

# Impala Bidco Ltd

Unaudited Financial Statements  
Period: Q1 2026

## Overview

**Impala Bidco Ltd (together with its subsidiaries, the “Group”), trading as Ativion (formerly Impero), is a global provider of digital safety, safeguarding, wellbeing and monitoring solutions, delivering predominantly recurring, SaaS-based platforms to the education sector and an expanding range of public sector organisations.**

The Group’s solutions are mission-critical and compliance-driven, designed to safeguard users - particularly children and young people - while enabling institutions to operate secure, efficient, and effective digital environments. Its platforms support schools in addressing increasingly complex digital risks, enhancing teaching and learning, and enabling IT teams to manage and protect their infrastructure. This strong alignment to safeguarding, duty of care, and regulatory requirements underpins high levels of customer retention and resilient, long-term demand.

Building on its established leadership position in education, the Group is increasingly extending its capabilities into public sector settings, where similar requirements around safeguarding, compliance, and digital risk management are driving structural demand. The Group operates a portfolio of recognised solutions, including ContentKeeper, StudentKeeper, and EdPro, addressing complementary needs across safeguarding, filtering, and classroom management.

Headquartered in Nottingham (UK), the Group has an international footprint spanning the United States and Australia.

The Group is a trusted provider to UK secondary education and has a strong and expanding presence in the United States. Globally, it supports thousands of customers across 77 countries, with its software deployed in school districts, corporations and a growing base of public sector customers.

Founded in 2002, the Group has evolved from a provider of network management tools for schools into a scaled, multi-product SaaS platform focused on digital safety, safeguarding, and wellbeing.

The Group has further strengthened its platform and international footprint through targeted, strategically aligned acquisitions. Notably, the acquisition of ContentKeeper in 2022 expanded its presence in the United States and added a market-leading web filtering capability, while earlier investments, including Safeguarding Monitor, enhanced its compliance-driven safeguarding offering.

The Group remains focused on its core mission: enabling safer digital environments and better outcomes for learners and the public institutions that support them.

## The Highlights

1. The Revenue mix of recurring versus non-recurring revenue in Q1 2026 is 96.7% compared to 93.7% in Q1 2025. Recurring revenue mix increased to 96.7% in Q1 2026 (Q1 2025: 93.7%), reflecting continued progress toward a subscription-led revenue model.
2. Q1 2026 bookings totalled £2.45m TCV (96% recurring), compared to £2.52m TCV in Q1 2025 (88% recurring), indicating improved booking quality despite modestly lower volume.
3. On December 9, 2025, Ativion completed the carve-out of Netop, formally exiting its remote access business and establishing Netop as a standalone company. Accordingly, comparable figures reflect continuing operations of the Ativion business, with Netop results presented separately as discontinued operations.
4. In April 2026 StudentKeeper reached General Availability (GA) in the UK and was subsequently relaunched in the US, supporting continued product development and expansion across core education markets.
5. Administrative expenses reduced year-on-year, reflecting ongoing cost discipline and rationalisation of non-core spend.

## CEO Commentary

While our reported financial results for Q1 do not yet fully reflect the progress underway across the business, the quarter marked an important period of strategic execution and repositioning that is already strengthening the underlying quality and trajectory of Ativion.

We have made deliberate progress in reshaping the business toward a more predictable, recurring revenue model. Notably, the proportion of recurring revenue increased to 96.7%, up significantly from 92.2% in the prior period. This shift represents meaningful traction in our transition toward higher-quality, more durable revenue streams, and provides a stronger foundation for sustainable long-term growth.

Headline bookings comparisons are impacted by FX and timing. On a like-for-like basis, activity was broadly stable year-on-year. However, it is also important to note that recurring revenue performance is partially impacted by the run-off of legacy contracts and some regrettable churn from FY24/25 which we are now seeing the effects of. We do still anticipate some continued near-term pressure in ARR as this cohort works through the system. However, the actions taken to improve deal quality, product stability and innovation, support, contract structure and customer fit are already evident in current bookings, customer feedback and pipeline composition, and we expect these improvements to progressively offset legacy effects.

Alongside this, we have sharpened our focus on our core EdTech markets. This has included targeted investments in our go-to-market capabilities, an expanded and more focused sales organisation, and the divestment of non-core assets such as Netop. These actions allow us to concentrate resources on the areas with the greatest strategic relevance and growth potential.

We are also evolving our commercial approach, with increased emphasis on partner-led distribution. This shift enables us to scale more efficiently, extend our reach into key markets, and better align with customer buying preferences, while maintaining disciplined cost control across the organisation.

Product innovation remains central to our strategy. During the quarter, we relaunched StudentKeeper in both the US and UK, generating renewed market interest and securing a significant net-new multi-year contract with a large US Independent School District. This contract, with a total contract value in excess of one million USD demonstrates both the strength of our combined offering and our ability to win large, strategic deals in our core segment. In addition, we continue to invest in our core suite ContentKeeper, StudentKeeper and Edpro advancing key initiatives, including innovations like browser proxy detection engine capabilities and AI categorisation further strengthening our value proposition in digital safety, safeguarding and wellbeing.

Finally, we have taken meaningful steps to improve operational efficiency, including rationalisation of non-critical spend, which is reflected in reduced administrative costs year-on-year. These actions are designed to support margin improvement as revenue momentum continues to build.

In summary, while transformation efforts can create near-term financial noise, the underlying indicators of performance—including revenue quality, strategic alignment, and commercial execution—are moving decisively in the right direction. We remain confident that the actions taken in Q1 position Ativion to deliver stronger, more consistent performance in the periods ahead.

# The Financials

## 1. Q1 2026 Financial Commentary

- Total trading revenue for Q1 2026 decreased 18% year-on-year to £3.59m (Q1 2025: £4.35m), reflecting lower activity levels, the run-off of legacy contracts, and the ongoing transition in the business model. Recurring revenue declined 16% to £3.54m (Q1 2025: £4.22m), while non-recurring revenue decreased by £0.17m (58%), consistent with the continued reduction of non-core and one-off revenues.
- Gross margin for Q1 2026 was 78.1% (Q1 2025: 83.2%), with cost of sales increasing to £0.79m (Q1 2025: £0.75m). On a trailing twelve-month basis to March 2026, gross margin was 76.8%, reflecting changes in revenue mix and the impact of lower volumes during the period.
- Administrative expenses decreased 15% year-on-year to £3.46m (Q1 2025: £4.06m), reflecting continued cost discipline and the rationalisation of non-critical spend.
- Adjusted EBITDA for Q1 2026 was £(0.66)m, compared with £(0.46)m in Q1 2025, with the year-on-year decline primarily driven by lower revenue levels. This reflects the transitional nature of the business as it shifts toward a more recurring, subscription-led model, with revenue quality improving ahead of reported performance.
- Exceptional costs increased to £0.49m (Q1 2025: £0.43m), reflecting one-off costs including transformation and restructuring activities.
- Finance costs increased 28% to £2.33m (Q1 2025: £1.82m), reflecting compounding and additional borrowings in the trailing twelve months.

## 2. Consolidated Income Statement (Unaudited IFRS)

	Q1 2026 £'000	Q1 2025 £'000	TTM Mar-26 £'000
Revenue	3,621	4,425	15,508
Cost of sales	(793)	(745)	(3,591)
Gross profit	2,828	3,681	11,918
Administrative expenses	(3,456)	(4,058)	(12,405)
Exceptional costs	(495)	(426)	(2,132)
Ebitda	(1,123)	(804)	(2,620)
Depreciation & amortisation	(1,283)	(1,460)	(16,970)
Finance costs	(2,331)	(1,823)	(8,599)
Exchange rate variance	666	(3,500)	(4,431)
Gain/Loss - Disposal of Netop	-	-	(5,858)
Loss before tax	(4,071)	(7,587)	(38,477)
Tax	(2)	0	-
Loss after tax, Continued Operations	(4,073)	(7,587)	(38,477)
Profit/Loss, Discontinued Operations	-	(98)	(91)
Profit/Loss	(4,073)	(7,685)	(38,568)

<b>Revenue</b>			
Revenue	3,621	4,425	15,508
Reversal of unwind of deferred revenue haircut*	(35)	(77)	-
<b>Trading revenue**</b>	<b>3,586</b>	<b>4,349</b>	<b>15,508</b>
Recurring revenue	3,537	4,218	14,433
Non-recurring revenue	119	285	1,250
<b>Total</b>	<b>3,656</b>	<b>4,502</b>	<b>15,683</b>

<b>Ebitda to adjusted ebitda bridge</b>			
Ebitda	(1,123)	(804)	(2,620)
Exceptionals	495	426	2,132
Reversal of unwind of deferred revenue haircut*	(35)	(77)	-
<b>Adjusted Ebitda***</b>	<b>(663)</b>	<b>(455)</b>	<b>(488)</b>

### \*Deferred revenue haircut

Deferred revenue haircut is the fair value adjustment required to be recognised when accounting for business combinations under IFRS3, to discount the book value of deferred revenue acquired to remove the profit element relating to sales and marketing effort performed prior to the business combination, leaving an amount reflecting the fair valuation of the delivery element only.

### \*\*Trading revenue

Trading revenue is calculated as reported revenue excluding the impact of deferred revenue haircut. This reflects the revenue that would be recognised in accordance with accounting standards had the acquired entity always been a part of the group and is the reflective continuing revenue of the combined group on a normalised basis.

### \*\*\*Adjusted EBITDA

Adjusted EBITDA is calculated as Earnings before net finance cost, tax, depreciation and amortisation, impairment, loss on disposal of assets, foreign exchange gain or loss, exceptional items and deferred revenue haircut.

### Adjusted pro-forma EBITDA

Adjusted pro-forma EBITDA is calculated as adjusted EBITDA plus the impact of cost saving initiatives in the period as if they were in effect for the full period

### 3. Consolidated Statement of Financial Position (Unaudited IFRS)

	Mar-26 £'000	Dec-25 £'000	Mar-25 £'000
<b>Non-current assets</b>			
Intangible assets	70,416	71,434	97,002
Property, plant and equipment	1,192	1,186	1,289
	<u>71,608</u>	<u>72,620</u>	<u>98,291</u>
<b>Current assets</b>			
Inventories	1,489	1,069	1,569
Trade and other receivables	4,290	4,676	3,631
Cash and cash equivalents	1,638	4,894	1,819
	<u>7,417</u>	<u>10,638</u>	<u>7,019</u>
<b>Current liabilities</b>			
Trade and other payables	(6,746)	(6,790)	(3,467)
Group Payables	(0)	(0)	(9,468)
Contract liabilities ST	(7,195)	(8,171)	(9,605)
Lease liabilities ST	(140)	(140)	(256)
	<u>(14,081)</u>	<u>(15,102)</u>	<u>(22,796)</u>
<b>Non-current liabilities</b>			
Contract liabilities LT	(3,332)	(3,581)	(3,613)
Lease liabilities LT	(297)	(319)	(312)
Borrowings (non-current)	(69,697)	(64,200)	(56,880)
Deferred tax liabilities	(10,556)	(10,556)	(11,048)
	<u>(83,882)</u>	<u>(78,656)</u>	<u>(71,853)</u>
<b>Net assets</b>	<u><b>(18,938)</b></u>	<u><b>(10,500)</b></u>	<u><b>10,661</b></u>
<b>Equity</b>			
Share capital	2,235	2,235	2,235
Share premium	41,919	41,919	41,919
Retained earnings	(63,092)	(54,654)	(33,493)
<b>Total equity</b>	<u><b>(18,938)</b></u>	<u><b>(10,500)</b></u>	<u><b>10,661</b></u>

- Year-on-year, trade and other receivables increased £0.66m from Q1 2025 to Q1 2026.
- Cash decreased year-on-year by £0.18m from Q1 2025 to Q1 2026 with £1.51m of financing inflows, £3.15m of investing inflows driven primarily by the proceeds from the sale of Netop, offset by £4.85m of outflows from operational activities, driven by a combination of tax outflows, lease payments, movement in working capital, and EBITDA results.
- Other loans – in addition to the April 2023 working capital facility agreement totaling SEK 25m SEK (c. USD 2.5m), July 2023 USD 2.5m shareholder loan, the February 2024 £5m loan provided by Impala Holdings Limited, the June 2024 £2.36m loan provided by Impala Holdings Limited, and the November 2024 £2.31m loan provided by Impala Holdings Limited, a loan of £1.59m was provided by Impala Holdings Limited in December 2024, a loan of £1.85m was provided by existing shareholders in January 2025, a loan of £1.5m was provided by existing shareholders in August 2025, and is subordinated to the existing SEK bonds and is only redeemable after the SEK bonds are fully discharged. The loan accrues interest accruing towards the ending debt balance (PIK interest).

#### 4. Consolidated Cashflow Statement (Unaudited)

	Q1 2026 £'000	Q1 2025 £'000	TTM Mar-26 £'000
Ebitda	(1,123)	(804)	(2,620)
Movement in WC	(1,616)	(1,136)	(1,032)
Tax receipts/(payments)	17	(136)	(886)
Lease payments	(62)	(197)	(309)
<b>Operational cashflow</b>	<b>(2,784)</b>	<b>(2,272)</b>	<b>(4,847)</b>
<b>Investing</b>			
Purchase of tangibles/intangibles	(472)	(245)	(1,468)
Proceeds From Sale of Netop	-	-	4,622
Acquisition of subsidiary net of cash	-	-	-
	<b>(472)</b>	<b>(245)</b>	<b>3,154</b>
<b>Financing</b>			
Loans drawn/(repaid)	-	1,849	1,512
Cash on merger	-	-	-
(Deferred consideration)/Capital raised	-	-	-
Interest paid	(0)	0	(0)
	<b>(0)</b>	<b>1,849</b>	<b>1,512</b>
Opening	4,894	2,487	1,819
Cashflow	(3,256)	(668)	(181)
<b>Closing</b>	<b>1,638</b>	<b>1,819</b>	<b>1,638</b>

## **5. Accounting Policies and Notes to the Financial Statements**

Impala Bidco Ltd is registered and incorporated in the United Kingdom. The registered office is Seventh Floor, East West, Tollhouse Hill, Nottingham, NG1 5FS. The Group consists of Impala Bidco Ltd (the “parent company”) and all its subsidiaries, of which Impala Bondco plc is one. The operations of the Group comprise of the development and provision of software to provide safe learning environments for learners globally.

These financial statements are prepared in alignment with International Financial Reporting Standards (“IFRS”) in conformity with the requirements of the Companies Act 2006.

## Company Information

Name:	Impala Bidco Ltd
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Company Registration Number:	10878303
Financial Year:	January 1 – December 31
Website:	<a href="http://www.imperosoftware.com">www.imperosoftware.com</a>
Board of Directors:	Gilbert Kamieniecky Roberta Vezzoli