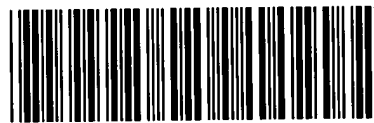


COMPANY REGISTRATION NUMBER 01281651

Keyloop (UK) Limited
(formerly trading as CDK Global (UK) Limited)
Annual Report and Financial Statements
For the Period from 1 July 2020 to 31 December 2021

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Keyloop (UK) Limited

Annual Report and Financial Statements

For the Period from 1 July 2020 to 31 December 2021

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Keyloop (UK) Limited

Officers and Professional Advisers

The Board of Directors A Johnson (appointed 15 August 2022)
C R Duff (appointed 15 May 2021 and resigned 15 August 2022)
T E Kilroy (appointed 31 January 2022)
L D Goodman (resigned 31 January 2022)
R W J Alexander (resigned 15 May 2021)
N Packham (resigned 1 March 2021)
L J Brunz (resigned 1 March 2021)

Registered office The Brickworks
35-43 Greyfriars Road
Reading
England
RG1 1NP

Independent auditors BDO LLP
Level 12, Thames Tower
Station Road
Reading
RG1 1LX

Keyloop (UK) Limited**Strategic Report (continued)****For the Period from 1 July 2020 to 31 December 2021**

The Directors present their Strategic Report of Keyloop (UK) Limited (the "Company") for the 18 month period ended 31 December 2021 (referred to as "2021" and "period" throughout the Financial Statements) detailing the main factors impacting upon the business during the period and a review of progress. On 4 March 2021, there was a resolution to change the name of the Company from CDK Global (UK) Limited to Keyloop (UK) Limited.

Principal activities and business review

The principal activity of Keyloop (UK) Limited continues to be that of the supply, installation and support of computer software and hardware together with related service activities. Keyloop is a leading global supplier of digital solutions for the automotive retail industry. Our powerful open platform connects retailers, OEMs, partners, and consumers to create a car buying and service experience that is seamless and rewarding. Keyloop technology brings it all together, linking all the systems, departments and sites of automotive retail groups for greater power and efficiency. Over 250,000 product users use Keyloop technology across 18,000+ retail sites in more than 90 countries globally. There are no likely changes in the Company's activities in the forthcoming year.

The Company continues to invest in research and development which has resulted in number of updates to the Company's existing products. The Directors regard such investment as necessary for the continued success in the medium to long-term future of the business.

As shown in the Company's Profit and Loss Account on page 18, the Company's sales on continuing operations of £144,938,000 (2020: £88,506,000) have increased by 63.8% due to the longer period.

The Company achieved an operating margin from continuing operations after direct costs of 32% (2020: 25%). The variance in the achieved operating margin between the two periods is driven by the fact that in the last quarter of 2020 the total turnover amount was significantly lower than forecasted due to the fact that the Company had decided to raise credit memos to its customers in order to help them during the early stages of the COVID-19 pandemic.

The Balance Sheet on page 20 shows the Company's financial position at the period-end.

The Company's cash levels have decreased by £6,621,000 from £19,890,000 at the end of June 2020 to £13,269,000 at the end of the current financial period. The cash levels have decreased significantly in comparison with the prior year due to the cash repatriation scheme with CDK Global, Inc. in view of the upcoming sale of CDK International to Francisco Partners. Cash levels in the branch have decreased by £4,515,000, and in the parent company the cash levels have decreased by £2,106,000. Various ratios are used by the Directors as key performance indicators of their control over the Balance Sheet. These being the Acid-Test, Return on Capital Employed (ROCE) and Return on Assets (ROA).

- Acid-Test has decreased from 3.00 at the end of June 2020 to 1.68 at the end of December 2021 (calculated as current assets excluding stock/current liabilities).
- ROCE has increased from 26% in June 2020 to 42% for December 2021 (calculated as operating profit/prior period net assets).
- ROA has increased from 13% for June 2020 to 25% for December 2021 (calculated as profit after tax/ prior period total assets).

ROCE has increased significantly in comparison with the prior year due to the fact that the total value of net assets has decreased and due to the fact that the operating profit has increased. The value of net assets has increased due to a decrease in Debtors which has been driven by an decrease in new Loans to Group undertakings.

ROA has increased significantly in comparison with the prior year due to the fact that the value of total assets has decreased and due to the fact that profit after tax has increased. The value of total assets has decreased due to a decrease in Debtors which has been driven by an decrease in new Loans to Group undertakings. Profit after tax has decreased as both the cost of sales and other operating expenses have increased.

The Company acquired EnquiryMax Ltd on 1 March 2021 for the amount £29,027,000 against the loan from Concorde MidCo Limited in the same amount. EnquiryMax Ltd provides a showroom management solution in the UK and Ireland, which further expands the customer offering and creates synergies with Rapid RTC acquisition below that helps to manage the customer interaction in the showroom with digital communication tools. Subsequently, a hive up of trade and other assets took place in the amount of £616,200 on 30 June 2021. That hive up has led to posting of the merger reserve in the amount of £947,027 and to the posting of goodwill in the total net amount of £26,043,233. The relevant details can be seen also in the Notes 10 and 12.

The Company acquired DMT Development Services (UK) Ltd (Rapid RTC) on 31 July 2021 for the amount £3,899,000 against the loan from Keyloop Canada Limited in the same amount. Rapid RTC is a provider of Digital Communication and Lead Management Solutions and partners with many leading OEMs. With the acquisition Keyloop enhances its Sales and Marketing offering and brings in new solutions around lead management and attribution, by combining the data with its own Dealer Management Systems. Subsequently, a hive up of trade and other assets took place in the amount of £1,407,320 on 1 August 2021. That hive up has led to posting of goodwill in the total net amount of £2,387,860. The relevant details can be seen also in the Notes 10 and 12.

Keyloop (UK) Limited**Strategic Report (continued)****For the Period from 1 July 2020 to 31 December 2021**

The Company continues to consider, manage and review the impact it has on local communities as part of the delivery of long-term sustainable business performance. Through the Company charities committee, the Company continues to support charities nominated by Company employees and which usually have a personal connection with employees or the local community. The Company continues to seek to reduce its impact on the environment. The Company has taken various carbon reducing initiatives and embarked on obtaining ISO14001 compliance. The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.

Principal risks and uncertainties

The Company operates in a highly competitive market which is a continuing risk to the Company and could result in losing sales to its key competitors. The Company manages this risk by providing value added services to its customers, having fast response times to customer queries and maintaining strong relationships with its customers.

The Company's sales to its non-UK customers are denominated in Sterling, Euro and US Dollars and therefore the Company is exposed to movement in the Euro to Sterling and US Dollar to Sterling exchange rates. The Company also sources products in Euros and beyond so therefore minimises the risk of exchange rate fluctuations by operating currency bank accounts in Euro and US Dollars.

Impact of COVID-19

Overall, the Company has not experienced significant customer losses due to COVID-19 since the Company's software is considered mission critical by many of its customers. The Company's employees are able to work remotely so operations have continued seamlessly for the most part. Operationally the business has been able to pivot to remote working such that operations have continued seamlessly. As a result of travelling restrictions in many of our markets expenses typically incurred for marketing programmes and meetings have been lower than the previous year.

Impact of UK exit from European Union ("Brexit")

During the previous year Brexit negotiations were concluded and the UK has left the EU Single Market and Customs Union and the transition period has ended. Given Keyloop's structure and global footprint the Directors do not expect the direct consequences of Brexit to have a material impact on the Company.

The Management of Keyloop (UK) Limited has assessed the potential impact of Brexit at August 2021, noting the following:

- Keyloop (UK) Limited's business primarily involves the transfer of services to customers, and as such, key changes relating to the physical movements of goods and people between the UK and the EU are not applicable to the Company.
- Keyloop (UK) Limited's business is generally transacted with counterparties in the UK, which further minimizes the exposure to cross-border transactions. For example, based on activity from July 2020 - December 2021 in excess of 98% of recurring billings and approximately 86% of the Company's one-time billings are to counterparties in the UK, and 84% of vendor invoices are from UK or non-EU vendors, with the majority of EU invoices arising through intercompany transactions. This minimizes the impact of cross-border transactions.
- The Company provides hosting from UK data centres to customers located in EU countries. In June 2021 the EU Commission adopted decisions on the UK's adequacy under EU data protection legislation, finding the UK to be adequate. As such, personal data processed by the Company on behalf of its customers in EU countries can continue to flow from the EU and the EEA to the UK without the need for additional safeguards. The UK regime governing the transfer of personal data from the UK to other countries broadly mirrors the EU regime; the EEA is covered by the European Commission adequacy decision. To mitigate the adverse effects of any change to an adequacy decision, the Company is also in the process of updating its intra-group data processing agreements to align with the recently published UK and EU Commission international data transfer templates.
- Year to date August FY21, the Company has not seen any tangible impacts resulting from uncertainty related to Brexit, in terms of sales, revenue or cash collections from customers, nor any significant additional costs of preparing for compliance with new regulations post-Brexit.
- There are no material tax implications of Brexit that would impact the Company.

Based on the above analysis, Management of Keyloop (UK) Limited concludes that there is no Brexit-related event triggering the need for an impairment test at August, FY22.

Keyloop (UK) Limited**Strategic Report (continued)****For the Period from 1 July 2020 to 31 December 2021**

Impact of Ukraine crisis

The Company has no physical or legal presence in either Russia or Ukraine and no revenue is generated from the region. The war in Ukraine is not expected to have a material impact on business performance.

Financial risk management objectives and policies

The Company operates as a major trading subsidiary within the wider Keyloop Group. The decisions in respect of financial risk management are not taken at the Company's level.

Furthermore, the Company's activities expose it to a number of financial risks including cash flow risk, credit risk and price risk. The Company policies as governed and approved by the Board of Directors are used to manage these risks. The Company does not use derivative financial instruments.

Cash flow risk

The Company's activities expose it to the financial risks of changes in foreign currency exchange rates. The Company uses foreign currency bank accounts to limit exposure.

Credit risk

The Company's principal financial assets are bank balances, trade and other receivables and investments. The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the Balance Sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. The Company has no significant concentration of credit risk, with exposure spread over a large number of counter parties and customers.

Price risk

Inflation: The Company has already started to feel the impact of inflation on its costs from suppliers, but equally, the Company has got an Annual Price Increase process in place where such an increase is subsequently passed to its customers.

Rising energy prices: The Company has already started to feel the impact of rising energy prices. However, this fact was not reflected in the Energy & Carbon Reporting below within the Director's report as this externality has started to manifest itself during the year 2022 and was not a matter of concern as at December 31st, 2021.

Supply Chain Disruptions: The Company is not directly impacted as hardware does not constitute a major part of its business. Nevertheless, the Company feels it indirectly because supply chain disruptions can impact its customers (auto dealerships) and therefore it can impact the sale of some of its layered applications products.

Rising cost of living: The Company feels the impact in its labour costs. Again, however, the Company has got an Annual Price Increase process in place where such an increase is subsequently passed to its customers.

Future prospects

The Directors intend to take advantage of their position in the United Kingdom market place and open up further sales opportunities by providing value added services to new and existing customers, and also to capture additional market share by winning new customers and building manufacturer relationships in the automotive retail market.

Furthermore, apart from the integration of the already acquired entities, the Company will continue to position itself on the market such that it would be able to execute any further new acquisitions decisively.

Keyloop (UK) Limited**Strategic Report (continued)****For the Period from 1 July 2020 to 31 December 2021**

Section 172

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

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

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

Francisco Partners acquired the international division of CDK Global with effect from 1 March 2021 which included the Company. Since that date the international division of CDK Global has been rebranded as Keyloop and the Company itself has been renamed Keyloop (UK) Limited.

In large and complex organisations such as Keyloop, the directors fulfil their duties partly through a governance framework that delegates day-to-day decision making to employees of the Company. The directors recognise that such delegation needs to be part of a robust governance structure which covers the values and the behaviours expected of employees; the standards they must adhere to; how the Company engages with stakeholders and how the directors ensure its governance system and controls continue to be robust.

The following summarises how the Directors had regard to the respective elements of Section 172 factors set out above in the fulfilment of their duties during the fiscal year.

Long term consequences of decisions

During the financial period the Group implemented a new operating model for the business, transitioning from a geographically structured organisation to a functional model. This decision was underpinned by five long term ambitions to make Keyloop: a scalable company; a supplier of world class products; focused on customers; a great place to work; and an organisation that produces strong financial results.

The new operating model is led by the Keyloop Leadership Team (KLT), which consists of functional leaders from Alliances, Customer, Engineering, Finance, HR, Innovation, IT, Legal, M&A, Product and Sales. There were personnel changes to the KLT during the period, with functional expertise joining the business to lead several functions.

The Keyloop senior leadership team, consisting of approximately 100 colleagues, played a key role in executing the new operating model with the five long term ambitions as the focus for the decisions taken this period operating model with the five long term ambitions as the focus for the decisions taken this period.

The Keyloop Group acquired five businesses during the period: Enquirymax, RAPID RTC, Motordocs, FISC and Silver Bullet. These investment decisions were made by the Keyloop board and the KLT in each case with the long-term interests of Keyloop in mind.

Keyloop (UK) Limited**Strategic Report (continued)****For the Period from 1 July 2020 to 31 December 2021**

Section 172 (continued)**Shareholder relationships**

The ultimate shareholder relationship is with Francisco Partners. A Keyloop board of directors was established, consisting of representatives from Francisco Partners and the Keyloop Chief Executive Officer. There are quarterly board meetings during which the KLT provides the board with updates regarding business performance across each function and the key strategic initiatives.

An Audit Committee was also established and meets quarterly in line with board meetings. Consisting of a non-executive Chair, the Keyloop CFO and representatives from Francisco Partners the Audit Committee reviews Keyloop financial metrics including profit and loss, the balance sheet, treasury and tax and the Keyloop risk management and compliance framework.

In addition to a range of meetings on business topics the KLT hold regular fortnightly meetings ensuring good communication so that Keyloop's interests (and ultimately its shareholders) are discussed and then communicated into the Company. The senior leadership team of the Company meet at least on a monthly basis which enables shareholder interests to be considered when taking decisions.

The interest of Company employees

This fiscal period continued to provide challenges relating to the COVID 19 pandemic. The Company maintained its flexible working measures to enable the prioritisation of employee safety. Health and safety measures were implemented at Company premises in line with applicable government guidelines.

As COVID 19 restrictions were eased, led by the senior leadership team Keyloop ran a flexible working consultation scheme, inviting each function to define their own working arrangements that balanced the interests of staff with the business. This has resulted in the publication of team charters, outlining the working arrangements for that team which may be office based, remote working or a hybrid model. Most teams operate a hybrid working model.

In recognition of the significant contribution made by staff during the period, the Company ran a Summer Friday scheme, during which each Friday in August was a non-working day.

The Company remains committed to the professional as well as personal development of its staff. General and technical e-learning platforms were provided to the Company's staff, enabling career focused learning paths to be developed.

In addition, the Company conducts regular employee engagement surveys. These are analysed and discussed at senior management level including the KLT and employee engagement is a key metric that is discussed with the Keyloop board.

Business relationships*Customers*

Following the implementation of the new Keyloop operating model the Chief Customer Officer, responsible for customer support, implementation and professional services, is a member of the KLT. This organisational change is consistent with one of Keyloop's long term ambitions to be a company focused on its customers.

A number of customer facing roles participate on the Keyloop senior leadership team. Customer matters are discussed at each regular meeting of the senior leadership team. Additional monthly meetings are held to identify and discuss significant new or developing customer relationships. This enables a good flow of information to the KLT and the Keyloop board enabling customer issues to be considered when making decisions.

Close customer engagement is an ongoing activity of the Company. This is generally conducted by senior management, key account managers and the customer success team. In addition, members of the KLT, including the Chief Executive Officer and Chief Customer Officer meet regularly with customers and share feedback directly within the business and with the board.

The Company participates in and sponsors several industry events further enabling near and longer terms relationships to be built and maintained with customers.

Keyloop (UK) Limited

Strategic Report (continued)

For the Period from 1 July 2020 to 31 December 2021

Section 172 (continued)

Business relationships (continued)

Vendors

As part of the separation of Keyloop (formerly CDK Global International) from CDK Global, Inc. Keyloop has established direct contractual relationships with vendors that previously were managed by CDK Global's procurement function in the US. The procurement function is represented on the Company senior management through the finance and legal teams. Vendor issues, concerns and considerations feature as a regular topic in this forum. This enables a good flow of information that allows the KLT to take vendor issues into consideration in its decision making.

For the sake of consistency, effectiveness and cost, the Company seeks to create longer term relationships with its vendors. The Company acknowledges that many of its customers are of long tenure and a key to maintaining such relationships is the underlying stability of the Company's own supply chain.

Impact on community and environment

The Company continues to consider, manage and review the impact it has on local communities as part of the delivery of long-term sustainable business performance. Keyloop is a proud long-term member of the Automotive 30% Club, meaning it has pledged to be led by women in at least 30% of key positions by 2030. During the period the Company also ran 'Dealer Tech', an automotive technology competition for university students which was created in order to support the development of future talent for our industry. Through the Company's charities committee, the Company continues to support charities nominated by Company employees and which usually have a personal connection with employees or the local community.

During the period the Company achieved ISO 14001 certification; an international standard that specifies requirements for an effective environment management system. The Company is committed to maintaining this certification and using the standard to ensure it continues to be as environmentally responsible as it can be.

Reputation for high standards of business conduct

The Company maintains its reputation for high standards of business conduct. During the period it launched the following new corporate values:

We are:

- **Bold** - we choose to challenge the status quo and are ready to face adventure. We are excited about innovation. We are courageous, we step into the unknown and take risks. We are visionaries. We choose progress over perfection because we know that sometimes we must break things to make them better. Most of all we are determined to use our experience and our abilities to benefit everyone we work with colleagues, partners and customers. We set the pace, transforming the industry as we know it as we strive to make tomorrow better.
- **Authentic** - every person counts. We value individuality, experience, creativity and vulnerability. We are kind, we encourage creativity and participation, coming together for the benefit of the Keyloop family. We embrace our differences and respect everyone; we encourage our people to bring their true selves to work which enables us to create amazing things together and make the journey fun.
- **United** - we work together as one Keyloop. We work better and achieve more when we support one another, collaborate and co-create. We appreciate the little things as well as the big things and recognise one another on a job well done. We enjoy every moment; we celebrate when we succeed and pull together in the face of adversity.

Responsible business conduct is fundamental to the long-term success of the Company. During the period Keyloop established a risk management governance framework which is managed by the Keyloop Risk Committee, consisting of senior leaders from key functions such as Legal, Facilities, Finance, HR and Information Security. The Keyloop Risk Committee is responsible for identifying, assessing and monitoring corporate risks across the organisation including the publication of policies, procedures and the annual staff training programme. The Keyloop Risk Committee meets at least quarterly, reports to the KLT and provides updates to the Keyloop Audit Committee.

Keyloop (UK) Limited

Strategic Report (continued)

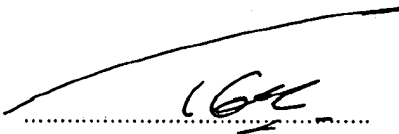
For the Period from 1 July 2020 to 31 December 2021

Section 172 (continued)

Acting fairly between members of the Company

While the directors understand their duty to act fairly between different shareholders as required by UK company law, they acknowledge that there is a single shareholder of the Company. The directors remain transparent in all matters with its immediate shareholder and indirect parent companies.

The Strategic Report was approved by the Board of Directors on 4 October 2022 and signed on their behalf by:



A handwritten signature in black ink, appearing to read 'T E Kilroy', is written over a horizontal dotted line.

T E Kilroy 4 October 2022
Director

The Brickworks
35-43 Greyfriars Road
Reading
England
RG1 1NP

Keyloop (UK) Limited**Directors' Report****For the Period from 1 July 2020 to 31 December 2021**

The Directors present their report and the audited Financial Statements of Keyloop (UK) Limited (the "Company") for the 18 month period ended 31 December 2021 (referred to as "2021" and "period" throughout the Financial Statements). The accounting period ending 30 June 2021 was extended to 31 December 2021. The comparatives are for the 12 month period ended 30 June 2020 (referred to as "2020" and "period" throughout the Financial Statements). On 4 March 2021, there was a resolution to change the name of the Company from CDK Global (UK) Limited to Keyloop (UK) Limited.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has access to adequate resources to continue in operational existence for the foreseeable future, which reflects a period of at least 12 months from the date of approval of the financial statements. The Company's business activities, together with the factors likely to affect its future performance are set out in the Strategic Report.

Operational and business impact of COVID-19, Brexit and Ukraine crisis

Operationally the business has been able to pivot to remote working such that operations have continued seamlessly. As a result of the travelling restrictions in many of our markets expenses typically incurred for marketing programmes and meetings have been lower than the previous year.

During the year Brexit negotiations were concluded and the UK has left the EU Single Market and Customs Union and the transition period has ended. Given Keyloop's structure and global footprint the Directors do not expect the direct consequences of Brexit to have a material impact to the Company. A large portion of the wider Group's business is not affected as it is located within the EU, the Americas and Asia-Pacific.

The Company has no physical or legal presence in either Russia or Ukraine and no revenue is generated from the region. The war in Ukraine is not expected to have a material impact on business performance.

Liquidity and financing position

The Company meets its day-to-day working capital requirements using cash on hand and is expected to generate free cash flow going forwards. At year-end, the Company had cash holdings of €13.2m and access to a further €60m revolving cash flow facility via a parent company, which remains undrawn and is available until 2027.

Liquidity is managed on a group basis within the group headed by Concorde Topco Limited. The Group's long-term funding includes a senior term loan facility of €637.5m and second lien term loan facility of £125m (€149.1m) repayable in single bullet repayments during 2028 and 2029 respectively. Interest on these loans is paid quarterly. Lending covenants in respect of these facilities are tested upon occurrence of specific events rather than on an ongoing basis and therefore can only be violated because of voluntary action by the Board.

In addition to bank debt the Group's capital structure includes €440.1m redeemable preference shares held by Francisco Partner funds. As specified in the Company's articles of association the preference shares are redeemable on demand at request of either the holder or Company. The Directors have received confirmation from the preference shareholders that they will not exercise their right to redeem any of the preference shares prior to 31 May 2024.

For fiscal year 2022, the Company prepared a budget for the twelve-month period to 31 December 2022 and then a longer forecast period to 30 June 2023 was considered (the "Forecast Period"). The Company's forecasts and projections, which include key assumptions as to growth in new contract bookings, customer churn rates, and headcount increases, show that the Company will be able to operate within the level of these current resources and borrowing facilities.

Reverse stress testing

Various sensitivity analyses were performed, including a severe but plausible case without mitigating actions, by decreasing the assumed growth rate for new contract bookings and increasing assumed customer churn rates while keeping headcount assumptions unchanged. In both the base and severe but plausible downside scenarios, the forecasts indicated that there was sufficient headroom and liquidity for the business to continue based on the facilities currently available to it.

Going concern conclusion

On the basis of the above considerations, the Directors have concluded that using the going concern basis for preparation of the financial statements is appropriate.

Keyloop (UK) Limited**Directors' Report (continued)****For the Period from 1 July 2020 to 31 December 2021**

Results and dividends

The profit for the financial period amounted to £40,071,000 (2020: £20,833,000). The Directors do not recommend the payment of dividend (2020: £nil), and the Directors propose that the remaining profit for the period is transferred to reserves.

Interim dividend in the amount of £28m was paid out to CDK Global (Nederland) BV on 10 December 2020. Dividend in the amount of £78m was paid out to CDK Global (Nederland) BV on 31 July 2020.

Research and development activities

Details of future prospects of can be found in the Strategic Report on page 3 and form part of this report by cross-reference.

Fixed assets

Acquisitions and disposals of tangible fixed assets during the period are recorded in note 11.

Financial risk management objectives and policies

Details on financial risk management objectives and policies can be found in the Strategic Report on page 5 and form part of this report by cross-reference.

Donations

During the period the Company made charitable donations amounting to £2,700 (2020: £38,594).

Political Contributions

The Company made no political donations or incurred any political expenditure during the period.

Directors

The Directors who served the Company during the period and up to the date of signing the Financial Statements are listed on page 2.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities.

Wherever possible, arrangements are made for the continued employment of persons who become disabled during service and for the appropriate training, career development and promotion of disabled persons.

Locations

The Company had operations in the following locations worldwide during the period:

Country	Location
United Kingdom	Reading
United Kingdom	Glasgow
United Kingdom	Bristol
United Kingdom	Telford
United Kingdom	Omagh
South Africa	Johannesburg - branch

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the period and remain in force at the date of this report.

Keyloop (UK) Limited**Directors' Report (continued)****For the Period from 1 July 2020 to 31 December 2021****Events after the reporting period**

During the year 2022, several new unsecured loans with Keyloop Holdings (UK) Limited in the total amount of £27,123,000 were set up.

During the year 2022, several new unsecured loans with Motordocs UK in the total amount of £675,000 were set up. Outstanding unsecured loans were subsequently paid during the year 2022 in the total amount of £850,000.

During the year 2022, several new unsecured loans with Keyloop (France) SAS in the total amount of £1,820,000 were set up. Outstanding unsecured loans were subsequently paid during the year 2022 in the total amount of £5,834,000.

The Company's office at the Wright House, Stafford Court, Stafford Park, Telford, TF3 3BD was reclassified from the category of tangible assets to category of non-current assets held for sale with the net book value of £245,667. The property was sold to the external buyer on 11 January 2022 for the amount £381,000.

Indication of future developments

Details of future prospects of can be found in the Strategic Report on page 5 and form part of this report by cross-reference.

Disclosure of information to the auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each Director has taken all the steps that they ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditors

During the year, Deloitte LLP resigned as auditors; and on June 25th, 2021, BDO LLP were appointed as auditors.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and BDO LLP will therefore continue in office.

Section 172

Section 172 is included in Strategic report from page 6 to 9.

Energy & Carbon Reporting

Keyloop (UK) Limited has considered the Streamlined Energy and Carbon Reporting (SECR) requirements. We have reported on the underlying energy use during the financial period. The majority of purchased electricity results from heating or cooling in the office, lighting and use of computers. BDO UK have been provided with the requested SECR reporting.

Energy Consumption and Greenhouse Gas Emissions

	Period to 31 December 2021	Year to 30 June 2020
	kWh	kWh
Electricity	3,834,548	2,728,107
Natural Gas	208,989	149,408
Diesel	9,450	5,554
Fuel for Business Travel	689,852	2,390,378
	<u>4,742,839</u>	<u>5,273,447</u>

Keyloop (UK) Limited**Directors' Report (continued)****For the Period from 1 July 2020 to 31 December 2021****Energy & Carbon Reporting (continued)***Energy Consumption and Greenhouse Gas Emissions*

	Period to 31 December 2021 tCO₂e	Year to 30 June 2020 tCO ₂ e
Electricity	814	649
Natural Gas	38	30
Diesel	2	1
Fuel for Business Travel	163	594
Refrigerant Gas	56	50
	<u>1,073</u>	<u>1,324</u>

Intensity Metric

	Period to 31 December 2021 tCO₂e/£	Year to 30 June 2020 tCO ₂ e/£
Scope 1	0.02	0.06
Scope 2	0.12	0.11
Scope 3	0.03	0.06
	<u>0.16</u>	<u>0.23</u>

Methodology

This energy and carbon report has been prepared by Energy & Technical Services Ltd in line with the Greenhouse Gas Protocol Corporate Standard. The boundaries of the energy and carbon footprint are based on a financial-control approach, and are the same as the boundaries for financial reporting. The reporting period is 1 July 2020 to 31 December 2021.

The energy footprint includes all electricity, gas and diesel (for back-up generators) consumed at Keyloop (UK) Ltd offices and is based on billing data or meter readings. The transport energy is a sum of the fuel used for business travel in both company-owned vehicles and employee-owned vehicles, and is based on mileage claims data. Employee commuting and personal travel is excluded from scope.

The carbon footprint includes Scope 1 (direct) emissions from the combustion of gas and diesel in offices; fuel used in company cars, and fugitive emissions of refrigerant gas from air-conditioning units. The Scope 2 (indirect) emissions arise from the production of purchased electricity. Scope 3 emissions arise from fuel used in employee-owned vehicles. Energy conversion and emissions factors have been based on the UK Government Conversion Factors for Company Reporting of Greenhouse Gas Emissions. Fugitive emissions have been estimated based on the Simplified Material Balance method 3.

The Directors' Report was approved by the Board of Directors on 4 October 2022 and signed on their behalf by:

T E Kilroy 4 October 2022
Director

The Brickworks
35-43 Greyfriars Road
Reading
England
RG1 1NP

Keyloop (UK) Limited

Statement of Directors' Responsibilities in respect of the Directors' Report and the Financial Statements

For the Period from 1 July 2020 to 31 December 2021

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

Company law requires the Directors to prepare Financial Statements for each financial period. Under that law they have elected to prepare the Financial Statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Keyloop (UK) Limited

Independent Auditor's Report to the Members of Keyloop (UK) Limited (continued)

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 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.

We have audited the financial statements of Keyloop (UK) Limited ("the Company") for the 18 month period ended 31 December 2021 which comprise the Profit and Loss Account, the Balance Sheet and the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

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

Conclusions relating to going concern

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

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

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

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Keyloop (UK) Limited

Independent Auditor's Report to the Members of Keyloop (UK) Limited

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of Directors

As explained more fully in the Statement of Directors' Responsibilities, 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.

Auditor's responsibilities for the audit of the financial statements

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

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

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

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- enquiring of management concerning actual and potential litigation and claims.
- review of legal and professional fees for indication of evidence of undisclosed litigation and claims or undisclosed breaches of laws and regulations.
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- substantive procedures were performed to test existence and accuracy of revenue; further testing was performed on manual entries to revenue and contract assets and liabilities; and

Keyloop (UK) Limited

Independent Auditor's Report to the Members of Keyloop (UK) Limited (continued)

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

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Daniel Henwood (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Reading, UK
5 October 2022

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

Keyloop (UK) Limited**Profit and Loss Account****For the Period from 1 July 2020 to 31 December 2021**

	<i>Note</i>	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Turnover	3	144,938	88,506
Cost of sales		(52,962)	(40,077)
Gross profit		<u>91,976</u>	48,429
Other operating expenses		(45,863)	(26,635)
Operating profit	4	46,113	21,794
Income from shares in group undertakings	6	1,322	-
Interest receivable and similar income	7	752	1,302
Interest payable and similar expenses	8	(2,065)	(1)
Profit before taxation		<u>46,122</u>	23,095
Tax on profit	9	(6,051)	(2,262)
Profit for the financial period		<u><u>40,071</u></u>	<u><u>20,833</u></u>

The notes on pages 22 to 43 form an integral part of these Financial Statements.

All of the activities of the Company are classed as continuing for the current and prior periods.

There are no material differences between the profit before taxation and the profit for the financial period stated above and their historical cost equivalents for the current and prior periods.

Keyloop (UK) Limited**Statement of Other Comprehensive Income****For the Period from 1 July 2020 to 31 December 2021**

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Profit for the financial period	40,071	20,833
Other comprehensive income		
Currency translation difference on foreign currency net investments	(1,452)	(947)
Other comprehensive (expense) for the period, net of income tax	(1,452)	(947)
Total comprehensive income for the period	38,619	19,886

The notes on pages 22 to 43 form an integral part of these Financial Statements.

Keyloop (UK) Limited**Balance Sheet****As at 31 December 2021**

	<i>Note</i>	2021 £'000	2020 £'000
Fixed assets			
Intangible assets	<i>10</i>	28,431	58
Tangible assets	<i>11</i>	5,624	5,481
Investments	<i>12</i>	3,466	1,441
		37,521	6,980
Current assets			
Stocks	<i>13</i>	280	134
Debtors (including £56,799,913 (2020: £96,636,694) due more than one year)	<i>14</i>	85,584	136,499
Cash at bank and in hand		13,269	19,890
Assets held for sale		246	-
		99,379	156,523
Creditors: amounts falling due within one year	<i>15</i>	(58,939)	(51,970)
Net current assets		40,441	104,553
Total assets less current liabilities		77,961	111,533
Creditors: amounts falling due after more than one year	<i>16</i>	(36,012)	(876)
Net assets		41,949	110,657
Capital and reserves			
Called up share capital	<i>17</i>	172	172
Share premium account	<i>17</i>	19	19
Merger reserve	<i>17</i>	(947)	-
Profit and loss account	<i>17</i>	42,705	110,466
Shareholders' funds		41,949	110,657

The notes on pages 22 to 43 form an integral part of these Financial Statements.

The Financial Statements were approved by the Board of Directors on 4 October 2022 and signed on their behalf by:


T E Kilroy
Director

Company Registration Number: 01281651

Keyloop (UK) Limited**Statement of Changes in Equity****For the Period from 1 July 2020 to 31 December 2021**

	Called up share capital £'000	Share premium £'000	Merger Reserve £'000	Profit and loss account £'000	Total equity £'000
Balance as at 30 June 2019	172	19	-	85,191	85,382
Total comprehensive income for the period					
Profit for the financial period	-	-	-	20,833	20,833
Currency translation difference on foreign currency net investments	-	-	-	(947)	(947)
Total comprehensive income for the period	-	-	-	19,886	19,886
Dividends	-	-	-	5,389	5,389
Total contributions by and distributions to owners	-	-	-	5,389	5,389
Balance at 30 June 2020	172	19	-	110,466	110,657
Total comprehensive income for the period					
Profit for the financial period	-	-	-	40,071	40,071
Currency translation difference on foreign currency net investments	-	-	-	(1,452)	(1,452)
Total comprehensive income for the period	-	-	-	38,619	38,619
Transactions with owners, recorded directly in equity					
Sale of Business Assets (Merger reserve)	-	-	(947)	-	(947)
Dividends	-	-	-	(106,380)	(106,380)
Total contributions by and distributions to owners	-	-	(947)	(106,380)	(107,327)
Balance at 31 December 2021	172	19	(947)	42,705	41,949

The notes on pages 22 to 43 form an integral part of these Financial Statements.

Keyloop (UK) Limited**Notes to the Financial Statements****For the Period from 1 July 2020 to 31 December 2021****1. Accounting policies**

Keyloop (UK) Limited (the "Company") is a private Company limited by shares and incorporated and domiciled and registered in England and Wales in the UK. The address of its registered office and registered number is given on page 2.

The Company is exempt by virtue of Section 401 of the Companies Act 2006 from the requirement to prepare group Financial Statements. These Financial Statements present information about the Company as an individual undertaking and not about its group.

These Financial Statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). The presentation currency of these Financial Statements is sterling. All amounts in the Financial Statements have been rounded to the nearest £1,000.

Upon completion of the sale of CDK Global International on March 1, 2021 to Francisco Partners, new owner of CDK Global International, the ownership structure of the company has changed to the following one: The Company's new immediate parent undertaking is Keyloop (Nederland) B.V., a company incorporated under the laws of the Netherlands. The Company's ultimate new parent undertaking and controlling party is Concorde TopCo Limited, a company incorporated in the United Kingdom whose Financial Statements are available at the Companies House and whose registered office is on The Brickworks, 35-43 Greyfriars Road, Reading, England, RG1 1NP. The Concorde TopCo Limited is then owned via an investment/private equity fund managed by Francisco Partners, a company incorporated in the United States of America whose Financial Statements are available at its registered office on One Letterman Drive, Building C - Suite 410, San Francisco, CA 94129, United States of America. In these Financial Statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- cash Flow Statement and related notes; and
- key Management Personnel compensation.

As the consolidated financial statements of Concorde TopCo Limited, the ultimate parent undertaking at 31 December 2021, included the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- certain disclosures required by FRS 102.26 Share Based Payments; and
- certain disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Financial Statements.

Judgements made by the Directors, in the application of these accounting policies that have significant effect on the Financial Statements and estimates with a significant risk of material adjustment in the next period are discussed in note 2.

Basis of preparation

These Financial Statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

Going concern

After making enquiries, the Directors have a reasonable expectation that the Company has access to adequate resources to continue in operational existence for the foreseeable future, which reflects a period of at least 12 months from the date of approval of the financial statements. The Company's business activities, together with the factors likely to affect its future performance are set out in the Strategic Report.

Operational and business impact of COVID-19, Brexit and Ukraine crisis

Operationally the business has been able to pivot to remote working such that operations have continued seamlessly. As a result of the travelling restrictions in many of our markets expenses typically incurred for marketing programmes and meetings have been lower than the previous year.

During the year Brexit negotiations were concluded and the UK has left the EU Single Market and Customs Union and the transition period has ended. Given Keyloop's structure and global footprint the Directors do not expect the direct consequences of Brexit to have a material impact to the Company. A large portion of the wider Group's business is not affected as it is located within the EU,

Keyloop (UK) Limited**Notes to the Financial Statements****For the Period from 1 July 2020 to 31 December 2021**

the Americas and Asia-Pacific.

The Company has no physical or legal presence in either Russia or Ukraine and no revenue is generated from the region. The war in Ukraine is not expected to have a material impact on business performance.

Liquidity and financing position

The Company meets its day-to-day working capital requirements using cash on hand and is expected to generate free cash flow going forwards. At year-end, the Company had cash holdings of €13.2m and access to a further €60m revolving cash flow facility via a parent company, which remains undrawn and is available until 2027.

Liquidity is managed on a group basis within the group headed by Concorde Topco Limited. The Group's long-term funding includes a senior term loan facility of €637.5m and second lien term loan facility of £125m (€149.1m) repayable in single bullet repayments during 2028 and 2029 respectively. Interest on these loans is paid quarterly. Lending covenants in respect of these facilities are tested upon occurrence of specific events rather than on an ongoing basis and therefore can only be violated because of voluntary action by the Board.

In addition to bank debt the Group's capital structure includes €440.1m redeemable preference shares held by Francisco Partner funds. As specified in the Company's articles of association the preference shares are redeemable on demand at request of either the holder or Company. The Directors have received confirmation from the preference shareholders that they will not exercise their right to redeem any of the preference shares prior to 31 May 2024.

For fiscal year 2022, the Company prepared a budget for the twelve-month period to 31 December 2022 and then a longer forecast period to 30 June 2023 was considered (the "Forecast Period"). The Company's forecasts and projections, which include key assumptions as to growth in new contract bookings, customer churn rates, and headcount increases, show that the Company will be able to operate within the level of these current resources and borrowing facilities.

Reverse stress testing

Various sensitivity analyses were performed, including a severe but plausible case without mitigating actions, by decreasing the assumed growth rate for new contract bookings and increasing assumed customer churn rates while keeping headcount assumptions unchanged. In both the base and severe but plausible downside scenarios, the forecasts indicated that there was sufficient headroom and liquidity for the business to continue based on the facilities currently available to it.

Going concern conclusion

On the basis of the above considerations, the Directors have concluded that using the going concern basis for preparation of the financial statements is appropriate.

The profit for the financial period amounted to £40,071,000 (2020: £20,833,000). The Directors do not recommend the payment of dividend (2020: £nil), and the Directors propose that the remaining profit for the period is transferred to reserves.

Interim dividend in the amount of £28m was paid out to CDK Global (Nederland) BV on 10 December 2020. Dividend in the amount of £78m was paid out to CDK Global (Nederland) BV on 31 July 2020.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021**

1. Accounting policies (continued)**Foreign currency**

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the Profit and Loss Account.

Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these Financial Statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy. Transaction costs are allocated between the debt component and the equity component on the basis of their relative fair values.

Basic financial instruments*Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for, example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

Interest bearing loans classified as basic financial instruments

Interest-bearing loans are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing loans are stated at amortised cost using the effective interest method, less and impairment losses.

Investments in subsidiaries

These are separate Financial Statements of the Company. Investments in subsidiaries are carried at cost less impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****1. Accounting policies (continued)****Other financial instruments***Financial instruments not considered to be Basic financial instruments (Other financial instruments)*

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment.

Intangible assets and goodwill*Goodwill*

Goodwill arising on the acquisition of businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight-line basis over its useful economic life, which is 10 years. Provision is made for any impairment.

Furthermore, where, following an acquisition, a group reorganisation transfers business and goodwill from one company to another, it is necessary to consider the effect on the investment's carrying values. In particular, when a business is transferred up but no consideration is paid for the goodwill, the consideration being only equal to the value of the net separable assets, it may be necessary to reallocate part of the investment's carrying value to goodwill.

Other intangible assets

Intellectual property rights are included at cost and amortised in equal annual instalments over a period of 3-5 years which is their estimated useful economic life. Provision is made for any impairment. Client lists are included at cost and amortised in equal annual instalments over a period of 10 years which is their estimated useful economic life. Provision is made for any impairment.

The Company reviews the amortisation period and method when events and circumstances indicate that the useful life may have changed since the last reporting date.

Goodwill and other intangible assets are tested for impairment in accordance with Section 27 Impairment of assets when there is an indication that goodwill or an intangible asset may be impaired.

Tangible assets

Tangible assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	50 years
Leasehold land and buildings	over the length of the lease
Computers and other equipment	2-7 years
Motor vehicles	4 years
Plant and machinery	3-7 years
Office equipment, fixtures and fittings	3-7 years

Residual value is calculated on prices prevailing at the date of acquisition.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Company expects to consume an asset's future economic benefits.

Non-current assets held for sale

A non-current asset or a group of assets containing a non-current asset is classified as held for sale if its carrying amount will be recovered principally through sale rather than through continuing use, it is available for immediate sale and sale is highly probable within one year.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021**

1. Accounting policies (continued)

On initial classification as held for sale, non-current assets are measured at the lower of previous carrying amount and fair value less costs to sell with any adjustments taken to profit or loss. The same applies to gains and losses on subsequent remeasurement although gains are not recognized in excess of any cumulative impairment loss.

Property, plant and equipment once classified as held for sale or distribution are not amortised or depreciated.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost represents the net purchase price of stock less trade discounts and allowances. Provision is made for obsolete, slow-moving or defective items where appropriate. An entity uses two cost formulas. For the spare stock, it uses the weighted average cost formula. For the sales stock, it uses the FIFO (first in first out) cost formula.

Impairment*Financial assets (including trade and other debtors)*

A financial asset not carried at fair value through the Profit and Loss Account is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in the Profit and Loss Account. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Profit and Loss Account.

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss.

Employee benefits*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the Profit and Loss Account in the periods during which services are rendered by employees.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****1. Accounting policies (continued)***Share-based payments*

The CDK group issued equity-settled and cash-settled share-based payments to certain employees up to the point of sale to Francisco Partners. Since the sale itself, the above-mentioned payments have ceased to be applicable.

The grant date fair value of share-based payments awards granted to employees was recognised as an employee expense, with a corresponding increase in equity, over the period in which the employees became unconditionally entitled to the awards. The fair value of the awards granted was measured based on a binomial option pricing model, taking into account the terms and conditions upon which the awards were granted.

Share-based payment transactions in which the Company received goods or services by incurring a liability to transfer cash or other assets that was based on the price of the Company's equity instruments were accounted for as cash-settled share-based payments.

Turnover

Turnover represents amounts receivable for goods and services provided in the normal course of business, net of trade discounts, VAT and other sales related taxes.

Maintenance income is credited to revenue over the period of the maintenance agreement.

For any contract that contains bundled elements of consultancy, maintenance and license and implementation fees:

- consultancy fees are deferred to the Balance Sheet to be recognised on an as and when utilised basis;
- maintenance fees are deferred to the Balance Sheet and recognised rateably on a straight-line basis over the length of the maintenance contract; and
- license and implementation fees are recognised upfront for perpetual licenses, or for any fixed length term licenses they are recognised rateably over the period of the license term. For licenses sold only under a hosting arrangement revenue is recognised rateably over the period of the hosting contract and associated direct costs are deferred and expressed proportionately over the same period.

The Company generates revenues from the following three categories: 'subscription', 'on-site licenses and installation', and 'other'. The Company does not evaluate a contract for a significant financing component if payment is expected within one year or less from the transfer of the promised items to the customer.

Subscription

The Group provides software and technology solutions for automotive retailers and OEMs, which includes:

- Dealer Management Systems ("DMSs") and layered applications, where the software is hosted and provided on a
- software-as-a-service ("SaaS") basis;
- Interrelated services such as installation, initial training, and data updates;
- Ongoing maintenance and support related to on-site software; and
- Hardware on a service basis, meaning no specific assets are identified or a substantive right of substitution exists, that provides the customer continuous access to hardware owned by the Group.

SaaS and other hosted service arrangements, which allow the customer continuous access to the software over the contract period without taking possession, are provided on a subscription basis. The Group has concluded that under its SaaS and hosted service arrangements, the customer obtains access to the Group's software which resides and is maintained on its managed servers. The customer does not obtain the right to take possession of the software. As such, the Group has concluded that its SaaS and hosted services arrangements do not include a software license. Furthermore, the Group has concluded that while the support and maintenance and hosting services are capable of being distinct performance obligations, the obligations are not distinct within the context of the contract. In addition, as the support and maintenance and hosting services are provided over the same period and have the same pattern of transfer of control, the support and maintenance and hosting services are combined and recognized as a single performance obligation. The Group may provide new customers with interrelated setup activities such as installation, initial training and data updates that the Group must undertake to fulfil the contract. These are considered fulfilment activities that do not transfer the service to the customer. In addition to the core DMS software application, the customer may also contract for layered applications, which are each considered a distinct performance obligation. Revenues for SaaS and other hosted service arrangements are recognized rateably over the duration of the contract. The Group has determined its obligation under these arrangements is to stand ready to perform the underlying services as required by the customer.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021**

1. Accounting policies (continued)

The customer receives the benefit of the services and the Group has the right to payment as the services are performed. A time-elapsed output method is used to measure progress as the Group transfers control evenly over the duration of the contract.

On-site licenses and installation

On-site software arrangements include a license of intellectual property as the customer has the contractual right to take possession of the software and the customer can either run the software on its own hardware or contract with another party unrelated to the Group to host the software. The customer receives the right to use the software license upon its installation for the term of the arrangement. As such, the Group has concluded that the software license is a distinct performance obligation and recognizes the transaction price allocated to on-site software upon installation. The Group also provides maintenance and support of the software applications. Such maintenance and support services may include server and desktop support, bug fixes, and support resolving other issues a customer may encounter in utilizing the software. Revenue allocated to support and maintenance is generally recognized ratably over the contract period as customers simultaneously consume and receive benefits, given the support and maintenance comprise distinct performance obligations that are satisfied ratably over time. A time-elapsed output method is used to measure progress as the Group transfers control evenly over the duration of the contract. Accordingly, maintenance and support revenue for on-site licenses is included in subscription revenue.

Other

The Group provides professional services, including customization, and sells hardware such as laser printers, networking and telephony equipment, and related items. Revenue from these services are recorded when the Group's obligation is satisfied. Where the professional service represents a single performance obligation, the customer receives the benefit of the services only upon their completion, and the Group does not have the right to payment as the services are performed, such service revenues are recognized upon completion. The Group often sells hardware bundled with maintenance services and has concluded that these bundles include two distinct performance obligations. The first performance obligation is to transfer the hardware product and the second performance obligation is to provide maintenance on the hardware and its embedded software. As such, the transaction price allocated to the sold hardware is recognized upon delivery at which point the customer is able to direct the use of, and obtain substantially all of the remaining benefits of the hardware. Upon delivery of the hardware, the Group generally has the right to payment, the customer has legal title, physical possession of, and control of the hardware. The transaction price allocated to the maintenance of hardware and its embedded software is recognized ratably over the duration of the contract as the customer simultaneously consumes and receives the benefit of this maintenance. The Group has determined its obligation under these arrangements is to stand ready to perform the underlying services as required by the customer. A time-elapsed output method is used to measure progress as the Group transfers control evenly over the duration of the contract. Hardware maintenance is included in subscription revenues.

Income from group undertakings

Income from group undertakings is generated under Royalty, Franchise, Hosting and Commercial Operating License agreements in connection with the Autoline product.

Expenses*Operating leases*

Payments (excluding costs for services and insurance) made under operating leases are recognised in the Profit and Loss Account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in the Profit and Loss Account over the term of the lease as an integral part of the total lease expense.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021**

1. Accounting policies (continued)*Research and development*

Expenditure on research and development activities is recognised in the Profit and Loss Account as an expense as incurred.

Expenditure on development activities may be capitalised if the product or process is technically and commercially feasible and the Company intends and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Company can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve design for, construction or testing of the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads and capitalised borrowing costs. Other development expenditure is recognised in the Profit and Loss Account as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

Interest receivable and interest payables

Interest payable and similar expenses include interest payable.

Other interest receivable and similar income include interest receivable on funds invested.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the Company's right to receive payments is established.

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the Profit and Loss Account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or profit for the period, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial Statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the Balance Sheet date. Deferred tax balances are not discounted. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Accounting estimates and judgements

The preparation of Financial Statements in accordance with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of income and expense during the period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results could differ from those estimates.

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

Management have identified critical accounting judgements as well as key concerns concerning the future and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The above mentioned has been identified with respect to the hive up of trade and other assets and the relevant goodwill impairment. Please see the Notes 10 and 12.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****3. Turnover**

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

An analysis of turnover by destination is given below:

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
United Kingdom	123,720	74,663
Rest of Europe	1,750	2,078
South Africa	15,899	8,726
Rest of World	3,569	3,039
	<u>144,938</u>	<u>88,506</u>

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Sale of goods	9,183	2,671
Rendering of services	135,755	85,835
	<u>144,938</u>	<u>88,506</u>

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
General & Admin Revenue	-	95
One Time Revenue (implementation, consulting fees, perpetual licenses)	11,985	7,898
Recurring Revenue (term licenses, maintenance fees)	132,953	77,842
	<u>144,938</u>	<u>85,835</u>

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****4. Expenses and auditor's remuneration**

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
<i>Included in profit/loss are the following</i>		
Research and development expenditure	14,756	11,913
Amortisation of intangible assets	1,582	13
Depreciation of tangible assets	4,712	3,455
Operating lease expense	1,172	566
Restructuring costs	3,508	1,416
Costs related to share-based payments	1,222	394
Exchange loss	1,755	1,619
	<u> </u>	<u> </u>
	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Auditor's remuneration		
Audit of these Financial Statements	298	117
	<u> </u>	<u> </u>

There were no amounts receivable by Company's auditor in respect of non-audit services (2020: nil).

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****5. Directors and employees**

	Period to 31 December 2021	Year to 30 June 2020
	£'000	£'000
Staff costs during the period were as follows		
Wages and salaries	54,921	38,843
Social security costs	5,178	3,679
Contributions to defined Contribution plans (note 20)	4,601	3,364
	<u>64,700</u>	<u>45,886</u>

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

	2021	2020
	Number.	Number.
Administration	53	60
Sales	525	591
	<u>578</u>	<u>651</u>

Remuneration in respect of Directors of the Company was payable as follows:

	Period to 31 December 2021	Year to 30 June 2020
	£'000	£'000
Emoluments	3,852	822
Amounts receivable (other than shares and share options) under long-term incentive schemes	685	306
Company contributions to money purchase pension schemes	34	36
	<u>4,571</u>	<u>1,164</u>

The Directors are Directors of the holding company, Keyloop Holdings (UK) Limited, and are also Directors of Keyloop (UK) Limited. The Directors received total remuneration of £4,571,000 (2020: £1,164,000).

One of the Directors emoluments were also paid by the parent company, CDK Global, Inc, as the Directors of the Company are also Directors or officers of other companies within the CDK Global, Inc. Group. Upon completion of the sale of CDK Global International on March 1, 2021 to Francisco Partners, new owner of CDK Global International, however, this ceased to be applicable. The amounts allocated in respect of their services to the Company is £nil (2020: £nil).

The number of Directors accruing benefits under defined contribution schemes were 5 (2020: 4). The number of Directors in respect of whose qualifying services shares were receivable under long-term incentive schemes were 5 (2020: 4). The number of Directors that exercised share options during the period was 4 (2020: nil).

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****5. Directors and employees (continued)**

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Remuneration of the highest paid Director		
Emoluments	2,225	401
Amounts receivable (other than shares and share options) under long-term incentive schemes	499	164
Company Contribution to managed purchase schemes	7	5
	<u>2,731</u>	<u>570</u>

Shares were receivable by the highest paid Director under long-term incentive schemes during the period.

6. Income from shares in group undertakings

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Income from shares in group undertakings		
Dividend received from Keyloop (Ireland) Limited	1,322	-
	<u>1,322</u>	<u>-</u>

7. Interest receivable and similar income

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Interest receivable from group undertakings	734	978
Bank interest received	18	324
	<u>752</u>	<u>1,302</u>

Interest receivable from group undertakings

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Parent Company	632	811
Subsidiary of the same Parent Company	98	60
Ultimate Parent Company	4	107
	<u>734</u>	<u>978</u>

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****8. Interest payable and similar expenses**

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Interest payable to group undertakings	2,065	-
Bank interest paid	-	1
	<u>2,065</u>	<u>1</u>

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
Interest payable to group undertakings:		
Parent Company	2,065	-
Subsidiary of the same Parent Company	-	-
Ultimate Parent Company	-	-
	<u>2,065</u>	<u>-</u>

9. Taxation**Total tax expense recognised in the Profit and Loss Account**

	Period to 31 December 2021 £'000	Year to 30 June 2020 £'000
<i>Current tax</i>		
UK corporation tax	7,263	2,109
Overseas tax	725	1,064
Adjustments in respect of prior periods	(139)	(3)
Total current tax	<u>7,849</u>	<u>3,170</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	(759)	(657)
Adjustments in respect of prior periods	25	(25)
Effect of change in tax rate	(1,064)	(226)
Total deferred tax	<u>(1,798)</u>	<u>(908)</u>
Total tax	<u>6,051</u>	<u>2,262</u>

The current tax assessed for the period differs from the standard rate of corporation tax in the UK of 19% (2020: 19%), the differences are explained below.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****9. Taxation (continued)****Reconciliation of effective tax rate**

	Period to 31 December 2021	Year to 30 June 2020
	£'000	£'000
Profit for the period	40,071	20,833
Total tax expense	<u>6,051</u>	<u>2,262</u>
Profit excluding tax	46,122	23,095
Tax using the UK corporation tax rate of 19.00% (2020: 19.00%)	9,294	4,388
Expenses not deductible for tax purposes	863	57
Rate change on profits from overseas branches	256	664
Group relief claimed free of charge	(2,933)	(2,538)
Prior period adjustments	(114)	(28)
Income not taxable for tax purposes	(251)	-
Rate change on deferred tax	(1,064)	(226)
Fixed asset differences	-	1
R&D expenditure credits	-	(56)
Total tax expense	<u>6,051</u>	<u>2,262</u>
Deferred tax	2021	2020
	£'000	£'000
Opening balance (note 14)	2,802	1,894
Credit to Profit and Loss Account	1,800	908
Closing balance (note 14)	<u>4,602</u>	<u>2,802</u>
Analysis of deferred tax asset		
	2021	2020
	£'000	£'000
Depreciation in excess of capital allowances	3,979	2,425
Short-term timing differences	623	377
Closing balance	<u>4,602</u>	<u>2,802</u>

Factors that may affect future tax charges

In the Finance Bill 2021, the Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 11 March 2021. The UK deferred tax asset as at 31 December 2021 has been calculated based on this rate.

Keyloop (UK) Limited

Notes to the Financial Statements (continued)

For the Period from 1 July 2020 to 31 December 2021

10. Intangible assets

	Purchased Software £'000	Intellectual property rights £'000	Goodwill £'000	Client list £'000	Total £'000
Cost					
Balance at 1 July 2020	71	343	3,421	1,971	5,806
Additions	-	-	29,955	-	29,955
Disposals	-	-	(3,421)	(546)	(3,967)
Balance at 31 December 2021	71	343	29,955	1,425	31,794
Amortisation					
Balance at 1 July 2020	13	343	3,421	1,971	5,748
Disposals	-	-	(3,421)	(546)	(3,967)
Amortisation for the period	58	-	1,524	-	1,582
Balance at 31 December 2021	71	343	1,524	1,425	3,363
Net book value					
At 31 December 2021	-	-	28,431	-	28,431
At 30 June 2020	58	-	-	-	58

The Goodwill in the total net book value of £28,431,093 arose from two acquisitions and its subsequent hive ups of trade and other assets.

Enquirymax Ltd - The Company acquired Enquirymax Ltd on 1 March 2021 for the consideration amount of £29,027,000 against the loan from Concorde MidCo Limited in the same amount. Subsequently, a hive up of trade and other assets took place. The value of net assets transferred was £616,200 and the transfer took place on 30 June 2021. As the transfer of net assets took place at book value, this resulted in posting of the merger reserve in the amount of £947,027. The investment cost was de-recognised and replaced with goodwill in the total net amount of £26,043,233. The calculated value of goodwill amortisation with the useful economic life of 10 years is £1,420,540.

Rapid RTC - The Company acquired DMT Development Services (UK) Ltd (Rapid RTC) on 31 July 2021 for the consideration amount of £3,899,000 against the loan from Keyloop Canada Limited. Subsequently, a hive up of trade and other assets took place. The value of net assets transferred was £1,407,320 and the transfer took place on 1 August 2021. The investment cost was de-recognised and replaced with goodwill in the total net amount of £2,387,860. The calculated value of goodwill amortisation with the useful economic life of 10 years is £103,820.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****11. Tangible assets**

	Freehold, leasehold and improvements	Computers and other equipment	Plant and machinery	Office equipment, fixtures and fittings	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
Balance at 1 July 2020	5,022	26,909	244	233	32,408
Additions	14	5,087	14	-	5,115
Disposals	(393)	(180)	(2)	-	(575)
Transfer	-	(58)	(7)	(23)	(88)
Balance at 31 December 2021	<u>4,643</u>	<u>31,758</u>	<u>249</u>	<u>210</u>	<u>36,860</u>
Depreciation					
Balance at 1 July 2020	3,566	23,075	173	113	26,927
Depreciation for the period	629	3,974	67	42	4,712
Disposal	(149)	(162)	(2)	-	(313)
Transfer	(5)	(67)	(4)	(14)	(90)
Balance at 31 December 2021	<u>4,041</u>	<u>26,820</u>	<u>234</u>	<u>141</u>	<u>31,236</u>
Net book value					
At 31 December 2021	<u>602</u>	<u>4,938</u>	<u>15</u>	<u>69</u>	<u>5,624</u>
At 30 June 2020	<u>1,456</u>	<u>3,834</u>	<u>71</u>	<u>120</u>	<u>5,481</u>

The cost of building amounts to £33,000 with year-end depreciation of £14,000. The remaining amount of £584,000 list is short leasehold.

Non-current assets held for sale

The Company's office at the Wright House, Stafford Court, Stafford Park, Telford, TF3 3BD was reclassified from the category of tangible assets to category of non-current assets held for sale with the net book value of £246,000. The property was sold to the external buyer on 11 January 2022 for the amount £381,000.

Enquirymax Ltd

Upon acquisition by the Company, a transfer of tangible assets of an acquiree took place in the net book value of £22,000. The acquired tangible assets fall completely into the category of Computers and other equipment.

Rapid RTC

Upon acquisition by the Company, a transfer of tangible assets of an acquiree took place in the net book value of £24,000. The acquired tangible assets fall completely into the category of Computers and other equipment.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****12. Investments**

	Shares in group undertakings £'000	Total £'000
Cost		
At beginning of the period	1,441	1,441
Additions	34,126	34,126
Sale of Business Assets	(32,101)	(32,101)
At end of period	<u>3,466</u>	<u>3,466</u>
Net book value		
At 31 December 2021	<u><u>3,466</u></u>	<u><u>3,466</u></u>
At 30 June 2020	<u><u>1,441</u></u>	<u><u>1,441</u></u>

Keyloop (UK) Ltd has the following subsidiary undertakings all directly held:

Subsidiary undertaking	Country of incorporation	Class of share held	2021 % held	2020 % held
Keyloop (Ireland) Limited	Ireland	Ordinary	100%	100%
Keyloop (South East Asia) Pte. Limited	Singapore	Ordinary	100%	100%
Keyloop Poland Spółka z Ograniczoną	Poland	Ordinary	100%	0%
DMT Development Systems (UK) Limited	UK	Ordinary	100%	0%
Enquirymax Limited	UK	Ordinary	100%	0%

The registered office address of Keyloop (Ireland) Limited is Ground Floor 3091, Block 3090-3094, Lake Drive, Citywest, Dublin 24, Ireland.

The registered office address of Keyloop (South East Asia) Pte. Limited is 150 Beach Road #20-07/08 Gateway West Singapore 189720.

The registered office address of Keyloop Poland Spółka z Ograniczoną, Odpowiedzialnością is Poznańska 37, 00-689 Warszawa, Poland.

The registered office address of DMT Development Systems (UK) Ltd is The Brickworks, 35-43 Greyfriars Road, Reading, England, RG1 1NP.

The registered office address of Enquirymax Ltd is The Brickworks, 35-43 Greyfriars Road, Reading, England, RG1 1NP.

Acquisitions during the financial year

During the financial year, the following undertakings took place:

- On March 31st, 2021, the Company acquired 100% of ordinary shares of Enquirymax Ltd in the total amount of £29,027,000.
- On July 31st, 2021, the Company acquired 100% of ordinary shares of DMT Development Services (UK) Ltd (Rapid RTC) in the total amount of £3,899,000.
- On December 31st, 2021, the Company incorporated 100% of shares issued on incorporation of Keyloop Poland Spółka z Ograniczoną, Odpowiedzialnością in the total amount of £1,200.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****12. Investments (continued)***Sale of Business Assets*

The Company acquired EnquiryMax Ltd on 1 March 2021 for the consideration amount of £29,027,000 against the loan from Concorde MidCo Limited in the same amount. Subsequently, a hive up of trade and other assets took place. The value of net assets transferred was £616,000 and the transfer took place on 30 June 2021. As the transfer of net assets took place at book value, this resulted in posting of the merger reserve in the amount of £947,000. The investment cost was de-recognised and replaced with goodwill in the total net amount of £26,043,000. As the core value for the Company's business gained through the acquisition of EnquiryMax Ltd was related to Customer relations, the UEL of 10.0 years was officially considered for the goodwill calculation. The calculated value of goodwill amortisation with the useful economic life of 10 years is £1,421,000.

The Company acquired DMT Development Services (UK) Ltd (Rapid RTC) on 31 July 2021 for the consideration amount of £3,899,000 against the loan from Keyloop Canada Limited. Subsequently, a hive up of trade and other assets took place. The value of net assets transferred was £1,407,000 and the transfer took place on 1 August 2021. The investment cost was de-recognised and replaced with goodwill in the total net amount of £2,388,000. As the core value for the Company's business gained through the acquisition of Rapid RTC was related to Customer relations, the UEL of 10.0 years was officially considered for the goodwill calculation. The calculated value of goodwill amortisation with the useful economic life of 10 years is £104,000.

13. Stocks

	2021 £'000	2020 £'000
Goods for resale	280	134

There is no material difference between the Balance Sheet value of goods for resale and their replacement cost.

During the period £1,146,000 (2020: £671,000) was charged to cost of sales from stocks.

14. Debtors

	2021 £'000	2020 £'000
Trade debtors	16,671	16,164
Amounts owed by other group undertakings	9,388	17,957
Loans to group undertakings	52,197	93,834
Other debtors	854	1,858
Deferred tax (note 9)	4,602	2,802
Other tax debtor	-	2,308
Prepayments and accrued income	1,872	1,576
	<u>85,584</u>	<u>136,499</u>
Due within one year	28,785	39,862
Due after more than one year	56,799	96,637
	<u>85,584</u>	<u>136,499</u>

Amounts due from group undertakings are non-interest bearing and are repayable on demand. Amounts due from group undertakings are related to Royalties, Hosting and Commercial Operating License Agreements, as well as centrally incurred operating expenses.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****14. Debtors (continued)**

The loan to group undertakings represents the outstanding balances on the loans from:

	2021 £'000	2020 £'000
Keyloop (France) SAS	6,453	4,202
Keyloop Holdings (UK) Limited	45,004	8,000
Keyloop (Nederland) B.V.	-	23,628
Motordocs UK	740	-
CDK Global, Inc.	-	58,004
	<u>52,197</u>	<u>93,834</u>

In view of the sale of CDK International to Francisco Partners, the loan to Keyloop Global (France) SAS was partially repaid in February 2021 in the amount of £1,543,000 as part of the overall cash repatriation scheme. Subsequently, the Company lent the total amount of £3,907,000, and interest accrues on the loan at 1.50% per annum. The outstanding balance as at balance sheet date was an amount of £6,453,000.

The loan to Keyloop Holdings (UK) Limited was fully repaid in February 2021 as part of the cash repatriation scheme with CDK Global, Inc. in relation to the aforementioned sale. During the year, the Company lent £39,456,000 to Keyloop Holdings (UK) Limited, and interest accrues on the loan at 2.08% per annum. The outstanding balance as at balance sheet date was an amount of £45,004,000.

The loan to Keyloop (Nederland) B.V. in the amount of £23,628,000 was fully repaid in July 2020.

The loan to Motordocs UK was granted in July and October 2021, respectively. The total outstanding balance as at balance sheet date was an amount of £740,000.

The intercompany loan to US in the amount of £58,004,000 was fully repaid in July 2020.

15. Creditors: amounts falling due within one year

	2021 £'000	2020 £'000
Payments received on account for contract work	582	717
Trade creditors	1,417	2,230
Amounts owed to group undertakings	17,719	14,881
Other creditors	385	1,005
Other taxation and social security	7,968	2,181
Accruals and deferred income	30,868	30,956
	<u>58,939</u>	<u>51,970</u>

Amounts due to group undertakings are non-interest bearing and are repayable on demand. Amounts owed to group undertakings are related to Royalties and Management fees for services incurred by Keyloop (UK) Limited, procured or provided by group undertakings.

There are no disclosures to be made with respect to securities given to creditors.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****16. Creditors: amounts falling due after more than one year**

	2021 £'000	2020 £'000
Amount owed to group undertakings	34,991	-
Other creditors	1,021	876
	<u>36,012</u>	<u>876</u>

The amount owed to group undertakings represents the outstanding balances on the loans from:

Concorde MidCo Limited	31,092	-
DMT Development Systems (UK) Limited (Rapid RTC)	3,899	-
	<u>34,991</u>	<u>-</u>

On 1 March 2021, the Company received a loan from Concorde MidCo Limited of £29,027,000, and interest accrues on the loan at 8.49% per annum. The balance as at 31 December 2021 was £31,092,000. The repayment date is on 1 March 2029.

On 31 July 2021, the Company acquired DMT Development Services (UK) Limited (Rapid RTC) for the amount £3,899,000. This amount was satisfied on completion by the buyer issuing to the seller the loan notes free from all encumbrances. There is no interest to be accrued on the loan and the loan is repayable on August 1st, 2023. However, it could be repaid sooner on demand.

There are no creditor amounts falling due after more than five years.

17. Capital and reserves

	2021 £'000	2020 £'000
Share capital		
Allotted, called up and fully paid:		
171,800 (2020: 171,800) Ordinary shares of £1 each at 1 July and at 31 December	172	172
	<u>172</u>	<u>172</u>

The Company's other reserves are the profit and loss account, representing cumulative profits or losses, net of dividends paid and other adjustments. The share premium account represents the excess paid over the nominal share price.

18. Share based payments*Share options*

Keyloop (UK) Limited operates a share option scheme for certain employees of the Company. The Company granted nil (2020: 2,097) equity settled options during the period, vesting from 2 to 4 years with a contractual life of 10 years. During the period nil options (2020: nil) were forfeited.

Restricted stock units

Keyloop (UK) Limited also operates a Restricted Share Unit (RSU) scheme for certain employees of the Company. The Company granted 23,394 (2020: 22,924) equity settled options during the period, vesting over a 2 year period and with a contractual life of 2 years.

Both above mentioned benefits ceased to be newly granted upon the sale of CDK International to Francisco Partners on March 1, 2021. All the units and shares that had been granted prior to the date of sale were fully paid out during the year.

Keyloop (UK) Limited**Notes to the Financial Statements (continued)****For the Period from 1 July 2020 to 31 December 2021****19. Operating leases**

Non-cancellable operating lease rentals are payable as follows:

	2021		2020	
	Property £'000	Other £'000	Property £'000	Other £'000
Less than one year	707	334	670	441
Between one and five years	516	391	1,449	782
More than five years	-	-	193	-
	<u>1,223</u>	<u>725</u>	<u>2,312</u>	<u>1,223</u>

During the period £1,171,823 (2020: £565,990) was recognised as an expense in the Profit and Loss Account in respect of property leases, and £667,988 (2020: £551,622) in respect of other leases.

20. Pension schemes

The Company operates defined contribution pension schemes on behalf of the Directors and employees, the assets of which are held separately from those of the Company in independently administered funds. Pension costs charged to the Profit and Loss Account in the year amounted to £5,178,000 (2020: £3,364,000). At 31 December 2021 unpaid contributions were in total £384,000 (2020: £326,000).

21. Capital commitments

There are no capital commitments in the current period or preceding period (2020: none).

22. Related party transactions

The Company has taken advantage of the exemptions from disclosure of related party transactions available in FRS 102.33.1A to disclose transactions with wholly owned subsidiaries of companies with publicly available Financial Statements.

23. Immediate and ultimate parent company

Upon completion of the sale of CDK Global International on March 1, 2021 to Francisco Partners, new owner of CDK Global International, the ownership structure of the company has changed to the following one: The Company's new immediate parent undertaking is Keyloop (Nederland) B.V., a company incorporated under the laws of the United Kingdom. The Company's ultimate new parent undertaking and controlling party is Francisco Partners, a company incorporated in the United States of America whose Financial Statements are available at its registered office on One Letterman Drive, Building C - Suite 410, San Francisco, CA 94129, United States of America.

24. Post Balance Sheet event

During the year 2022, several new unsecured loans with Keyloop Holdings (UK) Limited in the total amount of £27,123,000 were set up.

During the year 2022, several new unsecured loans with Motordocs UK in the total amount of £675,000 were set up. Outstanding unsecured loans were subsequently paid during the year 2022 in the total amount of £850,000.

During the year 2022, several new unsecured loans with Keyloop (France) SAS in the total amount of £1,820,000 were set up. Outstanding unsecured loans were subsequently paid during the year 2022 in the total amount of £5,834,000.

The Company's office at the Wright House, Stafford Court, Stafford Park, Telford, TF3 3BD was reclassified from the category of tangible assets to category of non-current assets held for sale with the net book value of £246,000. The property was sold to the external buyer on 11 January 2022 for the amount £381,000.

The Company acquired Silverbullet on 29 July 2022 for the consideration amount of £1,150,000 against the loan from Keyloop (Nederland) B.V. Subsequently, a hive up of trade and other assets took place. The value of net assets transferred was £228,000 and the transfer took place on 31 July 2022.

Keyloop (UK) Limited

Notes to the Financial Statements (continued)

For the Period from 1 July 2020 to 31 December 2021

The Company acquired Motor Document Solutions Limited on 29 July 2022 for the consideration amount of £166.66 against the loan from Keyloop (Nederland) B.V. Subsequently, a hive up of trade and other assets took place. The value of net assets transferred was £391,000 and the transfer took place on 31 July 2022.