

EXCLAIMER LTD

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2022

Company number: 04938619

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EXCLAIMER LTD

COMPANY INFORMATION

Registered office:	250 Fowler Avenue Farnborough Hampshire United Kingdom GU14 7JP
Company number:	04938619
Directors:	M Gatto H Frankievich
Independent auditors:	PricewaterhouseCoopers LLP 3 Forbury Place 23 Forbury Road Reading RG1 3JH United Kingdom

EXCLAIMER LTD

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EXCLAIMER LTD

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors present their strategic report on the affairs of Exclaimer Ltd (the "Company"), together with the audited financial statements and auditors' report for the year ended 30 September 2022.

Principal activities and business review

The principal activity of the Company is the development, marketing and selling of Email Signature Management ("ESM") solutions. Focussing on its Cloud provisioned services, the Company continues to grow both through increasing penetration of its target market for core ESM services and by broadening its service offerings to existing and new customers.

To that end, in February 2021 the Company acquired Customer Thermometer Holdings Limited, and has integrated its customer survey functionality into the core ESM service that is sold to customers. During the current reporting period a further acquisition was made in January 2022 when the Company acquired Periodic Inc., ("Periodic"), based in Bloomington Indiana US. The acquisition was expected to support the Company in broadening its service offerings to existing and new customers, in the calendaring and appointment scheduling market. However, in November 2022, management decided to commence the closure of the Periodic business and an impairment has been recorded accordingly (see note 10 and 17 for further details).

Development of the business:

The Company generated revenue of £28.4m (2021: £22.3m), gross profit of £19.9m (2021: £17.6m) and a profit before tax of £6.7m (2021: £12.4m) in the year.

The Board of Directors consider that the business is very well positioned as a market leader in its sector, taking strength from its product offering, its large customer base and global reach and footprint.

The key financial KPIs are as follows:

	2022	2021
Revenue	£28.4m	£22.3m
Annual Recurring Revenue (ARR) ¹	£44.0m	£32.3m
Growth in ARR	36%	30%
Gross profit percentage	70%	79%
Gross Cloud customer revenue retention ²	95%	96%
% of recurring revenue ³	99%	97%

As noted above, the main KPIs for the business focus on Revenue and Gross Profit generation and measures that indicate the success of the business in generating recurring revenue and retaining its customers on an ongoing basis. These measures are considered vital in maximising shareholder value in the long term.

¹ The value of the contracted recurring revenue components of subscriptions normalised to a one year period

² The percentage of last year's Cloud revenue from customers that we have retained this year

³ Cloud SaaS and on premise support and maintenance, as a proportion of total revenue (see note 3).

EXCLAIMER LTD

STRATEGIC REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Other KPIs:

The Board also continues to monitor a number of non-financial metrics and is establishing benchmark levels for comparison in future accounting periods. These metrics include employee satisfaction, staff turnover, and a range of measures relating to customer satisfaction. Each of these again support the ability of the business to grow and deliver shareholder value.

Future developments

The Company's strategy is to continue to grow revenues and gross profit through the continued investment in its core ESM products and services and to broaden its product range to include the offering of complementary products and services to its customer base.

We have four main focus areas:

- Building sustainable and predictable subscription revenue from Cloud-based ESM products; this accounted for 96% (2021: 92%) of revenue in the financial year, which was in line with the targets set,
- Increasing its share of wallet in both the existing customer base and newly acquired customers through selling complementary services embedded in its core signature product and in parallel delighting its customer,
- Expanding sales globally, by establishing physical sales and service presence in certain key markets, and by concentrating Sales and Marketing resources in other regions where the business is already established; 64% (2021: 64%) of our revenues in the financial year were from sales outside Europe and the UK,
- Continuing to enrich the functionality and ease of use of our product offerings to underpin our position in the market.

For further details on subsequent events post period end see note 18.

Principal risks and uncertainties

In the opinion of the Directors, the principal risks faced by the business, other than economy-wide risks (such as the Covid-19 pandemic which are covered in more detail under going concern within the Directors' Report), can be considered in two categories, being Business risks and Financial risks.

Business risks

By the nature of the business in which it operates, and the focus that management has on delivering significant ARR growth, the Company is exposed to risks around technology and technological innovation. These are principally risks around technical obsolescence of the services the company provides, and / or the risk that a competitor develops a compelling alternative solution that is preferred by clients.

The Company mitigates these risks in a number of ways including by taking a proactive approach to assessing and analysing technological trends in the market place, ensuring that its product roadmap is continuously reviewed and updated to reflect the findings of this work, and by launching new functionality and new versions of the product to ensure that the services provided to clients are at the leading edge of technology and deliver value to the client base to ensure high levels of customer retention.

Furthermore, following the two acquisitions that Exclaimer has made in 2021 and 2022, the Company continues to review the market place to assess whether further acquisitions can be made to broaden the product offering and strengthen its market leading position.

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**STRATEGIC REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

As such the Directors believe that these strategies ensures that the business risks that it faces are understood, managed and addressed in a way that will minimise the risk of interruption to its growth and profitability.

Financial risks

Credit risk

Customers may default on payments. The Company has implemented policies that ensure that appropriate credit checks on potential customers are carried out. The current level of risk is not considered to be material.

Liquidity risk

The risk that the Company will not be able to meet its obligations as they fall due. The liquidity requirements of the Company are managed by a central treasury function which monitors the future funding requirements over the short and medium term such that it can take action to supplement the Company's operating cash flows to service its obligation if appropriate.

Foreign exchange risk

The Company's reporting currency is GBP, with revenue generated in GBP, USD, EUR, CAD and AUD (Note 3). Future business performance can be impacted by adverse foreign exchange movements in these main trading currencies. Currently there are no foreign exchange rate hedging instruments in place. Cash balances held in each of the currencies are monitored on a continual basis and converted into GBP in line with the foreign exchange management policy that is applied by the Company.

On behalf of the Board



H Frankievich
Director

26/06/2023

EXCLAIMER LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

The directors present their annual report on the affairs of Exclaimer Ltd (the "Company"), together with the audited financial statements and auditors' report for the year ended 30 September 2022.

Exclaimer Ltd is a private company limited by shares incorporated and domiciled in England, UK. The address of the Company's registered office is given on the Company Information page.

The principal activity of the Company is the development, marketing and selling of email signature software solutions.

The ultimate holding company of the Company is Origin Holdings Limited, which is a private company limited by shares incorporated and domiciled in Jersey. The smallest and largest group for which group financial statements are drawn up and of which the Company is a member is Origin Midco Limited. Its registered office and the address from which the group financial statements can be obtained is 250 Fowler Avenue, Farnborough, Hampshire, GU14 7JP.

Going concern

The directors have considered the going concern basis of preparation of these financial statements and concluded it to be appropriate on the basis that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of this report.

At the balance sheet date, the Company has net current assets of £22.4m, including £9.6m of deferred revenue which does not present a cash liability to the Company.

The directors believe, based on Board approved forecasts, that the Company has the financial and operating means to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. The forecasts indicate that even in a severe downside scenario driven by external global factors, current cash reserves would be sufficient for the Company to meet its liabilities as they fall due for a period of at least 12 months without the need for further facilities to be put in place. These downside scenarios include an increase in customer churn volumes and a reduction in expansion ARR from both new and existing customers. Furthermore, the range of remedial actions that could be taken to protect the cash position of the business in such a circumstance is considered to be broad enough to provide further assurance regarding the long-term viability of the Company. These actions could include scaling back growth aspirations by reducing Sales and Marketing activity that is focused on new customer acquisition and in doing so result in a business which would remain profitable and cash generative by supporting its existing customer base using its current product suite.

The directors consider that the risk in relation to going concern arising from the impact of COVID-19 to be very low. Exclaimer traded strongly through in the initial phases of the pandemic and since that point has continued in a similar vein, growing revenue and generating EBITDA (defined as Earnings before interest, taxation, depreciation and amortisation) with operating cash inflows in FY23 to date. The Board has also considered the potential impact of a global economic downturn on business performance, and is confident, given the low ticket value of the product and the significant diversification of revenues across geography and customer segment, that any impact would be relatively minimal.

Given the nature of the services and the market position that the Company enjoys, the directors believe that revenue and cash inflow will continue to grow going forward.

EXCLAIMER LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Financial instruments

The Company uses various financial instruments, which include intercompany loans, cash and other items such as trade debtors and trade creditors that arise directly from its operations.

The existence of these financial instruments exposes the Company to a number of financial risks. These are liquidity risks, foreign exchange risks and credit risk. The directors review and agree policies for managing each of these risks. Refer to the strategic report on page 3 for more detail on the financial risks.

Research and development

The costs of employees engaged in research and development activities are fully expensed to the Statement of Comprehensive Income in the year as the development costs did not meet the criteria for capitalisation. The total cost of research and development activities was £0.2m in the year (2021: £0.3m).

Results and dividend

The Company generated a profit before tax of £6.7m (2021: £12.4m).

The directors confirm that no dividend is proposed, or has been paid, in respect of the Company.

Directors

The directors who held office during the period and up to the approval of these financial statements were as follows:

M Gatto
H Frankievich

Qualifying third party indemnity provision

As permitted by the Articles of Association, the directors have the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout this period and is currently in force. The Company also purchased and maintained, from 2 December 2016, Directors' and Officers' liability insurance in respect of itself and its directors.

Employees

The Group and Company's policy is to consult with employees on matters likely to affect employee's interests. Information on these matters is given through internal e-mails and regular all company monthly meetings where information on new company policies and practices, as well as company performance, is shared.

EXCLAIMER LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2022

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report 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 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 Company and of the profit or loss of the Company 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 United Kingdom Accounting Standards, comprising FRS 101 have been followed, 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 Company will continue in business.

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

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

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 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 Company's auditors are aware of that information.

Matters covered in the strategic report Disclosure of the Company's business review, principal risks and uncertainties, and future developments are provided in the strategic report.

On behalf of the Board



H Frankievich
Director

26/06/2023

Independent auditors' report to the members of Exclaimer Ltd

Report on the audit of the financial statements

Opinion

In our opinion, Exclaimer Ltd's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2022 and of its profit for the year then ended;
- 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
- 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 Financial Statements (the "Annual Report"), which comprise: Statement of Financial Position as at 30 September 2022; Statement of Comprehensive Income and the 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 Company 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 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 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.

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.

Independent auditors' report to the members of Exclaimer Ltd

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 September 2022 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 Company and its 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 Directors' responsibilities statement, 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 company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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.

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to 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

Independent auditors' report to the members of Exclaimer Ltd

risks were related to posting inappropriate journal entries to manipulate financial results, specifically revenue and EBITDA. Audit procedures performed by the engagement team included:

- Held discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluated the design effectiveness of management's control activities designed to prevent and detect irregularities;
- Challenged assumptions and judgements made by management in their significant accounting estimates and material judgements. We evaluated whether there was evidence of management bias that represented a risk of material misstatement due to fraud and assessed the rationale for significant contracts and transactions entered;
- Reviewed meeting minutes of the board of Directors;
- Identified and tested journal entries based on our risk assessment; and
- Incorporated elements of unpredictability into our audit procedures.

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 financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Alex Upton (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

Reading

27 June 2023

EXCLAIMER LTD**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Note	2022 £'000	2021 £'000
Revenue	3	28,419	22,278
Cost of sales		<u>(8,562)</u>	<u>(4,678)</u>
Gross profit		19,857	17,600
Administrative expenses		(16,722)	(11,457)
Other operating income		8,017	6,308
Impairment losses	10	<u>(4,347)</u>	-
Operating profit	4	6,805	12,451
Finance costs		<u>(61)</u>	<u>(61)</u>
Profit before taxation		6,744	12,390
Income tax expense	7	<u>(135)</u>	<u>(1,415)</u>
Profit for the year		<u>6,609</u>	<u>10,975</u>

Total comprehensive income for the year **6,609** **10,975**

The total comprehensive income for the year is attributable to the owners of the Company. The above results were derived from continuing operations. There was no other comprehensive income for the year.

The accompanying notes on pages 14 to 30 form part of the financial statements.

EXCLAIMER LTD

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022**

Company registered number: 04938619

	Note	2022 £'000	2021 £'000
Non-current assets			
Intangible assets	8	211	137
Property, plant and equipment	9	1,854	2,024
Investments	10	<u>12,970</u>	<u>12,970</u>
Total non-current assets		<u>15,035</u>	<u>15,131</u>
Current assets			
Trade and other receivables	11	50,224	37,008
Cash and cash equivalents		<u>9,158</u>	<u>12,806</u>
Total current assets		<u>59,382</u>	<u>49,814</u>
Total assets		<u>74,417</u>	<u>64,945</u>
Equity and liabilities			
Equity			
Share capital	12	30	30
Reserves	13	<u>35,955</u>	<u>29,346</u>
Total equity		<u>35,985</u>	<u>29,376</u>
Non-current liabilities			
Trade and other payables	14	57	150
Lease liabilities	9	1,316	1,483
Deferred tax liabilities	15	<u>77</u>	<u>18</u>
Total non-current liabilities		<u>1,450</u>	<u>1,651</u>
Current liabilities			
Trade and other payables	14	36,764	33,726
Lease liabilities	9	<u>218</u>	<u>192</u>
Total current liabilities		<u>36,982</u>	<u>33,918</u>
Total liabilities		<u>38,432</u>	<u>35,569</u>
Total equity and liabilities		<u>74,417</u>	<u>64,945</u>

EXCLAIMER LTD

**STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2022 (continued)**

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Henry Frankievich

H Frankievich
Director

26/06/2023

The accompanying notes on pages 14 to 30 form part of the financial statements.

EXCLAIMER LTD

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2022**

	Called up share capital	Reserves	Total equity
	£'000	£'000	£'000
At 1 October 2020	30	18,371	18,401
Comprehensive income for the financial year			
Profit for the financial year	-	10,975	10,975
Total comprehensive income for the financial year	-	10,975	10,975
At 30 September 2021 and 1 October 2021	30	29,346	29,376
Comprehensive income for the financial year			
Profit for the financial year	-	6,609	6,609
Total comprehensive income for the financial year	-	6,609	6,609
At 30 September 2022	30	35,955	35,985

The accompanying notes on pages 14 to 30 form part of the financial statements.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

1. PRINCIPAL ACCOUNTING POLICIES

General information

Exclaimer Ltd (the "Company") is a private company limited by shares incorporated and domiciled in England, UK. The address of its registered office is given on the Company Information page.

The principal activity of the Company is the development, marketing and selling of email signature software solutions.

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and the Companies Act 2006 as applicable to companies using FRS 101.

In preparing its individual financial statements under FRS 101, the Company has taken advantage of the following disclosure exemptions permitted by FRS 101:

- Paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations;
- IFRS 7 Financial Instruments: Disclosures;
- Second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.
- Paragraph 52 and 56 of IFRS 16 Leases.
- Paragraph 38 of IAS 1 to present comparative information in respect of: paragraph 79(a)(iv) of IAS 1; paragraph 73(e) of IAS 16 Property, Plant and Equipment; paragraph 118(e) of IAS 38 Intangible Assets;
- IAS 7 Statement of Cash Flows.
- Paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- Paragraphs 17 and 18A of IAS 24 Related Party Disclosures.
- IAS 24 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.
- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairment of Assets

Exemption from preparing consolidated financial statements

The Company is a wholly-owned subsidiary of Exclaimer Investment Limited and is included in the consolidated financial statements of Origin Midco Limited which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

Going concern

The directors have considered the going concern basis of preparation of these financial statements and concluded it to be appropriate on the basis that the Company has adequate resources to continue in operational existence for the foreseeable future, being a period of at least 12 months from the date of this report. At the balance sheet date, the Company has net current assets of £22.4m, including £9.6m of deferred revenue which does not present a cash liability to the Company.

The directors believe, based on Board approved forecasts, that the Company has the financial and operating means to enable it to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. The forecasts indicate that even in a severe downside scenario driven by external global factors, current cash reserves would be sufficient for the Company to meet its liabilities as they fall due for a period of at least 12 months without the need for further facilities to be put in place. These downside scenarios include an increase in customer churn volumes and a reduction in expansion ARR from

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

both new and existing customers. Furthermore, the range of remedial actions that could be taken to protect the cash position of the business in such a circumstance is considered to be broad enough to provide further assurance regarding the long-term viability of the Company. These actions could include scaling back growth aspirations by reducing Sales and Marketing activity that is focused on new customer acquisition and in doing so result in a business which would remain profitable and cash generative by supporting its existing customer base using its current product suite.

The directors consider that the risk in relation to going concern arising from the impact of COVID-19 to be very low. Exclaimer traded strongly through in the initial phases of the pandemic and since that point has continued in a similar vein, growing revenue and generating EBITDA (defined as Earnings before interest, taxation, depreciation and amortisation) with operating cash inflows in FY23 to date. The Board has also considered the potential impact of a global economic downturn on business performance, and is confident, given the low ticket value of the product and the significant diversification of revenues across geography and customer segment, that any impact would be relatively minimal.

Given the nature of the services and the market position that the Company enjoys, the directors believe that revenue and cash inflow will continue to grow going forward.

Foreign currency translation

Functional and presentation currency

The Company's functional and reporting currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the approximate exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement or revaluation of monetary assets and liabilities denominated in currencies other than the functional currency are recognised in the Statement of Comprehensive Income.

The exchange rates of key currencies affecting the Company were as follows:

Equivalent to £1		Closing rate at 30 September 2022	Annual average rate for the year ended 30 September 2022
US Dollar	USD	1.113	1.288
Euros	EUR	1.167	1.181
Australian Dollar	AUD	1.696	1.804
Canadian Dollar	CAD	1.524	1.645

Revenue

The Company derives revenue from fees charged for meeting our performance obligations in connection with the use of our hosted cloud offerings, licenses to our on-premises software products and related support and maintenance services.

Revenue from the cloud subscriptions and support represents fees earned from providing clients with Software-as-a-Service (SaaS) in a hosted cloud-based infrastructure.

Software license revenue represent fees earned from the sale or license of software to clients for use on the client's premises where the customer takes possession of the software for installation on the client's premises (on-premises software).

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued)

Revenue (continued)

The Company derives revenues from fees charged for meeting our performance obligations in connection with the use of our hosted cloud offerings, licenses to our on-premises software products and related support and maintenance services.

Cloud SaaS - Revenue from the cloud subscriptions and support represents fees earned from providing clients with Software-as-a-Service (SaaS) in a hosted cloud-based infrastructure. The Company charges for cloud subscription and licensing arrangements based on the number of email account users with a minimum contract duration of 12 months and revenue is recognised evenly over the duration of the contract.

On Premise perpetual licence - Software licence revenue represents fees earned from the sale or license of software to clients for use on the client's premises where the customer takes possession of the software for installation on the client's premises (on-premises software).

On Premise support and maintenance - Software support and maintenance revenue represents fees earned from providing customers with support services, which, for on-premises software products, comprise: (a) maintenance - unspecified future software updates and enhancements, and (b) limited technical product support services. We sell premium product support to clients that require additional technical support beyond their minimum included support. We do not distinguish within software support revenue the amounts attributable to technical support services and unspecified software updates and enhancements.

The Company charges for on-premises licence software based on the number of email account users and recognised at the point the customer takes possession of the software which is also at the point of sale. In addition, the Company charges for a minimum 12 months support and maintenance agreement and revenue is recognised evenly over the duration of the support and maintenance agreement.

Where there are multiple performance obligations (i.e. on-premise licence is sold with a support and maintenance agreement), the transaction price is allocated to each performance obligation based on the relative standalone selling prices of the goods or services being provided to the customer. The relative standalone selling price of each performance obligation is determined at contract inception. The transaction price is not reallocated after contract inception to reflect subsequent changes in standalone selling prices.

Cost of sales

Cost of sales consists primarily of costs that are directly attributable to revenue generated by the Company, including hosting fees and cost of providing of support.

Administrative expenses

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

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

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

General and administrative expenses include costs related to our facilities, finance, human resources, information technology, and legal organisations, and fees for professional services. Professional services principally comprise external legal, audit, information technology consulting, and outsourcing services.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued) Going concern (continued)

Other operating income

The company derives other operating income from a distribution arrangement with other companies in the group.

Finance cost

Finance costs are recorded using the effective interest method. The finance expense principally relates to the interest expense on lease liabilities.

Current and deferred taxation

The tax benefit or expense for the period comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in shareholders' funds, respectively.

Taxable loss/profit differs from net loss/profit as reported in the Statement of Comprehensive Income because it will exclude items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

The current income tax benefit or charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax will also be dealt with in equity.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits are available to allow all or part of the asset to be recovered.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

1. PRINCIPAL ACCOUNTING POLICIES (continued) Going concern (continued)

Intangible assets

The useful lives of intangible assets are assessed to be either finite or indefinite. The Company does not have any intangible assets with indefinite useful lives. Intangible assets with finite lives are amortised over their estimated useful lives using the straight-line method. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least annually at each fiscal year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for prospectively by changing the amortisation period or method, as appropriate, which is a change in an accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Comprehensive Income.

Intangible assets 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 of disposal and value in use.

The Company's intangible assets comprise computer software including website costs and specialist purchased software, which is stated at cost less accumulated amortisation and any recognised impairment loss. Cost includes expenditure that is directly attributable to the acquisition of the assets. Amortisation is calculated to write down the cost of the assets over their estimated useful lives, using the straight-line method over a 3 year period.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. No other internally generated intangible assets have been recognised in the period.

Property, plant and equipment

Property, plant and equipment are recorded at cost net of accumulated depreciation and any provision for impairment. Cost includes expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be easily measured.

Depreciation is calculated to write down the cost of the asset over their estimated useful lives, using the straight-line method:

Right-of-use asset (Fowler Ave property)	10 years (lease term)
Right-of-use asset (Brighton property)	3 years (lease term)
Computer equipment	3 years
Leasehold improvements	7 years
Fixtures and fittings	5 years

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Any gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'administrative expenses' in the statement of comprehensive income.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

Financial assets

The Company holds the following financial assets:

Trade receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost less any impairment losses. The same accounting recognition and measurement basis is applied to amounts owed by group undertakings, for the Company.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

Impairment of financial assets

Investments in subsidiaries are held at cost less accumulated impairment losses.

Impairment of financial assets

The Company's financial assets are subject to the expected credit loss (ECL) model. For trade receivables the simplified method has been applied whereby ECLs are measured using a lifetime expected loss allowance. Expected loss rates are based on historical ageing of receivables adjusted for risk-based estimates of future losses. The historical data is assessed over a period that reflects the current conditions and may change year on year.

Financial liabilities

The Company holds the following financial liabilities:

Trade payables

Trade payables are initially recognised at fair value and subsequently measured at amortised cost. Trade payables are not interest bearing. The same recognition and measurement basis is applied to amounts owed by group undertakings, for the Company.

Lease liabilities

A lease liability is recognised when the Company obtains control of the right-of-use asset, that is the subject of the lease. The initial lease liability recognised represents the discounted value of payments due under the lease less any incentives receivable.

Typically, the interest rate implicit in the Company's leases cannot be easily determined and accordingly the Company's incremental borrowing rate, for borrowings of similar amounts and maturity periods, is used to discount amounts due under the lease. The lease liability is subsequently measured using the effective interest method, with interest recognised within finance costs.

Leases, which at inception have a term of less than 12 months or relate to low-value assets, are not recognised on the balance sheet. Payments made under such leases are charged to the income statement on a straight-line basis over the period of the lease.

The accounting policies have been applied consistently, other than where new policies have been adopted.

2. USE OF ACCOUNTING ESTIMATES AND JUDGEMENTS

In applying the Company's accounting policies set out in note 1, the Company is required to make certain estimates and judgements concerning the future. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The actual results may differ from these estimates.

Significant accounting estimates

Determining the carrying amounts of some assets and liabilities requires estimation of the effects of uncertain future events on those assets and liabilities at the end of the reporting period. Through the process of applying

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

the Company's accounting policies the directors have not identified assumptions made about the future, and other major sources of estimation uncertainty at the end of the reporting period, that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant accounting judgements

In January 2022, the Company acquired 100% of the shares of Periodic, a company based in Bloomington Indiana, US. The acquisition was intended to support the Company in broadening its service offerings to existing and new customers in the calendaring and appointment scheduling market. This is recorded as an investment (note 10). There were no non-controlling interests in the acquiree and the terms of the acquisition did not include any contingent consideration. The purchase consideration included non-cash consideration of £2.9m, in the form of shares relating to the Company's ultimate parent company, Origin Holdings Limited. The valuation of this consideration therefore required estimation on the basis of an open market value of the shares at the acquisition date, based on an appropriate methodology. The methodology also relied on judgement to determine comparable companies and transactions. This was determined by management, advised by our independent external valuation expert, familiar with the industry in which the Company operates.

Periodic Inc, impairment – an adjusting Post Balance Sheet Event

As explained in note 17 to the Financial Statements, in November 2022 the Board announced the decision to retire the Periodic business. This decision was taken after reviewing the competitive environment and the estimated investment required to the product. Discussions about retiring the Periodic business were taking place prior to 30 September 2022, culminating in a final decision in November 2022, and so management has concluded that this fulfils the criteria of an adjusting Post Balance Sheet Event.

3. REVENUE

Revenue is disaggregated by major product lines and timing of revenue recognition.

	2022	2021
	£'000	£'000
Cloud SaaS	27,371	20,551
On premise support and maintenance	919	1,133
On premise perpetual licence	129	594
	<u>28,419</u>	<u>22,278</u>

The Company's revenue from external customers by geographical location are detailed below:

	2022	2021
	£'000	£'000
Americas	11,672	9,188
United Kingdom	10,277	8,053
Europe	37	39
APAC	6,433	4,998
	<u>28,419</u>	<u>22,278</u>

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

Assets and liabilities related to contracts with customers:

The Company has recognised the following assets and liabilities related to contracts with customers:

	2022	2021
	£'000	£'000
Contract liabilities		
Deferred revenue	<u>9,627</u>	<u>7,341</u>

Of the deferred revenue above, and recognised in current liabilities, £9,228,000 (2021: £6,570,000) relates to Software as a Service (SaaS) which customers pay up to 12 months in advance and £342,000 (2021: £621,000) relates to On Premise Software Support and Maintenance services which is also paid up to 12 months in advance. These amounts will both be recognised evenly over the remaining service term of the respective customer agreements and all within 12 months of the statement of financial position date.

Of the deferred revenue above, and recognised in non-current liabilities, £46,000 (2021: £64,000) relates to SaaS paid more than 12 months in advance and £11,000 (2021: £86,000) relates to On Premise Software Support and Maintenance services paid more than 12 months in advance. These amounts will both be recognised evenly over the remaining service term of the respective customer agreements and all within 3 years of the statement of financial position date.

4. OPERATING PROFIT

	Note	2022	2021
		£'000	£'000
Operating profit has been arrived at after charging/(crediting):			
Employee costs	6	10,770	6,578
Amortisation of intangible assets	8	91	6
Foreign exchange (gains)		(2,616)	(111)
Marketing expenses		3,646	1,978
Intercompany recharges of sales support services		4,112	2,005
IT Costs		1,626	957
Depreciation of property, plant and equipment	9	416	396
Impairment of Investments	10	4,347	-
Impairment of trade receivables		222	57

5. AUDIT REMUNERATION

	2022	2021
	£'000	£'000
Fees payable to the Company's auditors and its associates for the audit of the Company	<u>95</u>	<u>66</u>

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

6. EMPLOYEES

	2022	2021
	£'000	£'000
Employee costs (including directors):		
Wages and salaries	9,474	5,791
Social security costs	1,072	653
Other pension costs	224	134
	<u>10,770</u>	<u>6,578</u>

The average number of employees (including directors) during the period was made up as follows:

	2022	2021
	No.	No.
Management	2	1
Development	56	34
Finance and Administration	30	15
Marketing	14	13
Sales	37	32
Customer Support	13	14
	<u>152</u>	<u>109</u>

6. EMPLOYEES (continued)

Directors' remuneration

	2022	2021
	£'000	£'000
Aggregate emoluments	<u>-</u>	<u>748</u>
Highest paid director:		
Aggregate emoluments	<u>-</u>	<u>433</u>

The remuneration above includes settlement payments of £nil during the year.

Directors of the Company did not receive any remuneration from Company, and no amounts have been recharged to the Company for their services. At the balance sheet date, no directors have ownership interests in the Company.

There were no contributions during the year to a defined contribution pension scheme on behalf of directors. No directors accrued benefits under the defined contribution scheme.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

7. INCOME TAX EXPENSE

	2022 £'000	2021 £'000
Current tax:		
Corporation tax on profit for the financial year	-	1,443
Adjustments in respect of prior years	<u>76</u>	<u>(50)</u>
Total current tax	76	1,393
Deferred tax:		
Origination and reversal of temporary differences:		
In respect of current year	25	31
Adjustments in respect of prior years	34	(6)
Rate change adjustment	<u>-</u>	<u>(3)</u>
Total deferred tax	59	22
Tax charge on profit for the financial year	135	1,415

The tax assessed for the year differs from (2021: differs from) the standard rate of corporation tax. The differences are explained below:

	2022 £'000	2021 £'000
Profit before taxation	<u>6,744</u>	<u>12,390</u>
Profit before taxation multiplied by the respective standard rate of corporation tax 19.0% (2021: 19%)	1,281	2,354
Effects of:		
Expenses not deductible for tax purposes	806	22
Adjustments in respect of prior years	110	(56)
Tax rate change adjustment	-	(3)
Difference between UK current and deferred tax rates	6	7
Non qualifying depreciation	11	-
Research and development relief	31	(26)
Effects of Company relief	<u>(2,110)</u>	<u>(883)</u>
Tax charge on profit for the financial year	135	1,415

On 3 March 2021, the Chancellor of the Exchequer announced that the main rate of corporation tax in the United Kingdom will rise to 25% with effect from 1 April 2023 for companies earning annual taxable profits in excess of £250,000. These changes were substantively enacted at the balance sheet date and therefore deferred taxation balances have been calculated using the 25% rate.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

8. INTANGIBLE ASSETS

	Computer software £'000
Cost	
At 1 October 2021	239
Additions	<u>165</u>
At 30 September 2022	<u>404</u>
 Accumulated amortisation	
At 1 October 2021	(102)
Charged in the year	<u>(91)</u>
At 30 September 2022	<u>(193)</u>
 Net book value	
At 30 September 2022	<u><u>211</u></u>
At 30 September 2021	<u><u>137</u></u>

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

9. PROPERTY, PLANT AND EQUIPMENT

	Right-of use asset £'000	Leasehold improvements £'000	Fixtures and fittings £'000	Computer equipment £'000	Total £'000
Cost					
At 1 October 2021	1,782	409	93	550	2,834
Additions	54	-	24	168	246
At 30 September 2022	1,836	409	117	718	3,080
Accumulated depreciation					
At 1 October 2021	(318)	(107)	(56)	(329)	(810)
Charge for the year	(188)	(61)	(16)	(151)	(416)
At 30 September 2022	(506)	(168)	(72)	(480)	(1,226)
Net book value					
At 30 September 2022	1,330	241	45	238	1,854
At 30 September 2021	1,464	302	37	221	2,024

Right-of-use assets

Leases are recognised as right-of-use assets and corresponding liabilities at the date at which the leased assets are available for use by the Company. The Company leases property.

The office building at 250 Fowler Avenue is rented for a 10-year term. The contract contains an option to cancel after 5 years. The lease payments are fixed. The Company has determined that it is reasonably certain not to exercise the option to break the lease. On this basis the lease liability and related right-of-use asset has been calculated based on the 10-year lease term.

The office building at Suite 1, 2nd Floor, Phoenix House, 32 West Street, Brighton, UK is rented for a 3 year term. The lease payments are fixed.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

9. PROPERTY, PLANT AND EQUIPMENT (continued)

The Company has a lease liability of £1,534,000 at the year-end (2021: £1,675,000).

	2022	2021
	£'000	£'000
Current	218	192
Non-current	1,316	1,483

The contractual undiscounted cash flows are due as follows:

	2022	2021
	£'000	£'000
Within one year	267	245
Between 1-5 years	1,012	979
Over 5 years	438	683

Amounts recognised in the Statement of Comprehensive Income:

	2022	2021
	£'000	£'000
Depreciation charge on right-of-use assets	188	182
Interest expense on lease liabilities	54	58
Expenses relating to short-term leases	3	4

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

10. INVESTMENTS

	Investments in subsidiary companies
	£'000
Cost	
At 1 October 2021	12,970
Additions	4,347
At 30 September 2022	17,317
Impairment	
At 1 October 2021	-
Charged in the year	(4,347)
At 30 September 2022	(4,347)
Net Book Value	
At 30 September 2022 and 1 October 2021	12,970

In January 2022, the Company acquired 100% of the shares of Periodic, a company based in Bloomington Indiana, US. The acquisition was intended to support the Company in broadening its service offerings to existing and new customers in the calendaring and appointment scheduling market. The terms of the acquisition did not include any contingent consideration. As part of an adjusting post balance sheet event described in note 18, in November 2022 management announce the decision to commence closure of the Periodic business, and an impairment has been recorded accordingly.

The proportion of the voting rights in the subsidiary undertakings held directly by the parent company does not differ from the proportion of ordinary shares.

Subsidiary undertakings

Name	Class of share	Holding	Nature of business
Customer Thermometer Holdings Limited	Ordinary shares	100%	Holding company
Customer Thermometer Limited	Ordinary shares	100%	Customer survey software services
Exclaimer Europe BV	Ordinary shares	100%	Email signature and software services
Exclaimer LLC	Ordinary shares	100%	Sales and Support Services
Periodic Inc	Ordinary shares	100%	Calendar and appointment services

Customer Thermometer Limited is indirectly held, through the investment in Customer Thermometer Holdings Limited.

All subsidiary undertakings are incorporated in the United Kingdom except for Exclaimer Europe BV, Exclaimer LLC and Periodic Inc. The registered address for the subsidiaries in the United Kingdom is 250 Fowler Avenue, Farnborough, Hampshire, United Kingdom, GU14 7JP. The registered address for Exclaimer Europe BV is Zwaagdijk Perenmarkt 12, Zwaagdijk-Oost 1681 PG, The Netherlands. The registered address for Exclaimer LLC is CT Corporation System, 1200 Sarth Pine, Island Road, Plantation FL 3324, USA. The registered address for Periodic Inc is 642 North Madison Street, Bloomington, IN 47404, USA.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

11. TRADE AND OTHER RECEIVABLES

	Note	2022 £'000	2021 £'000
Current			
Trade receivables		3,179	2,520
Amounts owed by Company undertakings		43,134	32,723
Other debtors		266	54
Prepayments		701	891
Corporation tax receivable		2,944	820
		<u>50,224</u>	<u>37,008</u>

Amounts owed by Company undertakings to Exclaimer Ltd include the following amounts receivables:

Entity	Interest bearing	Interest rate	Repayable on demand	2022 £'000	2021 £'000
Exclaimer Company (Holdings) Limited	No	N/a	Yes	17,240	17,240
Exclaimer Investment Limited	Yes	5%	Yes	13,007	13,007
Exclaimer LLC	N/a	N/a	Yes	3,674	2,476
Exclaimer Europe BV	N/a	N/a	Yes	4,691	-
Origin Bidco Limited	N/a	N/a	Yes	4,404	-
Exclaimer investment Limited	N/a	N/a	Yes	2	-
Periodic Inc	N/a	N/a	Yes	116	-
				<u>43,134</u>	<u>32,723</u>

Management have assessed both historical and forward looking qualitative and quantitative information, to determine that the intercompany loans are of a low credit risk at 30 September 2022.

Movement in allowance for doubtful debts:

	£'000
At 1 October 2021	89
In excess of 90 days and doubtful debts allowance	85
At 30 September 2022	<u>174</u>

In determining the recoverability of a trade receivable, the Company considers the ageing of each receivable and any changes in the circumstances of the individual receivables. The directors believe that there is no further provision required in excess of the allowance for doubtful debts.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

12. SHARE CAPITAL

	Ordinary shares number	Ordinary shares £'000
At 30 September 2021 and 30 September 2022:		
Ordinary A shares of £1 each:	20,000	20
Ordinary B shares of £1 each:	<u>10,000</u>	<u>10</u>
	<u>30,000</u>	<u>30</u>

The Articles of Association authorise the Board to issue five classes of shares by ordinary resolution. Each class of ordinary share is entitled to one vote and each class share equally on a per share basis in the rights and obligations of equity ownership.

13. RESERVES

Profit and loss account comprises accumulated retained earnings.

14. TRADE AND OTHER PAYABLES

	2022 £'000	2021 £'000
Non-current		
Contract liabilities - Deferred revenue	<u>57</u>	<u>150</u>
Current		
Trade payables	2,231	1,877
Amounts owed to Company undertakings	22,066	22,562
Accruals	1,906	1,749
Other creditors	65	29
Contract liabilities - Deferred revenue	9,570	7,191
Other taxation and social security	<u>926</u>	<u>318</u>
	<u>36,764</u>	<u>33,726</u>

Amounts owed to Company undertakings from Exclaimer Ltd include the following amounts payables:

Entity	Interest bearing	Interest rate	Repayable on demand	2022 £'000	2021 £'000
Exclaimer Company Limited	No	N/a	Yes	5,645	5,677
Exclaimer Company (Holdings) Limited	No	N/a	Yes	1,012	1,014
Origin Holdings Limited	No	N/a	Yes	14,658	11,711
Customer Thermometer	No	N/a	Yes	751	479
Exclaimer Europe BV	No	N/a	Yes	-	1,029
Origin Bidco Limited	No	N/a	Yes	-	2,652
				<u>22,066</u>	<u>22,562</u>

At the statement of financial position date, there are no customer contracted future revenues not included in the deferred revenue balances above.

EXCLAIMER LTD
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2022 (continued)

15. DEFERRED TAX LIABILITIES

Deferred tax liabilities

	Accelerated capital allowances	Temporary Differences trading	Total
	£'000	£'000	£'000
1 October 2021	87	(69)	18
Net addition	34	25	59
At 30 September 2022	121	(44)	77

16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The Company's immediate parent undertaking is Exclaimer Investment Limited with a 100% controlling interest. This company is incorporated in England.

The Company's ultimate parent undertaking is Origin Holdings Limited, a company incorporated in Jersey.

The smallest and largest Company for which Company financial statements are drawn up and of which the Company is a member is Origin Midco Limited. Its registered office and the address from which the Company financial statements can be obtained is 250 Fowler Avenue, Farnborough, Hampshire, GU14 7JP, UK.

The Company's ultimate controlling party is Insight Partners XI LP.

17. SUBSEQUENT EVENTS

Following a review of the Periodic business performance, in November 2022 the Company announced the decision to retire the product with immediate effect. Management made this decision looking at the increasingly competitive market environment for scheduling software along with the technical requirements necessary to make the product scalable, robust and competitive.

While a small number of legacy Periodic customers remain with the Company, their revenues are not deemed to be material, and as such management have concluded that the appropriate accounting treatment is to write down the initial investment in Periodic to nil and to treat this as an adjusting post balance sheet event for the purposes of the financial statements.