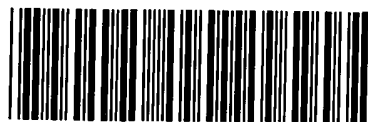


ABSOLUTE SOFTWARE EMEA LIMITED FINANCIAL STATEMENTS

30 JUNE 2016

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ABSOLUTE SOFTWARE EMEA LIMITED

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ABSOLUTE SOFTWARE EMEA LIMITED

COMPANY INFORMATION

Directors

E S Olsen
L P Ramsden

Company secretary

F&L Cosec Limited

Registered number

05802063

Registered office

8 Lincoln's Inn Fields
London
WC2A 3BP

Independent auditor

Blick Rothenberg Audit LLP
16 Great Queen Street
Covent Garden
London
WC2B 5AH

ABSOLUTE SOFTWARE EMEA LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2016

The directors present their report and the financial statements for the year ended 30 June 2016.

Directors

The directors who served during the year were:

E S Olsen
L P Ramsden

Disclosure of information to auditor

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

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

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



L P Ramsden
Director

Date: 3/28/2017

ABSOLUTE SOFTWARE EMEA LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 JUNE 2016

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting standards and applicable law), including Financial Reporting Standard 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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ABSOLUTE SOFTWARE EMEA LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABSOLUTE SOFTWARE EMEA LIMITED FOR THE YEAR ENDED 30 JUNE 2016

We have audited the financial statements of Absolute Software EMEA Limited for the year ended 30 June 2016, set out on pages 6 to 16. The relevant financial reporting framework that has been applied in their preparation is applicable law and the 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).

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.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 2.2 of the financial statements concerning the company's ability to continue as a going concern. The company had a deficit of £8,908,209 on its balance sheet as of 30 June 2016 and made a loss for the year then ended of £951,945. These conditions, as explained in note 2.2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

ABSOLUTE SOFTWARE EMEA LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABSOLUTE SOFTWARE EMEA LIMITED (continued) FOR THE YEAR ENDED 30 JUNE 2016

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a strategic report or in preparing the directors' report.

Simon Mayston

Simon Mayston (senior statutory auditor)

for and on behalf of

Blick Rothenberg Audit LLP

Statutory Auditor

16 Great Queen Street

Covent Garden

London

WC2B 5AH

Date: 31 March 2017

ABSOLUTE SOFTWARE EMEA LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2016

| | Note | 2016 £ | 2015 £ |
|--|------|------------------|------------------|
| Turnover | | 2,830,667 | 3,452,164 |
| Gross profit | | 2,830,667 | 3,452,164 |
| Administrative expenses | | (4,249,341) | (3,843,436) |
| Other operating income | 3 | 466,197 | - |
| Operating loss | | (952,477) | (391,272) |
| Interest receivable and similar income | 6 | 532 | 305 |
| Loss before tax | | (951,945) | (390,967) |
| Tax on loss on ordinary activities | | - | - |
| Loss for the year | | (951,945) | (390,967) |

There were no items of other comprehensive income for either the year or the prior year other than the loss for the year. Accordingly no statement of other comprehensive income has been presented.

ABSOLUTE SOFTWARE EMEA LIMITED

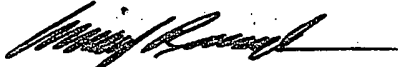
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**BALANCE SHEET
AS AT 30 JUNE 2016**

| | Note | 2016 £ | 2015 £ |
|---|------|--------------------|--------------------|
| Fixed assets | | | |
| Tangible assets | 7 | 59,905 | 94,079 |
| | | <u>59,905</u> | <u>94,079</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 8 | 2,818,407 | 2,119,026 |
| Cash at bank and in hand | | 946,611 | 2,364,575 |
| | | <u>3,765,018</u> | <u>4,483,601</u> |
| Creditors: amounts falling due within one year | 9 | (10,885,591) | (10,707,341) |
| Net current liabilities | | <u>(7,120,573)</u> | <u>(6,223,740)</u> |
| Total assets less current liabilities | | <u>(7,060,668)</u> | <u>(6,129,661)</u> |
| Creditors: amounts falling due after more than one year | 10 | (1,847,541) | (1,826,603) |
| Net liabilities | | <u>(8,908,209)</u> | <u>(7,956,264)</u> |
| Capital and reserves | | | |
| Called up share capital | 11 | 100 | 100 |
| Other reserves | | 288,409 | 288,409 |
| Profit and loss account | | (9,196,718) | (8,244,773) |
| Total equity | | <u>(8,908,209)</u> | <u>(7,956,264)</u> |

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within Part 15 of the Companies Act 2006 and in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


L P Ramsden
Director

Date: 3/28/2017

The notes on pages 8 to 16 form part of these financial statements.

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

1. General information

Absolute Software EMEA Limited is a private company limited by shares incorporated in England. Its registered office and principal place of business is AbbeyGate, 52-75 Kings Road, Reading, RG1 3AB.

The financial statements are presented in Sterling (£).

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ('FRS 102') and the Companies Act 2006.

The company has early adopted FRS 102 in accordance with the relevant statutory instrument.

This is the first year that the financial statements have been prepared under FRS 102.

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis notwithstanding the fact that the company has made a loss of £951,945 during the year ended 30 June 2016 and has a deficiency of £8,908,209 on shareholder's funds at the year end. The directors consider this basis to be appropriate as the company has sufficient facilities available from its parent undertaking to fund its working capital requirements over the next 12 months. The company has also received a letter of support from its parent undertaking, confirming that such facilities will be made available until at least 31 March 2017.

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. Accounting policies (continued)

2.3 Revenue recognition and deferred revenue

The company sells services and products including endpoint management, secure asset tracking, forensic investigation and device recovery. Revenue represents the fair value of consideration received or receivable from clients for services and products provided by the company, net of discounts. Revenues are recognised when a contractual arrangement is in place, the fee is fixed and determinable, the services and products have been delivered, and collectability is reasonably assured. Amounts invoiced but not yet earned are recorded as deferred revenue.

The company's principal source of revenue results from sales contracts for the above services, with subscription terms ranging from one to five years. The full value of each sales contract is invoiced and receivable upon execution of the contract, delivery of the products and initiation of the services. Typically, sales contracts are comprised of multiple elements, as they include software licensing, asset monitoring, theft recovery, and maintenance and support services over the term. These elements are typically not separable for accounting purposes, and as a result, revenue from sales contracts is recognised ratably over the subscription term. Direct contract acquisition costs associated with sales contracts are deferred and amortised over the same period (see note 2.13, deferred contract costs).

A portion of the company's sales contracts are accounted for as product revenue. Product revenue is recognised when the company has an executed agreement, the product has been delivered, the amount of the fee to be paid by the customer is fixed and determinable, and the collection of the related receivable is deemed probable from the outset of the arrangement.

Post-contract support, or maintenance, revenue associated with certain of the company's products is recognised on a straight-line basis over the maintenance term, which is generally one year. Revenue not recognised in profit or loss under this policy is classified as deferred revenue in the balance sheet when amounts have been billed in advance.

The company obtains the majority of its sales contracts through original equipment manufacturers and reseller partners. All sales contracts are recorded at the net amount received by Absolute from the reseller, provided that all significant contractual obligations have been satisfied and collection is reasonably assured. For direct sales, sales contracts are recorded at the amount received from the end customer.

Deferred revenue is comprised of the remaining unamortised balance of sales contracts sold, and is generally recognised ratably over the remaining contract term.

2.4 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|------------------------|----------------------------|
| Leasehold improvements | - 33.3% straight line |
| Equipment | - 20 - 33.3% straight line |

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. Accounting policies (continued)

2.5 Leases: the company as lessee

Operating lease rentals are charged to the profit and loss account in equal instalments over the lease term.

2.6 Cash and cash equivalents

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

2.7 Pension costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

2.8 Current and deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are discounted.

2.9 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity net of deduction, net of tax, from the proceeds.

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. Accounting policies (continued)

2.10 Foreign currency translation

Functional and presentational currency

The company's functional and presentational currency is Sterling (£).

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

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

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

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'interest receivable and similar income or interest payable and similar expenses'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'administrative expenses'.

2.11 Share based payments

The ultimate parent company issues equity-settled share-based payments to certain employees (including directors). Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed, together with a corresponding increase in equity, based upon the company's estimate of the shares that will eventually vest.

Fair value is measured using the Black Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Where the terms of an equity-settled transaction are modified, as a minimum an expense is recognized as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Where an equity-settled transaction is cancelled, it is treated as if it had vested on the date of the cancellation, and any expense not yet recognized for the transaction is recognized immediately. However, if a new transaction is substituted for the cancelled transaction, and designated as a replacement transaction on the date that it is granted, the cancelled and new transactions are treated as if they were a modification of the original transaction, as described in the previous paragraph.

2.12 Financial instruments

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. Accounting policies (continued)

2.12 Financial instruments (continued)

arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

The company's policies for its major classes of financial assets and financial liabilities are set out below.

Financial assets

Basic financial assets, including trade and other debtors, cash and bank balances, intercompany working capital balances, and intercompany financing are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

Such assets are subsequently carried at amortised cost using the effective interest method, less any impairment.

Financial liabilities

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow Group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financing transactions are those in which payment is deferred beyond normal business terms or is financed at a rate of interest that is not a market rate.

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

Impairment of financial assets

Financial assets measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the amount the company would receive for the asset if it were to be sold at the reporting date.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If the financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

2. Accounting policies (continued)

2.12 Financial instruments (continued)

Derecognition of financial assets and financial liabilities

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.13 Deferred contract costs

The company sells service contracts with monitoring and theft recovery terms ranging from one to five years. Certain direct contract costs associated with service contracts are deferred and amortized ratably over the contract term. The deferred contract cost is generally comprised of prepaid employee sales commissions. Other costs, such as selling and marketing, development, and new customer training and delivery, which are incurred to generate overall sales contracts, are expensed in the period in which they are incurred.

2.14 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

3. Other operating income

| | 2016 £ | 2015 £ |
|------------------------|----------------|-----------|
| Other operating income | 466,197 | - |
| | <u>466,197</u> | <u>-</u> |

Other operating income represents the disposal of a business segment during the year.

4. Auditor's remuneration

Fees payable to the company's auditor for the audit of the company's annual financial statements totalled £22,700 (2015: £24,600).

5. Employees

The average monthly number of employees, including the directors, during the year was 22 (2015: 27).

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

6. Interest receivable

| | 2016 £ | 2015 £ |
|---------------------------|------------|------------|
| Other interest receivable | 532 | 305 |
| | <u>532</u> | <u>305</u> |

7. Tangible fixed assets

| | Leasehold improvements £ | Equipment £ | Total £ |
|---------------------------------------|--------------------------------|----------------|----------------|
| Cost or valuation | | | |
| At 1 July 2015 | 56,925 | 267,539 | 324,464 |
| Additions | - | 14,913 | 14,913 |
| At 30 June 2016 | <u>56,925</u> | <u>282,452</u> | <u>339,377</u> |
| Depreciation | | | |
| At 1 July 2015 | 41,029 | 189,356 | 230,385 |
| Charge for the period on owned assets | 15,896 | 33,191 | 49,087 |
| At 30 June 2016 | <u>56,925</u> | <u>222,547</u> | <u>279,472</u> |
| Net book value | | | |
| At 30 June 2016 | <u>-</u> | <u>59,905</u> | <u>59,905</u> |
| At 30 June 2015 | <u>15,896</u> | <u>78,183</u> | <u>94,079</u> |

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

8. Debtors

| | 2016 £ | 2015 £ |
|------------------------------------|------------------|------------------|
| Trade debtors | 1,163,091 | 1,069,300 |
| Amounts owed by group undertakings | 1,033,363 | 523,679 |
| Other debtors | 93,694 | 131,071 |
| Prepayments and accrued income | 46,008 | 90,478 |
| Deferred contract costs | 482,251 | 304,498 |
| | <u>2,818,407</u> | <u>2,119,026</u> |

The debtors above include the following amounts falling due after more than one year:

| | 2016 £ | 2015 £ |
|-------------------------|----------------|----------------|
| Deferred contract costs | 220,955 | 142,478 |
| Other debtors | 47,300 | 47,300 |
| | <u>268,255</u> | <u>189,778</u> |

9. Creditors: Amounts falling due within one year

| | 2016 £ | 2015 £ |
|------------------------------------|-------------------|-------------------|
| Trade creditors | 89,343 | 101,928 |
| Amounts owed to group undertakings | 8,441,759 | 8,155,190 |
| Other creditors | 73,261 | 59,632 |
| Accruals and deferred income | 2,281,228 | 2,390,591 |
| | <u>10,885,591</u> | <u>10,707,341</u> |

The amounts owed to group undertakings are interest free, unsecured and have no fixed repayment date. Included in other creditors is an amount of £11,879 (2015: £3,180) relating to pension contributions.

ABSOLUTE SOFTWARE EMEA LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

10. Creditors: Amounts falling due after more than one year

| | 2016 £ | 2015 £ |
|------------------|------------------|------------------|
| Deferred revenue | 1,847,541 | 1,826,603 |
| | <u>1,847,541</u> | <u>1,826,603</u> |

11. Share capital

| | 2016 £ | 2015 £ |
|---|------------|------------|
| Shares classified as equity | | |
| Allotted, called up and fully paid | | |
| 100 Ordinary shares of £1 each | <u>100</u> | <u>100</u> |

12. Commitments under operating leases

At 30 June 2016 the company had future minimum lease payments under non-cancellable operating leases as follows:

| | 2016 £ | 2015 £ |
|--|----------------|----------------|
| Not later than 1 year | 78,834 | 79,050 |
| Later than 1 year and not later than 5 years | 22,894 | 101,728 |
| | <u>101,728</u> | <u>180,778</u> |

13. Related party transactions

The company has taken advantage of the exemption contained in FRS102 section 33 "Related Party Disclosures" from disclosing transactions with entities which are a wholly owned part of the group.

14. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking is Absolute Software Corporation, a company incorporated in Canada. Copies of group financial statements are available from www.absolute.com.

In the opinion of the directors the immediate controlling party is Absolute Software Corporation, a company incorporated in Canada

In the opinion of the directors there is no ultimate controlling party.