thames Street, London, England, EC3R 6EN	100%[1]
Marlowe Marketing Services India Private Limited.	India	4, Chandan Niwas (old),, M.V. Road, Andheri (East), Mumbai, Bandra Suburban, Maharashtra, India, 400069	100%[2]
Cheetah Marketing Technology PTY Ltd.	Australia	Level 38, 201 Elizabeth street, Sydney NSW 2000, Australia	100%[3]
Cheetah Brazil Servicos de Marketing e Technologia LTDA.	Brazil	Avenida Paulista 1374, Andar 12, Bela Vista 01310-100, Sao Paulo, Brazil	100%[4]

Cheetah Marketing Technology Bulgaria Ltd.	Bulgaria	C/o Zara Consult Ltd21B Moskovska Str., 1000 Sofia, Bulgaria	100%[3]
Cheetah Technology Services (Beijing) Co., Ltd.	China	Rm 601-90, 6/F, Tower 2 Prospect Center, 5 Guanghua Road, Chaoyang District, Beijing 100020, China	100%[3]
Cheetah Technology Marketing Services Costa Rica, S.A.	Costa Rica	San José, Escazú, Edificio El Pórtico, third floor	100%[3]
CM Marketing Technology Partners France Sarl.	France	63, ter Avenue Edouard Vaillant, 92100 Boulogne-Billancourt, France	100%[3]
Cheetah Digital Germany GmbH	Germany	Speditionstr. 1, 40221 Düsseldorf	100%[3]
Cheetah Hong Kong Limited.	Hong Kong	5/F., Heng Shan Centre, 145, Queens Road East, Wanchai, Hong Kong, PRC	100%[3]
Cheetah Digital Co., Ltd.	Japan	3-6, Kita-Aoyama 1-chome, Minato-ku, Tokyo, Japan	100%[3]
Cheetah Marketing Technology Malaysia SDN BHD.	Malaysia	Level 8, Symphony House, Pusat Dagangan Sana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia	100%[3]
Cheetah Marketing Technology Singapore PTE. Limited	Singapore	100 Tras Street, #16-01 100 AM, Singapore 079027	100%[3]
Cheetah Marketing Technology Spain, S.L.	Spain	C/o calle Tutor 43, 1ºB, 28008 Madrid, Spain	100%[3]
Cheetah Digital, Inc.	United States	1209 Orange Street, Wilmington, Delaware 19801	100%[3]
Stellar Loyalty, Inc.	United States	Corporation Trust Center 1209 Orange St, Wilmington, DE 19801	100%[3]
Stellar Loyalty Europe, Ltd.	Ireland	25/28 North Wall Quay, IFSC, Dublin 1	100%[3]
Wayin, Inc.	United States	1209 Orange Street, Wilmington, Delaware 19801	100%[3]
Wayin Limited	United Kingdom	10 Lower Thames Street, London, England, EC3R 6EN	100%[3]
Wayin Australia Pty Ltd	Australia	Tower 2, Brookfield Place 123 St Georges Tce Perth WA 6000	100%[3]

[1] 100% of the shares are directly held by Cheetah Holdings Limited with an investment value of $128

[2] 99% of the shares are directly held and 1% are indirectly held by Cheetah Holdings Limited

[3] 100% of the shares are indirectly held by Cheetah Holdings Limited

[4] 1% of the shares are directly held and 99% are indirectly held by Cheetah Holdings Limited

Subsidiary companies exempt from audit

Cheetah Holdings Limited (UK) has guaranteed the following subsidiaries' liabilities in accordance with section 479C of the Corporations Act 2006 (the 'Act'):

Wayin Ltd.

Marketing Technology Partners UK Limited

6 Acquisitions

Wayin, Inc.

On June 30, 2019, Vector acquired Wayin, Inc. for an aggregate purchase price of $2,545, net of cash acquired. The aggregate purchase price was funded through issuance of Class C Units in Vector and cash. Concurrent with the acquisition, Vector transferred all trade, assets and liabilities to the Group at their fair values.

The estimated fair value of the net assets of the Company was determined based on the nature of the asset or liability with book value approximating fair value. Under this method, expected future cash flows of the business on a stand-alone basis are discounted back to a present value. The estimated fair value of developed technology was also determined using an income approach to valuation based on the relief-of-royalty method. The most significant assumptions under the relief-of-royalty method include: estimated remaining useful life, expected revenue, royalty rate, tax rate, discount rate and tax amortization benefit.

Management has developed these assumptions on the basis of historical knowledge of the business and projected financial information of the Company. These assumptions may vary based on future events, perceptions of different market participants and other factors outside the control of management, and such variations may be significant to estimated values.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the acquisition date:

	$'000
Purchase Consideration	
Purchase of stock/assets, net of cash acquired	182
Net working capital adjustment	(407)
Rollover equity	2,770
Total Purchase Consideration	**2,545**
Tangible Assets/Liabilities	
Working capital, net of cash	(634)
Fixed assets	76
Other net assets	103
Total Tangible Assets/Liabilities	**(455)**
Intangible Assets	
Developed technology	3,000
Total Intangible Assets	**3,000**
Allocation of Purchase Consideration	**2,545**

Total transaction costs, including legal, tax, accounting and insurance, related to the acquisition amounted to $1,024.

7 Discontinued Operations and Reacquisition of Japan Operations

On August 22, 2019, the Company entered into a stock purchase agreement with K.K. BCJ-42 (Bain), pursuant to which the Company agreed to sell and transfer the issued and outstanding stock of Cheetah Digital Co., Ltd (Japan). Japan operations include two distinct product lines, Mail Publisher and Marketing Suite. The agreement provided that Bain pay an aggregate consideration of $273,050 in cash to acquire the entire business, subject to working capital adjustments. Of the selling price, $23,050 was placed in Escrow related to a put/call option that provided the Company with the opportunity buy back operations related to Marketing Suite and Bain with the ability to put the Marketing Suite business back to the Company. The consideration was paid by Bain to MTPUK on September 18, 2019.

On October 31, 2019, the put option was exercised by Bain. To facilitate the re-acquisition of Japan's Marketing Suite operations, Bain transferred the related assets and obligations to a new subsidiary, Cheetah Digital Co., Ltd. MTPUK acquired all the issued and outstanding stock of this new subsidiary. As the operations of Marketing Suite were re-acquired shortly after the sale of Japan and were wholly owned by MTPUK as of March 31, 2020, they were not classified as discontinued operations in the consolidated financial statements, as discussed further below.

Discontinued Operations

Operating results related to Mail Publisher have been reclassified as discontinued operations for all years presented in accordance with IFRS 5 'Discontinued Operations'.

The Company recognized a gain on the sale of Japan amounting to $154,675, net of certain transaction related costs amounting to $6,074 and are comprised of consulting, legal, and other employee costs.

	$'000
Cash consideration received	273,050
Transaction costs	(6,074)
Cash disposed of	(444)
Working capital adjustments	(180)
Net cash inflow from disposal of discontinued operations	**266,352**
Net assets disposed	
Property, plant and equipment	(1,813)
Goodwill	(69,936)
Intangibles	(18,946)
Trade and other receivables	(6,416)
Trade and other payables	2,783
Intercompany receivable	(19,378)
Other assets	(2,292)
Other liabilities	3,625
Currency translation adjustments	696
	(111,677)
Gain on disposal of discontinued operations	**154,675**

7 Discontinued Operations and Reacquisition of Japan Operations *(continued)*

The following table presents the discontinued operations of Mail Publisher in Japan in the Consolidated Statements of Operations and Comprehensive Income.

	Fiscal period ended March 31, 2020 $000s
Revenue	14,258
Operating expenses	(7,422)
Operating income	**6,836**
Finance expense	307
Income before tax	**6,529**
Income tax expense	2,650
Income for the period	**3,879**

Depreciation and significant non-cash items of discontinued operations by period were as follows:

	Fiscal period ended March 31, 2020 $000s
Depreciation and amortisation	2,064
Loss on fixed asset write-off	-

Reacquisition of Japan Marketing Suite Operations

On October 31, 2019, the Company acquired Cheetah Digital Co., Ltd for an aggregate purchase price of $23,049, net of cash acquired. The aggregate purchase price was funded through release of the amounts in Escrow noted above.

The estimated fair value of the net assets acquired, including the allocation of the fair value to the identifiable assets and liabilities, was determined using the Level 3 inputs in the fair value hierarchy (see fair value measurements in Note 2 – Summary of Significant Accounting Policies). The estimated fair value of the net assets of the Company was determined using the income approach to valuation based on the relief-from-royalty method. Under this method, expected future cash flows of the business on a stand-alone basis are discounted back to a present value.

Management has developed these assumptions on the basis of historical knowledge of the business and projected financial information of the Company. These assumptions may vary based on future events, perceptions of different market participants and other factors outside the control of management, and such variations may be significant to estimated values.

7 Discontinued Operations and Reacquisition of Japan Operations *(continued)*

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the acquisition date:

	$'000
Purchase Consideration	
Purchase of stock/assets, net of cash acquired	$ 23,049
Total Purchase Consideration	**23,049**
Tangible Assets/Liabilities	
Working capital, net of cash	19,720
Fixed assets	725
Total Tangible Assets/Liabilities	**20,445**
Intangible Assets	
Goodwill	2,604
Total Intangible Assets	**2,604**
Allocation of Purchase Consideration	**$ 23,049**

8 Revenue

Further to Note 4, the Group's revenue is comprised of the following activities:

	2021 $'000	2020 $'000
Email and mobile delivery services	118,086	125,954
Partnership revenue	4,510	4,525
Account implementation services	3,134	55
Hosting and support services	4,184	1,739
Professional services	52,269	66,929
Total revenue	**182,183**	**199,202**

9 Operating expenses

Loss from continuing operations has been arrived at after charging the following:

	2021 $'000	2020 $'000
Compensation and benefits (see Note 10)	105,880	115,247
Depreciation and amortisation	38,834	36,448
Professional fees	9,460	15,824
Statutory auditor fees	100	100
Software and service fees	11,010	13,266
Occupancy costs	1,924	5,537
Employee related expenses	2,082	7,081
Telecom costs	14,007	12,228
Maintenance and licenses	12,772	13,086
Other miscellaneous expenses	298	1,130
Contractor fees	6,286	5,593
Advertising and marketing costs	2,413	4,877
Bad debt (recovery)/expense	(112)	2,908
Realised (gain) / loss on foreign currencies	(107)	(199)
Total operating expenses	**204,847**	**233,126**

10 Employees and directors

Compensation and benefits expense for employees consists of the following:

	2021 $'000	2020 $'000
Wages and salaries	87,526	95,507
Social security contributions and similar taxes	8,337	9,210
Defined contribution pension costs	3,109	3,097
Short-term non-monetary benefits	5,072	5,681
Other long-term employee benefits	427	577
Severance costs	337	284
Other miscellaneous compensation expenses	1,072	891
Total compensation and benefit expenses (Note 9)	**105,880**	**115,247**

10 Employees and directors *(continued)*

The average number of employees (including directors) during the year for the group was as follows:

	2021	2020
Management	39	52
Administration	1,109	1,379
Total number of employees	1,148	1,431

Compensation for key management, who have authority for planning, directing and controlling the activities of the group include the Chief Executive Officer and Chief Financial Officer:

	2021 $'000	2020 $'000
Wages and salaries	1,091	1,011
Social security contributions and similar taxes	116	108
Defined contribution pension costs	18	14
Short-term non-monetary benefits	37	24
Total compensation and benefit expenses	1,262	1,157

There were 3 directors in 2021, with one director not in office from 22 October 2020 and 2 directors acting from this dated. In 2020 there was only one director.

	2021	2020
Directors' emoluments	119	395
Amount paid to third parties in respect to director's services	76	-
	195	395

In 2021, one director was paid by the controlling shareholder, Vector Capital. The cost of the services provided by this director were paid to Vector Capital as a consulting fee, totaling $318,000.

There were no directors in the group's defined contribution pension scheme (2020 - none).

Emoluments of the highest paid director were $119 (2020 - $395).

No directors received shares under the equity incentive plan during the year (2020 – none). During the year, no directors exercised shares (2020 – none).

11 Finance expense

Finance expense consists of the following:

	2021 $'000	2020 $'000
Interest on bank borrowings	-	9,534
Amortisation of deferred financing costs	-	4,594
Paid in-kind interest (see Note 20)	8,462	7,290
Interest on lease liability (see Note 14)	3,050	3,140
Interests income	(1,585)	(309)
Total finance expense	9,927	24,249

12 Taxation

Tax expense is comprised of the following:

	2021 $'000	2020 $'000
Current tax expense / (benefit)	(767)	2,758
Deferred tax expense/(benefit)	(2,589)	3,052
Total income tax expense	**(3,356)**	**5,810**
Effects from discontinued operations (see note 7)	-	2,650
Total income tax expense	**(3,356)**	**3,160**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 $'000	2020 $'000
Loss before tax from continuing operations	(32,591)	(55,585)
Profit on discontinued operations before tax (see note 7)	-	6,529
Loss before tax	**(32,591)**	**(49,056)**
Tax benefit at U.K. tax rate of 19%	(6,192)	(9,321)
Tax effect of:		
Effect of tax rates in overseas subsidiaries	1,171	(157)
Taxes due in U.S. states	(1,030)	(486)
Non-deductible expenses	643	603
Rate changes on deferred taxes	434	-
Tax credits on allowable R&D expenses	(2,830)	-
Deferred tax on temporary differences	(1,769)	8,171
Unrecognised deferred tax on losses in the period	6,217	7,000
Total income tax (benefit)/expense	**(3,356)**	**5,810**
Effects from discontinued operations (see note 7)	-	(2,650)
Total income tax (benefit)/expense from continuing operations	**(3,356)**	**3,160**

12 Taxation *(continued)*

The movement on the net deferred tax liabilities account is as shown below:

	$'000
At 31 March 2019	**3,506**
Change in deferred taxes	224
At 31 March 2020	**3,730**
Change in deferred taxes	(2,589)
At 31 March 2021	**1,141**

The deferred tax balances relate to temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial information as summarised below:

	2021 $'000	2020 $'000
Amortisation	2,044	872
Compensation accruals	(584)	(1,182)
Net operating losses	(3,131)	(1,265)
Unrecognised deferred tax assets on temporary differences	2,842	2,529
R&D credits	(1,501)	-
Other	(980)	(792)
Fixed assets	2,450	3,568
At 31 March	**1,140**	**3,730**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in that jurisdiction in the year when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

The group has estimated losses of $140.8 million (Period ended 31 March 2020 - $94.8 million) available for carry forward against future trading profits. No deferred tax has been recognised due to the absence of near term visibility on taxable profits in the near future. The majority of the losses relate to the group's UK entity, where losses can be carried forward and offset against UK taxable income indefinitely.

The tax liabilities are comprised by the below:

	2021 $'000	2020 $'000
VAT taxes payable	554	767
Income taxes payable	-	676
	554	**1,443**

The tax receivables are comprised by the below:

	2021 $'000	2020 $'000
Income taxes receivable	2,041	-
	2,041	**-**

13 Property, plant and equipment

Property, plant and equipment are predominately located in entities whose functional currency is the United States Dollar. For assets located in non-United States Dollar function currency entities, the foreign currency movement is not material.

	Leasehold improvements	Furniture and equipment	Computer software and hardware	Construction in progress	Total
(i) Cost	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 31 March 2019	$5,950	$1,909	$48,083	$ 14	**$ 55,956**
Additions	1,800	51	5,389	-	**7,240**
Wayin Acquisition (see Note 6)	-	1	75	-	**76**
Disposals	-	(126)	(690)	-	**(816)**
Transfers	-	-	14	(14)	**-**
Adoption of IFRS 16	-	-	(7,376)	-	**(7,376)**
At 31 March 2020	**7,750**	**1,835**	**45,495**	**-**	**55,080**
(ii) Depreciation					
At 31 March 2019	1,317	666	20,736	-	**22,719**
Disposals	-	(125)	(562)	-	**(687)**
Charge for the period	1,187	351	12,468	-	**14,006**
Adoption of IFRS 16	-	-	(3,593)	-	**(3,593)**
At 31 March 2020	**2,504**	**892**	**29,049**	**-**	**32,445**
(ii) Net book value					
At 31 March 2020	**$5,246**	**$ 943**	**$16,446**	**$ -**	**$ 22,635**

	Leasehold improvements	Furniture and equipment	Computer software and hardware	Construction in progress	Total
(i) Cost	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 31 March 2020	$7,750	$1,835	$45,495	$ -	**$ 55,080**
Additions	12	-	335	123	**470**
Disposals	(1,284)	(210)	(347)	-	**(1,841)**
Transfers	3	-	78	(81)	**-**
At 31 March 2021	**6,481**	**1,625**	**45,561**	**42**	**53,709**
(ii) Depreciation					
At 31 March 2020	2,504	892	29,049	-	**32,445**
Disposals	(327)	(83)	(319)		**(729)**
Charge for the period	1,288	199	8,585		**10,072**
At 31 March 2021	**3,465**	**1,008**	**37,315**	**-**	**41,788**
(ii) Net book value					
At 31 March 2021	**$3,016**	**$ 617**	**$8,246**	**$ 42**	**$ 11,921**

14 Leases

Right of use assets

	2021 $'000	2020 $'000
Land and buildings	23,999	23,747
Computer hardware	10,202	7,376
	34,201	31,123
Amortisation	(15,406)	(7,799)
	18,795	23,324

Lease liabilities

	2021 $'000	2020 $'000
Land and buildings	30,174	34,824
Computer hardware	4,277	4,049
	34,451	38,873
Current	7,733	7,823
Noncurrent	26,718	31,050

At 31 March 2021 the carrying amounts of lease liabilities are not reduced by the amount of payments that would be avoided from exercising break clauses because on both dates it was considered reasonably certain that the group would not exercise its right to exercise any right to break the lease. Total lease payments of $16,506 are potentially avoidable were the group to exercise break clauses at the earliest opportunity.

Company as the lessor

The finance lease receivable is presented as below:

	$'000
Balance as at 31 March 2019	-
Additions to leases receivable	13,414
Interests accrued	293
Payments received	(149)
Balance as at 31 March 2020	**13,558**
Current	**890**
Non-current	**12,668**

	$'000
Balance as at 31 March 2020	13,558
Interests accrued	1,585
Payments received	(2,500)
Balance as at 31 March 2021	**12,643**
Current	**890**
Non-current	**11,753**

14 Leases *(continued)*

Changes in right-of-use assets

	Land and Buildings	Computer hardware	Total
	$'000	**$'000**	**$'000**
As at 1 April 2019	$25,858	$4,930	**$30,788**
Additions	18,877	1,037	**19,914**
Reclassification to finance sublease receivable (a)	(11,066)	-	**(11,066)**
Reclassification to investment property (b)	(1,328)		**(1,328)**
Discontinued operations	(7,446)		**(7,446)**
Depreciation	(5,354)	(2,184)	**(7,538)**
As at 31 March 2020	**$19,541**	**$3,783**	**$23,324**

	$'000	**$'000**	**$'000**
As at 1 April 2020	$19,541	$3,783	**$23,324**
Additions	252	2,826	**3,078**
Depreciation	(4,634)	(2,973)	**(7,607)**
As at 31 March 2021	**$15,159**	**$3,636**	**$18,795**

(a) In 2020 the right of use asset for the contracts on the following locations were subleased in it's entirely to the sub lessor. Therefore, in accordance with IFRS 16, the assets acquired through an operational lease via a rental agreement (right-of-use asset) reclassified as a finance sublease receivable adjusted to the present value of the future rental payments from the sub lessee, discounted at the same rate of the head lease incremental borrowing rate. This generated a gain recorded through the statement of financial performance. Below further details of the gains recorded:

	New York $'000	Indianapolis $'000	Total $'000
Undiscounted future cash-flows from finance subleases	17,155	2,399	**19,554**
(-) Effects of discounting	(5,610)	(530)	**(6,140)**
Present value of future cash-flows from subleases	11,545	1,869	**13,414**
(-) Reclassification of net amount of right-of-use asset	(9,251)	(1,815)	**(11,066)**
Gain (loss) on finance subleases	**2,294**	**54**	**2,348**
+ Income from operational subleases			240
Income from subleases through income statement			**2,588**

(b) A sublease of an office space in Chicago is classified as operating lease. The Group continues to recognise the right-of-use asset resulting from the head lease. The sublease portion of right-of-use asset is classified as investment property (subsequently measured applying the cost model). Revenue from the sublease is recognised over the term of the sublease. Below are the amounts reclassified from the right of use asset to investment property:

	2021 $'000	2020 $'000
Right of use asset	1,577	1,577
Amortisation	(499)	(249)
	1,078	**1,328**

The fair value of the subleased right-of-use asset recognised as investment property is approximately the present value of the sublease receivable from the sub lessor which in 31 March 2021 was $1,078.

Changes in leases liabilities

	Land and Buildings $'000	Computer hardware $'000	Total $'000
As at 1 April 2019	$27,816	$5,096	**$32,912**
Additions	18,730	1,037	**19,767**
Interest expenses	2,791	349	**3,140**
Lease payment	(6,929)	(2,433)	**(9,362)**
Discontinued operations	(7,584)	-	**(7,584)**
As at 31 March 2020	**34,824**	**4,049**	**38,873**
	$'000	**$'000**	**$'000**
As at 31 March 2020	$34,824	$4,049	**$38,873**
Additions	252	2,670	**2,922**
Interest expenses	2,668	382	**3,050**
Lease payment	(7,570)	(2,824)	**(10,394)**
As at 31 March 2021	**30,174**	**4,277**	**34,451**

14 Leases *(continued)*

Undiscounted cash-flow of leases liabilities

	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 March 2020	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Lease liabilities	$2,737	$7,739	$8,844	$20,142	$9,461
At 31 March 2021	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Lease liabilities	$2,793	$7,071	$8,017	$16,832	$6,242

Undiscounted cash-flow of lease receivables

	Up to 3 months	Between 3 and 12 months	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 March 2020	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Lease receivables	$ 542	$1,958	$2,659	$8,222	$8,895
At 31 March 2021	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Lease receivables	$ 662	$1,997	$2,713	$7,638	$6,766

15 Intangible assets

	Goodwill	Customer Relationships	Developed Technology	Domain Name and Trademark	Total
(i) Cost	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 31 March 2019	$ 127,380	$69,000	$ 118,000	$19,000	**$333,380**
Acquisition (See Note 6)	-	-	3,000	-	**3,000**
Discontinued operations (see Note 7)	(69,936)	(15,000)	(7,600)	(2,000)	**(94,536)**
Reacquisition of Japan MS (See note 7)	2,604	-	-	-	**2,604**
At 31 March 2020	**60,048**	**54,000**	**113,400**	**17,000**	**244,448**
(ii) Accumulated amortisation					
At 31 March 2019	-	12,811	18,367	3,765	**34,943**
Charge for the period	-	6,116	11,582	1,930	**19,628**
Discontinued operations (see Note 7)	-	(3,438)	(1,741)	(459)	**(5,638)**
At 31 March 2020	-	**15,489**	**28,208**	**5,236**	**48,933**
(ii) Net book value					
At 31 March 2020	**$60,048**	**$38,511**	**$85,192**	**$11,764**	**$195,515**

	Goodwill	Customer Relationships	Developed Technology	Domain Name and Trademark	Total
(i) Cost	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
At 31 March 2020	$60,048	$54,000	$ 113,400	$17,000	**$244,448**
At 31 March 2021	**60,048**	**54,000**	**113,400**	**17,000**	**244,448**
(ii) Accumulated amortisation					
At 31 March 2020	-	15,489	28,208	5,236	**48,933**
Charge for the period	-	5,417	12,479	1,833	**19,729**
At 31 March 2021	-	**20,906**	**40,687**	**7,069**	68,662
(ii) Net book value					
At 31 March 2021	**$60,048**	**$33,094**	**$72,713**	**$9,931**	**$175,786**

Goodwill is not being amortised as the directors consider it to have an infinite useful life. The intangible assets are predominantly allocated to entities where the functional currency is United States Dollar. The foreign exchange movement related to intangible assets allocated to non-United States Dollar functional currency entities is not material.

The Group is required to test, on an annual basis, whether goodwill has suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the determination of a discount rate to calculate the present value of the cash flows.

The group considers that there is only one cash generating unit, therefore impairment consideration for goodwill is reviewed for the group as a whole.

15 Intangible assets *(continued)*

The recoverable amounts of all the above CGUs have been determined from value in use calculations based on cash flow projections from formally approved budgets covering a five year period to 31 December 2024. Other major assumptions:

- Discount rate of 15%;
- EBITDA margin in average 10.5%;
- Growth rate (Until the fifth year) in average 1.98%;
- Last year exit value multiple based on revenue multiple of 1.75x.

Operating margins have been based on past experience and future expectations in the light of anticipated economic and market conditions. Discount rates are based on the Group's beta adjusted to reflect management's assessment of specific risks related to the cash generating unit. The terminal value assumes an exit strategy with the sale of the business and the cash-flow is therefore a multiple of revenue based on comparable market participants.

16 Other non-current assets

	2021 $'000	2020 $'000
Contract asset	6,021	5,075
Security deposit	1,073	1,152
Prepaid expenses with terms greater than 1 year	567	1,049
Total other non-current assets	7,661	7,276

17 Trade and other receivables

	2021 $'000	2020 $'000
Trade receivables	34,101	38,959
Bad debt provision	(3,098)	(4,273)
Credit note provision	(596)	(899)
Trade receivables - net	30,407	33,787
Other receivables	309	(867)
Accrued sales	4,095	6,031
Total trade and other receivables (see Note 3)	34,811	38,951

The carrying values are considered a reasonable approximation of fair value and are considered recoverable within one year by the directors.

Trade receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Impairment provisions for trade and other receivables are calculated using an expected credit loss model. Under this model, impairment provisions are recognised to reflect expected credit losses based on combination of historic and forward-looking information, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

17 Trade and other receivables *(continued)*

For trade receivables, which are reported net; such provisions are recorded in a separate allowance account. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Before accepting any new customer, the Group uses an external credit scoring system to assess the potential customer's credit quality and defines credit limits by customer. Limits and scoring attributed to customers are reviewed on a periodical basis.

18 Cash and cash equivalents

Group

	2021 $'000	2020 $'000
Bank accounts	42,068	32,963
Total cash and cash equivalents	42,068	32,963

Company

	2021 $	2020 $
Bank accounts	977	873
Total cash and cash equivalents	977	873

19 Prepaid expenses and other current assets

	2021 $'000	2020 $'000
Operating subleases receivable (Note 14)	239	240
Contract asset	2,613	1,845
Data and technology expenses	1,697	1,849
Other debtors	3,317	3,500
Security deposits	844	1,138
Insurance	88	108
Sales and marketing expenses	273	911
Total prepaid expenses and other current assets	9,071	9,591

20 Loans and borrowings

	2021 $'000	2020 $'000
Non-Current:		
Subordinated promissory note to related party, including paid in-kind interest of $27,319 and $19,154, respectively	102,319	94,154
	102,319	94,154
Current:		
Revolving line of credit	-	10,000
	-	10,000

Term Loans
The Group had a financing agreement for term loans of $25,000 and $200,000 and a revolving credit facility not to exceed $20,000 with a third-party lending institution. The terms loans and revolving credit facility due to mature on June 1, 2023. On September 18, 2019, in conjunction with the sale of the group's Japan Mail Publisher operations, a portion of the proceeds ($220,781) were used to pay the outstanding balance on the term loans. The effective interest rate is 8.625% at March 31, 2021.

As of March 31, 2021, there are borrowings on the revolving credit facility of $0 (March 31, 2020 - $10,000). On 4 February 2022 upon merger of Cheetah Group with Campaign Monitor Group, the term loans were settled and replaced by an intercompany loan from CM Acquisitions Holdings, Inc (a whole subsidiary of Campaign Monitor Group). The revolving credit facility remains in place and available.

Deferred financing costs
Deferred financing costs incurred in connection with the issuance of the terms loans and revolving credit facility were capitalized and amortized to interest expense based on the term of the related debt agreements using the straight-line method, which approximates the effective interest method. The remaining balance as of the pay-off date was expensed through interest expense during the year ended March 31, 2021. The amortization of these costs was $0 (March 31, 2020 - $4,594) during the year which and is reflected in interest expense. Deferred financing costs are recorded against long-term debt on the consolidated statement of position.

Subordinated promissory note
The Company also has a subordinated promissory note for $75,000 with Experian. The promissory note matures on June 1, 2024. Interest accrues daily and is paid in kind semi-annually at a rate of 8.375%.

21 Other non-current liabilities

	2021 $'000	2020 $'000
Accrued expense with terms greater than 1 year	519	1,508
Total other non-current liabilities	519	1,508

22 Trade and other payables

	2021 $'000	2020 $'000
Deferred revenue	38,998	34,305
Trade payables	4,121	4,387
Total trade and other payables	43,119	38,692

Trade payables principally comprise amounts outstanding for trade purchases and on-going costs. The average credit period taken for trade purchases is 30 days. For most suppliers, no interest is charged on trade payables. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

The directors considers that the carrying amount of trade payables approximates to their fair value.

23 Accrued expenses

Other accrued expenses include costs for legal, marketing, professional fees and other operations.

	2021 $'000	2020 $'000
Compensation	15,745	9,378
Miscellaneous	3,650	5,527
Interest	19	39
Total accrued expenses	19,414	14,944

24 Common stock

The Group is authorised to issue 136 shares of par value 1 British pound sterling (GBP) per share of common stock, of which 136 shares are issued and outstanding with Vector as of 31 March 2021. Each share has full rights in the Company with respect to voting, dividends and distributions.

25 Related Party Transactions

Balances and transactions between the Group companies have been eliminated upon consolidation and are not disclosed in this note.

The Group has the following amounts outstanding at the balance sheet date with related parties who are not members of this Group:

	2021 $'000	2020 $'000
Non-current payable to:		
Vector	141,839	141,839
Experian	1,960	1,960
	143,799	143,799

	2021 $'000	2020 $'000
Current payables to:		
Vector Capital	(23)	158
Experian	2,041	721
	2,018	879

The Company has the following amounts outstanding at the balance sheet date with related parties who are not members of this Group:

	2021 $'000	2020 $'000
Non-current payable to:		
Vector	1,160	1,160
	1,160	1,160

The Group had the following transactions with related parties who are not members of this Group during the year:

	2021 $'000	2020 $'000
Revenue		
Experian	649	761
	649	761

25 Related Party Transactions *(continued)*

	2021 $'000	2020 $'000
Operating expenses:		
Experian	50	73
Vector Capital	2,861	2,750
	2,911	2,823

A transition services agreement (TSA) was established with Experian that provides the Group with certain services supporting legal, finance and accounting, human resources, information technology, facilities and marketing. The fees for these services are billed monthly. For the year ended 31 March 2021, fees for the TSA are $50 (Period ended 31 March 2020 - $73) and included in selling, general and administrative expenses within the consolidated statement of operations. There is nil included in related party payable as of 31 March 2021 and 31 March 2020 related to these fees. The TSA ended on 31 July 2018 but continued on a month to month basis.

The TSA also contains a provision for a cash settlement agreement (CSA) whereby Experian collects customer receipts and pays vendors on behalf of the Group. The net cash related to these activities is settled between the two parties via a monthly cash transfer. As of 31 March 2021, the Group has a receivable of $22 (Period ended 31 March 2020 - $113) and payable of $0 (Period ended 31 March 2020 - $115) related to the CSA included in related party payable. The CSA ended on 31 July 2018 but continued on a month to month basis.

In 2017, the Group also purchased certain software licenses from Experian for $1,960. Payment of these licenses is due in three instalments with the first instalment of $700 due 12 months after the date Experian pays the third-party for the licenses. The second instalment of $700 is due 12 months after the first instalment with the remaining balance to be paid 12 months following the second instalment.

The Company also provides marketing services to Experian. For the years ended 31 March 2021 and 31 March 2020, revenue is $649 and $761, respectively, and is included in revenue, net within the consolidated statements of operations. There is $123 and $99 included in accounts receivables as of 31 March 2021 and 31 March 2020, respectively, related to this revenue. These transactions were made on terms equivalent to those that prevail in arm's length transactions.

The Company also pays a monitoring fee and fees for other specific services provided to Vector Capital, who is the majority owner of Vector. The Company is billed $500 quarterly for these consulting and other business-related services. From 1 July 2018 to 1 July 2019, The Company was billed a management fee of $375 quarterly.. For the year ended 31 March 2021, monitoring fees and fees for other specific services are $2,861 (Period ended 31 March 2020 - $2,750) and included in selling, general and administrative expenses within the consolidated statement of operations. There is $1,250 (Period ended 31, March 2020 - $nil) included in accrued expenses as of 31 March 2021 related to these fees.

26 Share-based payment

Vector's Operating Agreement allows for the establishment of an equity incentive plan to provide for the issuance of Class B Units in Vector to Group employees.

The Class B Units provide the holder with a contingent right to receive such holder's share of excess distributions in excess of the Participation Threshold, as determined by the Board of Directors, in accordance with amounts equal to a pro rata portion of their ownership percentage. The Board established return threshold must be satisfied and distributions made to all Class A units before the applicable Class B Unit can participate in distributions.

The Class B Units granted to employees are subject to certain vesting conditions, and a participant will not be entitled to receive payment in connection with any unvested Class B Units and will forfeit all rights with respect to any such unvested award if for any reason the participant is not an active employee on the date of the liquidity event. Vested units of employees that cease to provide services to the Group may have the vested units purchased for cash at the discretion of the Board of Directors. The purchase price will be an estimate of fair value as determined by the Board of Directors.

In accordance with IFRS 2, accrual for compensation cost with a performance condition shall be based on the probable outcome of that performance condition. As of March 31, 2021, the Company determined that the performance condition is not probable and, as such, did not record any compensation expense in connection with these awards and any potential value at the grant date would be immaterial to the financial statements. In the event of a distribution in excess of the participation threshold, the Company will record compensation expense related to the awards that could be material.

As of the year ended March 31, 2021, 22,750,227 (21,279,305 as of March 31, 2020) Class B Units are outstanding. Subsequent to March 31, 2021 and as of the date of this report, an additional 622,897 Class B units have been granted.

27 COVID-19 Pandemic

The Novel Coronavirus Disease 2019 (COVID-19), is continuing to impact worldwide economic activity. Developments such as social distancing and shelter-in-place directives have impacted key industries serviced by the Group, such as retail, hotels and travel. As a result, the Group has experienced certain declines in its revenues. In response to the impact of the pandemic, the Group has proactively enacted certain cost reduction initiatives and cash collection policies to mitigate the risk.

The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. The Group initially dealt with customer collection issues, decreased customer spend in messaging volumes and campaign services and customer bankruptcies during the first half of fiscal year 2021. The Group quickly responded to these issues with quick and pro-active collection efforts that included extending customer payment terms in exchange for extended contract terms or upsell and cross-sell opportunities. In some instances, the Group used legal letters to pause services or demand payment. During the second half of fiscal year 2021, the Group saw cash collections improve to levels approaching pre-COVID expectations and bookings exceeding expectations due to focus on customer in less impacted industries. Given the daily evolution of the COVID-19 outbreak and the global responses to curb its spread, the Group is not able to estimate the duration of the effects of the COVID-19 outbreak on its financial condition, liquidity, and results of operations for fiscal year 2022 and will continue to closely monitor results and take appropriate actions if and when necessary.

28 Subsequent Events

On 4 February 2022, Cheetah Holdings Limited entered into a Partnership Agreement with CM 2019 (UK) Limited ("CM Group"), and the two entities were merged together. The new ultimate owner of Cheetah Holdings Limited is Iris Holdings L.P., registered in the Cayman Islands. As the result of the merger, related party debt of Cheetah Holdings Limited was settled and replaced with an intercompany loan of approx. $119,000 provided by CM Acquisitions Holdings, Inc., subsidiary entity of CM Group. The new loan matures in 2025.

29 Ultimate controlling party

Cheetah Holdings Limited was previously controlled by the Vector Holdings, LP an entity incorporated in the Cayman Islands until 04 February 2022. From the date of the merger, the ultimate controlling party is Insight Venture Partners VIII, LP. with Vector Holdings, LP being second largest shareholder.