

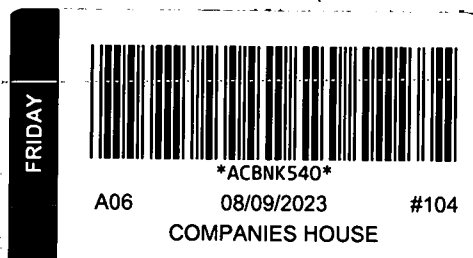
## SmartComms SC Limited

Annual Report and Financial Statements

Year Ended

31 December 2022

Company Number 04303041



# SmartComms SC Limited

## Company Information

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<b>Directors</b>	J Brown J Stratford
<b>Registered number</b>	04303041
<b>Registered office</b>	Catalyst House 720 Centennial Court Centennial Park Elstree Hertfordshire WD6 3SY
<b>Independent auditor</b>	BDO LLP 55 Baker Street London W1U 7EU

# SmartComms SC Limited

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# SmartComms SC Limited

## Strategic Report For the Year Ended 31 December 2022

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### Report

The Smart Communications business traded very strongly in the year, achieving notable milestones in revenue, customer satisfaction, technology innovation, and industry recognition. Bookings remained strong in the year, recording our best-ever year for sales to existing customers and a significant number of prestigious new logos,, which serves as a sign of the continued confidence customers have in the Company and is a testament to the strength of the product and the value proposition for those customers. We grew revenues by 14% (2021 - 9%), delivered a strong gross profit margin and generated significant operating cash flows. This performance enables us to continue with strategic investments, further develop our products and deliver growth in 2023 and beyond.

Our Conversation Cloud™ strategy, launched during 2021 and strengthened throughout the year, positions us as a critical component underpinning our customers' ability to offer world class digital customer experiences to their end users. The Conversation Cloud™ elements of Collect, Communicate, Collaborate and Co-ordinate supported by our Intelligence and Integration capabilities enable us to support our customers across the life cycle of their end customer journeys. We continue to see a strong market for our product suite (SmartCOMM, SmartDX and SmartIQ), and strategic acquisitions and investment in research and development enables us to maintain our position as the leading cloud provider in our chosen markets. Our combined solutions help our customers redefine their customer engagement, while also improving internal efficiency and delivering a compelling commercial return.

- Our ability to give enterprise customers true business control over the development of their transaction documents and customer communications and enable omnichannel output from a single template, all in a multi-tenant cloud, is unique.
- Our cloud services are flexible, and we are able to address customers' requirements around data privacy and data protection through our hybrid cloud offering. With this approach, sensitive information remains within our customers' firewalls while allowing them to secure the benefits of our SaaS cloud-based service. Our AWS deployment options enable our customers to deliver large scale batch communications in the cloud.
- Our online, mobile guided forms and adaptive interview capabilities enable intuitive data capture from end users in a workflow where existing customer data and relevant external data are pre-populated to ensure those customers receive a relevant and personalized digital customer experience.
- The collaboration features of our product suite enable our customers to negotiate and conclude agreements with their counterparties in a controlled, auditable and efficient manner.

Overall, our products enable our customers to reduce cost, complexity and risk whilst improving the quality of engagement with their customers. The strategic acquisitions of Intelledox and Assentis continue to enable us to deepen and widen both our value proposition and market positioning consistent with our long-term, high-growth Conversation Cloud™ strategy.

We continue to expand our partner model, whereby we embed our products in market-leading business platforms and software solutions. This extends our direct model into our partners' customer bases and their ecosystems.

Our professional services, customer success and support teams are delivering real value to new and existing customers by ensuring smooth product implementation, training and ongoing service assurance. During the year, we continued to invest significantly in resources to further support our existing customers and deliver a long-term high-growth strategy.

Our employees are fundamental to both our success and our customers' success, and I'm proud of their capabilities as well as the real breadth and depth of their skills.

# SmartComms SC Limited

## Strategic Report (continued) For the Year Ended 31 December 2022

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### Report (continued)

Smart Communications is recognised and recommended as market leader\* in terms of its strategic approach to cloud based and interactive requirements. Customers have increasingly been looking to move to cloud-based solutions, and over time we expect additional demand for this as a result of the operational impacts our customers have felt due to Covid-19. Competitively, Smart Communications is extremely well-positioned to service the increased demand from existing customers and industries and has identified opportunities in new industry segments, all of which is borne out by achieving notable milestones in revenue, customer satisfaction, technology innovation and industry recognition during 2022.

In summary we have a resilient business, great products, world class partners, a set of customers we are proud to serve, a well-funded and supportive shareholder and a dedicated and industry-leading group of employees. I am confident that we enter 2023 in a good position and, despite the wider uncertainties that remain, we are in a robust financial position and we have many opportunities ahead of us.

\*IDC 2022 Marketspace: Worldwide cloud customer communication management applications.

### Business model

The principal activity of the Company is the development of computer software for customer communication management (CCM) and Conversation Cloud™ related services. Our software is used to improve the way our customers engage with their customers through transaction and other customer related documents and communications. The software is predominantly licensed and delivered on a subscription basis to customers as Software-as-a-Service (SaaS) based on multi-tenant cloud infrastructure.

### Strategy

The strategy of the Company is to continue to develop world-class software for target end customer markets that have good growth potential and where our Conversation Cloud™ strategy can deliver real value to our customers. We will continue to develop our products with features and functionality that will improve our value proposition and we will incorporate the latest innovations where it will drive a higher quality, more coordinated and larger scale conversation between our customers and their customers to improve their digital customer experience. We will also look for additional use cases for our software within existing customers as well as targeting new customers. We will seek new partnerships to continue to integrate into our customers' technology and operational ecosystems.

### Financial review

The controlling shareholders of the Company's ultimate parent, Platinum Topco Ltd, are funds managed by Accel-KKR. For over 20 years, Accel-KKR has focused on investing in mid-market software and technology enabled growth companies. The firm has significant committed capital across its buyout, growth and credit funds and a track record of supporting the development of its investee companies.

The Company's performance for continuing operations for the year ended 31 December 2022 was good, generating revenue in the period of £25.1m (2021 - £22.1m) and operating profit (before reorganisation costs) of £20.5m (2021 - £18.5m).

# SmartComms SC Limited

## Strategic Report (continued) For the Year Ended 31 December 2022

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### Key performance indicators

Revenue: £25.1m (2021 - £22.1m).

As the prime measure of the value our customers see in our products, revenue and revenue growth are key to measuring the success of our business and our growth strategies.

Operating profit (before reorganisation costs, depreciation, and amortisation): £24.4m (2021 - £22.3m).

Operating profit (before reorganisation costs, depreciation, and amortisation) is a measure of the quality of our revenue and revenue growth. It is also a measure of the investments made in growing the business and the value added by the Company reflecting the quality of our products and our organisational effectiveness.

### Principal risks and uncertainties

#### *Financial performance*

Continued profitability and cash flow generation from contracts are required to enable the Company to continue to develop our products and meet our financing obligations. The Company manages this risk by ensuring commercial reviews of key contracts and ongoing monitoring of financial performance.

#### *Product quality and functionality*

Maintaining and developing high quality, value adding software products is key to ensure our existing customers continue to see the value created from the Company's products. This also enables us to win additional business from those customers and secure new customers. The Company manages this risk by following an industry standard approach to product development and support and by maintaining an awareness of the latest innovations in our market.

#### *Data security, data protection and system availability*

As a cloud-based Software as a Services (SaaS) provider it is critical that we comply with regulators' and customers' requirements relating to data privacy, data protection, and system availability. To manage this risk, the Smart Communications business follows industry leading frameworks for the management of data.

The Company, for its SaaS environment (Pure Cloud and Co-location), has in place a robust Information Security Management System (ISMS) which is independently validated by external auditors and credited with ISO/IEC 27001:2013, SOC1 & SOC2 Type II attestation and an audited opinion, in alignment to HIPAA (Health Insurance Portability and Accountability Act).

SaaS co-location has the added benefit of being compliant to PCI-DSS (Payment Card Industry Data Security Standard) level 1 certification. Our Pure Cloud AWS APAC (Sydney) region launched in 2021 has also undergone an IRAP classification assessment by approved independent assessors, against the Australian Government ISM controls.

# SmartComms SC Limited

## Strategic Report (continued) For the Year Ended 31 December 2022

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### Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The directors of the Company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in Section 172 of the UK Companies Act 2006 which is summarised as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholders as a whole and, in so doing have regards (amongst other matters) to:

- The likely consequences of any decision in the long-term;
- The interests of the Company's employees;
- The need to foster the Company's business relationships with suppliers, customers and others;
- The impact of the Company's operations on the community and environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between shareholders of the Company.

The directors fulfil their duties through ongoing discussion and review of key activities and decisions of the Company and through a governance framework that delegates appropriate day-to-day decision making to management and employees of the Company.

The following paragraphs summarise how the directors' fulfil their duties:

#### *Risk Management*

We provide business-critical services to our customers, often in highly regulated industries. It is therefore vital that we effectively identify, evaluate, manage and mitigate the risks we face, and that we continue to evolve our approach to risk management. This is achieved through the management of risk registers and ongoing executive and board level review of key matters affecting the Company.

For details of the principle risks and uncertainties, and how we manage our risk environment, please see the Directors' Report on pages 7 to 10.

#### *Our People*

The Company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, clients, investors, communities and society as a whole. People are at the heart of what we do. For our business to succeed we need to manage our people's performance and develop talent while ensuring we operate as effectively as possible. We must also ensure we share common values that inform and guide our behaviour, so we achieve our goals in the right way. This is achieved in a number of ways which include regular companywide 'all hands' meetings, internal newsletters, mandatory training modules, regular employee performance reviews and feedback, skills assessment and succession planning. We have a clearly articulated set of company policies & procedures which are regularly refreshed.

For further details on our people, please see the Directors' Report on pages 7 to 10.

#### *Business Relationships*

A key element of our strategy is organic growth driven by cross-selling and up-selling services to existing customers and contracting with new customers to the Company. To achieve this, we need to develop and maintain strong customer relationships which we do through utilising the skills, processes and approach of our marketing, sales, customer success, support and services teams. Our customer relationships are critical and we have invested heavily in building out our customer success capabilities to ensure we deliver the best value we can as a key partner to those customers. We also value all of our suppliers, we look to have appropriate contract terms in place, including multi-year agreements where it makes sense and we look to treat our suppliers as we would want to be treated.

# SmartComms SC Limited

## Strategic Report (continued) For the Year Ended 31 December 2022

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### Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006 (continued)

#### *Community and Environment*

The Company's approach to our community and our environment is to use our position as our industry's strategic leader to create positive change for the people and communities with which we interact. Our solution enables organisations to digitally transform their communication strategy which in many cases results in significant reductions in their use of paper-based communications and improves the experience of millions of people in the community each year. We also support our employees to have a positive impact on the communities around them. We actively encourage working from home to reduce the impact on the environment and charity donation matching to support local community initiatives.

#### *Shareholders*

The Board is committed to openly engaging with our shareholders on a regular basis, as we recognise the importance of a continuing effective dialogue. It is important to us that shareholders understand our strategy and objectives so these must be explained clearly, feedback heard, and any issues or questions raised properly considered.

#### *Key decisions*

For the purpose of this statement detailed descriptions of the decisions taken are limited to those of strategic importance. The Board believes that eight decisions taken during the year fall into this category and were made with full consideration of both internal and external stakeholders. These are:

- The decision to launch an Environmental, Social and Governance ("ESG") strategic project, and to put in place milestone and activity timelines to develop, measure and actively track key ESG metrics. This decision demonstrates the Board's ongoing engagement and commitment to the highest levels of corporate governance and environmental and social responsibility for the benefit of all stakeholders and the wider community in which we operate.
- The decision to promote key staff into positions on our wider Leadership Team. The board recognises that nurturing talent and diversity, driving employee engagement, and delivering employee success creates value and opportunities for all of our stakeholders as we continue to expand and scale our business, and deliver outstanding results.
- The decision to continue to invest in our best in class Customer Success team demonstrates our continued commitment to improving our customers' satisfaction, targeting and achieving a very strong retention and renewal rate. The Board recognised that as well as this being beneficial for our customers with a follow-on impact on renewals and upselling, there are also benefits for employees and shareholders.
- The decision to continue our investment in sales and marketing enables us to deliver future growth by giving new and existing customers an insight into our ability to deliver significant value to them and supports our position as a growing and exciting business to work for.
- The decision to deepen our penetration of the insurance, healthcare, and financial services sectors has enabled us to target and unlock significant organic growth in these highly regulated markets. This decision also develops exciting opportunities for our employees, customers, suppliers, and generates long-term sustainable growth for our shareholders consistent with our high-growth strategy.
- The decision to continue to expand operations in the DACH region, and to invest in regionally focused senior employees, will enable us to better serve the aspirations of our customers, employees and suppliers in that region and is entirely consistent with our shareholders' objectives and will benefit all stakeholders.



# SmartComms SC Limited

## Strategic Report (continued) For the Year Ended 31 December 2022

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### Statement by the Directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006 (continued)

- The Group's decision to refinance its existing debt facilities during 2022 has significantly increased the debt maturity date, provided a substantial increase in our revolver facility, and lowered the cost of debt finance. This decision has eliminated any market uncertainty regarding refinancing in 2024, and will enable us to focus on delivering our long-term high-growth strategy for the benefit of all stakeholders.
- The Board recognises the decision to own and innovate our overall Conversation Cloud™ strategy delivers benefits for our wider stakeholder community as a whole by enriching customer's experiences and developing staff capabilities with the associated positive impact to the communities in which they live. It also strengthens and grows our partner and supplier relationships, delivers value for our shareholders and creates significant industry validation and recognition\*.

\* Leader in three analyst technology evaluations:

- ICD 2022 MarketScape: Worldwide Cloud Customer Communications Management Applications
- 2022 Aspire CCM-CXM Leaderboard
- Aragon Globe for workflow and Content Automation, 2022

### Approval

This report was approved and authorised for issue by the board and signed on its behalf on 26 May 2023.



**J Stratford**  
Director

# SmartComms SC Limited

## Directors' Report For the Year Ended 31 December 2022

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The Directors present their report and the financial statements for the year ended 31 December 2022.

### Principal activity

The principal activity of the Company is the development of computer software for our Conversation Cloud™ strategy and related services.

### Directors

The Directors who served during the year were:

J Brown  
J Stratford

### Going concern

At 31 December 2022, the Company had net current assets of £0.2m (2021 - net current liabilities of £16.6m) and net assets of £50.8m (2021 - £37.0m) and generated net profits of £13.7m (2021 - £12.8m) for the year then ended. The Directors have prepared financial forecasts and are satisfied the Company will be able to operate within the existing facilities for the next twelve months following approval of these financial statements.

In addition to the usual going concern forecasting process, the Directors have assessed additional downside scenario models. The hypothetical scenarios used are downside scenarios representing a material underperformance of the Company and have been stress tested with extreme assumptions. The Directors do not believe that the extreme assumptions are realistic outcomes, but if they do occur the Directors have identified significant mitigating actions to maintain the Company as a going concern. It is on that basis that the Directors consider it appropriate to prepare the Company's financial statements on a going concern basis. During the year the Directors have not identified any material uncertainties.

### Qualifying third party indemnity provisions

The Company has put in place qualifying third party indemnity provisions for all of the Directors.

### Dividends

The Directors do not recommend payment of a dividend (2021 - £Nil).

### Political donations

During the year, the Company made no political donations (2021 - £Nil).

# SmartComms SC Limited

## Directors' Report (continued) For the Year Ended 31 December 2022

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### Financial risk management

The Company's activities expose it to a number of financial risks. Details of these and how the Company mitigates these risks are set out below.

#### *Credit risk*

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is mainly exposed to credit risk from credit sales. It is Group policy, implemented locally, to assess the credit risk of new customers before entering contracts. Such credit ratings take into account local business practices.

Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with a minimum rating "A" are accepted.

#### *Liquidity risk*

Liquidity risk arises from the Company's management of working capital and the finance charges on its debt instruments. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Board receives regular cash flow statements as well as information regarding cash balances. At the end of the financial year, the cashflow projections indicated that the Company expected to have sufficient liquidity.

#### *Market risk*

Market risk arises from the Company's use of interest bearing, tradeable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

#### *Cash flow interest rate risk*

The Company is exposed to cash flow interest rate risk from long-term borrowings at variable rates.

During the periods under review, the Company's borrowings at variable rate were denominated in US Dollars.

#### *Foreign exchange risk*

Foreign exchange risk arises when individual company entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency (primarily US Dollar or Pound Sterling) with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency other than their functional currency (and have insufficient reserves of that currency to settle them), cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

### Subsequent events

There were no post balance sheet events.

# SmartComms SC Limited

## Directors' Report (continued) For the Year Ended 31 December 2022

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### Research and development

The Company continues to invest in research and development expensing the costs in the Statement of Comprehensive Income for the period. Total R&D cost from continuing operations totalled £5,880k (2021 - £6,114k).

### Likely future developments in the business of the Company

Information on likely future developments in the business of the Company has been included in the Strategic Report.

### Employment of disabled persons

The Company is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Particular attention is given to the training and promotion of disabled employees to ensure that their career development is not unfairly restricted by their disability, or perceptions of it.

The Company's HR procedures make clear that full and fair consideration must be given to applications made by and the promotion of disabled persons. Where an employee becomes disabled whilst employed by the Company, the HR procedures also require that reasonable effort is made to ensure they have the opportunity for continued employment within the Company. Retraining of employees who become disabled whilst employed by the Company is offered where appropriate.

### Employee involvement

At Smart Communications, diversity, equity, and inclusion are at the core of who we are. They are a fundamental element of our values. We recognise that having varied perspectives generates better ideas to solve the complex problems of an ever-changing world.

The Company maintains an HR intranet site that provides employees with information on matters of concern to them as employees. The intranet site includes functionality that enables employees to express views on matters that affect them anonymously and the Company also undertake staff surveys.

### Streamlined energy and carbon reporting

The Company's energy consumption is below the 40,000KWh threshold and as a result the Company has taken the exemption available under Sch 7 20D(7) of the Companies Act 2006.

### Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

# SmartComms SC Limited

## Directors' Report (continued) For the Year Ended 31 December 2022

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### Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved and authorised for issue by the board and signed on its behalf on 26 May 2023



**J Stratford**  
Director

# SmartComms SC Limited

## Directors' Responsibilities Statement For the Year Ended 31 December 2022

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

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# SmartComms SC Limited

## Independent Auditor's Report to the Members of SmartComms SC Limited

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### Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of SmartComms SC Limited ("the Company") for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

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

### Conclusions relating to going concern

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

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

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

# SmartComms SC Limited

## Independent Auditor's Report to the Members of SmartComms SC Limited (continued)

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### Other information

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

We have nothing to report in this regard.

### Other Companies Act 2006 reporting

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

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

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

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

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

### Responsibilities of directors

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

In preparing the financial statements, the Directors are responsible for assessing the 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.



# SmartComms SC Limited

## Independent Auditor's Report to the Members of SmartComms SC Limited (continued)

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### Auditor's responsibilities for the audit of the financial statements

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

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

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

- Enquiring of management and obtaining and reviewing and obtaining and reviewing supporting documentation relating to the Company's policies and procedures relating to:
  - compliance with laws and regulations and whether they were aware of any instances of non-compliance or any actual or potential litigation and claims; and
  - detecting and responding to the risks of fraud and whether they have knowledge if any actual, suspected or alleged fraud.
- Discussion within the engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud;
- Obtaining an understanding of the legal and regulatory frameworks the Company operates in, focusing on those laws and regulations that had a direct effect on the financial statements and operations of the Company;
- Reviewing financial statement disclosures and testing of supporting documentation to assess compliance with relevant laws and regulations;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC, if any;
- Our audit planning identified fraud risks in relation to revenue recognition on new subscription contracts and management override of controls. In respect of revenue the primary risks are perceived to relate to the determination of the recognition of revenues on new multi-year revenue contracts. We considered the processes and controls that the Company has established to address risks identified, or that otherwise prevent, deter, and detect fraud and how management monitors those processes and controls; and
- We designed our audit procedures to detect irregularities, including fraud. Our procedures included journal testing of entries, which met specific criteria, seeking substantiation for the revenue recognition approach adopted for samples of revenue contracts, substantiation for samples of deferred revenue transactions and challenging the assumptions made by management in their significant accounting estimates. Our audit procedures were designed to provide reasonable assurance that the financial statements were free from material fraud or error.

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

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

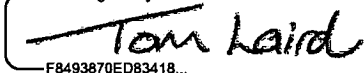
# SmartComms SC Limited

## Independent Auditor's Report to the Members of SmartComms SC Limited (continued)

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### Use of our report

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

DocuSigned by:  


F8493870ED83418...  
**Tom Laird** (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
London  
United Kingdom

Date: 27 May 2023

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

# SmartComms SC Limited

## Statement of Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 £000	2021 £000
Turnover	4	25,080	22,092
Cost of sales		(8,048)	(8,757)
<b>Gross profit</b>		<b>17,032</b>	<b>13,335</b>
Amortisation	13	(3,508)	(3,508)
Depreciation	14	(403)	(276)
Administrative expenses		(23,002)	(18,596)
		<b>(26,913)</b>	<b>(22,380)</b>
Reorganisation and restructuring costs	5	(1,376)	(804)
Other operating income	6	30,335	27,535
<b>Operating profit</b>	7	<b>19,078</b>	<b>17,686</b>
Interest receivable and similar income	10	60	1
Interest payable and similar expenses	11	(3,930)	(2,642)
<b>Profit before tax</b>		<b>15,208</b>	<b>15,045</b>
Tax on profit	12	(1,532)	(2,263)
<b>Profit for the financial year</b>		<b>13,676</b>	<b>12,782</b>
<b>Other comprehensive income for the year</b>			
<b>Total comprehensive income for the year</b>		<b>13,676</b>	<b>12,782</b>

The notes on pages 19 to 35 form part of these financial statements.

**SmartComms SC Limited**

Registered number: 04303041

**Statement of Financial Position  
As at 31 December 2022**

	Note	2022 £000	2021 £000
<b>Fixed assets</b>			
Intangible assets	13	5,414	8,922
Tangible assets	14	684	417
Investments	15	44,500	44,500
		<u>50,598</u>	<u>53,839</u>
<b>Current assets</b>			
Debtors	16	37,163	31,087
Cash at bank and in hand	17	3,011	2,131
		<u>40,174</u>	<u>33,218</u>
Creditors: amounts falling due within one year	18	(40,016)	(49,771)
<b>Net current assets/(liabilities)</b>		<u>158</u>	<u>(16,553)</u>
<b>Total assets less current liabilities</b>		<u>50,756</u>	<u>37,286</u>
<b>Provisions for liabilities</b>			
Deferred tax	19	-	(206)
Provisions	20	(117)	(117)
		<u>(117)</u>	<u>(323)</u>
<b>Net assets</b>		<u>50,639</u>	<u>36,963</u>
<b>Capital and reserves</b>			
Called up share capital	21	1,000	1,000
Profit and loss account	22	49,639	35,963
<b>Total equity</b>		<u>50,639</u>	<u>36,963</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 26 May 2023.



**J Stratford**  
Director

The notes on pages 19 to 35 form part of these financial statements.

# SmartComms SC Limited

## Statement of Changes in Equity For the Year Ended 31 December 2022

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2022	1,000	35,963	36,963
<b>Comprehensive income for the year</b>			
Profit for the year	-	13,676	13,676
<b>Total comprehensive income for the year</b>	-	13,676	13,676
<b>At 31 December 2022</b>	<b>1,000</b>	<b>49,639</b>	<b>50,639</b>

## Statement of Changes in Equity For the Year Ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2021	1,000	23,181	24,181
<b>Comprehensive income for the year</b>			
Profit for the year	-	12,782	12,782
<b>Total comprehensive income for the year</b>	-	12,782	12,782
<b>At 31 December 2021</b>	<b>1,000</b>	<b>35,963</b>	<b>36,963</b>

The notes on pages 19 to 35 form part of these financial statements.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

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### 1. General information

SmartComms SC Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act. The address of the registered office is given on the Company Information page and the nature of the Company's operations and its principal activities are set out in the Strategic Report.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest thousand pounds.

The following principal accounting policies have been applied:

#### 2.2 Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b), 12.29A and 12.30; and
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Platinum Topco Limited as at 31 December 2022 and these financial statements may be obtained from Companies House.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.3 Going concern

At 31 December 2022, the Company had net current assets of £0.2m (2021 - liabilities of £16.6m) and net assets of £50.8m (2021 - £37.0m) and generated net profits of £13.7m (2021 - £12.8m) for the year then ended. The Directors have prepared financial forecasts and are satisfied the Company will be able to operate within the existing facilities for the next twelve months following approval of these financial statements.

In addition to the usual going concern forecasting process, the Directors have assessed additional downside scenario models. The hypothetical scenarios used are downside scenarios representing a material underperformance of the Company and have been stress tested with extreme assumptions. The Directors do not believe that the extreme assumptions are realistic outcomes, but if they do occur the Directors have identified significant mitigating actions to maintain the Company as a going concern. It is on that basis that the Directors consider it appropriate to prepare the Company's financial statements on a going concern basis. During the year the Directors have not identified any material uncertainties.

#### 2.4 Exemption from preparing consolidated financial statements

The Company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the accounts of Platinum Topco Limited, a company established under UK law. See note 25 for the registered office address of Platinum Topco Limited.

#### 2.5 Turnover

Turnover represents amounts derived from the provision of goods and services which fall within the Company's ordinary activities after deduction of value added tax. Turnover on Software as a Service (SaaS) contracts, maintenance and support services sales is recognised over the period to which it relates.

#### 2.6 Research and development

Expenditure on research and development is charged to the Statement of Comprehensive Income in the period in which it is incurred.

#### 2.7 Finance costs

Finance costs are charged to Statement of Comprehensive Income over the term of the debt using the effective interest rate method so that the amount charged is at a constant rate on the carrying amount.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.8 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged to the Statement of Comprehensive Income within "Administrative expenses".

The economic useful life is as follows:

Software	-	5 years
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#### 2.9 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all tangible fixed assets, less residual value, on a straight line basis over the estimated useful lives of the assets. The rates of depreciation are as follows:

Leasehold improvements	-	across the remaining minimum lease term
Computer equipment	-	33.33% per annum
Office equipment	-	33.33% per annum
Fixtures and fittings	-	25.00% per annum

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

#### 2.10 Investments

Investments are shown at cost less provision for impairment.

#### 2.11 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

#### 2.12 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.



# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### 2.14 Provisions for liabilities

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

#### 2.15 Leasing commitments

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

Where the Company has a legal obligation, a dilapidation's provision is created on inception of a lease. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease. Where the obligation arises from 'wear and tear', the provision is accrued and expensed in the Statement of Comprehensive Income as 'wear and tear' occurs.

#### 2.16 Current and deferred taxation

Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

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### 2. Accounting policies (continued)

#### 2.17 Pension contributions

The Company makes contributions to the personal pension plans of its employees. Contributions are recognised in the Statement of Comprehensive Income in the period in which they become payable.

#### 2.18 Foreign currency translation

The financial statements are presented in 'Sterling', which is the Company's functional and presentational currency.

Transactions in foreign currencies are translated into Sterling at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the reporting date. These translation differences are taken to the Statement of Comprehensive Income.

#### 2.19 Financial instruments

##### Financial assets

Financial assets are initially measured at transaction price (including transaction costs) and subsequently held at cost, less any impairment.

##### Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost.

#### 2.20 Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the reporting date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the reporting date.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following judgements:

- Determine whether there are indicators of impairment of the Company's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.
- Determine whether leases entered into by the Company as a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.
- Determine whether there are indicators of impairment of the Company's investments in subsidiary undertakings and amounts due from group undertakings. Factors taken into consideration in reaching such a decision include the future financial performance of the subsidiaries.

Other key sources of estimation uncertainty:

- *Estimated impairment of amounts due from Group undertakings*  
The Company reviews the solvency and future trading forecasts of fellow Group undertakings to determine whether the balances due have suffered any impairment.
- *Estimation of useful economic life*  
The useful life used to amortise intangible assets relates to the expected future performance of the assets acquired and management's estimate of the period over which economic benefit will be derived from the asset. The useful economic life of software is based on historical experience with similar products.

### 4. Turnover

The whole of the turnover is attributable to the principal activity of the Company.

Analysis of turnover by country destination:

	2022 £000	2021 £000
United Kingdom	25,080	22,092

### 5. Reorganisation and restructuring costs

The reorganisation costs of £1,376k (2021 - £804k) relate to legal and professional fees for legal Group restructuring pre and post acquisition. The costs have been charged to operating profit and included in exceptional administrative expenses in the Statement of Comprehensive Income.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 6. Other operating income

	2022 £000	2021 £000
Recharges to subsidiary undertakings	30,335	27,535

### 7. Operating profit

The operating profit is stated after charging:

	2022 £000	2021 £000
Research & development charged as an expense	5,880	6,114
Depreciation of tangible fixed assets	403	276
Amortisation of intangible fixed assets	3,508	3,508
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	50	38
Exchange differences loss	2,746	1,463
Loss on disposal of fixed assets	7	-
Other operating lease expense - land and buildings	251	370
Defined contribution pension costs	1,397	1,198

### 8. Employees

Staff costs, were as follows:

	2022 £000	2021 £000
Wages and salaries	14,526	13,367
Social security costs	1,941	1,387
Cost of defined contribution scheme	1,397	1,198
	17,864	15,952

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 8. Employees (continued)

The average monthly number of employees, including the Directors, during the year was as follows:

	2022 No.	2021 No.
Customer success	20	21
Business administration	23	21
SaaS and information technology	27	26
Research and development	56	59
Sales and marketing	26	19
	<u>152</u>	<u>146</u>

### 9. Directors' remuneration

	2022 £000	2021 £000
Directors' emoluments	813	939
Company contributions to defined contribution pension schemes	31	30
	<u>844</u>	<u>969</u>

There was 1 Director in the Company's defined contribution pension scheme (2021 - 1).

Emoluments of the highest paid Director were £458k (2021 - £539k) and Company pension contributions of £Nil (2021 - £Nil) were made on his behalf.

The directors are considered the only key management personnel of the Company.

### 10. Interest receivable and similar income

	2022 £000	2021 £000
Other interest receivable	<u>60</u>	<u>1</u>

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 11. Interest payable and similar expenses

	2022 £000	2021 £000
Other interest payable	13	5
Finance costs - facility fees	11	18
Loans from group undertakings	3,906	2,619
	<u>3,930</u>	<u>2,642</u>

### 12. Taxation

	2022 £000	2021 £000
<b>Corporation tax</b>		
Current tax on profits for the year	2,082	2,688
Adjustments in respect of previous periods	(19)	(463)
Research and development tax credit	(105)	(85)
Double taxation relief	(49)	(67)
	<u>1,909</u>	<u>2,073</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	49	67
Adjustments in respect of previous periods	-	(17)
	<u>49</u>	<u>50</u>
<b>Total current tax</b>	<u>1,958</u>	<u>2,123</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(330)	(450)
Adjustment in respect of prior periods	8	433
Effect of increase in tax rate on opening balances	(104)	157
<b>Total deferred tax</b>	<u>(426)</u>	<u>140</u>
<b>Taxation on profit on ordinary activities</b>	<u>1,532</u>	<u>2,263</u>

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 12. Taxation (continued)

#### Factors affecting tax charge for the year

The tax assessed for the year is differs from (2021 - differs from) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Profit on ordinary activities before tax	15,208	15,045
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	2,889	2,859
Effects of:		
Fixed asset differences	(39)	-
Expenses not deductible for tax purposes	122	47
Research and development expenditure credits	(105)	(85)
Group relief claimed	(1,240)	(576)
Adjustments to tax charge in respect of prior periods	(11)	(480)
Research and development tax credit in respect of prior period	20	16
Adjust closing deferred tax to average rate of 25% (2021 - 19%)	-	433
Remeasurement of deferred tax for changes in tax rates	(104)	49
<b>Total tax charge for the year</b>	<b>1,532</b>	<b>2,263</b>

#### Factors that may affect future tax charges

The Finance Act 2021 was substantively enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023. The deferred taxation balances have been measured using the rates expected to apply in the reporting periods when the timing differences reverse.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 13. Intangible assets

	Software £000
<b>Cost</b>	
At 1 January 2022	12,430
At 31 December 2022	12,430
<b>Amortisation</b>	
At 1 January 2022	3,508
Charge for the year	3,508
At 31 December 2022	7,016
<b>Net book value</b>	
At 31 December 2022	5,414
At 31 December 2021	8,922



# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 14. Tangible fixed assets

	Leasehold improvements £000	Computer equipment £000	Fixtures, fittings and office equipment £000	Total £000
<b>Cost</b>				
At 1 January 2022	157	2,075	164	2,396
Additions	-	677	-	677
Disposals	(157)	(1,161)	(147)	(1,465)
At 31 December 2022	-	1,591	17	1,608
<b>Depreciation</b>				
At 1 January 2022	155	1,660	164	1,979
Charge for the year	2	401	-	403
Disposals	(157)	(1,154)	(147)	(1,458)
At 31 December 2022	-	907	17	924
<b>Net book value</b>				
At 31 December 2022	-	684	-	684
At 31 December 2021	2	415	-	417

### 15. Fixed asset investments

	Investments in subsidiary companies £000
<b>Cost</b>	
At 1 January 2022	44,500
At 31 December 2022	44,500

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 15. Fixed asset investments (continued)

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Platinum Software Limited	Catalyst House, 720 Centennial Court, Centennial Park, Elstree, Hertfordshire, WD6 3SY	Dormant	Ordinary	100%
Smartcomms Pty Ltd	Level 14, 264-278 George Street, Sydney NSW2000, Australia	Software sales	Ordinary	100%
Intelledox Pty Ltd*	Level 14, 264-278 George Street, Sydney NSW 2000, Australia	Software sales	Ordinary	100%
Intelledox Asia PTE Ltd*	10 Anson Road, #31-10 International Plaza, 079903, Singapore	Software sales	Ordinary	100%
SmartComms Platinum AG	Blegistrasse 1, 6343 Rotkreuz, Switzerland	Software sales	Ordinary	100%
SmartComms GmbH*	Stengelstrasse 1, 66117 Saarbruecken, Germany	Software sales	Ordinary	100%
Smart Communications CCM Austria GmbH*	Schottenring 25, 1010 Wien, Austria	Software sales	Ordinary	100%
SmartComms Platinum Pte Ltd*	10 Anson Road, #31 10 International Plaza, 079903, Singapore	Software sales	Ordinary	100%

\* These subsidiaries were held indirectly.

Assentis Technologies Inc was dissolved during the year.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 16. Debtors

	2022 £000	2021 £000
Trade debtors	5,908	8,385
Amounts owed by group undertakings	28,138	20,935
Other debtors	199	79
Prepayments and accrued income	2,216	1,688
Tax recoverable	482	-
Deferred taxation	220	-
	<u>37,163</u>	<u>31,087</u>

An impairment gain of £Nil (2021 - £1k) was credited to the Statement of Comprehensive Income for the year in respect of bad and doubtful trade debtors.

All amounts shown under debtors fall due for payment within one year.

### 17. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	<u>3,011</u>	<u>2,131</u>

### 18. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	766	313
Amounts owed to group undertakings	20,892	30,526
Corporation tax	-	394
Other taxation and social security	1,016	594
Other creditors	262	443
Accruals and deferred income	17,080	17,501
	<u>40,016</u>	<u>49,771</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 19. Deferred taxation

	2022 £000
At beginning of year	(206)
Deferred tax credited to the Statement of Comprehensive Income	426
<b>At end of year</b>	<b>220</b>

The deferred taxation balance is made up as follows:

	2022 £000	2021 £000
Fixed asset timing differences	192	(233)
Short term timing differences	28	27
	<b>220</b>	<b>(206)</b>

### 20. Provisions

	Dilapidations £000
At 1 January 2022	117
<b>At 31 December 2022</b>	<b>117</b>

The provision for dilapidations reflects the estimated costs of returning leased premises to their original condition at the end of the lease.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

### 21. Share capital

	2022 £000	2021 £000
<b>Allotted, called up and fully paid</b>		
1,695,232 ordinary shares of £0.05 each	85	85
14,848,128 ordinary A shares of £0.05 each	742	742
3,456,640 ordinary B shares of £0.05 each	173	173
	<u>1,000</u>	<u>1,000</u>

All shares rank pari passu as regards to dividends, voting rights and rights upon winding up.

### 22. Reserves

The Company's reserves are as follows:

#### Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

### 23. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £000	2021 £000
Not later than 1 year	231	432
Later than 1 year and not later than 5 years	-	231
	<u>231</u>	<u>663</u>

### 24. Related party transactions

As a subsidiary of Platinum Topco Limited the Company has taken advantage of the exemption allowed under FRS 102 Section 33.1A not to disclose transactions with other wholly owned members of the Group.

# SmartComms SC Limited

## Notes to the Financial Statements For the Year Ended 31 December 2022

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### 25. Ultimate parent entity and controlling party

The immediate parent undertaking of the Company is Platinum Newco I Limited, a company incorporated in England and Wales.

The ultimate parent undertaking of the Company is Platinum Topco Limited, a company incorporated in England and Wales. The largest and smallest group in which the results of the Company are consolidated is that headed by Platinum Topco Limited. The financial statements for Platinum Topco Limited can be obtained from 14 Floral Street, Covent Garden, London, United Kingdom, WC2E 9DH.

The controlling party of Platinum Topco Limited is Accel-KKR Capital Partners V, LP ("Fund V"). AKKR Fund II Management Company, LP ("AKKR Management II") is a registered investment adviser with the U.S. Securities and Exchange Commission and acts as the investment adviser to Fund V. The physical address of AKKR Fund II Management Company, LP is 2180 Sand Hill Road, Suite 300, Menlo Park, California, 94025, USA. Platinum Topco Limited is not included in the consolidated financial statements of any other group.