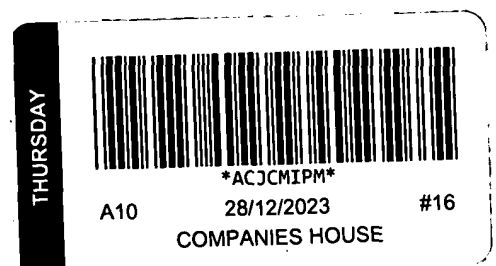


**EXIGER LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022**

COMPANY NUMBER: 08613726



EXIGER LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 DECEMBER 2022

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EXIGER LIMITED COMPANY INFORMATION

Directors	Brandon Daniels Matthew Hibbard Michael Thieberg
Company Number	08613726
Registered office	15 Westferry Circus Canary Wharf London E14 4HD
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW

EXIGER LIMITED GROUP STRATEGIC REPORT YEAR ENDED 31 DECEMBER 2022

INTRODUCTION

The directors present their group strategic report for the year ended 31st December 2022.

BUSINESS REVIEW

The Group is a global regulatory and financial crime, risk and compliance company. The Group provides financial institutions, multinational corporations and governmental agencies with the practical advice and technology solutions they need to prevent compliance breaches, manage and respond to risk, remediate major issues and monitor ongoing business activities. The Group's goal is to reduce the total cost of compliance for its customers. The Group operates through offices in London, Hong Kong, Singapore, Bucharest, Vancouver and Toronto.

The Group's intends to continue investing in our business as demonstrated by the growth of OIQ and IPSA. The Group's focus will continue to be technology and technology-related businesses to provide a consistently better outcome to our clients.

PRINCIPAL RISKS AND UNCERTAINTIES

Reputational risk

The brand and reputation of the Company and the Group is essential to the continued successful operation in the marketplace. Any proven or even alleged misconduct by the Group or its employees could be significantly detrimental to business prospects.

Reliance on key individuals and personnel

The success of the Group depends on its ability to recruit and retain high quality and experienced staff. The loss of the services of key personnel or the inability to attract additional qualified personnel as the Group grows could have an adverse effect on the Group's business, financial condition and trading results.

Financial key performance indicators

The Board monitors the activities of the Group on a regular basis. The Board uses financial indicators based on budget versus actual performance. The indicators used by the Board to assess performance during the period have included:

Revenue - £41.6m (2021: £40.8m)

Average number of employees – 388 (2021: 350)

These are the key performance indicators for the Group, as they allow the Board to monitor growth quantitatively to ensure that we are in line with internal growth strategies.

EXIGER LIMITED
GROUP STRATEGIC REPORT (continued)
YEAR ENDED 31 DECEMBER 2022

DIRECTORS' DUTY TO PROMOTE THE SUCCESS OF THE COMPANY

The Directors, in line with their duties under s172 of the Companies Act 2006, act 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 with regard to the following matters:

Elements of s172(1)	Response
The likely consequences of any decision in the long term	Management has reasonable short-to-medium-term visibility of the business. Despite this, our best efforts, there will always be uncertain factors outside the control of the Company and forecasting can never take into account unknown future economic, legal or regulatory changes which could impact the business and the markets in which it operates. The Board can confirm that they have a reasonable expectation that the Company will continue to operate and meet its liabilities as they fall due as part of the going concern assessments.
The interest of the company's employees	The Company understands that the success of our business strategy is critically dependent upon the involvement of our employees. We appreciate that employee engagement and well-being not only benefit our employees but also have a direct impact upon the performance of our business and we seek to achieve that engagement in several ways. The Board's strategic goals are communicated to all of our managers who are encouraged to develop their teams through training and feedback to ensure they can best deliver on those goals.
The need to foster the company's business relationships with suppliers, customers and others	We understand the importance of fostering strategic relationships with our suppliers, customers and others to help us improve the process of delivering value to our customers.
The impact of the company's operation on the community and the environment	We actively encourage all employees to be socially active and participate in volunteering activities in the local community. We support these endeavours through committees that have raised money for causes identified by employees.
The desirability of the company maintaining a reputation for high standards of business conduct	Exiger's seven guiding principles of Expertise, Innovation, Trust, Excellence, Teamwork, Integrity and Courage factor into what we do every day to make the world a safer place to do business. These pillars are what drives the Company and its employees to operate at a high standard.
The need to act fairly between members of the company	As part of the Board's decision-making process, the Board and its senior management consider the potential impact of decisions on relevant internal and external stakeholders while also having regard to broader factors.

This report was approved by the board on 22 December 2023 and signed on its behalf by:

matt hibbard
 matt hibbard (Dec 22, 2023 12:05 EST)

Matthew Hibbard
 Director

EXIGER LIMITED

DIRECTORS' REPORT

YEAR ENDED 31 DECEMBER 2022

The directors present their report and the audited consolidated financial statements for the year ended 31st December 2022.

RESULTS AND DIVIDENDS

The loss for the year, after taxation, amounted to £4,085,000 (2021: £4,962,000).

The Directors do not recommend the payment of a dividend.

DIRECTOR

The directors who held office during the year were as follows:

- Michael Beber (resigned 17 May 2022)
- Michael Cherkasky (resigned 17 May 2022)
- Ronald Collins (resigned 4 February 2022)
- Brandon Daniels (appointed 17 May 2022)
- Matthew Hibbard (appointed 16 May 2022) and
- Michael Thieberg (appointed 4 February 2022)

FUTURE DEVELOPMENTS

Business and likely developments for the Group are discussed in the Strategic Report where applicable.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a 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, to disclose with reasonable accuracy at any time the financial position of the company, and to enable them to ensure the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and, therefore, they are also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

EXIGER LIMITED

DIRECTORS' REPORT (continued)

YEAR ENDED 31 DECEMBER 2022

GOING CONCERN

These financial statements have been prepared on a going concern basis. This is due to the continued support from the ultimate parent company which, in the opinion of the directors, will enable the company to meet its day to day working capital requirements for the foreseeable future.

STREAMLINED ENERGY AND CARBON REPORTING

The group has not reported under The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018 as the Directors believe the group is a low energy user within the UK.

DISCLOSURE OF INFORMATION TO AUDITORS

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

- so far as the directors are aware, there is no relevant audit information of which the company's auditor is unaware; and
- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AUDITORS

The auditors, Crowe U.K. LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 22 December 2023 and signed on its behalf by:

matt hibbard
matt hibbard (Dec 22, 2023 12:05 EST).....

Matthew Hibbard
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXIGER LIMITED

Opinion

We have audited the financial statements of Exiger Limited (the "parent company") and its subsidiaries (the "group") for the year ended 31st December 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, Company Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 director's 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 directors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXIGER LIMITED (continued)

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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, 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 group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and Taxation legislation.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF EXIGER LIMITED (continued)

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: 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.



Steve Gale

Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
London

Date: 22 December 2023

EXIGER LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 £'000	2021 £'000
TURNOVER	3	41,632	40,810
Administrative expenses		<u>(45,453)</u>	<u>(44,741)</u>
OPERATING LOSS	4	(3,821)	(3,931)
Other income		81	4
(Loss)/gain on foreign exchange		<u>(224)</u>	<u>(1,509)</u>
LOSS BEFORE TAXATION		(3,964)	(5,436)
Tax on loss	7	<u>(121)</u>	474
LOSS FOR THE FINANCIAL YEAR		(4,085)	(4,962)
Other comprehensive income/(loss)		<u>1,017</u>	<u>159</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		<u>(3,068)</u>	<u>(4,803)</u>
Loss for the year attributable to owners of the parent company		<u>(4,085)</u>	<u>(4,962)</u>
Total comprehensive loss for the year attributable to owners of the parent company		<u>(3,068)</u>	<u>(4,803)</u>

The notes on pages 14 to 24 form an integral part of these financial statements.

EXIGER LIMITED
(COMPANY NUMBER: 08613726)
CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
FIXED ASSETS					
Intangible assets	8		9,024		7,915
Tangible assets	9		272		348
Investments	10		-		-
			9,296		8,263
CURRENT ASSETS					
Debtors: amounts falling due after more than one year	11	260		268	
Debtors: amounts falling due within one year	11	83,387		55,587	
Cash at bank and in hand		4,446		3,326	
		88,093		59,181	
Creditors: Amounts falling due within one year	12	(119,847)		(86,270)	
NET CURRENT LIABILITIES			(31,754)		(27,089)
TOTAL ASSETS LESS CURRENT LIABILITIES			(22,458)		(18,826)
Creditors: amounts falling due after more than one year	13		(1,585)		(2,302)
PROVISIONS					
Deferred taxation			(146)		7
NET ASSETS			(24,189)		(21,121)
CAPITAL AND RESERVES					
Called up share capital	15		1		1
Foreign exchange translation reserve			342		(675)
Profit and loss account			(24,532)		(20,447)
			(24,189)		(21,121)

These accounts were approved by the board on 22 December 2023 and signed on its behalf by:

matt hibbard
 matt hibbard (Dec 22, 2023 12:05 EST).....
Matthew Hibbard
 Director

The notes on pages 14 to 24 form an integral part of these financial statements.

EXIGER LIMITED
(COMPANY NUMBER: 08613726)
COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2022

	Notes	2022 £'000	2022 £'000	2021 £'000	2021 £'000
FIXED ASSETS					
Intangible assets	8		332		190
Tangible assets	9		85		156
Investments	10		16,555		16,555
			16,972		16,901
CURRENT ASSETS					
Debtors: amounts falling due after more than one year	11	43		134	
Debtors: amounts falling due within one year	11	25,773		24,396	
Cash at bank and in hand		1,028		1,027	
		26,844		25,557	
Creditors: Amounts falling due within one year	12	(37,091)		(33,833)	
NET CURRENT (LIABILITIES)/ASSETS			(10,247)		(8,276)
TOTAL ASSETS LESS CURRENT LIABILITIES			6,725		8,625
Creditors: amounts falling due after more than one year	13		(231)		(906)
PROVISIONS					
Deferred taxation			(161)		2
NET ASSETS			6,333		7,721
CAPITAL AND RESERVES					
Called up share capital	15		1		1
Profit and loss account			6,332		7,720
			6,333		7,721

The company has taken the exception from presenting its profit and loss account under section 408 of the Companies Act 200. The loss after tax of the parent company for the year was £1,388,000 (2021: loss £4,150,000).

These accounts were approved by the board on 22 December 2023 and signed on its behalf by:

matt hibbard
 matt hibbard (Dec 22, 2023 12:05 EST).....
Matthew Hibbard
 Director

The notes on pages 14 to 24 form an integral part of these financial statements.

EXIGER LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2022

	Called up share capital £'000	Foreign exchange translation reserve £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2021	1	(834)	(15,485)	(16,318)
(Loss) for the year	-	-	(4,962)	(4,962)
Other comprehensive income	-	159	-	159
Balance at 31 December 2021	1	(675)	(20,447)	(21,121)
(Loss) for the year	-	-	(4,085)	(4,085)
Other comprehensive income	-	1,017	-	1,017
Balance at 31 December 2022	1	342	(24,532)	(24,189)

COMPANY STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 DECEMBER 2022

	Called up share capital £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2021	1	11,870	11,871
Profit for the year	-	(4,150)	(4,150)
Balance at 31 December 2021	1	7,720	7,721
Loss for the year	-	(1,388)	(1,388)
Balance at 31 December 2022	1	6,332	6,333

EXIGER LIMITED
CONSOLIDATED STATEMENT OF CASH FLOWS
YEAR ENDED 31 DECEMBER 2022

	2022	2021
	£'000	£'000
Cash Flows from operating activities		
Loss for the financial year	(4,085)	(4,962)
Adjustments for:		
Amortisation of intangible assets	613	2,418
Depreciation of tangible assets	204	521
Increase in debtors	(27,792)	(28,029)
Increase in creditors	32,861	33,078
Taxation (credit)/charge	152	(474)
Net cash generated from operating activities	2,473	2,552
Cash flows from investing activities		
Purchase of intangible assets	(1,225)	(237)
Purchase of tangible fixed assets	(128)	(342)
Net cash from investing activities	(1,353)	(579)
Net increase/(decrease) in cash and cash equivalents	1,120	1,973
Cash and cash equivalents at the beginning of the year	3,326	1,353
Cash and cash equivalents at the end of the year	4,446	3,326

No reconciliation in net debt is presented as the group does not have external debt.

EXIGER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

1. COMPANY INFORMATION

Exiger Limited is a private limited company (the "Company"), incorporated in England and Wales. Its registered office is 1 Westferry Circus, Canary Wharf, London E14 4HD.

2. ACCOUNTING POLICIES

Basis of preparation

The consolidated financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Group for the year ended 31 December 2022. The consolidated financial statements consolidate the financial statements of the Company and all its subsidiary undertakings drawn up to 31 December each year. In the parent company financial statements, investments in subsidiaries are accounted for at cost less impairment.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with.

The Company has taken advantage of the exemption from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows.

Going concern

The group's activities are financed through the cash retained in the business and intercompany loans.

The directors have received confirmation from the parent company of its intention to support the Group for the foreseeable future which will enable it to meet its day to day working capital requirements. For this reason, the directors believe it appropriate to prepare the financial statements on the going concern basis.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion in the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

EXIGER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Furniture, fixtures and equipment	2 – 5 years
Leasehold improvements	Over the life of the lease

Foreign currencies

Foreign currency transactions are translated into the functional currency using the stock exchange rates at the dates of the transactions. At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualified cash flow hedges.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets are opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Pensions - Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

Contributions are recognised as an expense in the Consolidated Statement of Comprehensive income when they fall due. Amounts not paid are shown as accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Current tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

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

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met, and
- where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

EXIGER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 DECEMBER 2022

Current and deferred taxation (continued)

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

Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquire at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The Company has intangible assets which consist of customer relationships, software and trademarks. The estimated assets lives of these assets are determined based on projected future economic benefits and expected life cycles of the acquired tangible assets. The Company continually evaluates whether events or changes in circumstances have occurred that indicate that the carrying value of its long-lived assets, including intangible assets, may be impaired. When such events occur, the Company compares the expected future net cash flows (undiscounted and without interest charges) of the assets to the carrying value. If this comparison indicates that there may be impairment the amount of the impairment is calculated as the difference between the carrying value and fair value.

Software development costs

The Company capitalises certain direct development costs associated with internal-use software and software to be sold to customers. Costs are capitalised once the project reaches the application development stage. These costs include third party costs principally related to software coding, designing system interfaces and installation and testing of the software. Such costs are recorded as capitalised software and amortised over three years, beginning when the asset is substantially ready for use or sale. Costs incurred during the preliminary stage, as well as maintenance and training costs as incurred.

EXIGER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

2. ACCOUNTING POLICIES (CONTINUED)

Debtors

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

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

Creditors

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

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight-line basis over the lease term.

Provision for liabilities

Provisions are made where an event has taken place that gives a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the income statement in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Judgements in applying accounting policies and key sources of estimation uncertainty

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

- (a) Determining whether there is a fair value to be applied to the investments in unlisted shares. The Company has made investments in convertible preference shares of an unlisted company. There is no market value in the shares and there have been no transactions in the common stock of the company. The directors consider that the fair value cannot be reliably measured at the reporting date.
- (b) The Group considers whether goodwill is impaired. Whether an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cost generating units. This requires estimation of the future cash flows from the cash generating units and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.
- (c) The value of customer relationships, software development and trademarks in intangible assets is based on external valuation. This is based on the number of assumptions and estimates. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the cash flows the customer relationships are expected to generate in the future.

There are not considered to be any other key sources of estimation uncertainty.

EXIGER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

3. TURNOVER

	2022	2021
	£'000	£'000
The Company's turnover by class of business is as follows:		
Advisory services	8,035	6,177
Due diligence and related services	33,597	34,633
	<u>41,632</u>	<u>40,810</u>
The Company's turnover by geography is as follows:		
United Kingdom	6,885	4,577
Rest of world	34,747	36,233
	<u>41,632</u>	<u>40,810</u>

4. OPERATING LOSS

	2022	2021
	£'000	£'000
Operating loss is stated after charging:		
Depreciation of tangible fixed assets	204	522
Amortisation of intangibles	613	2,418
Operating lease rentals	986	891

5. AUDITOR'S REMUNERATION

	2022	2021
	£'000	£'000
Audit of the group financial statements	<u>35</u>	<u>25</u>

6. DIRECTORS AND EMPLOYEES

	2022	2021
	£'000	£'000
Wages and salaries	19,617	20,181
Social security costs	683	656
Pension costs	631	713
	<u>20,931</u>	<u>21,550</u>

No remuneration was paid to the directors through the group during 2022 or 2021.

The average number of employees, including the directors, during the period was as follows:

	2022	2021
	No.	No.
Administration	<u>388</u>	<u>350</u>

EXIGER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

7. TAXATION

	2022	2021
	£'000	£'000
<i>Current tax:</i>		
Current tax on income for the period	-	-
Adjustments in respect of prior periods	-	(546)
	<u>-</u>	<u>(546)</u>
<i>Foreign tax:</i>		
Foreign tax on income for the year	-	72
	<u>-</u>	<u>72</u>
Total current tax	<u>-</u>	<u>72</u>
<i>Deferred tax:</i>		
Origination and reversal of timing differences	121	-
Adjustments for prior periods	-	-
	<u>121</u>	<u>-</u>
Total deferred tax	<u>121</u>	<u>-</u>
Tax on profit	<u>121</u>	<u>(474)</u>

Factors that may affect future tax charges

The group has substantial carry forward tax losses at 31 December 2022.

A deferred tax asset has not been recognised for these losses as it is not considered probable that these tax losses will be utilised in the immediate future.

EXIGER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

8. INTANGIBLE FIXED ASSETS

Group	Customer relationships £'000	Software development £'000	Trademarks £'000	Goodwill £'000	Total £'000
Cost					
At 1 January 2022	4,106	16,789	526	3,444	24,865
Additions	-	1,225	-	-	1,225
As 31 December 2022	4,106	18,014	526	3,444	26,090
Depreciation					
At 1 January 2022	3,897	10,953	246	1,854	16,950
Charge for the year	209	-	56	348	613
Translation	-	(497)	-	-	(497)
At 31 December 2022	4,106	10,456	302	2,202	17,066
Net book value					
At 31 December 2022	-	7,558	224	1,242	9,024
At 31 December 2021	209	5,836	280	1,590	7,915

Company	Software development £'000
Cost	
At 1 January 2022	190
Additions	142
As 31 December 2022	332
Depreciation	
At 1 January 2022	-
Charge for the year	-
At 31 December 2022	-
Net book value	
At 31 December 2022	332
At 31 December 2021	190

EXIGER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

9. TANGIBLE FIXED ASSETS

Group	Fixtures, fittings and equipment £'000	Office equipment £'000	Leasehold improve- ments £'000	Total £'000
Cost				
At 1 January 2022	1,034	1,648	1,131	3,813
Additions	-	128	-	128
At 31 December 2022	1,034	1,776	1,131	3,941
Depreciation				
At 1 January 2022	1,034	1,336	1,095	3,465
Charge for the year	-	171	33	204
At 31 December 2022	1,034	1,507	1,128	3,669
Net book value				
At 31 December 2022	-	269	3	272
At 31 December 2021	-	312	36	348

Company	Fixtures, fittings and equipment £'000	Office equipment £'000	Leasehold improve- ments £'000	Total £'000
Cost				
At 1 January 2022	451	596	87	1,134
Additions	-	28	-	28
At 31 December 2022	451	624	87	1,162
Depreciation				
At 1 January 2022	451	474	53	978
Charge for the year	-	63	34	97
At 31 December 2022	451	537	87	1,075
Net book value				
At 31 December 2022	-	87	-	87
At 31 December 2021	-	122	34	156

EXIGER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

10. FIXED ASSET INVESTMENTS

Company	Investment in subsidiaries £'000	Unlisted investments £'000	Total £'000
Cost or valuation			
At 1 January 2022	16,555	-	16,555
Disposals	-	-	-
31 December 2022	16,555	-	16,555

At 31 December 2022 the Company had interest in the following subsidiaries:

Subsidiaries	Type of shares held	Holding (%)	Registered office
Exiger Singapore Pte. Ltd	Ordinary	100%	12 Marina Boulevard, #17-16, MBFC Tower 3, Singapore 018982
Exiger Asia Ltd	Ordinary	100%	Units 1607-8, 16/F Citicorp CTR 18 Whitfield Rd Causeway Bay, Hong Kong
Poseidon Research China Co. Ltd	Ordinary	100%	Units 1607-8, 16/F Citicorp CTR 18 Whitfield Rd Causeway Bay, Hong Kong
Exiger Canada, Inc.	Ordinary	100%	48 Yonge Street, Suite 1000, Toronto, ON M5E 1G6 Canada
Exiger Diligence Tech S.R.L	Ordinary	99%	165 Splaiul Building TN Office 1. 7 th Floor, 3 rd District, Bucharest, Romania
Exiger Australia Pty Ltd	Ordinary	100%	International Towers III, Level 25, 300 Barangaroo Avenue, Barangaroo, Sydney, NSW 2000

11. DEBTORS

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
<i>Due after more than one year</i>				
Other debtors	260	268	43	134
<i>Due within one year</i>				
Trade debtors	10,464	8,001	1,936	2,783
Amounts owed by group undertakings	68,513	43,707	22,421	20,474
Other debtors	2,212	1,588	1,386	1,139
Prepayments and accrued income	2,198	2,291	30	-
	83,387	55,587	25,773	24,396

EXIGER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade creditors	2,473	3,352	320	267
Amounts owed to group undertakings	103,482	76,629	34,798	31,664
Other taxes and social security	680	231	649	438
Other creditors	593	412	809	668
Accruals and deferred income	12,620	5,646	515	796
	<u>119,848</u>	<u>86,270</u>	<u>37,091</u>	<u>33,833</u>

13. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Amounts owed to group undertakings	-	-	-	65
Other creditors	1,585	2,302	231	841
	<u>1,585</u>	<u>2,302</u>	<u>231</u>	<u>906</u>

14. FINANCIAL ASSETS AND LIABILITIES

	Group		Company	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Financial assets				
Measured at fair value through profit or loss	260	268	43	134
Debt instruments measured at amortised cost	85,635	56,075	26,772	24,890
	<u>85,895</u>	<u>56,343</u>	<u>26,815</u>	<u>25,024</u>
Financial liabilities				
Measured at amortised cost	(120,122)	(86,039)	(37,129)	(33,395)

Financial assets measured at fair value through profit or loss comprise unlisted investments.

Financial assets measured at amortised cost comprise trade and other debtors, amounts owed by group undertakings and cash in hand.

Financial liabilities measured at amortised cost comprise trade and other creditors, accruals and deferred income and amounts owed to group undertakings.

EXIGER LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED 31 DECEMBER 2022

15. SHARE CAPITAL

	2022 £'000	2021 £'000
Allotted, called up and fully paid		
667 Ordinary shares of £1 each	<u>1</u>	<u>1</u>

16. OPERATING LEASE COMMITMENTS

As at 31 December 2022 the Company had minimum payment commitments under non-cancellable operating leases as follows:

	Group		Company	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Within one year	406	699	-	267
In two to five years	437	855	-	267
After five years	-	-	-	-
	<u>843</u>	<u>1,554</u>	<u>-</u>	<u>534</u>

17. RELATED PARTIES

Controlling entity

The Company is a wholly owned subsidiary of Exiger, Inc, a Delaware corporation based in the United States of America which is also the ultimate parent company. That company produces the only consolidated accounts into which the results of the Company are consolidated.

Related party transactions

The Group has taken advantage of the exemption under section 33 of FRS 102 regarding the disclosure of transactions entered between two or more members of a group for wholly-owned members of that group.

18. POST BALANCE SHEET EVENT

Exiger LLC (a fellow group company within the Exiger Inc. group), acting as sellers' representative, on 10 October 2023 signed an asset purchase agreement with Capgemini America Inc for the acquisition of the Financial Crime Compliance (FCC) division of Exiger. The entities within the UK group affected by this asset purchase transaction are Exiger Limited, Exiger Singapore PTE. Ltd., Exiger Diligence Tech S.R.L, Exiger Asia Limited and Exiger Australia Pty Ltd. The FCC division of Exiger comprises a team that specializes in advisory, analytics and managed services relating to anti-money laundering, Know Your Customer (KYC), anti-bribery & corruption, suspicious activity monitoring, sanctions, transaction monitoring, and fraud with clients who are major players in banking, capital markets and FinTech.

On 19 December 2023, Exiger Inc, announced that it had entered into a definitive agreement through which it will receive a majority investment from funds managed by global investment firm Carlyle and global software investor Insight Partners.