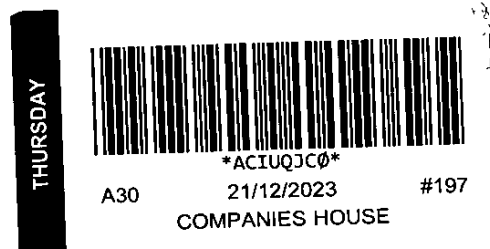


Horizon Bidco Limited

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

Year ended 30 April 2023



Company Registration No. 09810071

Horizon Bidco Limited

DIRECTORS AND ADVISORS

DIRECTORS

LAJ Kerckhaert (appointed 19 April 2023)
BTW Money (appointed 8 September 2022)
JM Mitchell (resigned 19 April 2023)
CD Mucha (resigned 8 September 2022)

REGISTERED OFFICE

10 Back Hill
London
EC1R 5EN

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
1 Embankment Place
London
WC2N 6RH

Horizon Bidco Limited

STRATEGIC REPORT

REVIEW OF THE BUSINESS

Horizon Bidco Limited ("the Company") and its subsidiaries (together, "the Group") engages in the production of personalised printed products using its internet platform. The Group has trading operations as follows; Photobox SAS (France), Photobox Limited (UK), Hofmann S.L.U. (Spain) and posterXXL GmbH (Germany). The Group is a sub-group of 'The Panorama Group', headed by Panorama Topco B.V, a Netherlands entity.

In the prior year, on 6 January 2022, Panorama Topco B.V. acquired through its subsidiary Panorama Newco B.V. 100% of the shares in Horizon Bidco Limited. As a result, Panorama Topco B.V. obtained control over the equity as well as the operations of the Group's businesses. The acquisition was structured through a share for share exchange.

Performance of Continuing Operations

Revenue for the year was £178,888,000 (2022: £180,201,000) decreasing 0.7% year on year despite the current challenging economic climate. The Group has continued to invest in a single technology platform for all brands and to integrate Hofmann and posterXXL into the Group operating model. Photobox has maintained market leadership in its core geographies, UK, France and Spain, and grown its market share in the desktop, mobile web and mobile app segments.

The reduction in demand in the sector contributed to Underlying EBITDA* from Continuing Operations decreasing to £18,151,000 (2022: £19,216,000) and operating loss before exceptional items of £2,351,000 (2022: profit of £209,000). Exceptional items of £32,898,000 (2022: £15,799,000) were incurred during the year relating mainly to the restructuring of the Group's French operations. This resulted in an operating loss for the year of £35,249,000 (2022: £15,590,000).

*The Directors consider that operating profit before interest, tax, depreciation, amortisation, exceptional items, non-recurring items and foreign exchange (Underlying EBITDA) is a primary measure of operational profitability, and therefore considered to be a key performance indicator.

The Group repaid its bank borrowings during the year ended 30 April 2022 following its acquisition by Panorama Topco. The Directors are satisfied that after taking into account the Group's net asset position of £29,920,000 (2022: £65,682,000), and assessing forecast cashflows, that the Group has sufficient liquidity at the year end with adequate headroom via its access to the Group RCF facility to enable it to service its debts as they fall due.

RESULTS

The loss after tax for the year is £32,308,000 (2022: £17,748,000).

PRINCIPAL RISKS AND UNCERTAINTIES

Competitive risks

Whilst consolidating its position as market leader in its core markets, the Group encounters significant competition from other online and mobile specialists and high street retailers who wish to have a presence in those markets. In addition, new mobile app based competitors have entered the market and are both attracting new customers to photo gifting as well as appealing to existing customers. The Group believes that, given the investment that we have made in mobile apps this trend poses a potential risk and also an opportunity for the Group.

Legislative risks

The Group is subject to consumer law in the jurisdictions in which it operates, including distance-selling and data-protection directives. The General Data Protection Regulation (GDPR) came into effect on 25 May 2018, changing the European privacy landscape. The regulation has introduced a new principle to data protection rules in Europe: that of accountability. GDPR requires that the controller is responsible for making sure all privacy principles are adhered to and that the Group can demonstrate compliance with all GDPR principles.

Horizon Bidco Limited

STRATEGIC REPORT

In addition, the Group's production facilities are subject to further legislation (for example, in respect of Health and Safety and Waste Processing). The Group continues to retain professional advisors in respect of the risk of non-compliance with new and existing directives.

The Group could be negatively impacted if the production facilities become impacted by another global event or pandemic, either due to extensive local lockdowns or because of requirements to close a shift for a period of time. This risk is mitigated by the fact that, to a large extent, volumes can be redistributed between factories or to outsource partners.

Technology risk

The Group uses a large scale public cloud provider (AWS) to operate its revenue facing web services. The services are implemented to scale in response to peak transaction volumes and are designed to be fault tolerant. Risk is mitigated by the use of telemetry and monitoring services to allow early detection of problems; and the use of on-call engineers to respond to any issues should they arise.

Cyber Security risk

The Group uses extensive internal and external services to assure the security of the product and platform. Recently implemented solutions protect every end point device and our services running in AWS. Risk is mitigated by using third party companies to regularly test the security of our services; and by a full time internal security team who provide Security Operations capabilities should a security event be detected.

FINANCIAL RISKS

Exposure to credit, liquidity and cash flow risks

The majority of Group revenues are derived from credit card transactions over the internet, reaching Group bank accounts in 3 to 4 days. Suppliers are generally paid on 30 day terms or more and therefore the Group's operational working capital risks are negligible. Seasonal variations to the business require large-scale project expenditure to be carefully planned and monitored over the year. The Group's banking facilities allow for management of liquidity and cashflow risk through the use of the Panorama Group RCF and flexibility in the timing of interest payments.

The Group also utilises an automated cash pooling facility to efficiently distribute cash across the Group and minimise liquidity risk in its trading subsidiaries.

Foreign exchange risks

The Group transacts primarily in Sterling and Euro. The Directors consider that the Group has a partial natural hedge in place with the Euro (where receipts and payments are broadly matched). The Directors consider the risk posed by this to be minimal given that going forwards a larger proportion of the Group's revenues are derived in Euros and operating costs in Sterling resulting in higher Euro cash generation.

Interest rate risks

The Group has £nil bank loans at the balance sheet date (2022: £nil). The Group has a £403,000 overdraft at year-end (2022: £2,851,000). The overdraft is subject to interest at SONIA/EURIBOR (depending on the currency utilised) plus a lending margin.

Horizon Bidco Limited

STRATEGIC REPORT

KEY PERFORMANCE INDICATORS

Key Performance Indicators for the Group are noted in the table below:

	Year ended 30 April 2023	Year ended 30 April 2022
Continuing operations:		
Revenue (£'000)	178,888	180,201
Gross profit (£'000)	84,125	84,550
Gross profit as a % of revenue	47.0%	46.9%
Underlying EBITDA* (£'000)	18,151	19,216
Underlying EBITDA as % of revenue	10.1%	10.7%
Operating loss (£'000)	(35,249)	(15,590)
Capital Expenditure (£'000)	9,214	9,483

*The Directors consider that operating profit before interest, tax, depreciation, amortisation, exceptional items, non-recurring items and foreign exchange (Underlying EBITDA) is a primary measure of operational profitability, and therefore considered to be a key performance indicator.

The Group consider New Customer acquisition and Capital Expenditure as key non-financial KPIs inherently linked to its strategy of growing market share and investing in new technology platforms.

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
Continuing operations:		
Operating loss	(35,249)	(15,590)
Depreciation	7,280	7,889
Amortisation	22,418	22,119
EBITDA	(5,551)	14,418
Exceptional items*	23,634	5,772
Foreign exchange (gain). loss	262	(1,491)
(Gain) Loss on disposal of fixed asset	(319)	170
Non-recurring items**	125	347
Underlying EBITDA	18,151	19,216

*Exceptional items of £32,898,000 per Note 4 excluding amortisation of intangible fixed assets arising on consolidation of £10,067,000 included in amortisation above, excluding £1,074,000 of depreciation included in depreciation above and £1,877,000 of proceeds on disposal included in gain on disposal above.

**Non-recurring items are individually immaterial costs of a one-off nature incurred during the ordinary course of business primarily consisting of dual running costs and one-off legal fees.

SECTION 172 STATEMENT

The Company's purpose is that of a holding company for the Group headed by the Company's ultimate parent, Panorama Topco B.V.. However, by virtue of the Group beneath it (comprising the trading companies of this Group) the company is required to present a section 172. The following therefore refers to the operation of the Panorama Topco B.V. board, as this is the level at which decisions which affect this Group are taken.

The board receives updates on the legal duties of UK Directors, including its duties under Section 172 to promote the success of the Group. In advance of board and committee meetings, the Directors receive informational materials regarding matters that will be reviewed and acted upon at the meeting. Such pre-meeting materials typically describe the proposed action and the reasons for such proposed action (and any alternative actions as applicable), including with regard to the matters specified by Section 172. During the meetings, management present on such matters and the board is invited to ask questions on any matters presented. Once the matter is presented and discussed and the board has all relevant information, the board votes on such matters.

Horizon Bidco Limited

STRATEGIC REPORT

The board is responsible for directing the Group's purpose, values and strategy as well as promoting its culture and overseeing its conduct. The board meets regularly and makes decisions on a joint basis. The board regularly invites other senior managers (who are not formally part of the board) to board meetings to provide input where relevant.

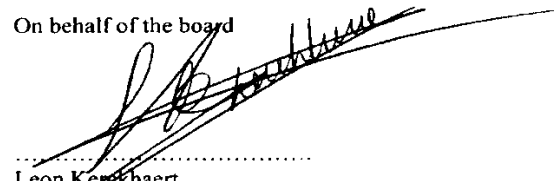
The governance structure comprises executives responsible for the Group's day to day operations (The CEO and the CFO).

Amongst its other responsibilities, the board discuss issues such as risk management procedures and control environment, including the appointment of the Group's external auditors. This fulfils the role of an audit committee for the Group.

The board promotes effective engagement with its stakeholders to inform them of the Group's strategy and plans. The stakeholders of the Group include our shareholders, customers, employees, suppliers, lenders and others. The Directors have regular engagement with employees to keep them informed of the Group's performance and strategy, details of this are set out in the employment policies section of the Directors' report, see page 6. The Group interacts with its other key stakeholders in a number of ways, including customer satisfaction surveys, industry events, regular meetings and contact with key suppliers and meetings with lenders to discuss strategy and performance. The board also considers its impact on the wider community. This includes consideration of its carbon footprint (including committing to steps to reduce this - see the Streamlined Energy and Carbon Reporting on page 8) as well as having policies in place (and associated training available) for employees and other stakeholders on issues such anti-corruption, modern slavery and diversity.

At present, the Group does not formally follow a Corporate Governance code. The board will continue to review this and ensure that its corporate governance arrangements are appropriate for the size of the business going forwards.

On behalf of the board



Leon Kerekhart
Director
30th August 2023

Horizon Bidco Limited

DIRECTORS' REPORT

The Directors present their report and the audited consolidated financial statements for the year ended 30 April 2023.

DIVIDENDS

The Directors do not recommend the payment of a dividend (2022: £89,043,000).

FUTURE DEVELOPMENTS

The Directors expect the Group to continue its current activities. The Group expects to continue to improve gross margins through controlled management of expenditure. The Group will also continue to develop and enhance its common IT infrastructure platform.

DIRECTORS

The directors of the company who were in office during the year and up to the date of signing the financial statements were those listed on page 1.

RESEARCH & DEVELOPMENT

During the year, the Group has focused its research and development activities on the improvement and reliability of the Group's website and the development of its "flagship" mobile app. The Group incurred research and development costs for the year totalling £20,558,000 (2022: £22,963,000).

GOING CONCERN

The Directors believe that the Group, as part of the wider Panorama Group, is well placed to manage its business risk successfully and to continue in operational existence for the foreseeable future through the Group's trading projections. The Group had bank borrowings of £Nil (2022: £Nil) at the year end.

The Company has received a letter of support from its ultimate parent company, Panorama TopCo B.V. and enquiries have been made to ensure that Panorama TopCo B.V. can provide this support. On the basis of The Panorama Groups' financial position and the letter of support from its ultimate parent, the Company's directors have a reasonable expectation that the Company and its Group will continue to meet its obligations and liabilities as they fall due for the foreseeable future, which is at least twelve months after the date that these financial statements are signed. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

The Directors have reviewed the cash flow projections for the Panorama Group taking into account;

- The forecast turnover and operating cash flows from the underlying operations, including a reasonably plausible downside scenario and the stress testing of these models
- The forecast level of capital expenditure
- The overall Panorama Group liquidity position, including the projected upstream of cash, remaining committed facilities available to it and its scheduled debt maturities
- The resulting position of the Panorama Group's financial covenants taking into account forecast trading and leverage.

Both the Panorama Group's base assumptions for its cashflow forecast as well its plausible downside scenarios result in the Panorama Group having sufficient headroom in its facilities and its covenants over the next 12 months to continue to trade and meet its obligations and liabilities as they fall due. However, if the Panorama Group's trading situation were to worsen beyond that of its downside scenario, the Directors believe they would have further options to reduce the Panorama Group's cash outflow and remain within its committed facility limits. This could include reductions in the group operating cost base including reducing discretionary marketing spend and personnel hiring freezes, reductions in capital expenditure (both tangible and intangible), reductions in discretionary payments to employees and management of the Panorama Group's working capital position.

Horizon Bidco Limited

DIRECTORS' REPORT

FINANCIAL RISK MANAGEMENT

The section of the strategic report headed "Financial Risks" on page 3 sets out the Group's approach to financial risk management.

EMPLOYMENT POLICIES

The Group recognises the importance of our human capital in creating long term value. We focus our attention on the attraction, motivation and engagement and retention of our talent.

The Group's recruitment policies focus on ensuring it hires the best talent without any discrimination of any kind and it proactively supports diversity initiatives when engaging with potential employees.

The Group's engagement tools include regular two-way communication with its employees through forums such as all-hands meetings, open forum Q&A sessions hosted by the leadership team, works council meetings where work councils are in place, regular slack and email updates on performance and key milestones. It also runs regular engagement surveys throughout the year on a variety of topics to ensure that it has up to date feedback and data points to inform our people roadmap. Performance related bonuses are operated across the Group - there are two main schemes: one for office-based employees and one for production employees.

Throughout the year the Group has provided learning and development opportunities for employees. In addition the Group funds several structured programmes supporting Leadership Development, Line Management Skills, Women in Leadership support, Mentoring and Coaching for key talent as well as Company wide compliance training supporting financial obligations, data protection and diversity.

The Group supports its employees' health & wellbeing through a variety of initiatives which include provision of an Employee Assistance Programme available to all employees, regular workshops to support specific issues such as building resilience and mindfulness, the launch of a digital mental health learning platform, cycle to work schemes (where they exist locally) and mental health first aiders, to provide confidential and professional support to employees where needed. Health insurance is provided in most locations.

Diversity is taken seriously, the Group has made available unconscious bias training for managers. This is a dedicated pro-active Diversity forum which shares ideas and best practice. Should an employee's health status change we happily make all reasonable adjustments in order to support them and this includes employees who become registered disabled.

Horizon Bidco Limited

DIRECTORS' REPORT

STREAMLINED ENERGY AND CARBON REPORTING

In line with the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 our energy use and greenhouse gas (GHG) emissions are set out below. The data relates to UK emissions for the 12-month period from 1 May 2022 to 30 April 2023.

Horizon Bidco Limited Energy Use and Associated Greenhouse Gas Emissions

	May 2022-April 2023	May 2021-April 2022
Total Energy consumption	166,528 kWh	171,672kWh
Emissions from combustion of gas (Scope 1)	0 tCO ₂ e	0 tCO ₂ e
Emissions from combustion of fuel for the purposes of transport (Scope 1)	0 tCO ₂ e	0 tCO ₂ e
Emissions from purchased electricity (Scope 2)	30 tCO ₂ e	37 tCO ₂ e
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3)	3 tCO ₂ e	1 tCO ₂ e
Total gross emissions	33 tCO₂e	38 tCO₂e
Emissions per £m UK revenue	0.1 tCO₂e	1 tCO₂e

*Included recalculated figure for electricity consumption at Herbal House.

Quantification and Reporting Methodology:

The boundaries of this report are based on operational control. We report our emissions with reference to the latest Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol). In accordance with the 2018 Regulations, the energy use and associated greenhouse gas emissions are for those within the UK only that come under the operational control boundary. Therefore, energy use and emissions are aligned with financial reporting for the UK subsidiaries and exclude the non-UK based subsidiaries that would not qualify under the 2018 Regulations in their own right. The 2022 UK Government GHG Conversion Factors for Company Reporting published by the UK Department for Environment Food & Rural Affairs (DEFRA) are used to convert energy use in our operations to emissions of CO₂e. Carbon emission factors for purchased electricity calculated according to the 'location-based grid average' method. This reflects the average emission of the grid where the energy consumption occurs. We purchase 100% renewable electricity for our site and have included an additional net emissions figure calculated using market-based factors to account for this in our report above. For transport data where actual usage data (e.g. litres) was unavailable conversions were made using average fuel consumption factors to estimate the usage.

Intensity Ratio:

We have chosen to report our gross emissions against £million turnover, the value for this was 0.1 tCO₂e per £million turnover.

Energy Efficiency Action:

The Group are committed to reducing the environmental impact of our operations, as such in the reporting period we have changed the motion sensors on our lighting from 30 minutes to 1 minute in order to reduce electricity consumption.

DISCLOSURE OF CHARITABLE DONATIONS

During the year, charitable donations amounting to £10,000 (2022: £2,000) were made by the Group.

Horizon Bidco Limited

DIRECTORS' REPORT

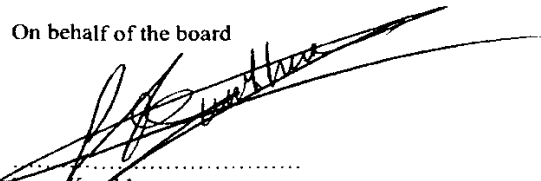
INDEPENDENT AUDITORS

Pursuant to section 478 of the companies act 2006 the auditors will be deemed to be reappointed, therefore PricewaterhouseCoopers LLP will remain in office.

DIRECTORS' INDEMNITIES

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

On behalf of the board



Leon Kerckhaert
Director
30th August 2023

Horizon Bidco Limited

STATEMENT OF DIRECTOR'S RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and Consolidated Financial Statements and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the group's and company's auditors are aware of that information.

Independent auditors' report to the members of Horizon Bidco Limited

Report on the audit of the financial statements

Opinion

In our opinion:

- Horizon Bidco Limited's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 30 April 2023 and of the group's loss and the group's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated Statement of Financial Position and the Company Statement of Financial Position as at 30 April 2023; the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' 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 remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

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

Horizon Bidco Limited

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 April 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities in Respect of the Financial Statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the 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 an auditors' 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.

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.

Horizon Bidco Limited

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting journal entries to manipulate financial performance and management bias in significant accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Using a risk based targeting approach to identify and test journal entries with unexpected account combinations, and testing accounting estimates for potential management bias;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations; and
- Reviewing relevant meeting minutes.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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 or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Jennifer Dickie (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
30 August 2023

Horizon Bidco Limited
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 April 2023

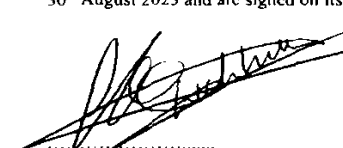
	Note	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
Continuing operations:			
Revenue		178,888	180,201
Cost of sales		(94,763)	(95,651)
Gross profit		84,125	84,550
Administrative expenses		(119,374)	(100,140)
Operating loss	3	(35,249)	(15,590)
Operating profit before exceptional items		(2,351)	209
Exceptional items	4	(32,898)	(15,799)
Operating loss		(35,249)	(15,590)
Finance income	5	2,485	3,350
Finance costs	6	(7,494)	(11,925)
Loss before taxation		(40,258)	(24,165)
Taxation	8	7,950	6,417
LOSS FOR THE YEAR		(32,308)	(17,748)
Other comprehensive profit/(loss):			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translation of foreign operations		(3,454)	1,611
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(35,762)	(16,137)

All the (loss)/profit for the year is attributable to the equity holders of the parent. The accompanying notes are an integral part of the financial statements. All activities relate to continuing operations.

Horizon Bidco Limited
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 April 2023

	Note	30 April 2023 £'000	30 April 2022 £'000
ASSETS			
Non-current assets			
Intangible assets	9	136,318	151,591
Property, plant and equipment	11	12,662	14,587
Right of Use Assets	10	11,500	15,585
Investments in associates	13	34	34
Investments		174	213
Other non-current assets	15	1,981	2,594
Deferred tax assets	8	18,712	14,688
Total non-current assets		181,381	199,292
Current assets			
Inventories	14	2,946	4,671
Trade and other receivables	15	7,714	4,476
Corporation tax receivable		1,553	749
Cash and cash equivalents	16	5,372	3,572
Total current assets		17,585	13,468
TOTAL ASSETS		198,966	212,760
LIABILITIES			
Current liabilities			
Trade and other payables	17	27,593	18,568
Deferred revenue		2,647	2,144
Lease liabilities	10	2,816	3,660
Current tax payable		315	-
Borrowings	19	403	2,851
Loans from group undertakings	18	31,670	23,687
Provisions for other liabilities and charges	20	7,589	1,247
Total current liabilities		73,033	52,157
Non-current liabilities			
Deferred tax liabilities	8	22,857	27,158
Lease liabilities	10	9,946	13,436
Loans from group undertakings	18	63,210	54,327
Total non-current liabilities		96,013	94,921
TOTAL LIABILITIES		169,046	147,078
NET ASSETS		29,920	65,682
CAPITAL AND RESERVES			
Equity attributable to owners of the parent			
Ordinary share capital	21	3,219	3,219
Preference share capital		8,000	8,000
Retained Earnings		(153,593)	(121,285)
Foreign currency translation reserve		(6,902)	(3,448)
Capital contributions reserve		179,196	179,196
TOTAL EQUITY		29,920	65,682

The financial statements on pages 14 to 47 were approved by the board of Directors and authorised for issue on 30th August 2023 and are signed on its behalf by:


.....
Leon Kerckhaert
Director

Company Registration No. 09810071

Horizon Bidco Limited

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

as at 30 April 2023

<i>Notes</i>	Ordinary Share Capital £'000	Preference Share Capital £'000	Accumulated profits/(losses) £'000	Foreign currency translation reserve £'000	Capital contribution reserve £'000	Total equity £'000
At 1 May 2021	3,219	8,000	(103,784)	(5,059)	268,239	170,615
Loss for the year from continued operations	-	-	(17,748)	-	-	(17,748)
Other comprehensive profit from continued operations	-	-	-	1,611	-	1,611
Total comprehensive profit	-	-	(17,748)	1,611	-	(16,137)
Dividend Paid	-	-	-	-	(89,043)	(89,043)
Group Relief	-	-	247	-	-	247
As at 30 April 2022	3,219	8,000	(121,285)	(3,448)	179,196	65,682
Loss for the year from continued operations	-	-	(32,308)	-	-	(32,308)
Other comprehensive loss from continued operations	-	-	-	(3,454)	-	(3,454)
Total comprehensive loss	-	-	(32,308)	(3,454)	-	(35,762)
As at 30 April 2023	3,219	8,000	(153,593)	(6,902)	179,196	29,920

Horizon Bidco Limited
CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 April 2023

	<i>Note</i>	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
OPERATING ACTIVITIES			
Cash generated from operations (continuing operations)	22	8,244	(6,969)
Interest (paid) /received		(263)	-
Income tax (paid) /received		(562)	1,875
Net cash flows generated from operating activities		7,419	(5,094)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	11	(2,219)	(1,615)
Proceeds from sale of property, plant and equipment		1,877	2,143
Purchase of intangible assets	9	(6,995)	(8,062)
Net cash flows used in investing activities		(7,337)	(7,534)
FINANCING ACTIVITIES			
Repayment of borrowings	19	-	(69,067)
Repayment of leases	10	(3,896)	(3,804)
Interest paid on leases	10	(966)	(1,048)
Interest paid on borrowings		-	(2,255)
Proceeds from borrowings	19	-	13,693
Proceeds from Intercompany borrowings due within one year	18	8,929	20,040
Proceeds from Intercompany borrowings due after more than one year	18	-	54,327
Debt factoring	19	-	123
Net cash flows used in financing activities		4,067	12,009
Net increase/(decrease) in cash and cash equivalents		4,149	(619)
Cash equivalents at beginning of year		721	1,413
Net foreign exchange difference		99	(73)
Cash and cash equivalents at end of year		4,969	721

Cash and cash equivalents for the purposes of the consolidated statement of cash flows include bank overdrafts of £403,000 (2022: £2,851,000).

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

1.1 CORPORATE INFORMATION

The company is a private company limited by shares and is incorporated and domiciled in the UK. The address of its registered office is 10 Back Hill, London, EC1R 5EN. See page 54 for registered address of all subsidiaries and associates. The financial statements include the financial statements of the Group, the subsidiaries and associated undertakings listed in the following table.

Name of Company	Country of incorporation	Proportion of voting rights and shares directly held		% Equity Interest	
		30 April 2023	30 April 2022	30 April 2023	30 April 2022
Subsidiaries:					
Horizon Newco Limited	UK	100%	100%	100%	100%
PhotoBox Holdco Limited	UK	-	-	100%	100%
PhotoBox Holdco Gamma Limited	UK	-	-	100%	100%
PhotoBox Holdco Alpha Limited	UK	-	-	100%	100%
PhotoBox Holdco Beta Limited	UK	-	-	100%	100%
Photo Holdco Limited	UK	-	-	100%	100%
PhotoBox Limited	UK	-	-	100%	100%
Horizon France Holdings	France	-	-	100%	100%
PhotoBox SAS	France	-	-	100%	100%
PhotoBox GmbH	Germany	-	-	100%	100%
Hofmann Holdco S.L.U	Spain	-	-	100%	100%
Hofmann S.L.U	Spain	-	-	100%	100%
Hofmann Marketing y Tecnologia, S.L	Spain	-	-	100%	100%
Posterjack GmbH	Germany	-	-	100%	100%
PhotoBox Holdings Germany GmbH	Germany	-	-	100%	100%
posterXXL GmbH	Germany	-	-	100%	100%
MCIP UG & Co. KG	Germany	-	-	100%	100%
MCIP UG	Germany	-	-	100%	100%
Photobox Free Prints Limited	UK	-	-	100%	100%
Associates:					
Online Print Décor Inc.	Canada	-	-	20%	20%
Beijing Board Arts & Crafts	China	-	-	40%	40%
Tung Fong Ltda Company Limited	China	-	-	20%	20%

1.2 BASIS OF PREPARATION

The consolidated financial statements of 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, except for derivative financial instruments that have been measured at fair value at the end of each reporting period, explained in the accounting policies below and applied in accordance with the Companies Act 2006 as applicable to companies using IFRS. The consolidated financial statements are presented in Sterling and all values are rounded to the nearest thousand (£'000), except where otherwise indicated.

The Company financial statements for Horizon Bidco Limited are prepared in accordance with FRS 101 see page 48 onwards for the parent company financial statements.

Going concern

The Directors believe that the Group, as part of the wider Panorama Group, is well placed to manage its business risk successfully and to continue in operational existence for the foreseeable future through the Group's trading projections. The Group had bank borrowings of £Nil (2022: £Nil) at the year end.

The Company has received a letter of support from its ultimate parent company, Panorama TopCo B.V. and enquiries have been made to ensure that Panorama TopCo B.V. can provide this support. On the basis of The Panorama Groups' financial position and the letter of support from its ultimate parent, the Company's directors have a reasonable expectation that the Company and its Group will continue to meet its obligations and liabilities as they fall due for the foreseeable future, which is at least twelve months after the date that these financial

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

statements are signed. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

The Directors have reviewed the cash flow projections for the Panorama Group taking into account;

- The forecast turnover and operating cash flows from the underlying operations, including a reasonably plausible downside scenario and the stress testing of these models
- The forecast level of capital expenditure
- The overall Panorama Group liquidity position, including the projected upstream of cash, remaining committed facilities available to it and its scheduled debt maturities
- The resulting position of the Panorama Group's financial covenants taking into account forecast trading and leverage.

Both the Panorama Group's base assumptions for its cashflow forecast as well its plausible downside scenarios result in the Panorama Group having sufficient headroom in its facilities and its covenants over the next 12 months to continue to trade and meet its obligations and liabilities as they fall due. However, if the Panorama Group's trading situation were to worsen beyond that of its downside scenario, the Directors believe they would have further options to reduce the Panorama Group's cash outflow and remain within its committed facility limits. This could include reductions in the group operating cost base including reducing discretionary marketing spend and personnel hiring freezes, reductions in capital expenditure (both tangible and intangible), reductions in discretionary payments to employees and management of the Panorama Group's working capital position.

1.3 BASIS OF CONSOLIDATION

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. Control exists when the Company has the power to directly or indirectly manage the financial and operational policies of the subsidiary, so as to obtain advantages from its activities. The financial statements of the subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends eliminate in full.

1.4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

New standards, amendments and interpretations not yet adopted

There are no other standards that are not yet effective and that would be expected to have a material impact on the Group in the current or future reporting years and on foreseeable future transactions. The principal accounting policies are set out below. Policies have been applied consistently, other than where new policies have been adopted.

a) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. Acquisition costs incurred are expensed and included as an exceptional item within operating expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by or to the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability will be recognised in accordance with IFRS 9 either in profit or loss or as a change to other comprehensive income.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

b) Investments in associates

Associated entities are those over which the Group has significant influence but not control. The Group's investments in its associates are accounted for using the equity method.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate since the acquisition date. Goodwill relating to the associate is included in the carrying amount of the investment and is not tested for impairment individually.

The consolidated income statement reflects the Group's share of the results of operations of the associate. Any change in statement of comprehensive income ("OCI") of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associate.

The aggregate of the Group's share of profit or loss of an associate is shown on the face of the consolidated income statement outside operating profit and represents profit or loss after tax and non-controlling interests in the subsidiaries of the associate. Due to the immaterial nature of the Group's interest this is not shown on the face of the consolidated income statement. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognises the loss as 'Share of profit of an associate' in the consolidated income statement.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated income statement.

c) Foreign currency translation

The Group's consolidated financial statements are presented in Sterling, which is also the parent company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

i) Transactions and balances

Transactions in foreign currencies are converted into an entity's functional currency by applying the latest monthly average exchange rate in force at the date of the transaction. Monetary assets and liabilities expressed in foreign currencies on the closing date are converted at the exchange rate in force on the closing date. The exchange differences that result from these operations are posted as income or expenses.

Non-monetary assets and liabilities expressed in foreign currencies are recorded and kept at the historic exchange rate in force on the date of the transaction. The gain or loss arising on retranslation of non-monetary items is treated in line with the recognition of gain or loss on change in value of the item (i.e. translation differences on items whose gain or loss in value is recognised in the income statement will also be recognised in the income statement. Where the gain or loss is recognised in other comprehensive income, any translation difference on this amount will also be recognised in other comprehensive income).

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

ii) Financial statements expressed in currency

The Group's consolidated financial statements are presented in Sterling.

The results and financial position of all the Group entities that have a functional currency different from the Sterling presentation currency are translated into the presentation currency as follows:

- a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet; and
- b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- c) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

d) Revenue

The Group is principally engaged in the sale of goods to customers representing a single performance obligation which is satisfied upon delivery of the relevant goods, unless it is either impractical or immaterial, at which point this performance obligation is satisfied on dispatch of the relevant goods. Revenue from the sale of goods, as well as the related shipping and handling expenses billed to customers, are recognised in line with the satisfaction of the performance obligation noted above. Revenue is shown net of local sales tax and is reduced for provisions of customer returns and re-makes based on the history of such matters. Revenue is not recognised if there is significant uncertainty regarding recovery of the consideration due.

Where the Group acquires customers through a third party, the Group assesses its revenue arrangements against specific criteria to determine if it is acting as principal or agent. Where the Group holds the primary risks and rewards, the Group is deemed to be acting as the principal.

e) Borrowing costs

Qualifying borrowing costs from loan arrangements are capitalised as part of the value of the loan and spread over the life of the loan. These costs include the costs associated with the borrowing of funds. Interest is expensed in the year it occurs.

f) Taxes

Tax expense represents the sum of tax currently payable plus deferred tax.

i) Corporation tax

Current income tax assets and liabilities for the current year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the income statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred tax

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

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 credits and unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting 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 tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in 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 reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

g) **Intangible fixed assets**

i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

ii) Separately acquired intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. The useful lives of intangible assets are assessed as finite or indefinite.

Intangible assets with a finite useful life that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over the asset's estimated useful life. The estimated useful life and amortisation are reviewed at the end of each reporting period with the effect of any change in estimate being accounted for on a prospective basis. Intangible assets with an indefinite useful life that are acquired separately are carried at cost less accumulated impairment losses.

iii) Internally generated research and development costs

Research costs are expensed as incurred. An internally generated intangible asset arising from development is recognised as an intangible asset when the Group can demonstrate:

- technical feasibility of completing the intangible assets so that it will be available for use or sale;
- its intention to complete and its ability to use or sell the asset;
- how the asset will generate future economic benefits;
- the availability of resources to complete the assets; and
- the ability to measure reliably the expenditure during development.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation begins when development is complete and the asset is available for use.

	<i>Useful lives</i>	<i>Amortisation method</i>	<i>Internally generated or acquired</i>
Goodwill	Indefinite	Not applicable	Acquired
Trademark	Finite	Straight-line basis – 20 years	Acquired
Development costs	Finite	Straight-line basis – 3 to 4 years	Internally generated
Technology	Finite	Straight-line basis – 3 to 5 years	Acquired
Software	Finite	Straight-line basis – 3 to 4 years	Acquired
Customer database	Finite	Straight-line basis – 11 to 14 years	Acquired
Other intangibles	Finite	Straight-line basis – 2 to 4 years	Acquired

h) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

i) Property, plant and equipment

Property, plant and equipment is stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any. They are not subject to revaluation. Subsequent expenditure (expenditure for replacement and expenditure for bringing up to standard) is capitalised and depreciated over the remaining useful life of the fixed asset to which it is related. All other servicing and maintenance costs are expensed as incurred.

Depreciation is provided on all tangible fixed assets at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:

Freehold property	- 3% - 4% on cost
Leasehold improvements	- over the unexpired term of the lease
Plant and machinery	- 10% - 20% on cost
Fixtures and fittings	- 10% - 33% on cost
Computer equipment	- 25% - 33% on cost

Assets under construction are not depreciated. When the assets are ready for their intended use they are transferred into the appropriate asset category and depreciated accordingly. Assets under finance leases are depreciated over the shorter of the lease term and their useful life.

The carrying values of tangible fixed assets are reviewed for impairment at least annually or if events or changes in circumstances indicate the carrying value may not be recoverable. Any gain or loss on disposal of an item of property, plant and equipment is recognised in the income statement.

j) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and investment property that are carried at fair value and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit or loss.

k) Leases

The Group leases various offices, warehouses, equipment and vehicles. Rental contracts are typically made for fixed periods of 6 months to 10 years, but may have extension options as described below.

Contracts may contain both lease and non-lease components. For leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

Right-of-use assets are measured at cost comprising 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 initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and vehicles and all 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 furniture.

Extension and termination options

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

l) Trade and other receivables

Trade and other receivables are initially measured at fair value, which for trade receivables is equal to the consideration expected to be received from the satisfaction of performance obligation, plus any directly attributable transaction costs. Subsequent to initial recognition these assets are measured at amortised cost less any provision for impairment losses including credit losses. In accordance with IFRS 9 the Group applies the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics such as the ageing of the debt and the credit risk of the customers. An historical credit loss rate is then calculated for each company and then adjusted to reflect expectations about future credit losses, particularly in relation to Covid-19.

m) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost for both raw materials and goods for resale includes all expenditure incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred up to completion and disposal.

n) Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. Any deposits with a maturity of more than 3 months but less than 1 year are classified as short-term investments.

For the purposes of the Consolidated Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above and bank overdrafts

o) Financial instruments

Financial assets

Initial recognition and measurement

Under IFRS 9, all financial assets are measured at amortised cost, fair value through profit or loss or fair value through OCI on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The Group's financial assets include cash and cash equivalents, and trade and other receivables.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

Impairment

The impairment model requires the recognition of impairment provisions based on expected credit losses. It applies to financial assets classified at amortised cost, debt instruments at fair value through OCI, contract assets under IFRS 15, lease receivables, loan commitments and certain financial guarantee contracts.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

Interest bearing loans and borrowings

Obligations for loans and borrowings are recognised when the Group becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance income and finance cost.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Consolidated Statement of Financial Position if, and only if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Derecognition of financial instruments

A financial asset or liability is generally derecognised when the contract that gives right to it is settled, sold, cancelled or expires.

Fair value of financial instruments

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices, without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include:

- Using recent arm's length market transactions
- Reference to the current fair value of another instrument that is substantially the same
- A discounted cash flow analysis or other valuation models.

An analysis of fair values of financial instruments and further details as to how they are measured are provided in Note 13.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

p) Trade and other payables

Trade and other payables are initially measured at fair value including any directly attributable transaction costs. Subsequent to initial recognition these liabilities are measured at amortised costs. The Group has contract liabilities in the form of deferred income which arises from consideration received in advance of the satisfaction of performance obligations.

q) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

r) Pensions and other post-employment benefits

The Group contributes to defined contribution pensions schemes. Under these schemes, the Group pays defined contributions to an external pension fund or insurance company in return for services performed by employees. The amount charged to the profit and loss account in respect of pension costs and other post-employment benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

s) Exceptional Items

Events and transactions that are one-off in nature and/or arise from outside the usual course of the Group's business are considered and accounted for as exceptional items. Such items include but are not limited to; amortisation incurred on intangible assets arising from business combinations, transaction costs, impairment, purchase price adjustments falling outside the measurement year and material restructuring costs. These items have been separately presented and reported in the financial statements (See Note 4).

t) Share Capital

Ordinary shares are classified as equity.

u) Capital contribution reserve

A capital reserve is an account in the equity section of the statement of financial position that can be used for contingencies or to offset capital losses. It is derived from the accumulated capital surplus of a company, created out of capital profit.

1.5 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting year. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future years. In addition, management has made certain judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Estimates and assumptions:

a) Carrying value of goodwill

An impairment exists when the carrying value of a cash generating unit ("CGU") exceeds its recoverable amount which is the higher of its fair value less costs to sell and its value in use. The value in use calculation is based on a discounted cash flow model. An impairment review will be performed on an annual basis.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

Carrying value of intangible assets in business combinations

The Group holds a number of intangible assets that were acquired through business combinations. At each balance sheet date, management considers whether there are any indicators of impairment on each asset. Where this is the case, impairment reviews are conducted using value in use calculations. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The discount rate used was based on the latest data and comparative company analysis available as at 30 April 2023.

b) Lease accounting

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the company, the Group's incremental borrowing rate is used, being the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group:

- Where possible, uses recent third-party financing received by the individual lessee, adjusted to reflect changes in financing conditions since third party financing was received;
- Uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the company, which does not have recent third party financing; and
- Makes adjustments specific to the lease, e.g. term, currency and security.

Judgements:

a) Exceptional items

Exceptional items are those items the Group considers to be material in nature and out of the normal course of business that should be brought to the reader's attention in understanding the Group's financial performance. See Note 4.

b) Lease accounting

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. The company considers factors including historical lease durations and the costs and business disruption required to replace the leased asset.

c) Uncertain tax positions

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits. See Note 8.

Provisions in relation to material uncertain tax positions are established on an individual basis when they can be reasonably quantified, considering whether the Group believes it more likely or not that the uncertainty will crystallise.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

2 CAPITAL MANAGEMENT

The primary objectives of the Group's capital management are: to maximise the return to shareholders; and to safeguard the Group's ability to continue as a going concern.

The Group's overall strategy is managed by the Panorama Group. Included as part of the Panorama Group's capital management, the Group's capital structure includes; borrowings (see Note 21), cash and cash equivalents, issued capital, share premium and all other equity reserves. Externally imposed capital requirements of the Group include a financial covenant on the Panorama Group's borrowings.

In order to achieve the Panorama Group's primary capital management objectives, the Group's capital management policies aim to ensure the Panorama Group meets the financial covenant attached to the interest-bearing loans and borrowings. There have been no breaches of the financial covenant of the interest-bearing loans and borrowings in the current year. The Group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenant.

	At 30 April 2023	At 30 April 2022
	£'000	£'000
Interest bearing loans and borrowings	403	2,851
Less: Cash and cash equivalents	(5,372)	(3,572)
Net debt	(4,969)	(721)
Equity	29,920	65,682
Total capital	29,920	65,682
Capital and net debt	24,951	64,961

3 OPERATING LOSS

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
Nature of expenses (charged)/credited to operating loss from continuing operations:		
Depreciation and amounts written off property, plant and equipment:		
- owned assets**	(3,155)	(4,076)
- leased assets**	(4,125)	(3,813)
Amortisation of intangible fixed assets*	(22,418)	(22,119)
Auditors' remuneration:		
- For the audit of these financial statements	(462)	(328)
- Audit of subsidiary financial statements	-	(247)
- Tax compliance services	(19)	(21)
- Tax Advisory Services	(100)	(131)
- Other Services	(43)	(107)
- Audit fees (excluding PricewaterhouseCoopers LLP)	(40)	(69)
Foreign exchange loss	-	(1,491)
Profit/(Loss) on disposal of property, plant and equipment and intangible assets***	319	(170)
Exceptional items	(32,898)	(15,799)

*Amortisation of intangible fixed assets arising on consolidation of £10,067,000 (2022: £10,027,000) is also classified within Exceptional items.

**Depreciation of property, plant and equipment in relation to restructuring and reorganisation £1,074,000 (2022: £nil) is also classified within Exceptional items.

***Proceeds from disposals of assets of £1,877,000 in relation to restructuring and reorganisation is also included within Exceptional items.

Horizon Bidco Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2023

4 EXCEPTIONAL ITEMS

	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000
Exceptional losses:		
Amortisation of intangible assets arising from business combinations	(10,067)	(10,027)
Refinancing and merger costs	(3,253)	(2,499)
Restructuring and re-organisation costs	(19,578)	(3,077)
Employee benefits expenses	-	(196)
Total exceptional losses	(32,898)	(15,799)
Total exceptional items	(32,898)	(15,799)

Exceptional items comprise:

- Restructuring and reorganisation – The costs for the year ended 30 April 2023 relate to the restructuring of part of the Group's French operations announced during the financial year and in the prior year the costs related to the transfer of ownership of its UK manufacturing site to a third party.
- Refinancing and merger – relates to the costs incurred in relation to the merger of the Albelli-Photobox group and associated refinancing of the Group's banking facilities.
- Employee Benefit Expense – consisting of the recognition of the expected future cost of the Group's Long Term Incentive Plan

5 FINANCE INCOME

	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000
Unrealised gain on interest rate cap	876	-
Other finance income	253	236
Intercompany interest receivable	-	3,114
Amounts due in respect of interest rate swap	444	-
Net foreign exchange gain	912	-
Total finance income	2,485	3,350

6 FINANCE COSTS

	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000
Interest payable on leases (see note 10)	965	1,048
Other interest payable	128	-
Bank interest payable	282	2,260
Intercompany interest payable	6,119	1,378
Amortisation of issue costs on loans	-	787
Release of unamortised issue costs on loans repaid during the year	-	4,717
Net foreign exchange loss	-	1,735
Total finance costs	7,494	11,925

Horizon Bidco Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2023

7 STAFF COSTS

	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000
Wages and salaries	15,681	17,102
Social security costs	2,968	4,533
Other pension costs	354	569
Total staff costs	19,003	22,204

The average monthly number of employees (including Directors) during the year was made up as follows:

	Year ended 30 April 2023	Year ended 30 April 2022
	Number	Number
Management and administration	314	411
Production	328	376
	642	787

	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000
Directors' emoluments		
Aggregate emoluments in respect of qualifying services	369	1,597
Pension costs	13	23
Termination costs	155	-
	537	1,620

The number of Directors to whom retirement benefits are accruing under money purchase pension schemes was: 2 2

	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000
The amounts in respect of the highest paid Director are as follows:		
Aggregate emoluments in respect of qualifying services	271	586
Pension costs	11	10
Termination costs	69	-
Aggregate emoluments	351	596

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

8 TAXATION

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
(a) Tax on loss on ordinary activities		
The tax credit is made up as follows:		
Current tax:		
UK corporation tax on loss for the year	-	-
Foreign tax charge	196	924
Adjustment in respect of prior years	(148)	(238)
Total current tax	48	686
Deferred tax:		
Origination and reversal of temporary differences	(7,998)	(7,766)
Impact of changes in tax law and rates	-	663
Total deferred tax	(7,998)	(7,103)
Total tax credit for year	(7,950)	(6,417)

The tax credit in the income statement is disclosed as follows:

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
Tax credit on continuing operations	(7,950)	(6,417)
Total tax credit for year	(7,950)	(6,417)

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
(b) The tax assessed for the year differs from the standard UK rate of corporation tax applicable of 19.50% (2022: 19.00%). The differences are explained below:		
Loss from continued operations before taxation	(40,258)	(24,165)
Loss multiplied by the UK tax rate	(7,850)	(4,591)
Effects of:		
Expenses not deductible for tax purposes	30	67,415
Non-taxable income	-	(67,032)
Effect of higher tax rates in overseas territories	(262)	(437)
Movement in unrecognised deferred tax	325	(2,460)
Tax underprovided in previous years	(148)	(238)
Change in tax laws and rate	-	662
Other permanent differences	(45)	264
Total tax credit for year	(7,950)	(6,417)

Taxation for other jurisdictions is calculated at the rates prevailing in each jurisdiction.

Horizon Bidco Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2023

8 TAXATION (Continued)

(c) Deferred tax

	Consolidated Statement of Financial position		Consolidated statement of Profit and Loss	
	30 April 2023	30 April 2022	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000	£'000	£'000
Deferred tax relates to following:				
Decelerated/(accelerated) capital allowances	1,328	(353)	(1,628)	(308)
Amortisation of intangible assets	(22,898)	(25,534)	(2,636)	(23)
Tax losses carried forward	11,852	10,071	(1,669)	(7,209)
Other timing differences	4,982	2,790	(2,065)	436
R&D Asset	589	555	-	-
Deferred tax benefit			(7,998)	(7,104)
Deferred tax liability	(4,145)	(12,471)		

(d) Reconciliation of deferred tax		Amortisation of intangible assets	Other	Total
		£'000s	£'000s	£'000s
Deferred tax liabilities				
At 1 May 2021		(25,555)	(1,849)	(27,404)
Credited to the income statement (continuing operations)		23	199	222
FX		(2)	26	24
at 30 April 2022		(25,534)	(1,624)	(27,158)
Credited to the income statement (continuing operations)		2,636	1,624	4,260
FX		41	-	41
at 30 April 2023		(22,857)	-	(22,857)
Deferred tax assets		Tax losses c/f	Other	Total
		£'000s	£'000s	£'000s
At 1 May 2021		2,920	4,949	7,869
Credited (charged) to the income statement from continued operations		7,209	(327)	6,882
R&D tax asset		-	87	87
FX/Other		(58)	(92)	(150)
at 30 April 2022		10,071	4,617	14,688
Credited to the income statement (continuing operations)		1,670	2,068	3,738
R&D tax asset		-	34	34
FX		111	141	252
at 30 April 2023		11,852	6,860	18,712

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

8 TAXATION (Continued)

The UK Group has tax losses that are available indefinitely for offset against future taxable profits of the company in which the losses arose. Deferred tax assets have not been recognised for tax losses amounting to £17,900,000 (2022: £17,900,000) due to uncertainty as to when these losses will be recovered.

The Finance Act 2015 reduces the UK corporation tax rate to 19% with effect from 1 April 2018. The Finance Act 2017 received Royal Assent on 15 September 2017 and, this was set to reduce the UK corporation tax rate to 17% with effect from 1 April 2020. However, this change in rate was revoked by Finance Act 2020, and the 19% rate remained in place from 1 April 2020.

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. This increase in rate was substantively enacted in May 2021, and therefore deferred tax has been recognised at that rate.

9 INTANGIBLE ASSETS

	Goodwill	Trademark	Technology and capitalised development costs	Customer database	Software	Other	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost								
1 May 2021	90,800	74,495	57,508	87,566	11,243	1,192	3,047	325,851
Additions	-	-	-	-	-	-	8,062	8,062
Disposals	-	(2)	(29)	(3)	(86)	-	-	(120)
Transfers	-	-	9,925	-	991	-	(10,916)	-
Foreign exchange	-	-	(47)	-	(271)	(41)	-	(359)
30 April 2022	90,800	74,493	67,357	87,563	11,877	1,151	193	333,434
Accumulated amortisation and impairment								
1 May 2021	60,000	19,557	38,185	33,268	9,043	10	-	160,063
Charge for the year	-	3,725	10,906	6,342	1,144	2	-	22,119
Disposals	-	-	(15)	-	(86)	-	-	(101)
Foreign exchange	-	-	(35)	-	(200)	(3)	-	(238)
30 April 2022	60,000	23,282	49,041	39,610	9,901	9	-	181,843
Net book value	30,800	51,211	18,316	47,953	1,976	1,142	193	151,591
30 April 2022								
Cost								
1 May 2022	90,800	74,493	67,357	87,563	11,877	1,151	193	333,434
Additions	-	-	-	-	-	-	6,995	6,995
Disposals	-	-	-	-	(2,456)	-	-	(2,456)
Transfers	-	-	6,195	-	949	-	(7,144)	-
Foreign exchange	-	-	98	-	431	57	-	586
30 April 2023	90,800	74,493	73,650	87,563	10,801	1,208	44	338,559
Accumulated amortisation and impairment								
1 May 2022	60,000	23,282	49,041	39,610	9,901	9	-	181,843
Charge for the year	-	3,725	11,230	6,342	1,119	2	-	22,418
Disposals	-	-	-	-	(2,456)	-	-	(2,456)
Foreign exchange	-	-	60	-	374	2	-	436
30 April 2023	60,000	27,007	60,331	45,952	8,938	13	-	202,241
Net book value	30,800	47,486	13,319	41,611	1,863	1,195	44	136,318
30 April 2023								

Other intangible assets include non-compete agreements, and information content for products and software.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

9 INTANGIBLE ASSETS (Continued)

During the year the Group reassessed its Cash Generating Units (CGU's) and determined that it has one CGU at the Panorama Group level given the level of integration of the Panorama Group achieved during the year. In the prior year, two CGU's were identified for Photo and Poster. One CGU at the Panorama Group level is in line with how management currently monitors and makes decisions on the Group's operations, which is been performed at one consolidated level, the Panorama Group level. Management and supervisory reporting are performed this level and only one strategic consolidated budget is drafted. The carrying value of goodwill and intangible assets arising at the Horizon Bidco Group level have been tested for impairment as one group of assets forming part of the Panorama Group CGU.

Carrying amount of goodwill and intangibles allocated to each of the CGU/group of assets:

	Goodwill	Trademark	Technology and capitalised development costs	Customer database	Software	Other	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Photo CGU	11,500	42,281	17,894	39,645	1,728	193	193	113,434
Poster CGU	19,300	8,931	422	8,308	247	949	-	38,157
30 April 2022	30,800	51,212	18,316	47,953	1,975	1,142	193	151,591
Horizon Bidco	30,800	47,486	13,319	41,611	1,863	1,195	44	136,318
Group of assets								
30 April 2023	30,800	47,486	13,319	41,611	1,863	1,195	44	136,318

The Group performed its annual impairment test at 30 April 2023 over the Horizon Bidco group of assets. The key inputs used in these tests are shown in further detail below.

Value in use assumptions

The Group calculated the recoverable amount of the group of assets based on a value in use calculation using cash flow projections from financial forecasts approved by senior management. The budget has been prepared to 30th April 2024, together with a projection for a further 4 years. The discounted cash flow model is prepared after making assumptions around growth rate of turnover, operating margin rate, growth rate of other operating charges, variation in working capital requirements and the level of investment and cost apportionment from Panorama CGU. These assumptions are based on past experience of growth rates in both existing and new territories. The table below shows key assumptions used in the value in use calculations.

	30 April	30 April
	2023	2022
Horizon Bidco group of assets		
Approximate pre-tax discount rate	20.5%	N/a
Average medium -term revenue growth rate	4.9%	N/a
Long-term growth rate	1.0%	N/a
	30 April	30 April
	2023	2022
Photo CGU		
Approximate pre-tax discount rate	N/a	20.4%
Average medium-term revenue growth rate	N/a	9.4%
Long-term growth rate	N/a	2.0%
	30 April	30 April
	2023	2022
Poster CGU		
Approximate pre-tax discount rate	N/a	22.2%
Average medium -term revenue growth rate	N/a	8.7%
Long-term growth rate	N/a	2.0%

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

9 INTANGIBLE ASSETS (Continued)

Discount rate

The Group uses a specific discount rate based on a local Weighted Average Cost of Capital ("WACC") for the group of assets, applying local government bond yields and tax rates on a geographical basis. The discount rate applied to the group of assets represents an approximate pre-tax rate that reflects the market assessment of the time value of money as at 30 April 2023 and the risks specific to the group of assets.

Sensitivity analysis

A sensitivity analysis was performed to test the point at which the group of assets would require impairment. Each of the key assumptions and variables were changed whilst holding all other variables constant with the base case scenario.

The Directors have concluded that no reasonably possible change in any of the key assumptions would result in the carrying value of the group of assets's exceeding its recoverable amount.

Other finite lived intangible assets

At each reporting period date, the Group reviews the carrying amounts of other finite lived intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

10 LEASES

This note provides information for leases where the Group is a lessee. The Group does not act as a lessor.

i) Amounts recognised on the balance sheet

Right-of-use assets:	30 April 2023	30 April 2022
	£'000	£'000
Buildings	9,029	14,475
Equipment	2,471	1,110
Total Right of Use Assets	11,500	15,585
Lease Liabilities:	30 April 2023	30 April 2022
	£'000	£'000
Current	2,816	3,660
Non-Current	9,946	13,436
Total Lease Liabilities	12,762	17,096

Additions to the right-of-use assets during the 2023 financial year were £938,000 (2022: £3,386,000).

Disposals of right-of-use assets during the 2023 financial year were £1,357,000 (2022: £Nil).

The total cash outflow for leases from continuing operations in 2023 was £4,862,000 (2022: £4,852,000).

ii) Amounts recognised in the statement of profit or loss

	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000
Depreciation charge of right-of use assets:		
Buildings	3,060	3,635
Equipment	1,065	178
Total	4,125	3,813
Interest expense (included in finance costs)	965	1,048
Total	965	1,048

The expense relating to short-term leases (included in cost of goods sold and administrative expenses) was £65,000 (2022: £21,000).

iii) Maturity of leases payable

Lease liabilities are payable as follows:

	30 April 2023	30 April 2022
	£'000	£'000
Within one year	3,640	4,017
Between one and five years	10,598	12,637
Beyond five years	-	1,925
Total minimum lease payments	14,238	18,579
Effect of discounting	(1,476)	(1,483)
Total lease liability	12,762	17,096

Horizon Bidco Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2023

11 PROPERTY, PLANT AND EQUIPMENT

	Freehold property	Plant and machinery	Fixtures and fittings	Leasehold improvements	Computer equipment	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost							
1 May 2021	6,296	40,738	4,213	4,635	6,397	23	62,302
Additions	-	933	164	15	174	329	1,615
Disposals	-	(4,335)	(519)	(972)	(280)	-	(6,106)
Transfers	-	117	17	-	-	(134)	-
Foreign exchange	(214)	(1,286)	(126)	(137)	(129)	(4)	(1,896)
30 April 2022	6,082	36,167	3,749	3,541	6,162	214	55,915
Accumulated depreciation and impairment							
1 May 2021	1,221	31,575	3,502	3,307	4,908	-	44,513
Charge for the year	53	2,553	326	415	729	-	4,076
Disposals	-	(4,171)	(484)	(972)	(218)	-	(5,845)
Foreign exchange	(42)	(1,065)	(107)	(97)	(105)	-	(1,416)
30 April 2022	1,232	28,892	3,237	2,653	5,314	-	41,328
Net book value							
30 April 2022	4,850	7,275	512	888	848	214	14,587
Cost							
1 May 2022	6,082	36,167	3,749	3,541	6,162	214	55,915
Additions	-	1,910	125	17	122	45	2,219
Disposals	-	(14,067)	(1,852)	(2,286)	(1,826)	-	(20,031)
Transfers	-	224	-	-	-	(224)	-
Foreign exchange	300	1,827	180	177	180	2	2,666
30 April 2023	6,382	26,061	2,202	1,449	4,638	37	40,769
Accumulated depreciation and impairment							
1 May 2022	1,232	28,892	3,237	2,653	5,314	-	41,328
Charge for the year	53	2,121	235	270	475	-	3,154
Disposals	-	(12,371)	(1,843)	(2,262)	(1,813)	-	(18,289)
Foreign exchange	62	1,398	156	138	160	-	1,914
30 April 2023	1,347	20,040	1,785	799	4,136	-	28,107
Net book value							
30 April 2023	5,035	6,021	417	650	502	37	12,662

Horizon Bidco Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2023

12 FINANCIAL ASSETS AND LIABILITIES

Fair values

	Carrying Amount		Fair Values	
	30 April 2023 £'000	30 April 2022 £'000	30 April 2023 £'000	30 April 2022 £'000
Financial assets				
Loans and receivables:				
Trade and other receivables*	5,436	4,053	5,436	3,926
Cash	5,372	3,572	5,372	3,572
Financial assets at fair value through profit or loss				
Interest rate cap	876	-	876	-
	11,684	7,625	11,684	7,498
Financial liabilities				
Financial liabilities at amortised cost:				
Trade and other payables**	25,180	17,516	25,180	17,516
Interest-bearing loans and borrowings:				
Loans from group undertakings	94,880	78,014	94,880	78,014
Overdraft	403	2,851	403	2,851
	120,463	98,381	120,463	98,381

*excludes prepayments

**excludes tax and other social security

The fair value of floating rate borrowings has been calculated by discounting the expected future cash flows at prevailing market interest rates.

Financial risk management objectives and policies

Interest rate risk

Interest rate risk is the risk that the Group is impacted from fluctuations in interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term borrowings and revolving cash facility. The Group considers whether it needs to manage its exposure to interest rate risk on an ongoing basis.

The fair value of interest rate caps held by the Group has been calculated as a liability of £nil (2022: £nil) and an asset of £876,000 (2022: £nil) respectively with the movement in the year taken to the income statement. The Group entered into a EUR denominated Cap effective from 1st May 2021. This limits EURIBOR at 0.5% for 100% of the EUR loans. Any future change in the value of this interest rate cap will be taken to the income statement. The new cap matures on 31 October 2023.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

12 FINANCIAL ASSETS AND LIABILITIES (Continued)

A movement in the forecast EURIBOR rate of +/- 0.25% would lead to an increase / decrease of the total interest cost as shown below:

	Impact on profit or loss before tax	
	2023	2022
	£'000	£'000
+ 0.25% increase in interest rates	-	-
- 0.25% reduction in interest rates	-	-

Foreign currency risk

The Group is exposed to foreign currency risk arising from movements in foreign exchange. The Group's exposure to the risk of changes in foreign currencies relates primarily to the Group's operating activities. The Group transacts mainly in Sterling and Euros. The Directors consider that the Group has a partial natural hedge in place as regards the Euro (where receipts and payments are broadly matched).

The Group's exposure to foreign currency risk at the end of the reporting year, expressed in Sterling, was as follows:

	2023		2022	
	GBP	EUR	GBP	EUR
	£'000	£'000	£'000	£'000
Cash and equivalents	2,958	2,414	1,774	1,798
Trade receivables	51	924	33	1,015
Trade payables	(6,096)	(6,238)	(3,719)	(4,212)
Overdraft	(403)	-	-	(2,851)

The Group's sensitivity to foreign currency risk has been analysed below by calculating the impact on the Group's profit by a 10% strengthening or weakening of the Euro. This is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management assessment of the reasonably possible change in foreign exchange rates.

	Impact on profit or loss before tax	
	2023	2022
	£'000	£'000
+ 10% strengthening of Euro	(2,841)	(4,320)
- 10% weakening of Euro	3,071	4,332

Credit risk

Credit risk is the risk that a customer or counterparty will not meet its contractual obligations resulting in a financial loss for the Group. The Group considers its credit risk to be very low as virtually all Group revenues are derived from credit card transactions over the internet, reaching the Group bank accounts in 3 to 4 days.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

12 FINANCIAL ASSETS AND LIABILITIES (Continued)

At 30 April 2023, the Group had net trade receivables of £975,000 (2022: £1,048,000). Trade receivables are reviewed regularly for any risk of impairment and provisions are booked where necessary. At the year end, the Group had nil (2022: nil) customers that owed the Group more than £250,000 (2022: £250,000).

The maximum exposure to credit risk is the trade receivable balance at the year end. The Group has assessed its exposure below:

	Trade receivables	
	2023 £'000	2022 £'000
Up to 30 days	763	644
Past due but not impaired:		
30 to 90 days	260	400
More than 90 days	114	76
Gross	1,137	1,120
Less: allowable for impairment	(162)	(72)
Net Trade Receivables	975	1,048

Liquidity risk

Liquidity risk is the risk that the Group will not have sufficient funds to meet its obligations as they fall due. The Group manages this risk through regular monitoring of short-term and long-term cash flows to identify liquidity requirements. Liquidity and forecast headroom over the Group's borrowings covenants for the coming 12 months are reviewed by the Group Chief Financial Officer.

The table below summarises the maturity profile of the Group's financial liabilities. All borrowings include estimated future interest payments on a cashflow basis.

As at 30 April 2023	Less than 1 year £'000	1 to 5 years £'000	More than 5 years £'000	Total £'000
Overdraft	403	-	-	403
Trade and other payables	27,593	-	-	27,593
Loans from group undertakings	31,670	-	63,210	94,880
	59,666	-	63,210	122,876

As at 30 April 2022	Less than 1 year £'000	1 to 5 years £'000	More than 5 years £'000	Total £'000
Overdraft	2,851	-	-	2,851
Trade and other payables	18,568	-	-	18,568
Loans from group undertakings	23,687	-	54,327	78,014
	45,106	-	54,327	99,433

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities.

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

12 FINANCIAL ASSETS AND LIABILITIES (Continued)

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

At 30 April 2023	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets for which fair values are disclosed:				
Interest rate cap	-	876	-	876
At 30 April 2022				
	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial liabilities for which fair values are disclosed:				
Interest rate cap	-	-	-	-

13 INVESTMENTS IN ASSOCIATES

The following is summarised financial information for the Group's interest in immaterial associates, based on the amounts reported in the Group's consolidated financial statements:

	30 April 2023 £'000	30 April 2022 £'000
Investment in associate	34	34

14 INVENTORIES

	30 April 2023 £'000	30 April 2022 £'000
Raw materials and consumables	3,351	3,808
Goods for resale	386	1,333
Total inventory	3,737	5,141
Less: Provision for write off of:		
- raw materials and consumables	(515)	(470)
- goods for resale	(276)	-
Net inventory	2,946	4,671

The cost of inventories recognised as an expense and included in cost of sales during the year amounted to £15,718,000 (2022: £15,459,000).

Horizon Bidco Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2023

15 TRADE AND OTHER RECEIVABLES

	At 30 April 2023 £'000	At 30 April 2022 £'000
<i>Due within one year:</i>		
Trade receivables	1,137	1,120
Less: loss allowance	(162)	(72)
Trade receivables – net	975	1,048
Intercompany receivables	751	-
Other receivables	2,605	411
Prepayments	3,383	3,017
	7,714	4,476
<i>Due after more than one year:</i>		
Other receivables	1,981	2,594
Provision for loss allowance	Year ended At 30 April 2023 £'000	Year ended At 30 April 2022 £'000
At 1 May	73	104
Charge for the year	121	29
Utilised	(35)	(59)
Foreign exchange	3	(2)
At 30 April	162	72

16 CASH AND CASH EQUIVALENTS

	At 30 April 2023 £'000	At 30 April 2022 £'000
Cash and bank balances	4,300	2,690
Cash equivalents	1,072	882
Total Cash and Cash equivalents	5,372	3,572

Cash equivalents relate to cash in transit from various payment processing intermediaries that provide receipting services to the Group.

17 TRADE AND OTHER PAYABLES

	At 30 April 2023 £'000	At 30 April 2022 £'000
<i>Due within one year:</i>		
Trade payables	12,334	7,930
Other payables	2,428	4
Other taxation and social security	2,413	1,052
Accruals	10,418	9,582
	27,593	18,568

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

18 LOANS FROM GROUP UNDERTAKINGS

	At 30 April 2023	At 30 April 2022
	£'000	£'000
Due within one year:		
Loans from group undertakings	31,670	23,687
Due after more than one year:		
Loans from group undertakings	63,210	54,327
	94,880	78,014

Loans from group companies due within one year are unsecured, have no fixed date of repayment, are repayable on demand and are subject to interest at market rates.

Loans from group companies due after more than one year are unsecured, have a fixed term of 8 years from 6 January 2022, and are subject to interest at market rates.

19 BORROWINGS

	At 30 April 2023	At 30 April 2022
	£'000	£'000
Current		
Bank overdraft	403	2,851
Total borrowings	403	2,851

Banking Facilities

The Panorama Group has borrowings of €200,000,000 Term loan B and €35,000,000 RCF of which €10,000,000 is carved out as an overdraft facility and split between Horizon Bidco Ltd and Panorama Newco B.V. A number of group companies have given a guarantee in respect to these facilities (see note 23).

20 PROVISIONS FOR OTHER LIABILITIES AND CHARGES

	Restructuring Provision £'000	Warranty provision £'000	Other provisions £'000	Total £'000
At 1 May 2021	2,326	133	622	3,081
Charge for the year	(5)	562	585	1,142
Utilisation	(1,882)	(556)	(449)	(2,887)
Foreign exchange	(65)	(4)	(20)	(89)
At 30 April 2022	374	135	738	1,247
Charge for the year	6,039	982	338	7,359
Utilisation	(355)	(659)	(52)	(1,066)
Foreign exchange	6	5	38	49
At 30 April 2023	6,064	463	1,062	7,589

Horizon Bidco Limited
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2023

20 PROVISIONS FOR OTHER LIABILITIES AND CHARGES (Continued)

Warranty provision relates to the estimated cost for re-production of products which may require re-work. It is expected that most of these costs will be incurred in the next financial year.

The Restructuring provision relates to the restructuring of the Group's French operations. This amount was recognised in exceptional costs during the year (see note 4).

Other provisions relate to various litigation matters and dilapidation provisions. It includes £Nil (2022: £Nil) that is not expected to be settled within the next financial year.

21 ORDINARY SHARE CAPITAL

	At 30 April 2023	At 30 April 2022
	£	£
<i>Allotted, issued and fully paid:</i>		
3,218,552 Ordinary shares of £1.00 each (2022: 3,218,552)	3,219	3,219
	3,219	3,219

During the years ended 30 April 2023 & 30 April 2022, no share issuances were made.

22 CASH GENERATED FROM OPERATIONS (CONTINUING OPERATIONS)

	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000
Loss before taxation	(40,258)	(24,165)
Adjustments for:		
- Depreciation	7,280	7,889
- Amortisation	22,418	22,119
- Impairment	-	(40)
- (Gain)/Loss on disposal of property plant and equipment and intangible fixed assets	(319)	170
- Net finance costs	5,921	8,777
- R&D tax credit	(137)	(129)
- Net foreign exchange difference	(1,186)	(966)
Changes in working capital:		
- (Increase)/decrease in inventories	1,925	1,595
- Decrease/(increase) in trade and other receivables	(812)	1,806
- (Decrease)/increase in trade and other payables	13,412	(24,025)
	8,244	(6,969)

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

23 COMMITMENTS AND CONTINGENCIES

The following group companies have given a guarantee in respect of the Panorama Group bank borrowings which amounted to €200,000,000 as at 30 April 2023 (30 April 2022: €200,000,000) Term Loan B facility and the RCF of €35,000,000 as at 30 April 2023 (30 April 2022: €35,000,000), Horizon Bidco Limited, Photobox Holdco Alpha Limited, Photobox Holdco Beta Limited, Photo Holdco Limited, Photobox Limited, Photobox GmbH, Hofmann Holdco S.L.U, Hofmann Marketing y Tecnologia, S.L., Hofmann S.L.U, Photobox Holdings Germany GmbH and posterXXL GmbH.

24 RELATED PARTY TRANSACTIONS

a) Transactions with Related Parties

The Group expensed nil (2022: £157,000) of charges from Exponent Private Equity LLP, a representative of a shareholder of the Group, for Directors fees and £27,000 (2022: £27,000) for expenses. The balance sheet date £ nil (2022: £145,000) remained on the balance sheet in accruals.

At 30th April 2023 there was an amount owing to Horizon HoldCo Ltd of £4,000 (2022: £4,000) a related party by virtue of Exponent Private Equity LLP (the Group's ultimate controlling party) and an amount owing to Horizon GroupCo Ltd 1,691,000 (2022: £1,562,000) a related party by virtue of Exponent Private Equity LLP (The Group's ultimate controlling party).

b) Transactions with Key Management Personnel and Employees of the Group

Compensation of Key Management personnel of the Group

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
Short-term employee benefits	369	1,597
Post-employment pension and medical benefits	13	23
Termination costs	155	-
Total compensation relating to Key Management personnel	537	1,620

The amounts disclosed in the table are the amounts recognised as an expense during the reporting year related to Key Management personnel. Key Management are those persons having authority and responsibility for planning, directing and controlling the activities of the Group.

25 ULTIMATE CONTROLLING PARTY

The immediate parent company of Horizon Bidco Limited is Panorama NewCo B.V. (address Stationsplein 57, 1012 AB Amsterdam, The Netherlands). The ultimate controlling parties are Exponent Private Equity LLP and Rivien Capital by virtue of the provisions in the shareholders deed of Panorama TopCo B.V.

26 SHARE BASED PAYMENT ARRANGEMENTS

The Panorama Group operates a Long-Term Incentive Scheme in the form of shadow shares. The scheme offers participating employees rewards maturing in the event of an exit of the Panorama Group to the value of the share price at exit multiplied by the number of shares. The scheme has a service element attached and therefore falls within the scope of IFRS 2. Shadow shares have been issued to employees of the Horizon Bidco Group. Management has assessed that there is no value in the scheme at present and therefore no provision is recognised in the financial statements at 30 April 2023.

Horizon Bidco Limited

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

27 SUBSIDIARIES WITH AUDIT EXEMPTION BY PARENT COMPANY GUARANTEE

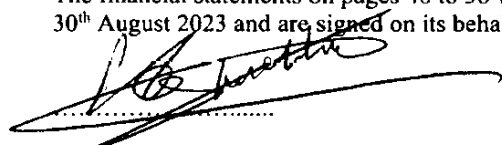
The following subsidiary companies of the Group have been granted an exemption from the requirements of the UK Companies Act 2006 for a statutory audit of their respective individual financial statements, by way of a Parent Company Guarantee, by virtue of s479A:

Company Number	Company Name
07648619	Photobox Holdco Alpha Limited
07648795	Photobox Holdco Beta Limited
12170442	Photo Holdco Limited
09958640	Horizon Newco Limited
03906401	Photobox Limited

Horizon Bidco Limited (Company)
COMPANY STATEMENT OF FINANCIAL POSITION
As at 30 April 2023

	Note	30 April 2023 £'000	30 April 2022 £'000
ASSETS			
Non-current assets			
Investments	5	137,860	180,860
Total non-current assets		137,860	180,860
Current assets			
Trade and other receivables	6	990	445
Amounts owed by group undertakings	7	138,977	112,671
Cash and cash equivalents		2,550	1,250
Total current assets		142,517	114,366
TOTAL ASSETS		280,377	295,226
LIABILITIES			
Current liabilities			
Trade and other payables	8	2,731	1,021
Amounts owed to group undertakings	9	157,996	129,380
Borrowings	10	403	2,851
Total current liabilities		161,130	133,252
Non-current liabilities			
Amounts owed to group undertakings	9	63,210	54,327
Total non-current liabilities		63,210	54,327
TOTAL LIABILITIES		224,340	187,579
NET ASSETS		56,037	107,647
CAPITAL AND RESERVES			
Ordinary share capital	11	3,219	3,219
Preference share capital	12	8,000	8,000
Accumulated losses		(130,140)	(78,530)
Capital contribution reserve		174,958	174,958
TOTAL EQUITY		56,037	107,647

The financial statements on pages 48 to 56 were approved by the board of Directors and authorised for issue on 30th August 2023 and are signed on its behalf by:



Leon Kerckhaert
Director

Company Registration No. 09810071

Horizon Bidco Limited (Company)
COMPANY STATEMENT OF CHANGES IN EQUITY
for the year ended 30 April 2023

	Ordinary share capital (Note 11) £'000	Preference Share Capital (Note 12) £'000	Accumulated losses £'000	Capital contribution reserve £'000	Total Equity £'000
At 1 May 2021	3,219	8,000	(266,039)	264,001	9,181
Profit for the financial year	-	-	187,262	-	187,262
Total comprehensive profit	-	-	187,262	-	187,262
Dividends paid	-	-	-	(89,043)	(89,043)
Group relief (note 4)	-	-	247	-	247
At 30 April 2022	3,219	8,000	(78,530)	174,958	107,647
Loss for the financial year	-	-	(51,610)	-	(51,610)
Total comprehensive loss	-	-	(51,610)	-	(51,610)
At 30 April 2023	3,219	8,000	(130,140)	174,958	56,037

Horizon Bidco Limited (Company)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

1 CORPORATE INFORMATION

Refer to the consolidated financial statements for further details on Page 18.

1.2 PRINCIPAL ACCOUNTING POLICIES

Horizon Bidco Limited's financial statements have been prepared in accordance with the Companies Act 2006 (as applicable to companies using FRS101) and Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). A summary of the material accounting policies, which have been consistently applied, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention, and modified for the fair value of certain financial assets.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- a) The requirements of IFRS 7 Financial instruments: Disclosures;
- b) The requirements of paragraphs 91-99 of IFRS 13 Fair Value;
- c) The requirements of paragraphs 10(d), 16, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- d) The requirements of IAS 7 Statement of Cash Flows;
- e) The requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- f) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a Group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

New standards

No new accounting standards, or amendments to accounting standards, that are effective for the year ended 30 April 2021, have had a material impact on the Company. See Note 1 of the consolidated financial statements for further details of new standards.

Going concern

The Company has received a letter of support from its ultimate parent company, Panorama TopCo B.V. and enquiries have been made to ensure that Panorama TopCo B.V. can provide this support. On the basis of The Panorama Groups' financial position and the letter of support from its ultimate parent, the Company's directors have a reasonable expectation that the Company will continue to meet its obligations and liabilities as they fall due for the foreseeable future, which is at least twelve months after the date that these financial statements are signed. Thus, they continue to adopt the going concern basis in preparing the annual financial statements.

Investments in subsidiaries

Investments in subsidiaries are initially recorded at cost. Where an acquisition satisfies the provisions of section 612 of the Companies Act 2006 for merger relief, the investment is stated at the nominal value of shares issued plus the fair value of any other consideration.

Foreign currency

The financial statements are presented in Sterling, which is also the company's functional currency. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account.

Taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Horizon Bidco Limited (Company)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

Financial instruments

The Company does not have any financial instruments, other than intercompany payables and receivables. Due to the short-term nature of these balances, the Company considers the fair value of these items to equal the carrying value.

2 PROFIT/(LOSS) ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

As permitted by Section 408 of the Companies Act 2006, the parent company's income statement has not been included in these financial statements. The parent company's loss for the financial year was £51,610,000 (2022: profit of £187,262,000). Audit fees are disclosed in Note 3 to the consolidated financial statements.

3 STAFF COSTS & DIRECTORS' REMUNERATION

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
Wages and salaries	153	409
Social security costs	21	33
Other pension costs	3	25
Total staff costs	177	467

The number of employees (including Directors) during the year was made up as follows:

	Year ended 30 April 2023 Number	Year ended 30 April 2022 Number
Management	2	3

The average monthly number of employees for the year was 2 (2022: 3).

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
Directors' emoluments		
Aggregate emoluments in respect of qualifying services	85	312
Pension costs	4	6
Health care costs	-	3
Termination costs	39	-
	128	321

Horizon Bidco Limited (Company)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

3 STAFF COSTS & DIRECTORS' REMUNERATION (Continued)

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
The amounts in respect of the highest paid Director are as follows:		
Aggregate emoluments in respect of qualifying services	68	125
Pension costs	3	-
Health care costs	-	-
Termination Costs	17	-
	88	125

4 TAXATION

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
(a) Tax on loss on ordinary activities		
The tax (charge)/credit is made up as follows:		
Current tax - prior year	-	(28)
Deferred tax:		
Origination and reversal of temporary differences	-	129
Impact of changes in tax law and rates	-	-
Total tax charge/(credit) for year	-	101

	Year ended 30 April 2023 £'000	Year ended 30 April 2022 £'000
(b) The tax assessed for the year differs from the standard UK rate of corporation tax applicable of 19.50% (2022: 19.00%). The differences are explained below:		
(Loss)/profit before taxation	(51,610)	187,262
(Loss)/profit before taxation multiplied by the UK tax rate	(10,065)	35,580
Effects of:		
Expenses not deductible for tax purposes	8,278	27,904
Non taxable income	-	(66,291)
Losses surrendered to Group companies	-	820
Movement in unrecognised deferred tax	1,787	2,116
Adjustments in respect of prior year	-	(28)
Total tax charge/(credit) for year	-	101

Horizon Bidco Limited (Company)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

4 TAXATION (continued)

c) Deferred Tax	Statement of financial position		Statement of comprehensive income	
	At 30 April 2023	At 30 April 2022	Year ended 30 April 2023	Year ended 30 April 2022
	£'000	£'000	£'000	£'000
Deferred tax relates to following:				
Other timing differences	-	-	-	(129)
Deferred tax benefit	-	-	-	(129)

The Finance Act 2015 reduces the UK corporation tax rate to 19% with effect from 1 April 2018. The Finance Act 2017 received Royal Assent on 15 September 2017 and, this was set to reduce the UK corporation tax rate to 17% with effect from 1 April 2020. However, this change in rate was revoked by Finance Act 2020, and the 19% rate remained in place from 1 April 2020. Finance Bill 2021 was substantively enacted on 24 May 2021, increasing the main UK corporation tax rate to 25% effective from 1 April 2023. Deferred tax has been measured taking account of when the temporary difference is expected to reverse.

The Company has unrecognised tax losses of £13,373,000 (2022: £10,401,000) that are available indefinitely for offset against future taxable profits of the Company in which the losses arose. Deferred tax assets have not been recognised in respect of these losses as there is uncertainty as to when/how these losses will be recovered.

5 INVESTMENTS

	£'000
<i>Cost and net book value</i>	
As at 1 May 2021	230,123
Additions	119,472
Disposals	(26,937)
Impairments	(141,798)
As at 30 April 2022	180,860
Impairments	(43,000)
As at 30 April 2023	137,860

During the year ended 30th April 2023. The annual impairment review was undertaken at the balance sheet date and the Company recognised an impairment of £43,000,000 of its investment in Photobox Holdco Alpha Ltd.

In the prior year, on 6 January 2022, Panorama Topco B.V. acquired through its subsidiary Panorama Newco B.V. 100% of the shares in Horizon Bidco Limited. The acquisition was structured through a share for share exchange and resulted in the formation of a joint venture. On 5 January 2022, the company exchanged a loan receivable owed by Horizon Newco Limited for £26,937,000 of ordinary shares in Horizon Newco Limited. Subsequently the company acquired the remaining 19.2% of Photobox Holdco Alpha Limited's shares from Horizon Newco Limited for a value of £92,535,000. As a result of these transactions the investment in Horizon Newco Limited was impaired to a nominal amount. On 6 January the company recognised impairments of £141,798,000 of its holding in Photobox Holdco Alpha Limited due to a combination of a reduction in underlying value of the group of £31,179,000 and the rationalisation of an intercompany balance owed to Photobox Holdco Alpha Limited of £110,619,000

Horizon Bidco Limited (Company)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2023

5 INVESTMENTS (continued)

Details of subsidiary and associated undertakings are as follows:

Name of Company	Country of incorporation	Proportion of voting rights and shares directly held		% Equity interest	
		30 April 2023	30 April 2022	30 April 2023	30 April 2022
Subsidiaries:					
Horizon Newco Limited	UK	100%	100%	-	-
PhotoBox Holdco Limited	UK	100%	100%	-	-
PhotoBox Holdco Gamma Limited	UK	-	-	100%	100%
PhotoBox Holdco Alpha Limited	UK	100%	100%	-	-
PhotoBox Holdco Beta Limited	UK	-	-	100%	100%
Photo Holdco Limited	UK	-	-	100%	100%
PhotoBox Limited	UK	-	-	100%	100%
Horizon France Holdings	France	-	-	100%	100%
PhotoBox SAS	France	-	-	100%	100%
PhotoBox GmbH	Germany	-	-	100%	100%
Hofmann Holdco S.L.U	Spain	-	-	100%	100%
Hofmann S.L.U	Spain	-	-	100%	100%
Hofmann Marketing y Tecnologia, S.L	Spain	-	-	100%	100%
Posterjack GmbH i.L.	Germany	-	-	100%	100%
PhotoBox Holdings Germany GmbH	Germany	-	-	100%	100%
posterXXL GmbH	Germany	-	-	100%	100%
MCIP UG & Co. KG	Germany	-	-	100%	100%
MCIP UG	Germany	-	-	100%	100%
Photobox Free Prints Ltd	UK	-	-	100%	100%
Associates:					
Online Print Décor Inc.	Canada	-	-	20%	20%
Beijing Boarding Arts & Crafts Manufacturing Co. Ltd	China	-	-	40%	40%
Tung Fong Ltda Company Limited	China	-	-	20%	20%

The Directors are of the opinion that the individual investments in the subsidiary and associated undertakings have a value not less than the amount at which they are shown in the Statement of Financial Position.

Horizon Bidco Limited (Company)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2022

5 INVESTMENTS (continued)

Registered address of subsidiaries and associates

	Registered Address	Principal Activity
Subsidiaries:		
Horizon Newco Limited	10 Back Hill, London, United Kingdom, EC1R 5EN	Holding company
PhotoBox Holdco Limited	10 Back Hill, London, United Kingdom, EC1R 5EN	Dormant Company
PhotoBox Holdco Gamma Limited	10 Back Hill, London, United Kingdom, EC1R 5EN	Dormant Company
PhotoBox Holdco Alpha Limited	10 Back Hill, London, United Kingdom, EC1R 5EN	Holding company
PhotoBox Holdco Beta Limited	10 Back Hill, London, United Kingdom, EC1R 5EN	Holding company
Photo Holdco Limited	10 Back Hill, London, United Kingdom, EC1R 5EN	Holding company
PhotoBox Limited	10 Back Hill, London, United Kingdom, EC1R 5EN	Trading company
Horizon France Holdings	129 Boulevard de la Villette, 75010 Paris, France.	Holding company
PhotoBox SAS	37-39 rue de Beauce, 78500 Sartrouville, France.	Trading company
PhotoBox GmbH	Infanteriestraße 11a, 80797 München, Germany	Holding company
Hofmann Holdco S.L.U.	Calle Ciudad de Barcelona número 18, C.P. 46980, Paterna, Valencia, Spain.	Holding company
Hofmann Marketing y Tecnología, S.L.	Calle Ciudad de Barcelona número 18, C.P. 46980, Paterna, Valencia, Spain.	Holding company
Hofmann S.L.U	Calle Ciudad de Barcelona número 18, C.P. 46980, Paterna, Valencia, Spain.	Trading company
Posterjack, GmbH i.L.	Infanteriestraße 11a, 80797 München, Germany.	Holding company
PhotoBox Holdings Germany GmbH	Infanteriestraße 11a, 80797 München, Germany	Holding company
posterXXI GmbH	Infanteriestraße 11a, 80797 München, Germany	Trading company
MCIP UG & Co. KG	Parsdorfer Weg 10, 85551 Kirchheim b. München, Germany	Property holding company
MCIP UG	Parsdorfer Weg 10, 85551 Kirchheim b. München, Germany	Property holding company
Photobox Free Prints Limited	10 Back Hill, London, United Kingdom EC1R 5EN	Dormant Company
Associates:		
Online Print Décor Inc.	90 Cawthra Avenue, Suite 102, Toronto, Ontario, M6N 3C7, Canada.	Trading company
Beijing Boarding Arts & Crafts Manufacturing Co. Ltd	Science and Technology Park, Caiyu Town, Daxing District, Beijing, China.	Trading company
Tung Fong Ltda Company Limited	Room B1, 9/F, Goodwill industrial Building 36 - 44 Pak Tin Par Street, Tsuen Wan, N.T., Hong Kong.	Trading company

6 TRADE AND OTHER RECEIVABLES

	At 30 April 2023 £'000	At 30 April 2022 £'000
Due within one year:		
Prepayments	948	445
Other taxes and social security	42	-
Total trade and other receivables	990	445

Horizon Bidco Limited (Company)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2022

7 AMOUNTS OWED BY GROUP UNDERTAKINGS

	At 30 April 2023	At 30 April 2022
	£'000	£'000
<i>Due within one year:</i>		
Amounts owed by group undertakings	138,977	112,671
Total amounts owed by group undertakings	138,977	112,671

Amounts owed by group companies are unsecured, have no fixed date of repayment and are repayable on demand. Of the amounts due from group companies, £18,763,000 (2022: £7,134,000) is interest bearing, with the remainder of the balance not subject to interest. Interest is accrued based on market rates.

8 TRADE AND OTHER PAYABLES

	At 30 April 2023	At 30 April 2022
	£'000	£'000
Trade payables	137	427
Other payables	2,058	-
Accruals	536	564
Other taxes and social security	-	58
Total trade and other payables	2,731	1,049

9 AMOUNTS OWED TO GROUP UNDERTAKINGS

	At 30 April 2023	At 30 April 2022
	£'000	£'000
<i>Due within one year:</i>		
Amounts owed to group undertakings	157,996	129,380
<i>Due after more than one year:</i>		
Amounts owed to group undertakings	63,210	54,327
	221,206	183,707

Amounts due to group companies due within one year are unsecured, have no fixed date of repayment and are repayable on demand. Of the amounts owed to group companies, £54,511,000 (2022: £33,327,000) is interest bearing, with the remainder of the balance not subject to interest. Interest is accrued based on market rates.

Amounts due to group companies due after more than one year are unsecured, have a fixed term of 8 years from 6 January 2022, and are subject to interest at market rates.

Horizon Bidco Limited (Company)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2022

10 BORROWINGS

	At 30 April 2023	At 30 April 2022
	£'000	£'000
Current		
Overdraft	403	2,851
Total Current Borrowings	403	2,851
Total borrowings	403	2,851

Banking Facilities

The Panorama Group has borrowings of €200,000,000 Term loan B and €35,000,000 RCF of which €10,000,000 is carved out as an overdraft facility and split between Horizon Bidco Ltd and Panorama Newco B.V. The Company has given a guarantee in respect to these facilities (see note 13).

11 ORDINARY SHARE CAPITAL

	At 30 April 2023	At 30 April 2022
	£'000	£'000
Allotted, issued and fully paid:		
3,218,552 (2021: 3,218,552) ordinary shares of £1.00 each	3,219	3,219

The issued share capital of the Company is comprised of ordinary shares.

12 PREFERENCE SHARE CAPITAL

	At 30 April 2023	At 30 April 2022
	£'000	£'000
Allotted, issued and fully paid:		
8,861,520 (2022: 8,861,520) ordinary shares of €1.00 each	8,000	8,000

The preference shares have no voting rights and dividends are paid at the discretion of the Company.

13 CONTINGENT LIABILITIES

The company, along with other companies in the group, has given a guarantee in respect of Panorama Group bank borrowings which amounted to €200,000,000 as at 30 April 2023 (30 April 2022: €200,000,000) Term Loan B facility and the RCF of €35,000,000 as at 30 April 2023 (30 April 2022: €35,000,000).

14 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption from disclosure available to parent companies under FRS 101 – reduced disclosure framework where transactions and balances between parent companies and 100% owned subsidiaries have been eliminated on consolidation. Refer to note 24 on page 46 for Group related party transaction, there have been no other related party transactions.