REGISTERED NUMBER: 02916113 (England and Wales)

COMMUNISIS LIMITED

STRATEGIC REPORT, DIRECTORS' REPORT AND

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

COMMUNISIS LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

COMMUNISIS LIMITED

COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS:	I L G V Waesberghe P D Hoggarth T A Burgham E W Ek A Vemuri C H Janeway K Keleghan
REGISTERED OFFICE:	Communisis House Manston Lane Leeds LS15 8AH
REGISTERED NUMBER:	02916113 (England and Wales)
AUDITORS:	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW

COMMUNISIS LIMITED

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their Strategic Report of the Company for the year ended 31 December 2021.

REVIEW OF BUSINESS

Strategy and Implementation

Communisis Limited does not trade. The principal activities of the Company are to act as a holding company and a central cost centre for the Group.

Towards the end of 2020, the senior leadership team was refreshed, and throughout 2021, as the impact of the coronavirus pandemic (COVID-19) has started to subside, a refreshed strategy was put in place outlining the new strategic business objectives. As a result of this, on the 30 December 2021, the Group entered into a 5-year contract with a multinational Technology and Business Process Outsourcing organisation. The primary objective of which is to enable the business to accelerate its digital transformation to enhance the provision of new innovative omni-channel services to our customers and to continue to provide our customers with safe and secure services in the rapidly changing digital security landscape.

The Directors consider the future prospects of the Company to be satisfactory.

Subsequent to the yearend, the Company completed on a strategic acquisition of the Vox Group. The acquisition of the Vox Group will provide complementary services to support the Procurement Services division of the Group. Further details are provided in Note 21.

Results

The coronavirus pandemic has continued to adversely impact the Group's trading performance in 2021. As a result, the Company generated an operating loss of £6,580,000 (2020 £5,984,000).

In 2020, the Group to which the Company belonged undertook a project to strike-off 49 of its legacy dormant entities. Consequently, a large number of intercompany balances were forgiven and therefore released around the Group. In addition, several investments were also written down to £nil or impaired accordingly. The Company therefore benefitted from a net credit to the Income Statement of £37,080,000 because of this restructuring project. No such project has been carried out in 2021.

KEY PERFORMANCE INDICATORS

There is no trading performance that requires monitoring and so no key performance indicators to disclose.

RISKS AND UNCERTAINTIES

The Company does not trade. The Company's main exposure to risk comes from its investment in subsidiaries and the risk that the investment may be impaired should the subsidiaries underperform.

Through the Group, the Company has considerable financial resources and as a consequence the Directors believe that the company is well placed to manage its business successfully. After making enquiries, the Directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In undertaking this assessment, the Directors have taken into account the intergroup borrowings. Accordingly, the Directors have obtained written assurances from the parent entity that they will not seek repayment of amounts which would impact on the ability of the group to continue as a going concern. On this basis, the Directors continue to adopt the going concern basis in preparing the Financial Statements. Further disclosure regarding going concern is detailed within the Directors' report.

SECTION 172(1) STATEMENT

The Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Section 172(1)(a) to (f) requires each Director to act in the way he or she considers would be most likely to promote the success of the Company for the benefit of its members as a whole, with regard to the following matters:

COMMUNISIS LIMITED

STRATEGIC REPORT - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

SECTION 172(1) STATEMENT - continued

a) the likely consequences of any decision in the long term;
Five-year forecasts of profitability and cash flow has been prepared as part of the goodwill impairment testing. Management has good medium-term visibility of the business. Despite this, there will always be uncertain factors outside the control of Communisis and forecasting can never take into account unknown future economic, legal or regulatory changes which could impact the business and the markets in which it operates. The Board can confirm that they have a reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due as part of the going concern assessments.

b) the interests of the Company's employees;
At Communisis we understand that the success of our business strategy is critically dependent upon the involvement of all employees. We appreciate that employee engagement and well-being not only benefit our employees but also have a direct impact upon the performance of our business and we seek to achieve that engagement in a number of ways. The Board communicate our strategic goals to all of our managers and empower them to develop both themselves and those for whom they are responsible through focused training to ensure they can best deliver those goals. Further details on these can be found on Employee engagement section.

c) the need to foster the Company's business relationships with suppliers, customers and others;
Our supply chain is key to the success of Communisis. We work hand in hand with our suppliers to understand our environmental impact and we plan to do more to establish a reliable source of data within the supply chain through the strategic adoption of a supply chain management platform, which will give us greater insights into the businesses that we work with.

d) the impact of the Company's operations on the community and the environment;
We actively encourage all employees to be socially active and participate in volunteering activities in the local community. We support this by allowing a paid volunteer day per employee per year. We are committed to the development, implementation and maintenance of an action plan to target improvements in our environmental and sustainability performance, in addition to helping our clients with theirs and to monitoring our progress over time.

e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
Communisis values its reputation for ethical behaviour, financial integrity and reliability. It acknowledges that over and above the commission of any crime, any involvement in bribery will also reflect adversely on its reputation. Communisis' aim is to limit its exposure to bribery and corruption by: setting out a policy on anti-bribery and corruption; training all employees so that they can recognise and avoid the use of bribery by themselves and others; providing employees with a suitable channel of communication and ensuring sensitive information is treated appropriately; rigorously investigating instances of alleged bribery and assisting the police and other appropriate authorities in any resultant prosecution; and taking firm and vigorous action against any individual involved in bribery or corruption.

f) the need to act fairly between members of the Company.
Through an open and transparent dialogue with our key stakeholders, we have been able to develop a clear understanding of their needs, assess their perspectives and monitor their impact on our strategic ambition and culture. As part of the Board's decision-making process, the Board and its senior management consider the potential impact of decisions on relevant stakeholders whilst also having regard to a number of broader factors, including the impact of the Company's operations on the community and environment, responsible business practices and the likely consequences of decisions in the long term.

ON BEHALF OF THE BOARD:

DocuSigned by:
Eric Ek
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E W Ek - Director

29 September 2022

COMMUNISIS LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report with the Financial Statements of the Company for the year ended 31 December 2021.

DIVIDENDS
Dividends paid during the year amounted to £nil (2020 £nil).

FUTURE DEVELOPMENTS
The Company is expected to trade on the same basis for the foreseeable future in line with the Company's strategic initiatives as set out in the Strategic Report on pages 2 to 3.

DIRECTORS
The Directors shown below have held office during the whole of the period from 1 January 2021 to the date of this report.

I L G V Waesberghe
P D Hoggarth
T A Burgham
E W Ek
A Vemuri

Other changes in Directors holding office are as follows:

C H Janeway and K Keleghan were appointed as Directors after 31 December 2021 but prior to the date of this report.

D Athwal ceased to be a Director after 31 December 2021 but prior to the date of this report.

FINANCIAL INSTRUMENTS
The Company finances its activities with a combination of intercompany loans with other Group entities, cash and lease contracts. Overdrafts are used to satisfy short term cash flow requirements. Other financial assets and liabilities, such as other debtors and trade creditors, arise directly from the Company's operating activities.

Financial instruments give rise to interest rate, credit, price and liquidity risk. These are managed at a group level, and further details can be obtained from the Group Financial Statements of OSG Bidco Limited.

DIRECTORS' INDEMNITY INSURANCE
The ultimate parent company, OSG Group Holdings, Inc, granted an indemnity to each of its Directors (including those of subsidiary companies) against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity remains in force as at the date of approving the Directors' Report. The indemnity is controlled and paid centrally by the ultimate parent company.

GOING CONCERN
As the Company does not trade, it is dependent on the results of operations of the Group as a whole which may vary based on the impact of changes in our industry or the global economy on us or our customers. The revenue growth and potential profitability of our business depend on demand for marketing offering and related services. Current or future economic uncertainties or downturns could adversely affect our business and results of operations.

In the current geo-political climate, estimates and assumptions about future events and their effects are extremely challenging to determine with certainty and therefore require significant judgment. Notwithstanding the above, at the date of issuance of these Financial Statements, the Directors, have prepared a range of scenario forecasts which indicate that the Group has adequate resources to continue operational existence for the foreseeable future.

In addition, having received confirmation from the immediate parent company, OSG Bidco Limited, that it does not intend to demand repayment of amounts owed to it, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual Financial Statements.

EMPLOYEES

Employee engagement

The Group takes a broad approach to ensuring that it engages with its colleagues to share information, seek feedback, gather views on decisions and cascade key updates.

During 2021, Communisis redefined our Purpose and communicated that to our colleagues for them to understand the new focus and direction of the organisation. Our purpose is now;

Powering Brand Engagement, through outstanding communications, conversations and outcomes, which makes lives better.

This new purpose was communicated and shared through a series of focused townhall meetings and written updates. During 2022, there will be further activation and educational events, including face to face session as the reduction of COVID-19 restrictions permits.

More widely, Directors and senior leadership teams are all responsible and accountable for employee engagement and regularly share information and solicit feedback via various, appropriate, channels. They are also required to communicate key actions and changes, as well as taking part in more formal consultation periods where there is significant change, or where change directly impacts an individual.

Throughout the year, and with continued restrictions related to the global pandemic, the Group undertook several activities to ensure that it was communicating and sharing information. Some of the key actions include:

All Company Business Updates

Every four to six weeks, the whole business are invited to join the Executive Leadership Team on a Microsoft Teams broadcast. The agendas for these sessions vary, but broadly consist of an update from the CEO, content from around the organisation including focus on various business units, a financial update, and most importantly time for a live Question and Answer (Q&A) session. These sessions are well attended, recorded and a recording is shared with all colleagues, as well as a transcript of the full Q&A session, so that anyone unable to attend can still have that information. We also invite feedback after every session via a poll and comment so that we can ensure that the information shared is relevant and informative for all.

Union Engagement

Within the manufacturing business, UNITE and Accord Unions are recognised through Shop Stewards and Representatives, who have close working relationships with site management teams. Engagement is then developed through local representatives, the Union regional leadership teams, up to the National Organizer.

Divisional/Team Sessions

Supplementing the 'all company sessions', Board members ensure that there are regular team sessions which allow them and their leadership teams to spend more focussed time on what matters to colleagues in that area.

Written Updates/Pulse Communications

The Group has created a cadence of regular written updates on key actions or initiatives around the more formal updates. This has been particularly critical during the continued pandemic and has been a valuable source of information for colleagues in 2021.

Online Communities

The Group continues to use a secure online communications platform. This allowed colleagues to share content and news, comment and enter discussions, and come together online. This has been particularly successful in our international businesses where the geography, time zones and travel bans due to COVID-19 has made it difficult to feel connected to each other and the organisation.

Diversity and Inclusion
Our focus is to build an inclusive and diverse business that is representative of our communities at all levels and the Group takes a progressive approach to Diversity and Inclusion. We recognise the benefits that diversity can bring to any organisation and has embraced that philosophy when making all appointments into the business. No person employed by the Group will be treated less favourably on the grounds of (or the assumption or perception of) their disability. For example, candidates for employment or promotion will be assessed objectively against the requirements for the job, and fully supported with any reasonable adjustments that may be required for candidates with a disability. Our overall approach to diversity, equality and inclusion informs all that we do across recruitment and training, with this underpinned by relevant policies ensures that everyone in the Group has the opportunity to enjoy rewarding careers, with valuable training and development, regardless of disability.

Our recruitment partnership, with market leader Randstad Sourceright, involves coaching, training and up-skilling our line managers to help them support our approach to both diversity and gender equality. The Group also partner with SHL for a suite of psychometric assessment tools which ensure it has an objective and fair approach to candidate selection.

The Group has in place an Equal Opportunities Policy and Statement. The ongoing commitment above, together with the Company's Equal Opportunities Policy and Statement, comprises the Group's policy on diversity.

Mental Health and Well-being
Throughout the global pandemic the Group continued to grow the initiatives that support its people's mental health and well-being. We recognise that the challenges faced by everyone and the impact that these can have and are committed to ensuring that our colleagues have access to support that will help them if needed.

The programme of works demonstrates the Group's commitment to its people and that it takes the issue of mental health seriously and are committed to breaking down the taboo and helping end mental health discrimination in all workplaces.

During the year, the Group continued to rely on a network of Mental Health First Aiders, took time out to recognise key events and continued the conversation around Mental well-being. The teams across the world took part in a number of events, many virtual or socially distanced - but we 'Moved for Mental Health' to promote exercise to improve well-being. In addition, Zoom yoga classes, virtual Fika Fridays, home based Charity bake sales in aid of mental health charities and other activities and events were held across the Group to promote mental health and well-being.

Human Rights and Modern Slavery
The Group takes the issue of human rights seriously. As such we have published a new Human Rights Policy that outlines how we support and align to the United Nation's Universal Declaration of Human Rights and the ILO's fundamental conventions. We are committed to ensuring that our operations and those of our supply chain promote and protect these principles so that all individuals have those basic human rights protected. The Modern Slavery Act 2015 has introduced changes in the UK law focusing on increasing transparency in supply chains. A copy of the Group's Human Rights policy and slavery and human trafficking statement can be found on the Company's website (www.communisis.com). The Group is committed to ensuring there is transparency in its approach in tackling modern slavery in the supply chain.

DISCLOSURE IN THE STRATEGIC REPORT
The Companies Act 2006 requires us to present a fair review of the business during the year to 31 December 2021 and of the position of the Company at the end of the financial period along with a description of the principal risks and uncertainties faced. The Strategic Report can be found on pages 2 to 3.

COMMUNISIS LIMITED

DIRECTORS' REPORT - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

DIRECTORS' RESPONSIBILITIES STATEMENT

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

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

In preparing these Financial Statements, the Directors are required to:
- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- 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 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

AUDITORS

Crowe U.K. LLP have been re-appointed as auditor for the ensuing year in accordance with section 485 of the Companies Act 2006.

ON BEHALF OF THE BOARD:

DocuSigned by:
Eric Ek
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E W Ek - Director

29 September 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNISIS LIMITED

Opinion
We have audited the Financial Statements of Communisis Limited (the 'Company') for the year ended 31 December 2021, which comprise the Income Statement, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 'Reduced Disclosure Framework' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the Financial Statements:
- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the Financial Statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the Financial Statements is appropriate.

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

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

Other information
The Directors are responsible for the other information. 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.

In connection with our audit of the Financial Statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the Financial Statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:
- the information given in the Strategic Report and the Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNISIS LIMITED

Matters on which we are required to report by exception
In the light of the knowledge and understanding of the 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 where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 set out on page seven, 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 necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

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:

We obtained an understanding of the legal and regulatory frameworks within which the group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the Financial Statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

We identified the greatest risk of material impact on the Financial Statements from irregularities, including fraud, to be the override of controls by management and revenue recognition. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases and reviewing revenue recognised in the period to ensure revenue had been recognised in the correct period.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the Financial Statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the Financial Statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF COMMUNISIS LIMITED

Use of our report

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

DocuSigned by:

Leo Malkin

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Leo Malkin (Senior Statutory Auditor)
for and on behalf of
Crowe U.K. LLP
55 Ludgate Hill
London
EC4M 7JW

Date: September 29, 2022

COMMUNISIS LIMITED

INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £000	2020 £000
TURNOVER		**-**	-
Administrative expenses		**(6,581)**	(6,065)
		(6,581)	(6,065)
Other income		**1**	81
OPERATING LOSS		**(6,580)**	(5,984)
Exceptional items	4	**(1,855)**	32,839
		(8,435)	26,855
Interest receivable and similar income	5	**200**	10
		(8,235)	26,865
Interest payable and similar expenses	6	**(4,463)**	(4,081)
(LOSS)/PROFIT BEFORE TAXATION	7	**(12,698)**	22,784
Tax on (loss)/profit	8	**854**	506
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		**(11,844)**	23,290

The Notes on pages 15 to 35 form part of these Financial Statements

COMMUNISIS LIMITED

OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £000	2020 £000
(LOSS)/PROFIT FOR THE YEAR	**(11,844)**	23,290
OTHER COMPREHENSIVE INCOME/(LOSS)		
Items that will not be reclassified to profit or loss:		
Actuarial gain/(loss) on Defined Benefit Scheme	**1,720**	(1,387)
Tax thereon	**(193)**	324
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF INCOME TAX	**1,527**	(1,063)
TOTAL COMPREHENSIVE (LOSS)/INCOME FOR THE YEAR	**(10,317)**	22,227

The Notes on pages 15 to 35 form part of these Financial Statements

COMMUNISIS LIMITED (REGISTERED NUMBER: 02916113)

BALANCE SHEET
31 DECEMBER 2021

	Notes	2021 £000	2020 £000
FIXED ASSETS			
Intangible assets	9	**131**	226
Tangible assets	10	**58**	102
Investments	11	**148,359**	148,358
		148,548	148,686
CURRENT ASSETS			
Debtors	12	**3,267**	6,205
Cash at bank		**759**	2
		4,026	6,207
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	**(82,231)**	(72,146)
NET CURRENT LIABILITIES		**(78,205)**	(65,939)
TOTAL ASSETS LESS CURRENT LIABILITIES		**70,343**	82,747
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14	**-**	(361)
PENSION LIABILITY	18	**(2,239)**	(4,102)
NET ASSETS		**68,104**	78,284
CAPITAL AND RESERVES			
Called up share capital	16	**54,513**	54,513
Share premium	17	**620**	620
Capital contribution reserve	17	**642**	505
Retained earnings	17	**12,329**	22,646
SHAREHOLDERS' FUNDS		**68,104**	78,284

The Financial Statements were approved by the Board of Directors and authorised for issue on 29 September 2022 and were signed on its behalf by:

DocuSigned by:
Eric Ek
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E W Ek - Director

29 September 2022

The Notes on pages 15 to 35 form part of these Financial Statements

COMMUNISIS LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

	Called up share capital £000	Retained earnings £000	Share premium £000	Capital contribution reserve £000	Total equity £000
Balance at 1 January 2020	54,513	419	620	-	55,552
Changes in equity					
Total comprehensive income	-	22,227	-	-	22,227
Capital contribution in year	-	-	-	505	505
Balance at 31 December 2020	**54,513**	**22,646**	**620**	**505**	**78,284**
Changes in equity					
Total comprehensive loss	-	**(10,317)**	-	-	**(10,317)**
Capital contribution in year	-	-	-	**137**	**137**
Balance at 31 December 2021	**54,513**	**12,465**	**620**	**505**	**68,104**

The Notes on pages 15 to 35 form part of these Financial Statements

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS

The Financial Statements of Communisis Limited (the "Company") for the year ended 31 December 2021 were authorised for issue on 29 September 2022 and the Balance Sheet was signed on the Board's behalf by Mr E W Ek.

Communisis Limited is a private limited company, limited, by shares, incorporated and domiciled in England and Wales. The registered office is located at Communisis House, Manston Lane, Leeds LS15 8AH.

The Company Financial Statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable United Kingdom law and accounting standards.

The Company Financial Statements are presented in Sterling and all values are rounded to the nearest thousand British pounds (£000) except where otherwise indicated.

The Financial Statements present information about the Company as an individual undertaking and not about its group, as the Company has taken advantage of the exemption provided by section 400 of the Companies Act 2006 not to prepare Consolidated Financial Statements for year ended 31 December 2021 as it is included by full consolidation in the Consolidated Financial Statements of its parent company, OSG Bidco Limited, a company incorporated in England and Wales.

The principal accounting policies adopted by the Company are set out in Note 2.

2. ACCOUNTING POLICIES

2.1 Basis of preparation
The accounting policies which follow set out those policies which apply in preparing the Financial Statements for the year ended 31 December 2021.

2. ACCOUNTING POLICIES - continued

The Company has taken advantage of the following disclosure exemptions in preparing these Financial Statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraphs 45(b) and 46 to 52 of IFRS 2 Share-based Payment;
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases; the requirements of paragraph 58 of IFRS 16;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10)(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D and 111 of IAS 1 Presentation of Financial Statements;
- the requirements of paragraphs 134 to 136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) of IAS 36 Impairments of Assets.

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2021 that have a material impact on the Company's Financial Statements.

Through the Group, the Company has considerable financial resources and as a consequence the Directors believe that the Company is well placed to manage its business. At the date of issuance of these Financial Statements, the Directors, have prepared a range of scenario forecasts which indicate that the Group (and therefore this entity) has adequate resources to continue operational existence for the foreseeable future. In addition, the immediate parent company, OSG Bidco Limited, has confirmed and provided written assurance that it does not intend to demand repayment of amounts owed to it. On this basis, the Directors continue to adopt the going concern basis in preparing the Financial Statements.

2.2 Critical accounting judgements and key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the Balance Sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgements

Exceptionals

The Company presents separately, on the face of the Income Statement, material items of income and expense which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year. An element of Management judgement is required in identifying these exceptional items. Additional information is included in Note 4.

2. ACCOUNTING POLICIES - continued

Estimation uncertainty
Pensions
The actuarial valuation involves making assumptions about mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. Discount rates are based on interest rates of AA rated corporate bonds that have terms of maturity approximating to the terms of the relevant pension liability. Additional information is included in Note 18.

Impairment assessment of non-financial assets
Management annually perform impairment test of indefinite lived assets and, for finite lived assets, if events or changes in circumstances indicate that the carrying amounts may not be recoverable. Impairment testing requires management to judge whether the carrying value of assets can be supported by the net present value of future cash flows that they generate. These calculations involve a variety of assumptions such as estimates of future cash inflows and outflows. Actual cash flows might, for example, differ significantly from management's current best estimate. Changes in assessed presence or absence of competitors, technological obsolescence etc. might have an impact on future cash flows and result in recognition of impairment losses.

2.3 Summary of significant accounting policies
Property, plant and equipment
Property, plant and equipment in the Financial Statements of the Company are stated at cost, less aggregate depreciation and any provision for impairment.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset as follows:
Plant and equipment 3 to 10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists, and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount. The recoverable amount of property, plant and equipment is the greater of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Useful economic lives, depreciation methods and residual values are reviewed annually. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognised in the Income Statement.

2. ACCOUNTING POLICIES - continued

Intangible assets
Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets created within the business are not capitalised (unless specific conditions are met) and expenditure is charged to the Income Statement in the year in which the expenditure is incurred.

Acquired computer software and licences are capitalised. These costs are amortised over their estimated useful lives (three to five years).

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Company, and that will generate probable economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the costs of software development employees. These costs are amortised over their estimated useful lives (three to five years).

Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Investments
Investments are shown at cost less provision for impairment. The cost of an investment is measured as the aggregate of the consideration transferred, measured at acquisition date fair value. Any contingent consideration will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or a liability will be recognised in accordance with IAS 39 either in profit and loss or in other comprehensive income. If the contingent consideration is classed as equity, it is not remeasured until it is finally settled within equity.

Investments are reviewed for impairment annually or more frequently if events or changes in circumstances indicate that its carrying value may be impaired. Investments are allocated to the related cash-generating units monitored by management for the purpose of impairment testing.

Pension costs
The Company operates defined contribution and defined benefit pension plans.

Payments to defined contribution pension plans are charged as an expense to the Income Statement as incurred when the related employee service is rendered. The Company has no further legal or constructive payment obligations once the contributions have been made.

The defined benefit pension plan is a Group scheme, as detailed in the accounting policies (Note 2.3) of the OSG Bidco Limited Consolidated Financial Statements. The Company's share of the assets and liabilities of the scheme has been allocated on a contractual basis.

The costs of administering the defined benefit pension scheme are recognised in employee benefits expense in the Income Statement. The Group determines the net interest income/expense on the net defined benefit assets/liabilities for the period by applying the discount rates used to measure the defined benefit obligations at the beginning of the period to the net defined benefit assets/liabilities at the beginning of the period, taking into account any changes in the net defined benefit assets/liabilities during the period as a result of contributions and benefit payments. The liability recognised in the Balance Sheet in respect of the defined benefit pension plan is the present value of the defined benefit obligation at the Balance Sheet date less the fair value of the plan assets. The defined benefit obligation is calculated annually by independent actuaries. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of AA rated corporate bonds that have terms of maturity approximating to the terms of the relevant pension liability. AA rated corporate bonds are used as the most suitable proxy for calculating the discount rate.

2. ACCOUNTING POLICIES - continued

Pension costs - continued
All actuarial gains and losses that arise in calculating the present value of the defined benefit obligation and the fair value of plan assets are recognised immediately in the Statement of Comprehensive Income.

When a settlement or a curtailment occurs, the obligation and the related plan assets are remeasured using current actuarial assumptions and the resultant gain or loss is recognised in the Income Statement during the period in which the settlement or curtailment occurs. A settlement is the elimination of all obligations for benefits already accrued and a curtailment is the reduction of future obligations as a result of a material reduction in the scheme membership or a reduction in future entitlement.

Financial instruments
Financial assets and financial liabilities are recognised in the Balance Sheet when the Company becomes party to the contractual provisions of the instrument. The Company's principal financial instruments comprise bank loan and bank overdrafts, cash and short-term deposits and interest rate swaps. The main purpose of these financial instruments is to raise finance for the Company's operations and to manage interest rate risk. The Company also has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations.

Financial assets
On initial recognition, a financial asset is classified into one of three categories: amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL), based on the business model in which the financial asset is managed and its contractual cash flow characteristics. The Company's financial assets are currently all classified within IFRS 9's amortised cost model and comprise other receivables and cash and cash equivalents. The Company's financial assets are therefore initially recognised at fair value plus transaction costs that are directly attributable to their acquisition and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment losses and any gain or loss on derecognition are recognised in the Consolidated Income Statement.

When calculating impairment provisions, the Company assesses on a forward-looking basis the expected credit loss associated with its financial assets. For other receivables, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from the initial recognition of the receivable.

Financial liabilities
On initial recognition the Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired: fair value through profit and loss (FVTPL) and amortised cost. Financial liabilities held for trading are measured at FVTPL, and all other financial liabilities are measured at amortised cost unless the fair value option is applied. The Company's financial liabilities include borrowings and trade and other payables. They are initially measured at fair value, net of transaction costs and then subsequently measured using the amortised cost model applying the effective interest rate method.

Foreign currencies
The Company's functional currency and presentation currency is Sterling. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the Balance Sheet date. All differences are taken to the Income Statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Cash and cash equivalents
Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

2. ACCOUNTING POLICIES - continued

Income 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 by the Balance Sheet date.

Deferred income tax is provided, using the liability method, on all temporary differences at the Balance Sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets and liabilities are not recognised if the temporary differences arise from the initial recognition of goodwill, or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred income tax assets are recognised for all deductible temporary differences carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilised. In respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred income tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date.

Income tax relating to items recognised in other comprehensive income or directly in equity is also recognised in other comprehensive income or directly in equity.

Government grants
Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Leases
Under IFRS 16, at inception of a contract the Company assesses whether a contract is or contains a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee, the Company recognises a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Company (commencement date) for all leases.
The right-of-use assets is initially measured at cost and comprises the following:
- the amount of the initial measurement of lease liability;
- any lease payments made at or before the commencement date less any lease incentives received;
- any residual value guarantees;
- any initial direct costs; and
- any restoration costs.

2. ACCOUNTING POLICIES - continued

Leases - continued

The right-of-use asset is subsequently depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. The right-of-use asset is then adjusted for any impairment losses or certain measurements of the lease liability where applicable.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the Company or relevant Company's incremental borrowing rate. Lease payments include the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Each lease payment is then allocated between the liability and finance cost. The finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured where there is a change in future lease payments, if there is a change in the Company's estimate to be payable under a residual guarantee, or if the Company changes the assessment of whether it will exercise a purchase option or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the right-of-use asset or is recorded in the Income Statement if the carrying amount of the right-of-use asset has been reduced to zero.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office equipment.

Extension and termination options are included in a number of property and equipment leases across the Company. These terms are used to maximise operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

When the Company 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;
- In all other cases where the renegotiated increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount;
- 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.

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

3. EMPLOYEES AND DIRECTORS

The average no. of employees for the year ended 31 December 2021 is 58 (2020 68).

Employee benefits expense for the year ended 31 December:

	2021 £000	2020 £000
Wages and salaries	**3,350**	2,899
Social security costs	**441**	282
Pension costs	**125**	144
Share based payments	**136**	505
Redundancy	**576**	-
	4,628	3,830

During the year, the Company received furlough income totalling £1,000 (2020 £81,000) from the Government in respect of the COVID-19 pandemic. This has been shown as other operating income in the Income Statement.

A charge of £136,000 has been made in the year in respect of equity settled share options granted by the ultimate parent company, OSG Holdings Inc, to certain Directors of the Company in equity of the ultimate parent OSG Holdings Inc. The charge represents the fair value of those share options at the grant date, spread across the vesting period. During the year no share options were exercised.

Five of the Communisis Limited Directors are remunerated through a higher Group Company situated in the United States, which reports under US GAAP. It is therefore not practicable or appropriate to apportion the emoluments of these Directors to this UK company in relation to their qualifying services provided. The following disclosures therefore relate to UK based Directors only.

	2021 £000	2020 £000
Remuneration receivable	**967**	627
Remuneration of highest paid director	**483**	366

One Directors had benefits accruing under the Group's pension schemes during the year ended 31 December 2021 (2020 two).

It is not practicable to apportion these emoluments of the Directors amongst subsidiary entities in relation to their qualifying services provided.

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

4. EXCEPTIONAL ITEMS

	2021	2020
	£000	£000
Restructuring and transformation costs	1,769	4,015
Net credit following dormant entity strike-offs	-	(37,080)
Other one-off charges	86	226
Exceptional charge/(credit)	1,855	(32,839)

Restructuring and transformation costs totalling £1,769,000 have been incurred to reduce the cost base and deliver efficiency improvements. The restructuring costs included £668,000 in respect staff costs all of which had been paid by 31 December 2021.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2021	2020
	£000	£000
Interest on financial liabilities	184	-
Foreign currency gain	16	-
Other interest receivable	-	10
Interest receivable	200	10

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£000	£000
Interest on loan from parent company	4,281	3,822
Interest on other loan and borrowings	123	183
Retirement benefit cost	58	64
Foreign currency loss	-	9
Other	1	3
Interest expense	4,463	4,081

7. (LOSS)/PROFIT BEFORE TAXATION

The (loss)/profit before taxation is stated after charging:

	2021	2020
	£000	£000
Plant and machinery depreciation	24	18
Motor Vehicle depreciation - Right of Use Assets	20	25
Computer software amortisation	71	76
Auditors' remuneration	21	21

The Company is exempt from disclosing remuneration for non-audit services as the Group accounts are required to include the information required by Regulation 4(1)(b) of the Companies Regulations 2005 in respect of the Group.

8. TAXATION

Analysis of tax income

	2021 £000	2020 £000
Current tax	(738)	(276)
Adjustments in respect of prior periods	(12)	(162)
Total current tax income	(750)	(438)
Deferred tax:		
Origination and reversal of timing difference	(13)	(52)
Adjustments in respect of prior periods	(91)	(16)
Total deferred tax income	(104)	(68)
Total tax income in Income Statement	(854)	(506)

Factors affecting the tax expense
The tax assessed for the year is higher (2020 lower) than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £000	2020 £000
(Loss)/profit before income tax	(12,698)	22,784
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2020 19%)	(2,413)	4,329
Effects of:		
Other non-taxable income	-	(19,567)
Expenses not deductible for tax purposes	37	103
Impairment not deductible for tax purposes	-	12,522
Adjustments in respect of prior years	(103)	(178)
Tax losses carried forward not currently deductible	1,625	2,285
Tax income	(854)	(506)

Tax effects relating to effects of other comprehensive income

	2021		
	Gross £000	Tax £000	Net £000
Actuarial gain on DB Scheme	1,720	(193)	1,527

	2020		
	Gross £000	Tax £000	Net £000
Actuarial loss on DB Scheme	(1,387)	324	(1,063)

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - *continued*
FOR THE YEAR ENDED 31 DECEMBER 2021

9. INTANGIBLE FIXED ASSETS

	Computer software £000
COST	
At 1 January 2021 and 31 December 2021	633
AMORTISATION	
At 1 January 2021	407
Amortisation for year	71
Impairments	24
At 31 December 2021	502
NET BOOK VALUE	
At 31 December 2021	131
At 31 December 2020	226

10. TANGIBLE FIXED ASSETS

	Plant and machinery £000
COST	
At 1 January 2021	354
Disposals	(51)
At 31 December 2021	303
DEPRECIATION	
At 1 January 2021	252
Charge for year	44
Eliminated on disposal	(51)
At 31 December 2021	245
NET BOOK VALUE	
At 31 December 2021	58
At 31 December 2020	102

Included within Plant and Machinery above are Right of Use Assets with a net book value of £6,000 (2020 £26,000) in relation to motor vehicle lease contracts under IFRS16. There have been no additions to Right of Use Assets during the financial year (2020 £nil).

11. INVESTMENTS

	Shares in group undertakings £000
COST	
At 1 January 2021	**369,570**
Additions	**1**
At 31 December 2021	**369,571**
PROVISIONS	
At 1 January 2021 and 31 December 2021	**221,212**
NET BOOK VALUE	
At 31 December 2021	**148,359**
At 31 December 2020	148,358

The Directors are of the opinion that the aggregate value of the investments in subsidiary undertakings, which are stated at cost less amounts written off for permanent reductions in value, is not less than the Balance Sheet amount.

The Company has a 100% holding on the subsidiary companies listed below:

Subsidiary company	Nature of business	Country of incorporation
Communisis UK Limited	Provision of marketing services	England and Wales
Communisis Data Intelligence Limited	Provision of data services	England and Wales
Life Marketing Consultancy Limited	Non-trading company	England and Wales
Communisis Trustee (2011) Company Limited	Non-trading company	England and Wales
Communisis Europe Limited	Holding company	England and Wales
Communisis International Limited	Holding company	England and Wales
Communisis Inc.	Holding company	USA
Communisis Newco Limited	Dormant company	England and Wales
John Mansfield Timber Limited	Dormant company	England and Wales
Waddington limited	Holding company	England and Wales
PS Holdings Limited	Holding company	England and Wales
Communisis PS Limited	Non-trading company	England and Wales
Communisis Financing Limited	Trading company	England and Wales

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
Amounts falling due within one year:	**£000**	**£000**
Amounts owed by subsidiary companies	**35**	3,717
Other debtors	**996**	719
Prepayments	**305**	369
Income tax receivable	**1,207**	516
	2,543	5,321
Amounts falling due after more than one year:		
Deferred tax asset	**724**	884
Aggregate amounts	**3,267**	**6,205**

Deferred tax asset

	2021	2020
	£000	**£000**
Depreciation in excess of capital allowances	**50**	46
Temporary differences	**105**	14
Pension	**560**	780
Financial liabilities	**9**	44
	724	884

The realisation of the current year deferred tax asset is dependent upon the anticipated continuing profitability of the Company. The deferred tax asset is recognised as the Directors foresee future profits adequate to assume recovery. The provision for deferred tax as at 31 December 2021 has been made at rates varying between 19% and 25% depending upon the likely timing of the reversal of the asset or liability. This reflects the legislation included in the Finance Act 2021, increasing the UK Corporation Tax rate to 25% with effect from April 2023.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
Amounts falling due within one year:	**£000**	**£000**
Lease liabilities	**7**	22
Trade payables	**343**	461
Amounts due to subsidiary companies	**9,886**	33
Bank overdrafts	**2,499**	4,511
Loan from parent company	**66,002**	61,293
Other payables	**565**	21
Taxation and social security	**1,077**	3,868
Financial liabilities	**48**	-
Accruals	**1,804**	1,937
	82,231	72,146

Bank overdrafts
The bank overdrafts are principally denominated in Sterling and bear interest at rates set by reference to the UK base rate. The overdrafts are secured by cross guarantee arrangements with the relevant banks.

Lease liabilities
The Company's total lease liabilities as at 31 December 2021 amounted to £7,000 (2020 £29,000) and pertains to leases of motor vehicles. As at 31 December 2021, the Company had no short-term or low value lease commitments under IFRS 16. The total cash outflow for leases during the year was £22,000 (2020 £28,000).

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

Falling due after more than one year:

	2021	2020
	£000	**£000**
Lease liabilities	**-**	7
Financial liabilities	**-**	232
Other payables	**-**	122
	-	361

15. INTEREST-BEARING LOANS AND BORROWINGS

	2021	2020
	£000	**£000**
Current:		
Bank overdrafts	**2,499**	4,511

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	**Class:**	**Nominal value:**	**2021 £000**	**2020 £000**
218,052,257	Ordinary shares	£0.25	**54,513**	54,513

The Company has one class of ordinary shares which carry no right to fixed income.

17. RETAINED EARNINGS AND RESERVES

Retained earnings

	2021 £000	**2020 £000**
At 1 January	**22,646**	419
(Loss)/profit for the financial year	**(11,708)**	23,290
Actuarial gain/(loss) on defined benefit pension scheme	**1,720**	(1,387)
Income tax charge on items taken directly to other comprehensive income	**(193)**	324
	12,465	22,646

Share premium
This represents the share premium attaching to those shares issued upon the exercise of share options. At 31 December 2021 the share premium reserve was £620,000 (2020 £620,000).

Capital contribution reserve
During 2020 an intercompany loan of £505,000 from the immediate parent, OSG Bidco Limited, in relation to the share options granted to certain Directors was converted to equity. In 2021 a further intercompany loan of £137,000 was received and converted to equity in relation to the current year share option charge.

18. EMPLOYEE BENEFIT OBLIGATIONS

The Company operates the Communisis Pension Plan which comprise a defined contribution and defined benefit section.

Defined contribution section
Our Workplace Pension is the 'Communisis Flexible Retirement Saver', part of the Scottish Widows Master Trust. UK employees of Communisis are eligible for membership of this arrangement. The assets are held by Scottish Widows and governed by their Trustee Board. Group companies are required to contribute a specified percentage of payroll costs to the Workplace Pension to help employees save for retirement.

The total cost charged to income of £125,000 (2020 £159,000) represents contributions payable to these arrangements by the Company at specified rates. As at 31 December 2021 all contributions due in respect of the current reporting period had been paid over to the arrangements on 19 January 2022 (2020 18 January 2021).

The Company expects to contribute £100,000 to the defined contribution pension arrangements in 2022.

Defined benefit section
These Financial Statements include a proportion of the Group pension deficit and charge which has been allocated to the Company based on the number of members employed by the Company at the time the scheme was closed to future accrual.

The amounts recognised in the Balance Sheet are as follows:

	Defined benefit pension plans	
	2021	**2020**
	£000	**£000**
Present value of funded obligations	**(25,514)**	(26,452)
Fair value of plan assets	**23,275**	22,350
Net liability	**(2,239)**	(4,102)

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

18. EMPLOYEE BENEFIT OBLIGATIONS - continued

The amounts recognised in the Income Statement are as follows:

	Defined benefit pension plans	
	2021	**2020**
	£000	**£000**
Net interest expense	**58**	64
Administrative expenses	**172**	211
	230	275

Changes in the fair value of the funded status of the defined benefit plan are as follows:

	2021	**2020**
	£000	**£000**
Opening net pension deficit	**(4,102)**	(3,065)
Contributions by employer	**373**	625
Net interest expense	**(58)**	(64)
Administration costs	**(172)**	(211)
Return on assets	**1,397**	1,706
Actuarial gain/(loss)	**323**	(3,093)
Closing net pension deficit	**(2,239)**	(4,102)

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2021	**2020**
	£000	**£000**
Opening defined benefit obligation	**26,452**	23,860
Interest cost	**360**	482
Actuarial (gains)/losses from changes in demographic assumptions	**(323)**	3,093
Benefits paid	**(975)**	(983)
	25,514	26,452

COMMUNISIS LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2021

18. **EMPLOYEE BENEFIT OBLIGATIONS - continued**

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£000	£000
Opening fair value of scheme assets	22,350	20,795
Contributions by employer	373	625
Interest income	302	418
Benefits paid	(975)	(983)
Administrative expenses	(172)	(211)
Return on plan assets (excluding interest income)	1,397	1,706
	23,275	22,350

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2021	2020
	£000	£000
Actuarial gains/(losses)	323	(3,093)
Return on plan assets	1,397	1,706
	1,720	(1,387)

The major categories of scheme assets as amounts of total scheme assets are as follows:

	Defined benefit pension plans	
	2021	2020
	£000	£000
Diversified growth fund	6,801	7,647
Liability driven investments	3,909	3,990
Synthetic equities / liability	3,123	3,469
Diversified alternatives	2,795	2,404
Property income fund	1,951	1,817
Direct lending	3,361	2,013
Insured liabilities	279	276
Cash	1,056	734
	23,275	22,350

18. EMPLOYEE BENEFIT OBLIGATIONS - continued

None of the above represent equities or bonds issued by the Group, or properties owned by the Group.

Communisis Trustee (2011) Company Limited (the 'Trustee') is appointed to manage the Plan on behalf of the members in accordance with its Trust Deed and Rules and relevant pension legislation. The Plan's governance model to that of a sole Trustee with Steve Southern as sole Trustee Director.

The overall management of the investment of the Plan's assets is the responsibility of the Trustee. However, the day-to-day execution of the investment and associated transactions is delegated to the Plan's appointed Investment Managers. The Trustee agreed investment strategy is based on analysis of the liability profile of the Pension Plan and the risk and returns expected from the various asset classes held over the longer term. The primary objective of the Trustee is to operate a strategy which provides long-term growth and security for all beneficiaries.

The risk that the investments may not be sufficient to cover the Plan liabilities is one which is monitored by the Trustee, the Group and their respective advisers. The funding position and the divergence of invested assets is under regular review with a detailed strategy review undertaken in late 2021.

In February 2012, Communisis Limited and the Trustee agreed to a Central Asset Reserve arrangement involving the securitisation of a rental stream on one of the Group's freehold properties to help address the pension fund deficit. In connection with the arrangement certain freehold property was transferred to a limited partnership established by the Group. The partnership is controlled by, and its results are consolidated by, the Group. The value of the assets transferred was £9,750,000 and on the same date the Plan used the contribution to acquire an interest in the partnership for its value of £9,750,000. In September 2019, it was agreed that the Plan's partnership interest entitles it to a distribution of £1,150,000 each year from the income of the partnership be extended up to 2031. The Plan's interest in the partnership does not qualify as a Plan asset for the Group.

In addition to the rental payments referred to above, following the last triennial actuarial valuation performed at 31 March 2020, in order to remove the deficit, a further Recovery Plan was agreed in July 2021. The Recovery Plan commenced from 5 October 2021 with monthly contributions payable up to 5 March 2031. The deficit repair contributions will increase annually by a fixed 10% with the first increase due under this Recovery Plan on 5 October 2022.

The Group expects to pay £4,980,000 to the defined benefit pension scheme in 2022, of which £1,150,000 relates to annual rent and £1,234,000 to administration costs including the Pension Protection Fund levy. The Board continues to work with the Trustee to seek opportunities to reduce the deficit and liability exposure and accelerate progress to the goal of "self-sufficiency" for the defined benefit pension scheme.

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2021	**2020**
Discount rate	**1.87%**	1.35%
Inflation assumption Retail Price Index	**3.40%**	3.00%
Inflation assumption Consumer Price Index	**2.90%**	2.40%

18. EMPLOYEE BENEFIT OBLIGATIONS - continued

Mortality rates

Mortality rates have assumed the base table of 98% (M) / 106% (F) of S3PxA (2020 110% of SAPS S2PXA) to be consistent with the approach adopted at the actuarial valuation dated 31 March 2020. Assumed life expectancy for a member is as follows:

	2021 Years	2020 Years
Current pensioners:		
Male	**21.3**	20.2
Female	**23.3**	22.2
Future pensioners:		
Male	**22.3**	21.2
Female	**24.4**	23.4

Sensitivity analysis

Sensitivity analysis has been performed to determine the impact on the defined benefit obligation as a result of reasonable changes in the key assumptions occurring at the end of the reporting period.

A 0.1 percentage point change (in absolute terms), in the factors below would have the following effects:

	Increase £000	Decrease £000
Discount rate		
Effect on defined benefit obligation	**(3,547)**	**3,643**
Inflation - RPI		
Effect on defined benefit obligation	**2,188**	**(2,300)**
Inflation - CPI		
Effect on defined benefit obligation	**1,271**	**(1,404)**

A one year increase in life expectancy would have the following effect:

	2021 £000
Effect on defined benefit obligation	**8,038**

The Plan is exposed to inflation and interest rate risk and changes in the life expectancy of pensioners. The Plan's exposure to equity market risk is mitigated by a diverse portfolio of investments. The weighted average duration of the defined benefit obligation at 31 December 2021 is approximately 17 years (2020 17 years).

19. RELATED PARTY DISCLOSURES

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

During the year the Directors were remunerated for services provided to the Group. This has been disclosed in Note 3. The Directors are considered to be key management personnel.

There were no other related party transactions in the year that require disclosure under IAS 24.

20. IMMEDIATE AND ULTIMATE PARENT COMPANY

The Company's immediate parent company is OSG Bidco Limited which is registered in England and Wales. OSG Bidco Limited is an indirect subsidiary of OSG Group Holdings, Inc. OSG Group Holdings, Inc. (incorporated in Delaware, United States) is regarded by the Directors as being the Company's ultimate parent company for the year ended 31 December 2021. From 31 August 2022, OSG Group Topco LLC, a company incorporated in Delaware, United States, became the Company's ultimate parent company.

The only UK group into which the results of the Company are consolidated for year ended 31 December 2021 is that headed by OSG Bidco Limited. Copies of the Group accounts of OSG Bidco Limited is available from the registered office at Communisis House, Manston Lane, Leeds LS15 8AH.

21. EVENTS AFTER THE REPORTING PERIOD

On 31 August 2022, the Company acquired the entire share capital of PS Newco1 Limited ("Vox Group") from OSG Intermediate Inc., another company within the OSG Group Holdings, Inc. group. The Vox Group is a UK-based, Point of Purchase (POP) company that provides a blend of design, manufacturing and supply chain expertise to a loyal customer base. The customer base is split between Europe (~45%) and the US (~55%). The acquisition of the Vox Group is expected to both enhance and complement the existing work within the Procurements Services division.

The consideration payable by the Company amounted to £9,064,000. The cash acquired was £393,000 and the net assets at completion were £3,109,000. Details of the consideration paid and book values of assets and liabilities acquired are set out below. This transaction has been accounted for by the purchase method of accounting.

	Fair value to Group £000
Property, plant and equipment	**75**
Customer relationships	**3,109**
Inventory	**1,018**
Trade and other receivables	**6,262**
Cash at bank	**393**
Trade and other payables	**(6,663)**
Corporation tax	**(365)**
Deferred tax	**(720)**
Fair value of net assets acquired	**3,109**
Goodwill	**5,955**
Consideration	**9,064**

The consideration was initially left outstanding on intercompany account with OSG Intermediate Inc. Immediately after acquisition, the intercompany was converted to equity. The net cash inflo arising from the acquisition was therefore £393,000, being the cash acquired in the transaction.

At the date of signing these accounts acquisition costs have been borne by the parent entity and not yet been recharged to the Company.

The goodwill recognised above comprises certain intangible assets that cannot be individually separated and reliably measured due to their nature. These items represent significant opportunities for synergy benefits and cost savings. Goodwill also comprises the value of Vox Group's assembled workforce of highly skilled marketing consultants.