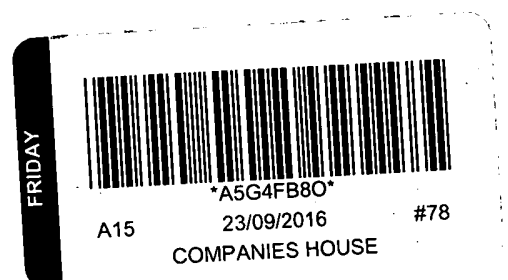


VITEC GROUP HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

Registered number 3800708



VITEC GROUP HOLDINGS LIMITED

STRATEGIC REPORT

The Directors present their strategic report for the year ended 31 December 2015.

Principal activities

The Company acts as an investment holding company for the Vitec Group of companies that is ultimately owned by The Vitec Group plc. The Directors do not envisage any change to the business of the Company in the foreseeable future.

On 14 May 2015 the Company issued one ordinary share of £1 to its parent company, The Vitec Group plc, for an aggregate subscription price of \$20,000,000 (£13,188,262) in settlement of a loan between the Company's ultimate parent and Vitec Group US Holdings, Inc, an indirect subsidiary.

Business review

The loss for the year transferred to reserves amounted to £2,435,000 (2014: loss £1,185,000). The net assets at 31 December 2015 were £87,566,000 (2014: £76,813,000).

Principal risks and uncertainties

The Company is a wholly owned subsidiary of The Vitec Group plc and the principal risks and uncertainties and their mitigation of the Vitec Group are detailed in that company's Annual Report & Accounts 2015 on pages 18 and 19.

The risks below are deemed to be specific major risks and their mitigation for the Company:

Recoverability of intercompany receivables

A Vitec Group subsidiary may not be able to meet or to pay a receivable due to all manner of reasons. Where amounts are due from group companies with net current liabilities, the ultimate parent company, The Vitec Group plc, commits to providing the debtor company with funds as required to meet its liabilities as they fall due.

Valuation of investments in subsidiaries

The impairment of the value of the Company's investments in subsidiaries is a key risk for holding companies. The carrying value of the Company's investments are reviewed at each Balance Sheet date to determine if any impairment provision is required against the value of the investment.

By order of the Board



Jonathan Bolton
Director
19 September 2016

VITEC GROUP HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited Financial Statements for the year ended 31 December 2015.

The particulars of any important events which have occurred since the end of the financial year and an indication of likely future developments of the business have been included within the Strategic report.

Dividends

The Directors do not recommend the payment of a dividend (2014: £nil).

Directors

The Directors of the Company in the year under review and to the date of this report were:

Jonathan Bolton
Martin Green
Paul Hayes

All Directors' remuneration is borne by the ultimate parent Company.

Auditor

The auditor, KPMG LLP, has indicated its willingness to continue in office. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

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 auditor is unaware; and each Director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

By order of the Board



Jonathan Bolton
Director
19 September 2016

Registered Office:
Bridge House
Heron Square
Richmond
TW9 1EN

VITEC GROUP HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on 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 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF VITEC GROUP HOLDINGS LIMITED

We have audited the Financial Statements of Vitec Group Holdings Limited for the year ended 31 December 2015 set out on pages 5 to 12. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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 set out 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

A description of the scope of an audit of Financial Statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 31 December 2015 and of its loss for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

Matters on which we are required to report by exception

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.



Robert Brent (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

15 Canada Square
Canary Wharf
London E14 5GL

20 September 2016

VITEC GROUP HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2015

	Notes	2015 £'000	2014 £'000
Interest receivable from group undertakings		175	105
Interest payable to group undertakings		(2,610)	(1,290)
Loss on ordinary activities before taxation		<u>(2,435)</u>	<u>(1,185)</u>
Tax on loss on ordinary activities	5	-	-
Loss for the financial year		<u>(2,435)</u>	<u>(1,185)</u>

The Profit and Loss Account contains all the gains and losses recognised in the period and therefore no separate statement of other comprehensive income has been presented.

All the above results are derived from continuing activities.

The notes on page 8 to 12 form an integral part of these Financial Statements.

VITEC GROUP HOLDINGS LIMITED

BALANCE SHEET
as at 31 December 2015

	Notes	2015 £'000	2014 £'000
Fixed assets			
Investments	6	162,190	149,002
Current assets			
Debtors – amounts falling due after more than one year from group undertakings		3,016	5,450
Total assets		165,206	154,452
Creditors – amounts falling due after more than one year to group undertakings		(77,640)	(77,639)
Net assets		87,566	76,813
Capital and reserves			
Called up share capital	7	-	-
Share premium	8	31,100	17,912
Profit and loss account		56,466	58,901
Shareholders' funds		87,566	76,813

The notes on pages 8 to 12 form an integral part of these Financial Statements.

The Financial Statements on pages 5 to 12 were approved by the Board of Directors on 19 September 2016 and were signed on its behalf by



Paul Hayes
Director

Registered in England no 3800708

VITEC GROUP HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

	Share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2015	-	17,912	58,901	76,813
Total comprehensive income for the year				
Loss for the year	-	-	(2,435)	(2,435)
Contributions by and distributions to owners				
New shares issued	-	13,188	-	13,188
Balance at 31 December 2015	-	31,100	56,466	87,566
Balance at 1 January 2014	-	8,990	60,086	69,076
Total comprehensive income for the year				
Loss for the year	-	-	(1,185)	(1,185)
Contributions by and distributions to owners				
New shares issued	-	8,922	-	8,922
Balance at 31 December 2014	-	17,912	58,901	76,813

The notes on pages 8 to 12 form an integral part of these Financial Statements.

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

These Financial Statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2013/2014 Cycle) issued July 2014 and effective immediately have been applied.

In preparing these Financial Statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Act 2006, and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

These are the Company's first Financial Statements under FRS 101. The accounting policies set out in Note 3 have been applied in preparing the Financial Statements for the year ended 31 December 2015, the comparative information presented in these Financial Statements for the year ended 31 December 2014 and the opening FRS 101 Balance Sheet as at 1 January 2014 (the Company's date of transition).

In preparing its comparative information for the year ended 31 December 2014 and its opening FRS 101 Balance Sheet, the Company had no adjustments to amounts reported previously in Financial Statements prepared in accordance with its old basis of accounting (UK GAAP).

The Company is a wholly-owned subsidiary of The Vitec Group plc and is included in the consolidated Financial Statements of The Vitec Group plc, which are publicly available. The Company is therefore exempt by virtue of Section 400 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.

2. Exemptions taken by the Company on adoption of IFRS

The Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow statement and related notes;
- Comparative period reconciliations for share capital;
- Disclosures in respect of transactions with wholly-owned subsidiaries which form part of the Group;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional Balance Sheet for the beginning of the earliest comparative period following the reclassification of items in the Financial Statements; and
- Disclosures in respect of the compensation of Key Management Personnel.

As the consolidated Financial Statements of the ultimate parent company include equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures.

3. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Financial Statements.

a) Going concern

The Directors have reviewed the current activity, future prospects and resources available to the Company. On the basis of their assessment, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for at least twelve months from the date of the approval of the Financial Statements. Thus they continue to adopt the going concern basis in preparing the annual Financial Statements.

b) Foreign currencies

Transactions in foreign currencies are translated at the exchange rate on that day. Foreign currency monetary assets and liabilities are translated at the year-end exchange rate. Where there is a movement in the exchange rate between the date of the transaction and the year-end, a currency translation gain or loss may arise. Any such differences are recognised in the Profit and Loss Account.

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Accounting policies (continued)

c) Investments

The Company's investments in subsidiaries are stated at cost less, where appropriate, provisions for impairment. The carrying value of the Company's investments are reviewed at each Balance Sheet date to determine if any impairment provision is required against the value of the investment.

d) Taxation

The charge for taxation is based on the loss for the year and takes account of taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Deferred tax is recognised on an undiscounted basis in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the Balance Sheet date where there is an obligation to pay more tax, or a right to pay less tax, in the future.

4. Operating result

All Directors' remuneration and audit fees are borne by the ultimate parent company.

5. Tax on profit on ordinary activities

(a) There is no current or deferred tax charge recognised in the year (2014: £nil).

(b) Factors affecting total tax charge

The tax assessed on the loss on ordinary activities for the year is higher (2014: higher) than the effective rate of corporation tax in the UK of 20.25% (2014: 21.50%). The differences are reconciled below:

	2015 £'000	2014 £'000
Loss on ordinary activities before tax	(2,435)	(1,185)
Loss on ordinary activities multiplied by effective rate of corporation tax in the UK of 20.25% (2014: 21.50%)	(493)	(255)
Effects of:		
Non-taxable income	-	-
Group relief surrendered free of charge	368	255
Losses not recognised for deferred tax	125	-
Total tax charge	-	-

Reductions in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective from 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective from 1 April 2020) was announced in the Budget on 16 March 2016. This will reduce the company's future tax charge accordingly.

6. Fixed asset investments

	2015 £'000	2014 £'000
Cost and net book value		
At 1 January	149,002	140,080
Additions	13,188	8,922
At 31 December	162,190	149,002

On 14 May 2015 the Company contributed a \$20,000,000 (£13,188,262) loan to Vitec Group US Holdings, Inc. through its immediate subsidiary Vitec Investments Limited in return for additional capital in Vitec Investments Limited.

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Fixed asset investments (continued)

The Company's investments in subsidiaries as at 31 December 2015 are as follows:

	Country of incorporation	Class of shares held	Percentage of shares held
ALC Broadcast Limited	England & Wales	Ordinary shares of £1 each	100%*
Anton/Bauer Europe B.V.	Netherlands	Ordinary shares of €1 each	100%*
Autocue Group Limited	England & Wales	Ordinary shares of £0.01 each	100%*
Autocue LLC (formerly Vitec Teleprompt LLC)	United States	Member interests of NPV	100%*
Autoscript Limited	England & Wales	Ordinary shares of £1 each	100%*
Broadcast Developments Limited**	England & Wales	Ordinary shares of £1 each	100%*
Camera Corps Ltd	England & Wales	Ordinary shares of £1 each	100%*
Camera Dynamics sarl	France	Ordinary shares of NPV	100%*
Chalfont Investments Inc	United States	Ordinary shares of US\$0.01 each	100%*
Colorama Photodisplay Holdings Limited	England & Wales	Ordinary shares of £1 each	100%*
Colorama Photodisplay Limited**	England & Wales	Ordinary shares of £1 each	100%*
Gitzo S.A.	France	Ordinary shares of NPV	100%*
Haigh-Farr, Inc.	United States	Ordinary shares of US\$1 each	100%*
Henry (Holdings) Limited	England & Wales	Ordinary shares of £1 each	100%*
Kata Vitec P Limited	Israel	Ordinary shares of ILS1 each	100%*
LCB Beteiligungs GmbH	Germany	Ordinary shares of €25,000 each	100%*
Lino Manfrotto & Co Spa	Italy	Ordinary shares of €5.556 each	100%*
Litepanels Ltd	England & Wales	Ordinary shares of US\$1 each	100%*
Manfrotto Bags Ltd	Israel	Ordinary shares of ILS1 each	100%*
Manfrotto Distribution GmbH	Germany	Shares of €25,000 each	100%*
Manfrotto Distribution HK Limited	Hong Kong	Shares of HKD1 each	100%*
Manfrotto Distribution Inc	United States	Ordinary shares of NPV	100%*
Manfrotto Distribution SAS	France	Shares of €16 each	100%*
Manfrotto Distribution Shanghai Limited	China	Ordinary shares of US\$1 each	100%*

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. Fixed asset investments (continued)

	Country of incorporation	Class of shares held	Percentage of shares held
Manfrotto UK Limited	England & Wales	Ordinary shares of £1 each	100%*
Mount Olive 2016, LLC	United States	Member interests of NPV	100%*
Palmer Dollar Finance	England & Wales	Ordinary shares of \$1 each	100%
Palmer Finance	England & Wales	Ordinary shares of €1 each	100%
Palmer Yen Finance	England & Wales	Ordinary shares of JP¥100 each	100%
Panlight Limited	England & Wales	Ordinary shares of £1 each	100%
Petrol Bags Limited	Israel	Ordinary shares of ILS1 each	100%*
RECO Srl	Italy	Shares of NPV	100%*
SmallHD LLC	United States	Member interests of NPV	100%*
Teradek Ukraine LLC	Ukraine	Member interests of NPV	100%*
Teradek, LLC	United States	Member interests of NPV	100%*
Vinten Instruments Limited	England & Wales	Ordinary shares of £1 each	100%*
Vitec Broadcast Services Inc	United States	Ordinary shares of US\$0.01 each	100%*
Vitec Group US Holdings, Inc.	United States	Ordinary shares of US\$0.01 each	100%*
Vitec Holdings Limited	Guernsey	Ordinary shares of £0.10 each	100%*
Vitec Investments Limited	England & Wales	Ordinary shares of £1 each	100%
Vitec UK Finance Limited	England & Wales	Ordinary shares of US\$1 each and deferred shares of \$50 each	100%*
Vitec UK Investments Limited	England & Wales	Ordinary shares of £1 each	100%*
Vitec Videocom GmbH	Germany	Ordinary shares of DEM1 each	100%*
Vitec Videocom Limitada	Costa Rica	Shares of CRC50 each	100%*
Vitec Videocom, Inc	United States	Ordinary shares of \$0.01 each	100%*
Vitecgroup Italia spa	Italy	Ordinary shares of €1,000 each	75%*
Wheatfield Kingston Finance (UK)	England & Wales	Ordinary shares of £1 each	100%
Wheatfield Kingston Investments**	England & Wales	Ordinary shares of £0.01 each	100%*

* The ordinary capital of these companies was owned by a subsidiary of Vitec Group Holdings Limited at 31 December 2015.

** These companies were struck off on 9 August 2016.

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Share capital

	2015 £	2014 £
Allotted, called up and fully paid:		
5 (2014: 4) Ordinary shares of £1 each	<u>5</u>	<u>4</u>

8. Share premium

	2015 £'000	2014 £'000
Opening Balance	17,912	8,990
Premium on shares issued	<u>13,188</u>	<u>8,922</u>
Closing Balance	<u>31,100</u>	<u>17,912</u>

On 14 May 2015 the Company issued one ordinary share of £1 to its parent company, The Vitec Group plc, for an aggregate subscription price of \$20,000,000 (£13,188,262).

9. Post balance sheet events

There were no material adjusting or non-adjusting events that require disclosure between the Balance Sheet date and the date of this report.

10. Contingent liabilities

The Company is a guarantor to a £125 million Revolving Credit Facility Agreement, signed on 5 July 2016, between The Vitec Group plc, several of its subsidiaries and five banks.

The Company is also a guarantor in accordance with the provisions of a \$50 million Private Placement facility between companies within The Vitec Group as original borrowers, and Pricoa Capital Group Limited. The Company is jointly and severally liable with the other original borrowers for liabilities arising under this agreement.

These guarantees are considered to be inter group insurance arrangements and in accordance with IFRS 4 are accounted for as contingent liabilities.

11. Ultimate parent company

The Company is a wholly-owned subsidiary of The Vitec Group plc, a company which is registered in England and Wales and is the ultimate parent company. Copies of the Annual Report & Accounts 2015 of The Vitec Group plc are available from the Company Secretary, Bridge House, Heron Square, Richmond, TW9 1EN.