

Company registration number 08217462 (England and Wales)

TEALIUM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

TEALIUM LIMITED

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TEALIUM LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present the strategic report for the year ended 31 December 2023.

Principal activity

The principal activity of the company continued to be that of the provision of sales representative services to the parent company.

Principal risks and uncertainties

The key business risks and uncertainties affecting the business are considered to relate to competition, suppliers, the economic environment, exchange differences and staff retention.

Fluctuations in currency markets can impact both the top and bottom line in the Profit and Loss Account; most notably the Euro against Pound Sterling.

Review of the business

The results for the year are set out on page 8.

The company is a cost plus company. The turnover for the 2023 year has been calculated on a cost plus arrangement of 5% (2022: 5%).

The company is financially secure and in a good position to take advantage of any opportunities which may arise in the future.

Key performance indicators

The board monitors the progress of the company by reference to the following financial and non-financial key performance indicators: sales achieved for group companies, costs, success on contract bids, new revenue generated from new and existing customers, customer satisfaction, and employee retention.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company provides sales and marketing services for its overseas parent and operates under a transfer pricing agreement (TPA). The ability of the company to operate as a going concern is dependent upon its parent company settling liabilities arising under the TPA in accordance with the terms of that agreement.

On behalf of the board

D S Lindroth
Director
18 April 2024

TEALIUM LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and financial statements for the year ended 31 December 2023.

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

D S Lindroth
P C Maynard

Post reporting date events

There have been no significant events that have occurred after the balance sheet date at the date of signing of this report.

Future developments

The directors aim to maintain the management policies which have resulted in the company's performance and growth over the years.

Auditor

Critchleys Audit LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

D S Lindroth
Director

18 April 2024

TEALIUM LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors are responsible for preparing the annual 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;
- 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.

TEALIUM LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF TEALIUM LIMITED

Opinion

We have audited the financial statements of Tealium Limited (the 'company') for the year ended 31 December 2023 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including 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).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

TEALIUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF TEALIUM LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

TEALIUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF TEALIUM LIMITED

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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations
- we identified the laws and regulations applicable to the company through discussions with directors and from our knowledge and experience of the client's business sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, data protection, anti-bribery, employment, environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion. Our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

TEALIUM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBER OF TEALIUM LIMITED

Use of our report

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

Katherine Wilkes (Senior Statutory Auditor)
for and on behalf of Critchleys Audit LLP
Statutory Auditor
Beaver House
23-38 Hythe Bridge Street
Oxford
OX1 2EP

23 April 2024

TEALIUM LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	2022 £
Turnover	3	18,563,512	19,911,727
Cost of sales		(2,476,056)	(3,000,833)
Gross profit		16,087,456	16,910,894
Administrative expenses		(16,060,187)	(16,707,280)
Operating profit	4	27,269	203,614
Interest receivable and similar income	8	3,311	830
Interest payable and similar expenses	9	-	(101)
Profit before taxation		30,580	204,343
Tax on profit	10	(467,627)	187,763
(Loss)/profit for the financial year		(437,047)	392,106

The profit and loss account has been prepared on the basis that all operations are continuing operations.

TEALIUM LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
(Loss)/profit for the year	(437,047)	392,106
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(437,047)</u>	<u>392,106</u>

TEALIUM LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		75,418		81,499
Current assets					
Debtors falling due after more than one year	13	56,160		-	
Debtors falling due within one year	13	6,803,368		4,755,074	
Cash at bank and in hand		1,196,964		1,590,176	
		8,056,492		6,345,250	
Creditors: amounts falling due within one year	14	(3,637,744)		(2,387,344)	
Net current assets			4,418,748		3,957,906
Total assets less current liabilities			4,494,166		4,039,405
Creditors: amounts falling due after more than one year	15		(113,621)		(84,606)
Net assets			4,380,545		3,954,799
Capital and reserves					
Called up share capital	19		100		100
Other reserves	21		3,062,814		2,278,410
Profit and loss reserves	22		1,317,631		1,676,289
Total equity			4,380,545		3,954,799

The financial statements were approved by the board of directors and authorised for issue on 18 April 2024 and are signed on its behalf by:

D S Lindroth
Director

Company Registration No. 08217462

TEALIUM LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital	Other reserves	Profit and loss reserves	Total
	£	£	£	£
Balance at 1 January 2022	100	1,375,547	1,417,370	2,793,017
Year ended 31 December 2022:				
Profit and total comprehensive income for the year	-	-	392,106	392,106
Share based payments	-	769,676	-	769,676
Deferred tax on share based payments	-	133,187	(133,187)	-
Balance at 31 December 2022	100	2,278,410	1,676,289	3,954,799
Year ended 31 December 2023:				
Loss and total comprehensive income for the year	-	-	(437,047)	(437,047)
Share based payments	-	862,793	-	862,793
Deferred tax on share based payments	-	(78,389)	78,389	-
Balance at 31 December 2023	100	3,062,814	1,317,631	4,380,545

TEALIUM LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	28		(387,585)		244,334
Interest paid			-		(101)
Income taxes refunded			30,538		8,146
Net cash (outflow)/inflow from operating activities			(357,047)		252,379
Investing activities					
Purchase of tangible fixed assets		(42,326)		(52,249)	
Proceeds on disposal of tangible fixed assets		2,850		1,895	
Interest received		3,311		830	
Net cash used in investing activities			(36,165)		(49,524)
Net (decrease)/increase in cash and cash equivalents			(393,212)		202,855
Cash and cash equivalents at beginning of year			1,590,176		1,387,321
Cash and cash equivalents at end of year			1,196,964		1,590,176

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Company information

Tealium Limited is a private company limited by shares incorporated in England and Wales. The registered office is Unit 2, Minton Place, Victoria Road, Bicester, Oxfordshire, United Kingdom, OX26 6QB. The principal place of business is Sovereign House, Vastern Road, Reading, RG1 8BT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Therefore, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company provides sales and marketing services for its overseas parent and operates under a transfer pricing agreement (TPA). The ability of the company to operate as a going concern is dependent upon its parent company settling liabilities arising under the TPA in accordance with the terms of that agreement.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

The turnover figure represented in the profit and loss account is intercompany revenue based on a cost plus service agreement with the company's parent, and is recognised at cost plus 5% (2022: 5%).

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	3 years straight line
Fixtures and fittings	2 and 5 years straight line
Computers	3 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Impairment of fixed assets

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

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes 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 reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. 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 profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.12 Share based payments

The company participates in a share based payment arrangement granted to its employees and certain consultants by its parent company Tealium Inc. The company has elected to recognise and measure its share based payment expense on the basis of a reasonable allocation of the expense for the group recognised in its consolidated accounts. The directors consider the number of unvested options granted to the company's employees and consultants compared to the total unvested options granted under the group plan to be a reasonable basis for allocating the expense.

For share based payments the company has elected to take a transition exemption which was available to small companies (which was applicable to the company at that time). Therefore, the fair value adjustments for share based payments are only recognised for grants which occurred after 31st December 2015, the last reporting year under old UK GAAP.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Share based payments

The charge recognised in relation to share-based payments granted to employees and certain consultants, is recognised based on the fair value of the award at grant date as an expense over the period when the awards are expected to vest. The fair value at grant date is measured based on the market value of equity issued by the parent company. The charge is adjusted based on the probability of the options being exercised. The fair value at grant date is not subsequently adjusted. However, the expense is adjusted for the number of awards that are expected to vest.

3 Turnover and other revenue

	2023	2022
	£	£
Other significant revenue		
Interest income	3,311	830
	<u> </u>	<u> </u>
	2023	2022
	£	£
Turnover analysed by geographical market		
United States of America	18,563,512	19,911,727
	<u> </u>	<u> </u>

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Operating profit

	2023	2022
	£	£
Operating profit for the year is stated after charging/(crediting):		
Exchange losses	34,998	13,535
Depreciation of owned tangible fixed assets	48,407	54,097
Profit on disposal of tangible fixed assets	(2,850)	(1,895)
Share-based payments	862,793	769,676
Operating lease charges	359,220	374,754
	<u> </u>	<u> </u>

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £34,998 (2022 - £13,535).

5 Auditor's remuneration

	2023	2022
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	10,000	8,000
	<u> </u>	<u> </u>

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023	2022
	Number	Number
Sales	87	94
Engineers	20	18
Management	2	2
	<u> </u>	<u> </u>
	109	114
	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	2023	2022
	£	£
Wages and salaries	11,377,172	11,641,583
Social security costs	1,883,907	2,045,156
Pension costs	434,371	465,775
	<u> </u>	<u> </u>
	13,695,450	14,152,514
	<u> </u>	<u> </u>

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Directors' remuneration

The current directors of Tealium Limited are also the directors or officers of a number of other group companies. As such, these directors' services to the company are incidental to their duties as directors and officers of those other group companies. Therefore, there is no remuneration to be disclosed for these directors for the current and comparative years in the financial statements of the company, the portion of directors' time spent on services to the company is not considered significant.

8 Interest receivable and similar income

	2023	2022
	£	£
Interest income		
Other interest income	3,311	830
	=====	=====

9 Interest payable and similar expenses

	2023	2022
	£	£
Other finance costs:		
Other interest	-	101
	=====	=====

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	571,212	39,339
	<u> </u>	<u> </u>
Deferred tax		
Origination and reversal of timing differences	(103,585)	(227,102)
	<u> </u>	<u> </u>
Total tax charge/(credit)	467,627	(187,763)
	<u> </u>	<u> </u>

In the budget on 3 March 2021, the UK Government announced an increase in the main UK corporation tax rate from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021.

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	30,580	204,343
	<u> </u>	<u> </u>
Expected tax charge based on the standard rate of corporation tax in the UK of 25.00% (2022: 19.00%)	7,645	38,825
Tax effect of expenses that are not deductible in determining taxable profit	68,354	129,150
Tax effect of utilisation of tax losses not previously recognised	-	(498,471)
Change in unrecognised deferred tax assets	(7,241)	7,754
Effect of change in corporation tax rate	(35,956)	(54,504)
Tax relief on share options	(74,960)	(1,772)
Share based payment charge	509,785	191,255
	<u> </u>	<u> </u>
Taxation charge/(credit) for the year	467,627	(187,763)
	<u> </u>	<u> </u>

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

11 Tangible fixed assets

	Leasehold improvements	Fixtures and fittings	Computers	Total
	£	£	£	£
Cost				
At 1 January 2023	88,981	159,855	322,879	571,715
Additions	-	4,261	38,065	42,326
Disposals	-	-	(20,088)	(20,088)
At 31 December 2023	88,981	164,116	340,856	593,953
Depreciation and impairment				
At 1 January 2023	88,981	159,663	241,572	490,216
Depreciation charged in the year	-	326	48,081	48,407
Eliminated in respect of disposals	-	-	(20,088)	(20,088)
At 31 December 2023	88,981	159,989	269,565	518,535
Carrying amount				
At 31 December 2023	-	4,127	71,291	75,418
At 31 December 2022	-	192	81,307	81,499

12 Financial instruments

	2023	2022
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	6,316,972	4,308,089
Carrying amount of financial liabilities		
Measured at amortised cost	2,563,126	1,885,432

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

13 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Corporation tax recoverable	-	36,976
Amounts owed by group undertakings	6,219,578	4,232,051
Other debtors	95,037	82,517
Prepayments and accrued income	158,066	176,428
	<u>6,472,681</u>	<u>4,527,972</u>
Deferred tax asset (note 16)	330,687	227,102
	<u>6,803,368</u>	<u>4,755,074</u>
	2023	2022
	£	£
Amounts falling due after more than one year:		
Other debtors	56,160	-
	<u>56,160</u>	<u>-</u>
Total debtors	<u>6,859,528</u>	<u>4,755,074</u>

14 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Trade creditors		129,031	106,651
Corporation tax		564,774	-
Other taxation and social security		466,895	477,897
Deferred income	17	156,570	108,621
Other creditors		10,538	92,261
Accruals		2,309,936	1,601,914
		<u>3,637,744</u>	<u>2,387,344</u>

15 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Accruals and deferred income	113,621	84,606
	<u>113,621</u>	<u>84,606</u>

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

16 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2023 £	Assets 2022 £
Balances:		
Accelerated capital allowances	(18,855)	(20,375)
Retirement benefit obligations	5,473	6,451
Share based payments	54,798	133,187
Unpaid remuneration	289,271	107,839
	<u>330,687</u>	<u>227,102</u>
		2023 £
Movements in the year:		
Asset at 1 January 2023		(227,102)
Credit to profit or loss		(103,585)
Asset at 31 December 2023		<u>(330,687)</u>

£286,056 (2022: £100,707) of the deferred tax asset set out above is expected to reverse within the next 12 months and relates to accelerated capital allowances, unpaid remuneration and retirement benefit obligations that are expected to mature within the same period.

17 Deferred income

	2023 £	2022 £
Other deferred income	156,570	108,621
	<u>156,570</u>	<u>108,621</u>

18 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	434,371	465,775
	<u>434,371</u>	<u>465,775</u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

As at the balance sheet date, the company had an unpaid pension creditor of £45,831 (2022: £54,553).

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Share capital

	2023	2022	2023	2022
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	100	100	100	100

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

20 Share based payment transactions

The parent company, Tealium Inc., operates a stock option plan for its worldwide employees and certain consultants including those of Tealium Limited. During the year Tealium Inc. gifted share based payment expenses totalling £862,793, (2022: £769,676) to Tealium Limited.

The share option plan is an equity settled plan over the common shares of the parent company. The options are available to the employees and certain consultants of Tealium Inc and its subsidiaries. The option may only be exercised by employees who remain employed by the group and consultants still providing services to the group. The option will terminate in the event of the employees leaving employment, death or termination for cause and the consultants ceasing to provide services to the group.

25% of the options will vest after 12 months, and then 1/48th of the original number of shares subject to the option shall vest on the last day of each one-month period.

In the case of refresher options granted in the year, the options will vest and become exercisable over a four-year period, with 1/48th of the original number of options vesting on the last day of each one-month period of the option holder's continued employment or service with the company. Therefore all of these options shall be vested on the fourth anniversary of the vesting commencement date.

The maximum term of the options granted is 10 years.

	Number of share options		Weighted average exercise price	
	2023	2022	2023	2022
	Number	Number	\$	\$
Outstanding at 1 January	1,725,665	1,587,840	4.95	4.18
Granted	522,727	428,000	5.98	7.03
Forfeited	(346,898)	(236,898)	6.38	3.32
Exercised	(190,832)	(11,377)	2.27	4.24
Transfers (to) / from group companies	1,950	(41,900)	0.87	-
Expired	(3,850)	-	0.87	-
Outstanding at 31 December	1,708,762	1,725,665	5.29	4.95
Exercisable at 31 December	1,021,031	1,044,525	4.59	3.96

The weighted average share price at the date of exercise for share options exercised during the year was \$3.35 (2022: \$7.03).

The options outstanding at 31 December 2023 had an exercise price ranging from \$1.65 to \$7.30, (2022: \$0.80 to \$7.03) and a remaining contractual life of 9.84 years (2022: 6.355 years).

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

20 Share based payment transactions

(Continued)

The weighted average fair value of options granted in the year was determined using the Black-Scholes option pricing model. The Black-Scholes model is considered to apply the most appropriate valuation method due to the relatively short contractual lives of the options and the requirement to exercise within a short period after the employee becomes entitled to the shares (the "vesting date").

The expected life used in the model has been adjusted, based on management's best estimate, for the effect of non-transferability, exercise restrictions, and behavioural considerations.

Non-vesting conditions and market conditions are taken into account when estimating the fair value of the option at grant date. Service conditions and non-market performance conditions are taken into account by adjusting the number of options expected to vest at each reporting date.

Inputs were as follows:

	2023	2022
Weighted average share price	5.98	7.03
Weighted average exercise price	3.34	7.03
Expected volatility	49.02	47.34
Expected life	6.24	6.25
Risk free rate	4.04	1.82

Liabilities and expenses

During the year, the company recognised total share based payment expenses of £862,793 (2022: £769,676) which related to equity settled share based payment transactions.

21 Other reserves - capital contribution reserve

	£
At 1 January 2022	1,375,547
Additions	769,676
Deferred tax	133,187
At 31 December 2022	2,278,410
Additions	862,793
Deferred tax	(78,389)
At 31 December 2023	3,062,814

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

22 Profit and loss reserves

	2023 £	2022 £
At the beginning of the year	1,676,289	1,417,370
(Loss)/profit for the year	(437,047)	392,106
Share based payment transactions - deferred tax	78,389	(133,187)
At the end of the year	<u>1,317,631</u>	<u>1,676,289</u>

23 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	389,925	90,959
Between two and five years	228,499	-
	<u>618,424</u>	<u>90,959</u>

24 Events after the reporting date

There were no significant events after the Balance Sheet date.

25 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023 £	2022 £
Aggregate compensation	<u>624,171</u>	<u>378,510</u>

Other information

The company has taken advantage of the exemption available per paragraph 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

26 Controlling party

During the year the parent company was Tealium Inc, by virtue of their 100% shareholding.

Tealium Limited is included within the consolidated accounts of Tealium Inc.

Tealium Inc. is a company registered in the U.S.A, the registered address is: 11095 Torreyana Road, San Diego, CA92121.

TEALIUM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

27 Analysis of changes in net funds

	1 January 2023	Cash flows	31 December 2023
	£	£	£
Cash at bank and in hand	1,590,176	(393,212)	1,196,964
	<u> </u>	<u> </u>	<u> </u>

28 Cash (absorbed by)/generated from operations

	2023	2022
	£	£
(Loss)/profit for the year after tax	(437,047)	392,106
Adjustments for:		
Taxation charged/(credited)	467,627	(187,763)
Finance costs	-	101
Investment income	(3,311)	(830)
Gain on disposal of tangible fixed assets	(2,850)	(1,895)
Depreciation and impairment of tangible fixed assets	48,407	54,097
Equity settled share based payment expense	862,793	769,676
Movements in working capital:		
Decrease / (increase) in debtors	(2,037,845)	(1,177,242)
Increase in creditors	666,692	345,328
Increase in deferred income	47,949	50,756
Cash (absorbed by)/generated from operations	<u>(387,585)</u>	<u>244,334</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.