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Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited")

Registered No. 02937203

Annual Report and Financial Statements

1 January 2022 to 30 November 2022

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Company information

Directors

Brian Lee Shytle
Antonio Gilbert Gomes
Sajeev Kumar Sukumaran

Auditors

CLA Evelyn Partners Limited
22 Wycombe End
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Buckinghamshire
HP9 1NB

Bankers

Bank of America
2 King Edward Street
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Registered Office

20 Eastbourne Terrace
Paddington
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Strategic report

The directors present their Strategic report and the financial statements of Cloud SG UK Ltd (formerly known as "Citrix Systems UK Limited") (the "company") for the 11-month period ended 30 November 2022.

On 3 April 2023, the company passed a resolution to change its name from Citrix Systems UK Limited to Cloud SG UK Ltd.

Change in reporting period

On 30 September, 2022 Citrix Systems Inc. became a privately held company owned by affiliates of Vista Equity Partners (Vista) and Evergreen Coast Capital Corp., rather than a public company. On the same date, TIBCO Software Inc. and Citrix Systems Inc. combined businesses under the ownership of Vista and Evergreen Coast Capital Corp. The transaction resulted in a change in the company's fiscal year end from 31 December 2022 to 30 November 2022 to align with the year end of the new ultimate parent company. Accordingly, the current period figures for the statement of comprehensive income, balance sheet, statement of changes in equity and the related notes are prepared for a period of 11 months from 1 January 2022 to 30 November 2022.

Principal activity and review of the business

In 2016, the company entered into a Limited Risk Distributor (LRD) agreement with its parent, Cloud Software Group Switzerland GmbH, (Formerly known as Citrix Systems International GmbH), an international technology company based in Switzerland, giving it a non-exclusive and non-transferable right to:

- (a) Promote, market, distribute and sell the products and professional services directly or indirectly to its customers;
- (b) Use and display the products and professional services for the purposes of promoting, marketing, distributing and selling;
- (c) Appoint sub-distributors; and
- (d) Enter into end-user license agreements with customers.

As the company is the billing entity for EMEA, other group companies in EMEA charge the company on a monthly basis for their services.

Cloud Software Group is an enterprise software company focused on helping organizations deliver a consistent and secure work experience no matter where work needs to get done — in the office, at home, or in the field. The company do this by delivering a digital workspace solution that gives each employee the resources and space they need to do their best work. The company's workspace solutions are complemented by its App Delivery and Security (formerly Networking) solutions, by delivering the applications and data employees need across any network with security, reliability and speed.

Cloud Software Group's business is evolving in two distinct and interrelated ways:

- **Perpetual to Subscription:** The company's business model has shifted away from selling perpetual licenses towards subscription, or recurring contracts in the form of SaaS, on-premise term, and consumption-based agreements; and
- **On-Premise to Cloud:** As the share of applications and data continues to move rapidly from on-premise data centers to the cloud, its product development and engineering resources have increasingly focused on delivering cloud-based solutions.

The company joined the group cash pooling agreement on 22 August 2019. This agreement allows Peninsula Investment Corporation (a fellow group company) to pool funds and invest those funds. Companies subject to the group cash pooling earn interest based on current money market yields. Investments are made in United States Dollars (USD).

Strategic report (continued)

Principal activity and review of the business (continued)

The company's key financial and other performance indicators during the period were as follows:

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>	<i>Change %</i>
Turnover	989,933	1,102,043	(10.2)
Operating profit	47,114	25,748	83.0
Profit before tax	55,764	36,693	52.0
Administrative expenses	(222,442)	(306,737)	(27.5)
Net current assets	136,085	185,127	(26.5)
Debtors within one year	752,601	1,053,791	(28.6)
Creditors within one year	(681,281)	(972,959)	(30.0)

As reported above, the company changed its fiscal year from 31 December to 30 November, resulting in a shorter accounting period. The reduced turnover is primarily due to the reduced accounting period and the exclusion of the month of December, which is traditionally a strong sales month.

Employee related costs and intercompany costs from other Citrix companies in EMEA make a significant contribution to the overall administrative expenses of the company. The operating result is a function of the LRD agreement, and the increase in operating profit is reflected from the decrease in overall administrative expenses.

The decrease in administrative expenses is driven by the decrease in Intercompany expenses and no impairment cost reported this year.

The increase in profit before tax is driven by a decrease in administrative expenses by \$84,295K and decrease of cost of sales by \$ 49,181 K.

Both the level of business and the year-end financial position were satisfactory.

Principal risks and uncertainties

The Board considers the key risks and uncertainties facing the company to be:

Competitive risk

The company faces competition in its chosen markets. The company is subject to the threat that a competitor may introduce a product or service offering with a technologically superior capability to the group's product and service offerings. To mitigate these risks the Cloud Software Group continues to invest in research and development and monitors performance and competitive position in the market.

Price Risk

In conjunction with competitive risk the company faces price risks. Similarly, to mitigate this the Cloud Software Group continues to invest in research and development and monitors performance and competitive position in the market.

Strategic report (continued)

Principal activity and review of the business (continued)

Legislative risk

Legislative and regulatory changes relating to software and its development may have a significant impact on the company's business and its business model, but the company is unaware of any such issues at present. The company monitors and responds to new legislation timely.

Geopolitical risk

The company has been looking into different scenarios for the UK's future trading relationships along with availability of skilled staff. The company has not identified a significant risk to the business having analysed the impact of each potential scenario.

Russia's invasion of Ukraine in February 2022 has restricted the sales operations within Ukraine and currently prevents all sales within Russia and Belarus. Sales to customers in Russia was approximately 2% of total 2021 turnover. Sales in Ukraine and Belarus were minimal. The company does not believe this will have a significant impact on its future trade.

The company continues to monitor developments in these areas in line with its risk management processes and procedures.

Cyber security risk

Cybersecurity risk is the probability of exposure or loss resulting from a cyber-attack or data breach. The company has a robust set of internal controls to defend against cyber-attacks. In addition, the company has a program of network-security (or cyber risk) insurance policies that, with standard exclusions, insure against the costs of detecting and mitigating cyber breaches, the cost of credit monitoring, and reasonable expenses for defending and settling privacy and network security lawsuits. Increased cyber incidents and the company's increased reliance on a remote workforce could increase its exposure to potential cybersecurity breaches and attacks. The company maintains multiple layers of oversight over enterprise cybersecurity and data protection risks associated with its products, services, information technology infrastructure and related operations – including its Cloud Software Group Holdings, Inc.. management-level cybersecurity risk oversight committee comprised of senior executives across core functions, as well as its Technology, Data and Information Security Committee of the Cloud Software Group Holdings, Inc..

Liquidity risk

The company manages its liquidity through its intercompany invoices with Cloud Software Group Switzerland GmbH, in accordance with its intercompany agreements and the cash pooling arrangement as referred to on page 2. As a result, liquidity risk is minimised.

Foreign currency risk

The company has transactional currency exposures that arise from purchases in currencies other than its functional currency. To mitigate this Cloud Software Group hedges currency risk at a group level and Cloud SG UK Limited (Formerly known as "Citrix Systems UK Limited") also maintains cash balances from customers in Euro and GBP.

Strategic report (continued)

Statement by the directors in performance of their statutory duties in accordance with S172 (1) Companies Act 2006

The Board of directors of Cloud SG UK Limited (formerly known as "Citrix Systems UK Limited") consider, both individually and together, that they have acted in a way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1) (a-f) of the Act) in the decisions taken during the period ended 30 November 2022.

a. Over the past few years, the company has been transforming Citrix in two distinct and interrelated ways. Its first transformation has been to evolve its product and marketing strategy from providing individual point solutions to a more platform-based approach. This enables the company to more effectively address and engage customer challenges today and should better enable it to monetise the value of the solutions the company is providing over time. Its second transformation has been shifting from a thirty-year-old on-premises license software business to a cloud-first model. This transition started with development, where the company has prioritised investment to develop compelling innovation within its cloud offerings. The company's goal is to create greater differentiation that will drive new seat growth and eventually the migration of its existing installed base to its cloud offerings. The company's third transformation ties the first and the second to the financial model, moving from the traditional perpetual license and maintenance model to a subscription model.

b. The company aims to be a responsible employer in its approach. The health, safety and well-being of its employees is one of its primary considerations in the way it does business. It publishes a health and safety handbook and policy, these are available on its intranet. For its business to succeed it needs to manage its people's performance, develop, engage and bring through talent while ensuring it operates as efficiently as possible. To do this the company sets annual priorities with regular touchpoints and conduct an annual performance, development, and reward process. It must also ensure it shares common values that inform and guide its behaviour to achieve its goals in the right way.

c. The company strategy is focused in and around Workspace with App Delivery and Security as the way to optimise delivery of the Workspace to customers. It conducts customer councils, customers are asked to share their perspective on the IT market direction, vertical industry trends and the competitive landscape, it uses this to as a guide for its future strategy. It believes its investments in innovation and its commitment to customer success will continue to drive the desired outcomes for its customers and for its long-term stakeholders.

The company also aims to act responsibly and fairly in how it engages with its suppliers. It values all of its suppliers and have multi-year contracts with many of them. It engages with suppliers to protect accessibility and security of Citrix data. Its code of conduct means that it deals ethically with all vendors and strive to develop mutually beneficial relationships.

d. Citrix Workspace can help address social and economic inequities and support stronger, healthier communities. The company enables employers around the world, across every industry, to expand the aperture of recruiting and retention efforts. By enabling remote work, companies can increasingly offer employment opportunities across urban, suburban, and rural locations. This expansion means that economic opportunities are not limited to developed countries and can accelerate opportunities in developing regions of the world. These opportunities can reach beyond traditional talent pools to those who may not be able to work traditional 9 to 5 jobs or may require accommodations due to other limitations or life circumstances. The downstream effect of this inherent broadening of economic opportunity and improved availability of quality employment can help to decrease poverty and hunger domestically and abroad.

The company's Corporate Citizenship efforts are broad and reflect the individual and collective interests and passions of its employee base. Its program is based on volunteerism through Simply Serve and financial donations through Simply Give. These programs provide fulfilling engagement for the company's management and colleagues alike and helps the company support the more vulnerable members of the local community.

Strategic report (continued)

Statement by the directors in performance of their statutory duties in accordance with S172 (1) Companies Act 2006 (continued)

Citrix Workspace eliminates the need for applications and data to reside on end point devices. This means that customers can transition away from more energy intensive desktops with large screen displays and high-performance processors towards more energy efficient laptops and thin client devices. Because no data is required to live on these devices, it can extend the useful life of an individual device by up to 40 percent. This can significantly improve the energy efficiency of organisations. Longer-term, Citrix Workspace, combined with flexible remote working policies, can drive down corporate office space needs and reduce employee commuting, which further reduces a company's carbon footprint.

e. As the Board of Directors, our intention is to behave responsibly and ensure that management operates the business in a responsible manner, operating within the high standards of business conduct and good governance expected. Cloud Software Group compliance policies and guidelines include, among others: corporate governance guidelines, code of business conduct, anti-bribery, anti-harassment, anti-discrimination, data privacy, global trade, conflict minerals, and information security.

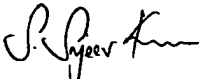
f. As the Board of Directors, our intention is to behave responsibly toward its shareholders. This is important to develop a long-term relationship and will aid the creation of value, and is achieved by holding regular informal conversations to ensure strategic issues are discussed as needed throughout the period.

Exposure to credit and cash flow risk

The company's principal financial assets are bank balances and cash, trade and other receivables. The company's credit risk is its trade receivables. To reduce risk of bad debts each customer is regularly credit checked using credit rating agencies. The amount of credit recommended by the agency is used for new customers until a trading history is built up then the credit limit can be managed in-house.

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability. The company manages these risks, where significant, through its intercompany balances with its parent company Cloud Software Group Switzerland GmbH.

Approved by the Board and signed on its behalf by:



Sajeev Kumar Sukumaran

Director

Date: 1 March 2024



Nitin P Choudhari
Initials

Registered No. 02937203

Directors' report

The directors present their report and financial statements for the period ended 30 November 2022. Information typically included in the Directors' report which is of strategic importance can be found in the Strategic report.

Results and dividends

The profit for the period after taxation amounted to \$42,825 K (2021: profit of \$27,497k). Dividends of \$32,000k were paid during the period (2021: \$25,000k). The directors recommend a final dividend of \$50,000k (2021: \$32,000k).

Future developments

The directors do not foresee any developments in the short to medium term that would significantly affect the current operations and profitability of future business activities.

Energy and emissions report

We are committed to tackling climate change. We believe we are addressing our greenhouse gas (GHG) emissions by tackling the major sources of our emissions in an effective and pragmatic manner. Investments in sustainable design are included in the development and expansion of our offices, owned as well as leased.

All renovation and construction projects allocate approximately 10% of the budget towards energy efficiency improvements. Renovations include sustainable design elements such as maximizing natural light, adding motion sensors, installing light dimmers and timers, converting to LED fixtures, leveraging solar panels, automating controls to reduce consumption and waste, and optimizing HVAC and lab equipment for minimal power draw.

	2022	2021
Electricity use kWh	1,362,042.00	1,105,102.42
Gas use kWh	304,520.00	252,236.25
Transport CO2e	405.00	-
Associated greenhouse gas emissions Tons CO2 equivalent	1,183.00	148.24
Intensity ratio emissions (MT CO2e/revenue) Cloud Software Group	0.00000635	0.00000662

Financial risk objectives

Financial risks are managed centrally by the ultimate parent through the various transfer pricing arrangements in the group.

Going concern

The financial position of the company and its exposures to financial and liquidity risks are summarised on page 3. The directors have an expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion, the directors have looked at the company's cash flow forecast out until 28 February 2025, including considering reasonably possible downside scenarios. Any intercompany payable balances owed to group companies are payable on demand, however cash is only paid when needed. The full intercompany payable balance would only be required to be paid if Cloud SG UK Ltd (formerly known as "Citrix Systems UK Limited") had the ability to pay it. Meanwhile, the parent company will provide financial support for a period of at least 12 months, in order that the

company may continue as a going concern. Accordingly, the directors continue to adopt the going concern basis in preparing the report and financial statements.

Directors

The directors who served the company during the period and/or to the date of this report were as follows:

Brian Lee Shytle

Malgorzata Stelmach-Hansson (resigned 31 January 2024)

Oliver Kirchner (resigned 22 November 2022)

Michelle Denise Senecal De Fonseca (resigned 23 November 2022)

Antonio Gilbert Gomes (appointed on 30 November 2022)

Alexander Edward Kolar (appointed on 30 November 2022 and resigned 31 January 2024)

Ganesh Vaidyanathan (appointed on 30 November 2022 and resigned 31 January 2024)

Sajeev Kumar Sukumaran (appointed on 31 January 2024)

Directors' report (continued)

Employees

Applications for employment by disabled employees are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the company continues, and appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives continues at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through the in-house newsletters, briefing groups and company intranet.

Directors' qualifying third party indemnity provision

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third-party indemnity provision remains in force as at the date of approving the directors' report.

Events since the period end date

On 1 July 2023, as part of Cloud Software Group Holdings, Inc.'s plans to perform an international re-organisation, two other UK registered companies, Citrix R&D Limited and TIBCO Software Limited agreed to sell their entire legal and beneficial ownership in the business, including, its assets and liabilities, to Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited"). Consequently, on the same date, under the Transfer of Undertakings (Protection of Employment) Regulations 2006, the employees of those companies were transferred to Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited").

After the period end, a vulnerability in one of the group's products Citrix NetScaler, known as the Citrix Bleed, came to light. The vulnerability was patched on 10 October 2023, but there is a possibility that customers may have experienced cyber-security incidents resulting from this vulnerability. This may result in potential claims against the group and against Cloud SG UK Limited as the EMEA billing entity. The directors were not aware of any claims at the point at which the financial statements were finalised.

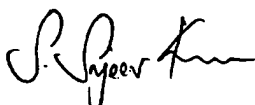
Disclosure of information to the auditors

As far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take, as a director, in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

During the period, CLA Evelyn Partners Limited was appointed as auditors to the company.

On behalf of the Board



Sajeev Kumar Sukumaran

Director

Date: 1 March 2024



Nitin P Choudhari
Initials

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable UK 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), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether Financial Reporting Standard 101 'Reduced Disclosure Framework' 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.

Independent Auditors' Report to The Members of Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited")

Opinion

We have audited the financial statements of Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") for the period ended 30 November 2022 which comprise the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet and the related notes 1 to 26, 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 FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 30 November 2022 and of its profit for the period 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 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.

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 this 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 the 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 the audit:

- the information given in the strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

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 or 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 the directors' responsibilities statement set out on page 9, 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.

Auditors' responsibilities for the audit of the financial statements

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

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 other management, and from our commercial knowledge and experience of the 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 and 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;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.

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:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

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.

A further description of 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.

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.

CLA Evelyn Partners Limited

Keir Singleton
Senior statutory auditor, for and on behalf of
CLA Evelyn Partners Limited

Statutory Auditor
Chartered Accountants

22 Wycombe End
Beaconsfield
Buckinghamshire
HP9 1NB

5 March 2024

Statement of Comprehensive Income

For the period ended 30 November 2022

		<i>For the 11 months ended 30 November 2022</i>	<i>For the 12 months ended 31 December 2021</i>
	<i>Notes</i>	<i>\$000</i>	<i>\$000</i>
Turnover	3	989,933	1,102,043
Cost of sales		(720,377)	(769,558)
Gross profit		269,556	332,485
Administrative expenses		(222,442)	(306,737)
Operating profit	4	47,114	25,748
Income from shares in group companies	8	-	10,179
Interest receivable and similar income	9	9,042	1,296
Interest payable and similar charges	10	(392)	(530)
Profit on ordinary activities before taxation		55,764	36,693
Tax	11	(12,939)	(9,196)
Total comprehensive income for the period/year		42,825	27,497

All amounts relate to continuing activities. There are no amounts to include within other comprehensive income.

The notes on pages 18 to 40 form part of the financial statements.

Statement of Changes in Equity

For the period ended 30 November 2022

	<i>Called up share capital</i>	<i>Other reserves</i>	<i>Retained earnings</i>	<i>Foreign currency translation reserve</i>	<i>Total shareholders' funds</i>
	\$000	\$000	\$000	\$000	\$000
At 1 January 2021	2		37,036	(7,305)	29,733
Total comprehensive income for the year	-	-	27,497	-	27,497
Share based payment transactions (note 7)	-	-	6,970	-	6,970
Dividend distribution*	-	-	(25,000)	-	(25,000)
Distribution to parent undertaking-share based payments	-	-	(5,122)	-	(5,122)
At 31 December 2021	2	-	41,381	(7,305)	34,078
At 1 January 2022	2	-	41,381	(7,305)	34,078
Total comprehensive income for the period	-	-	42,825	-	42,825
Share based payment transactions (note 7)	-	-	14,364	-	14,364
Dividend distribution*	-	-	(32,000)	-	(32,000)
Distribution to parent undertaking-share based payments**	-	-	(6,970)	-	(6,970)
At 30 November 2022	2	-	59,601	(7,305)	52,298

* The company paid a dividend of \$32m (2021: \$25m) to its parent Cloud Software Group Switzerland GmbH on 16 September 2022.

** The company reimbursed \$6.97m (2021:\$5.1m) to the group companies as part of recovery of stock based compensation costs reflected as a distribution to parent undertaking-share based payments.

Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited")

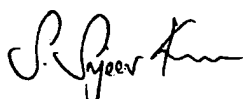
Registered No. 02937203

Balance Sheet

On 30 November 2022

	Notes	2022 \$000	2021 \$000
Fixed assets			
Tangible fixed assets	12	1,875	15,168
Intangible fixed assets	13	-	2
Right-of-use assets	14	3,508	4,350
Investments	15	-	-
		<u>5,383</u>	<u>19,520</u>
Other non-current assets		56,335	-
Current assets			
Debtors: amounts to be received within one year	16	752,601	1,053,791
Deferred tax asset	11	509	640
Cash at bank and in hand		<u>69,458</u>	<u>104,171</u>
		822,568	1,158,602
Creditors: amounts falling due within one year	17	(681,281)	(972,959)
Current tax liability		<u>(5,202)</u>	<u>(516)</u>
Net current assets		136,085	185,127
Total assets less current liabilities		197,803	204,647
Creditors: amounts falling due more than one year	18	(145,047)	(170,052)
Provisions for liabilities	19	<u>(458)</u>	<u>(517)</u>
Total long term liabilities		<u>(145,505)</u>	<u>(170,569)</u>
Net assets		<u>52,298</u>	<u>34,078</u>
Capital and reserves			
Called up share capital	20	2	2
Other reserves	21	-	-
Retained earnings	21	59,601	41,381
Foreign exchange translation reserve	21	<u>(7,305)</u>	<u>(7,305)</u>
Shareholders' funds		<u>52,298</u>	<u>34,078</u>

The financial statements were approved by the Board of Directors and signed on its behalf by:



Sajeev Kumar Sukumaran Director

Date: 1 March 2024

Notes to the financial statements

For the year ended 30 November 2022

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") (the "company") for the period ended 30 November 2022 were authorised for issue by the board of directors on 1st March 2024 and the balance sheet was signed on the Board's behalf by Sajeev Kumar Sukumaran. Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") is a private company limited by shares incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The company's financial statements are presented in US dollars ("USD") in accordance with IAS 1 Presentation of Financial Statement and IAS 21 The Effects of Changes in Foreign Exchange Rates, the company's functional currency is also US dollars ("USD"). All values are rounded to the nearest thousand dollars (\$000) except when otherwise indicated.

The company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts, as it is a wholly owned subsidiary of Cloud Software Group Holdings, Inc.

Until September 30, 2022, the ultimate parent company controlling the Company was Citrix Systems, Inc. ['CSI'], incorporated in the United States. On September 30, 2022, CSI was acquired by Picard Parent, Inc. ['Picard P']. Picard P is held by Cloud Software Group, Inc. which is held by Cloud Software Group Holdings, Inc. As a result, the new ultimate controlling parent company and the only group for which consolidated financial statements are prepared is Cloud Software Group Holdings, Inc., a company incorporated in the United States of America.

The principal accounting policies adopted by the company are set out in note 2.

2. Accounting policies

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 30 November 2022. The company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) The requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 *Business Combinations*
- (b) The requirements of IFRS 7 *Financial Instruments: Disclosures*
- (c) The requirements of paragraphs 91-99 of IFRS 13 *Fair Value Measurement*
- (d) The requirement in paragraph 38 of IAS 1 '*Presentation of Financial Statements*' to present comparative information in respect of:
 - (i) Paragraph 79(a) (iv) of IAS 1 '*Presentation of Financial Statements*';
 - (ii) Paragraph 73(e) of IAS 16 *Property, Plant and Equipment*;
 - (iii) Paragraph 118(e) of IAS 38 *Intangible Assets*;
- (e) The requirements of paragraphs 10(d), 10(f) and 134-136 of IAS 1 *Presentation of Financial Statements*;
- (f) The requirements of IAS 7 *Statement of Cash Flows*;
- (g) The requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*;

Notes to the financial statements

For the period ended 30 November 2022 (continued)

2. Accounting policies (continued)

Basis of preparation (continued)

- (h) The requirements of paragraph 17 and 18A of IAS 24 *Related Party Disclosures*;
- (i) The requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member,
- (j) The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 *Impairment of Assets*, and
- (k) The company has taken advantage of the exemption under paragraphs 45(b) and 46 to 52 of IFRS 2, 'share-based payment' (details of the number and weighted-average exercise prices of share options, and how the fair value of goods or services received was determined).

Going concern

The financial position of the company and its exposures to financial and liquidity risks are summarised on page 3. The directors have an expectation that the company has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion, the directors have looked at the company's cash flow forecast out until 28 February 2025, including considering reasonably possible downside scenarios. Any intercompany payable balances owed to group companies are payable on demand, however cash is only paid when needed. The full intercompany payable balance would only be required to be paid if Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") had the ability to pay it. Meanwhile, the directors of the company are in receipt of a guarantee from the parent company relating to the intra-group receivables. Accordingly, the directors continue to adopt the going concern basis in preparing the report and financial statements.

Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements have had the most significant effect on amounts recognised in the financial statements:

Taxation

Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. Further details are contained in note 11.

Lease liabilities and Right-of-Use Assets

The carrying values of lease liabilities and right-of-use assets are dependent on the incremental borrowing rate (IBR) applied to future cash flows. Management seeks to use an arm's length IBR which reflects what would be available on a commercial basis.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

2. Accounting policies (continued)

Judgements and key sources of estimation uncertainty (continued)

The following estimates are dependent upon assumptions which could change in the next financial year and have a material effect on the carrying amounts of assets and liabilities recognised at the balance sheet date:

Investments

The company conducts impairment reviews of investments whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually in accordance with the relevant accounting standards. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the company to estimate the value in use which is based on future cash flows and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise.

Revenue recognition

If establishing a standalone selling price for a performance obligation is not directly observable, the company estimates this by taking into consideration market conditions, economics of the offering and customers' behaviour. The company maximizes the use of observable inputs and applies estimation methods consistently in similar circumstances.

Dilapidations

Estimation is required on the amount of dilapidation provision needed for each of the leased properties. Management seeks the advice of third parties and internal experts to ensure that the correct amounts are provided for.

Trade and other debtors

A receivable represents the company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables, which generally have 30-90 days terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts. Receivables from related parties are recognised and carried at the nominal amount due.

Share based payments

For equity-settled transactions the fair value is determined at the date of the grant using an appropriate pricing model to estimate the fair value of the 2015 ESPP awards. Further estimates relate to the vesting conditions and are consistent with historical trends.

Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset.

Incremental costs of obtaining revenue contracts

Incremental costs of obtaining a contract with a customer should be recognised as an asset if the company expects to recover those costs. The company capitalizes qualifying costs relating to sales commissions for revenue recognised over time, after utilizing the practical expedient not to capitalize items where the amortisation period would be one year or less. Commissions are capitalized based on a groupwide estimate, derived from the ageing profile of over-time sales contracts entered into in the quarter.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

2. Accounting policies (continued)

Revenue recognition

The following is a description of the principal activities from which the company generates revenue;

At contract inception, the company assesses the product or services, or bundles of products and services, promised in the contract with a customer to identify each performance obligation within the contract, and then evaluates whether the performance obligations are capable of being distinct and distinct within the context of the contract. Products and services that are not both capable of being distinct and distinct within the context of the contract are combined and treated as a single performance obligation in determining the allocation and recognition of revenue.

The standalone selling price is the price at which the company would sell a promised product or service separately to the customer. For the majority of the company's software licenses and hardware, Citrix Service Provider and on-premise subscription software licenses the company uses the observable price in transactions with multiple performance obligations. For the majority of the company's support and services, and cloud-hosted subscription offerings the company uses the observable price when the company sells that support and services and cloud-hosted subscription separately to similar customers. If the standalone selling price for a performance obligation is not directly observable, the company estimates it. The company estimates standalone selling price by taking into consideration market conditions, economics of the offering and customers' behaviour. The company maximizes the use of observable inputs and applies estimation methods consistently in similar circumstances. The company allocates the transaction price to each distinct performance obligation on a relative standalone selling price basis.

Revenues are recognised when control of the promised products or services are transferred to customers, in an amount that reflects the consideration that the company expects to receive in exchange for those products or services. The company generates all of its revenues from contracts with customers.

Leases

At contract inception the company assess whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Cloud SG UK Ltd as a lessee

The company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings	–	over 40 years
Equipment	–	over 3 years

If ownership of the leased asset transfers to the company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

2. Accounting policies (continued)

Lease liabilities

At the commencement date of the lease, the company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the company uses its incremental borrowing rate (IBR) at the lease commencement date because the interest rate implicit in the lease is not readily determinable. The company estimates the IBR using the market interest rates available that the company would have to pay to borrow over a similar period, and with similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Freehold property	–	over 40 years
Leasehold improvements	–	over 10 years or the associated residual lease term if shorter
Fixtures, fittings, and equipment	–	over 7 years
Computer equipment	–	over 3 years

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, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the income statement in the period of derecognition.

2. Accounting policies (continued)

Intangible assets – Software

Intangible assets are stated at cost less accumulated amortisation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended. Amortisation is provided on all intangible fixed assets, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows:

Notes to the financial statements

For the period ended 30 November 2022 (continued)

Software – over 3 years.

Any amortisation of intangible assets costs are included as administrative costs within the Statement of Comprehensive Income.

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

Impairment of non-financial assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of the asset's fair value less costs of disposal and its value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

Investments

Fixed assets investments are stated at cost less provision for impairment. The carrying values of fixed asset investments are reviewed for impairment, if events or changes in circumstances indicate the carrying value may not be recoverable.

Cash at bank and in hand

Cash and short term deposits in the balance sheet comprise cash at banks and in hand and short term deposits with an original maturity of three months or less.

Trade and other debtors

Trade debtors, which generally have 30 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost.

The company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate.

The company applies a simplified approach in calculating expected credit losses. Therefore, the company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The company considers a financial asset in default when contractual payments are 120 days past due. However, in certain cases, the company may also consider a financial asset to be in default when internal or external information indicates that the company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

2. Accounting policies (continued)

Financial Instruments

i) Financial assets

Initial recognition and measurement

Financial assets are classified as financial assets at fair value through profit or loss or loans and receivables.

The company determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through the Statement of Comprehensive Income, directly attributable transaction costs. The company's financial assets include cash and short-term deposits, trade and other receivables and loan notes.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit or loss: Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through the Statement of Comprehensive Income. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. Financial assets at fair value through the Statement of Comprehensive Income are carried in the balance sheet at fair value with changes in fair value recognised in finance revenue or finance expense in the income statement.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the income statement. Losses arising from impairment are recognised in the income statement in other operating expenses.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit or loss or loans and borrowings. The company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement

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

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

Notes to the financial statements

For the period ended 30 November 2022 (continued)

2. Accounting policies (continued)

Financial instruments (continued)

Subsequent measurement (continued)

Interest bearing loans and borrowings: Obligations for loans and borrowings are recognised when the company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities

A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

iii) Offsetting of financial instruments

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

iv) Fair values

For financial instruments not traded in an active market, the fair value is determined at arm's length.

Provisions

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 benefit will be required to settle the obligation.

Income taxes

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- Deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

2. Accounting policies (continued)

Income taxes (continued)

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Statement of Comprehensive Income.

Foreign currency translation

Trading transactions denominated in foreign currencies are translated into the functional currency at the exchange rates ruling when the transaction was entered into. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates ruling at the balance sheet date. Exchange gains or losses are included in the Statement of Comprehensive Income.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Pensions

The company contributes towards employees' personal pension plans. Contributions are charged to the Statement of Comprehensive Income as they become payable.

Share-based payments

IFRS 2 requires the fair value of options and share awards that ultimately vest to be charged in the Statement of Comprehensive Income over the vesting or performance period. For equity-settled transactions, the fair value is determined at the date of the grant using an appropriate pricing model. If an award fails to vest as a result of certain types of performance condition not being satisfied, the charge to the Statement of Comprehensive Income will be adjusted to reflect this.

The company has employees who hold restricted stock units. To the extent that the share-based payments have not fully vested, a pro rata cost based on the fair value of such grants as applicable to the company is included in the expense calculations under IFRS 2.

Equity settled transactions

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting periods, which ends on the date on which the relevant employees become fully entitled to the award. When applicable, fair value is determined by an external valuer using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions). The employer's national insurance on share-based payments is not treated as equity-settled but provided for as a liability of the company.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions and of the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense since the previous balance sheet date is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

2. Accounting policies (continued)

Equity settled transactions (continued)

In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value at any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the Statement of comprehensive income for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the Statement of comprehensive income.

These stock-based awards are granted and administered by the global ultimate parent company. The stock-based compensation costs are pushed down and recorded in the company's books so far as those relate to awards granted to the company's employees, with a corresponding capital contribution recorded in the statement of changes in equity. The global ultimate parent company also initiates a recovery of these costs and any reimbursements made by the company to the group companies are reflected as distributions in the statement of changes in equity.

2.1 Changes in accounting policies and disclosures

New and amended standards and interpretations

There were no amendments and interpretations that apply for the first time in 2022 that have an impact on the financial statements of the company. The company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

3. Turnover

Turnover, which is stated net of value added tax, is attributable to:

Enterprise sales and marketing revenue which comes from sales of software/services and hardware to third party customers.

A breakdown of turnover by geographical market is not provided as, in the opinion of the directors, the disclosure of such information would be prejudicial to the commercial interests of the company.

An analysis of turnover is given below:

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
<i>Sale of goods</i>		
Net product and licences	18,435	26,882
<i>Rendering of services</i>		
Intercompany revenue	355	1,118
License updates and maintenance	577,840	673,149
Professional services	15,919	24,009
Software as a service	377,384	376,885
Total revenue	989,933	1,102,043

Notes to the financial statements

For the period ended 30 November 2022 (continued)

4. Operating profit

This is stated after charging/(crediting):

	<i>For the 11 months ended 30 November 2022</i>	<i>For the 12 months ended 31 December 2021</i>
	<i>\$000</i>	<i>\$000</i>
Depreciation of property, plant, and equipment (note 12)	1,042	1,730
Amortisation of intangible fixed assets (note 13)	2	5
Right-of-use asset depreciation (note 14)	842	1,045
Impairment in land and buildings	-	5,567
Impairment of investment value	-	10,179
Net loss/(gain) on foreign currency translations	<u>5,181</u>	<u>(1,798)</u>

During the previous year, there was impairment of investments relating to impairment of the subsidiary Virtuall Solutions Limited (see note 15). The impairment was offset in full by the dividend in specie paid by Virtuall Solutions Limited of \$10,179k.

5. Auditors' remuneration

The company paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided by the company:

	<i>For the 11 months ended 30 November 2022</i>	<i>For the 12 months ended 31 December 2021</i>
	<i>\$000</i>	<i>\$000</i>
Auditors' remuneration – audit	217	210
– tax compliance	-	34
	<u>217</u>	<u>244</u>

Notes to the financial statements

For the period ended 30 November 2022 (continued)

6. Directors' remuneration

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
Short-term employee benefits	930	902
Post employment pension and medical benefits	70	45
Termination benefits	-	-
Share-based payment transactions	277	486
	<u>1,277</u>	<u>1,433</u>
	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
Highest paid director		
Short-term employee benefits	553	623
Post employment pension and medical benefits	24	20
Share-based payment benefits	166	394
	<u>743</u>	<u>1,037</u>
	<i>No.</i>	<i>No.</i>
The number of directors in respect of whose qualifying services shares were received under long term incentive schemes	4	4
Members of other group companies' money purchase pension schemes	<u>4</u>	<u>4</u>

There was one UK based director during the period. The directors of the company are also directors of other companies within the Citrix group.

One of the directors, paid by another group company, considers that their services to the company were inconsequential for the period ended 30 November 2022. The other three directors consider that between 10% and 70% of their time has been spent performing services for Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") and, as such, \$1,277k of their aggregate remuneration is attributable to these services for the period ended 30 November 2022 (2021: \$1,433k).

Notes to the financial statements

For the period ended 30 November 2022 (continued)

7. Staff costs

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
Wages and salaries	48,912	65,125
Social security costs	5,598	7,587
Other pension costs	1,898	2,462
	<u>56,408</u>	<u>75,174</u>

Included in wages and salaries is a total expense of share-based payments of \$15,600K (2021: \$8,595K) arising from share-based payments. \$14,364K (2021: \$6,970k) of this has been accounted for as equity-settled share-based payment transactions and the remaining \$1,236K (2021: \$1,625K), which comprises associated employer's national insurance costs, has been included within other taxes and social security costs in note 17.

The average monthly number of employees during the period was made up as follows:

	<i>For the 11 months ended 30 November 2022 No</i>	<i>For the 12 months ended 31 December 2021 No</i>
Administrative	62	70
Sales and marketing	177	195
	<u>239</u>	<u>265</u>

8. Income from shares in group companies

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
Dividends	-	10,179
	<u>-</u>	<u>10,179</u>

During the previous year, following its liquidation, Virtuall Solutions Limited, a subsidiary of the company, distributed a dividend of \$10,179k on 26 October 2021.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

9. Interest receivable and similar income

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
Bank interest receivable	47	-
Intercompany loan interest receivable	8,995	1,296
	<u>9,042</u>	<u>1,296</u>

Intercompany loan interest receivable was substantially lower in 2021, this is due to the repayment of loan due from Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") in October 2020. This loan had an interest rate of 2.55%, payable annually.

The 2022 interest arises due to its group cash pooling arrangements (see note 16).

10. Interest payable and similar charge

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
Interest on lease liabilities	133	225
Bank charges payable	177	213
Intercompany interest payable	82	92
	<u>392</u>	<u>530</u>

11. Tax

(a) Tax charged in the income statement.

The tax charge is made up as follows:

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
Current tax:		
UK corporation tax on the profit for the period/year	12,566	7,815
Adjustment in respect of prior years	(380)	304
Foreign tax suffered	232	550
Historical refund received	389	-
Tax paid on behalf of liquidated group company	-	36
Total current tax	<u>12,807</u>	<u>8,705</u>
Deferred tax:		
Origination and reversal of temporary differences	132	510

Notes to the financial statements

For the period ended 30 November 2022 (continued)

Adjustment in respect of prior years	-	(19)
Total deferred tax	<u>132</u>	<u>491</u>
Total tax expense	<u>12,939</u>	<u>9,196</u>

(b) Reconciliation of total tax charge

The tax assessed for the period is 25.39% and is higher than the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%). The differences are explained below:

	<i>For the 11 months ended 30 November 2022</i>	<i>For the 12 months ended 31 December 2021</i>
	<i>\$000</i>	<i>\$000</i>
Profit on ordinary activities before tax	<u>55,764</u>	<u>36,693</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2021:19.00%)	10,595	6,972
<i>Effects of:</i>		
Expenses not deductible for tax purposes	337	3,029
Non-qualifying depreciation	-	84
Permanent movement on share-based payments	3,348	326
Foreign tax suffered	232	550
Dividend receivable not assessable for tax	-	(1,934)
Adjustment in respect of prior years – corporation tax	(380)	286
Adjustment in respect of prior years – deferred tax	(79)	-
Impact of rate differential	31	(153)
Tax paid on behalf of liquidated group company	-	36
Historical refund received	389	-
Depreciation in excess of Capital allowances	(1,339)	-
Bad debt provision movement	(181)	-
IFRS 16 adjustment to SOCE re tax	(14)	-
Total tax expense (note 11(a))	<u>12,939</u>	<u>9,196</u>

Notes to the financial statements

For the period ended 30 November 2022 (continued)

(c) Deferred tax

The deferred tax asset included in the balance sheet is as follows:

	<i>For the 11 months ended 30 November 2022 \$000</i>	<i>For the 12 months ended 31 December 2021 \$000</i>
Depreciation in advance of capital allowances	(15)	(1,777)
Short term timing differences on share options	-	2,150
Timing differences on leases	(65)	(84)
Provisions	589	351
Deferred taxation asset at 30 November	<u>509</u>	<u>640</u>
Deferred tax asset at 1 January	641	1,131
Deferred tax charged to Statement of Comprehensive Income	(132)	(491)
Deferred tax asset at 30 November	<u>509</u>	<u>640</u>

(d) Factors that may affect future tax charges

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

The UK Budget 2021 announcements on 3 March 2021 included an increase to the UK's main corporation tax rate to 25%, which has come into effect from 1 April 2023. These changes have been reflected in the measurement of deferred tax balances at the period end.

12. Tangible fixed assets

	<i>Freehold property \$000</i>	<i>Leasehold improvements \$000</i>	<i>Fixtures, fittings and equipment \$000</i>	<i>Computer equipment \$000</i>	<i>Total \$000</i>
Cost:					
At 1 January 2022	27,597	6,506	8,278	18,218	60,599
Additions	-	-	-	268	268
Disposals	(27,597)	(585)	(1,633)	(77)	(29,892)
At 30 November 2022	<u>-</u>	<u>5,921</u>	<u>6,645</u>	<u>18,409</u>	<u>30,975</u>
Depreciation					
At 1 January 2022	15,117	5,267	7,922	17,125	45,431
Charge for the period	19	245	94	684	1,042
Depreciation on disposals	(15,136)	(532)	(1,599)	(106)	(17,373)

Notes to the financial statements

For the period ended 30 November 2022 (continued)

At 30 November 2022	-	4,980	6,417	17,703	29,100
Net book value:					
At 30 November 2022	-	941	228	706	1,875
At 31 December 2021	12,480	1,239	356	1,093	15,168

The sale of Buildings 2 & 3 Chalfont Park, Gerrard's Cross SL09 0BG and 113 car parking spaces was completed in June 2022 for \$12,480k. The freehold property has been written down to its estimated cost less disposal costs in 2021 and has been fully disposed in 2022.

13. Intangible fixed assets

	<i>Intangible assets – Software \$000</i>
Cost:	
At 1 January 2022 and at 30 November 2022	711
Amortisation:	
At 1 January 2022	(709)
Charge for the period	(2)
At 30 November 2022	(711)
Net book value:	
At 30 November 2022	-
At 31 December 2021	2

14. Right-of-use assets & leases

The company has lease contracts for various items of property and equipment used in its operations. Leases of property have lease terms between 7 and 10 years. Leases of equipment have lease terms between 2 and 6 years. All lease contracts have fixed rental payments. The company's obligations under its leases are secured by the lessor's title to the leased assets.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	<i>Land and buildings \$000</i>	<i>Equipment \$000</i>	<i>Total \$000</i>
As at 1 January 2022	4,334	16	4,350
Additions	-	-	-
Depreciation expense	(838)	(4)	(842)
As at 30 November 2022	3,496	12	3,508

Notes to the financial statements

For the period ended 30 November 2022 (continued)

14. Right-of-use assets & leases (continued)

Set out below are the carrying amounts of lease liabilities and the movements during the period.

	2022	2021
	\$000	\$000
As at 1 January	4,460	5,577
Additions	-	-
Accretion of interest	133	225
Payments	(1,110)	(1,342)
As at 30 November	<u>3,483</u>	<u>4,460</u>
Current (note 17)	583	1,139
Non-current (note 18)	2,900	3,321

The company had total cash outflows for leases of \$1,110k in 2022 (2021: \$1,342k). The company had no non-cash additions to right-of-use assets and lease liabilities in 2022 (2021: \$Nil).

15. Investment

	2022	2021
	\$000	\$000
Cost:		
At 1 January	-	12,292
Disposals	-	(12,292)
At 30 November / 31 December	<u>-</u>	<u>-</u>
Impairment:		
At 1 January	-	(2,113)
Charge for the period	-	(10,179)
Disposal	-	12,292
At 30 November / 31 December	<u>-</u>	<u>-</u>
Carrying value:		
At 30 November / 31 December	<u>-</u>	<u>-</u>

During the previous year there was an impairment of \$10,179k to the investment in Virtual Solutions Limited, a subsidiary of the company, reducing the carrying value of that investment to zero.

The liquidator of Virtual Solutions Limited made a final distribution during 2021 and this company was subsequently struck off the companies register by Companies House on 19th February 2022.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

16. Debtors: amounts to be received within one year

	2022	2021
	\$000	\$000
Trade debtors	100,892	326,604
Amounts owed by group undertakings	624,505	646,906
Other debtors	16	80
Prepayments and accrued income	27,188	80,201
	<u>752,601</u>	<u>1,053,791</u>

Amounts owed by group undertakings include \$624m (2021: \$615m) receivable from Peninsula Investment Corporation regarding group cash pooling arrangements.

Other intercompany balances are interest free and receivable on demand.

17. Creditors: amounts falling due within one year

	2022	2021
	\$000	\$000
Trade creditors	12,906	5,475
Amounts owed to group undertakings	218,951	321,621
Other creditors	3,432	5,825
Lease liabilities (note 14)	583	1,139
Other taxes and social security costs	13,483	2,077
Accruals and deferred income	431,926	636,822
	<u>681,281</u>	<u>972,959</u>

Intercompany balances are interest free and payable on demand.

18. Creditors: amounts falling due after more than one year

	2022	2021
	\$000	\$000
Accruals and deferred income	142,147	166,731
Lease liabilities (note 14)	2,900	3,321
	<u>145,047</u>	<u>170,052</u>

Notes to the financial statements

For the period ended 30 November 2022 (continued)

19. Provisions for liabilities

	<i>Dilapidation Provisions</i>	
	<i>2022</i>	<i>2021</i>
	<i>\$000</i>	<i>\$000</i>
At 1 January	517	517
Amounts utilised during the period	(59)	-
At 30 November	<u>458</u>	<u>517</u>

Dilapidation provision

The dilapidation provision relates to dilapidation obligations for properties leased within the UK and comprises the expected cost of restoring the properties to the original state when the lease ends, and is made up as follows:

	<i>\$000</i>
NI Science Park, Belfast	30
Eastbourne Terrace, Paddington	<u>428</u>
	<u>458</u>

The dilapidation provision on the Belfast and Paddington properties is currently expected to be maintained until we exit the properties in April 2029 and July 2026, respectively.

20. Called up share capital

	<i>2022</i>		<i>2021</i>	
	<i>No.</i>	<i>\$000</i>	<i>No.</i>	<i>\$000</i>
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	1000	<u>2</u>	1000	<u>2</u>

The company has total authorised shares of 1,000, these are fully issued ordinary shares at £1 each (\$1.482). The shares have attached to them full voting, dividend and capital distribution rights (including on winding up) and do not confer any right of redemption.

21. Reserves

The foreign exchange translation reserve was created as a result of the company's change in functional and presentational currency from GBP to USD. The change took place on 1 January 2016 and followed an assessment which concluded that due to it becoming a Limited Risk Distributor, the majority of the company's transactions occurred in USD.

Retained earnings represents the cumulative earnings to date less distributions made.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

22. Pensions

The company contributes towards employees' personal pension schemes. Unpaid contributions at period end, included in other creditors (note 17) were \$Nil (2021: \$Nil).

23. Share-based payments

Employee stock-based compensation and benefit plans

The company's ultimate parent company's stock-based compensation program is a broad based, long-term retention program that is intended to attract and reward talented employees and align stockholder and employee interests. As of 31 December 2021, the company had two stock-based compensation plans under which it was granting stock options, shares of non-vested stock and non-vested stock units. The company is currently granting stock-based awards from its 2005 Equity Incentive Plan (as amended, the "2005 Plan") and 2015 Employee Stock Purchase Plan (the "2015 ESPP"). Upon certain of the company's acquisitions, it assumed several plans from the acquired companies. The company's Board of Directors has provided that no new awards will be granted under its acquired stock plans or its superseded and expired stock plans (including the Amended and Restated 1995 Stock Plan, Second Amended and Restated 2000 Director and Officer Stock Option and Incentive Plan, Second Amended and Restated 1995 Non-Employee Director Stock Option Plan and Third Amended and Restated 1995 Employee Stock Purchase Plan (the "1995 ESPP")).

Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") has no awards previously granted under the Citrix Systems Inc.'s superseded and expired stock plans that are still outstanding. The last such awards were exercised in 2016.

Pursuant to the acquisition of the company's erstwhile global parent company, Citrix Systems Inc. by the company's new global ultimate parent company, Cloud Software Group Holdings, Inc. on 30 September 2022, the stock-based awards granted to the employees of the company were cancelled. As a result, the unamortised stock-based compensation as on the date of cancellation aggregating to \$ 15,600,400 was expensed.

Valuation and expense information under IFRS 2

The following table illustrates the movements in restricted stock units during the period.

	2022	2021
	No.	No.
Vested in the period	(54,011)	(71,770)
Outstanding at 30 November	0	149,232

For the share restricted stock units outstanding as at 30 November 2022 the weighted average remaining contractual life is 0 years (2021: 1.52 years).

2015 ESPP

As of 30 November there was \$nil (2021: \$339,276) of unrecognised stock-based compensation expense related to the company's 2015 ESPP that is expected to be recognised over the remaining term of the respective offering periods.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

23. Share-based payments (continued)

There is no more ESPP program offered to employees after September 30 2022, after the group company went private.

	2022	2021
Expected volatility factor	0.00	0.27 - 0.35
Risk free interest rate	0.00%	0.05% - 0.13%
Expected dividend yield	0.00%	0.92% - 1.27%
Expected life (in years)	0.0	0.5

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of ESPP purchase rights granted were incorporated into the measurement of fair value.

24. Related party transactions

Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") owned 34% of the share capital in WBD (Chalfont Park) Limited, a property management company set up to receive service charges and pay costs associated with the Chalfont Park, Buckinghamshire site. The total share capital of WBD (Chalfont Park) Limited is \$3; the value of the Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") shareholdings approximates \$1. During the period, the company transferred its 34% shares to Misbourne Developments Limited on 22 June 2022.

Total service charges paid to WBD (Chalfont Park) Limited by Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited") in 2022 amounted to \$55,910 (2021: \$86,150). There were \$0 outstanding as at 30 November 2022 (2021: \$0).

The company has taken advantage of the exemption under paragraph 8(k) of FRS101 not to disclose transactions with fellow wholly owned subsidiaries.

25. Events since the period end date

On 1 July 2023, as part of Cloud Software Group Holdings, Inc.'s plans to perform an international re-organisation, two other UK registered companies, Citrix R&D Limited and TIBCO Software Limited agreed to sell their entire legal and beneficial ownership in the business, including, its assets and liabilities, to Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited"). Consequently, on the same date, under the Transfer of Undertakings (Protection of Employment) Regulations 2006, the employees of those companies were transferred to Cloud SG UK Ltd (Formerly known as "Citrix Systems UK Limited").

After the period end, a vulnerability in one of the group's products Citrix NetScaler, known as the Citrix Bleed, came to light. The vulnerability was patched on 10 October 2023, but there is a possibility that customers may have experienced cyber-security incidents resulting from this vulnerability. This may result in potential claims against the group and against Cloud SG UK Limited as the EMEA billing entity. The directors were not aware of any claims at the point at which the financial statements were finalised. Ultimate parent undertaking and controlling party

26. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking is Cloud Software Group Switzerland GmbH, incorporated in Switzerland.

For the period up to 30 September 2022, the company's ultimate parent undertaking and controlling party was Citrix Systems Inc., incorporated in the USA.

Notes to the financial statements

For the period ended 30 November 2022 (continued)

As of 30 September 2022, the ultimate parent undertaking, controlling party and only group for which consolidated financial statements are prepared is Cloud Software Group Holdings, Inc., a company incorporated in the United States of America. Copies of the consolidated financial statements are available to the public debt holders by logging into www.dfsvenue.com and can also be made available to the general public upon request from the ultimate parent company's, Cloud Software Group Holdings, Inc., registered address at 1209 Orange Street, City of Wilmington, County of New Castle, DE 19801.