

VIDENDUM GROUP HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023
Registered number 03800708

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VIDENDUM GROUP HOLDINGS LIMITED

STRATEGIC REPORT

The Directors present their strategic report for the year ended 31 December 2023.

Principal activities

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

Key performance indicators

The Company uses net assets to monitor performance.

Business review

The loss for the year amounted to £6,443,000 (2022: loss £3,301,000) driven by an increase in interest payable on loans from group undertakings. The net assets at 31 December 2023 were £446,008,000 (2022: £320,462,000) driven mainly by an increase in investments. See note 7 for more information.

Going Concern

The Company's Directors have determined that as a result of a material uncertainty existing in Videndum PLC (the Group), this creates a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern, such that it may be unable to realise its assets and discharge its liabilities in the normal course of business. Further detail on the assessment of going concern can be found within note 4(a) to the financial statements.

Principal risks and uncertainties

The Company is a wholly owned subsidiary of Videndum plc. Videndum's principal risks and uncertainties and their mitigation are detailed in that company's Annual Report & Accounts 2023 on pages 36 to 41.

The principal risks below are deemed to be specific risks for the Company:

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.

The company reviews the value of its investments for indicators of impairment on an annual basis and regularly monitors the performance of each business.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company exposure to Liquidity risk is assumed to be low. The payable balance at year end is with other Group companies. They are long term liabilities, and the impact is limited.

Directors' statement of compliance with Section 172 of the UK Companies Act

Under The Companies (Miscellaneous Reporting) Regulations 2018 there is a requirement for the Directors to understand the views of the Company's key stakeholders and to describe how those interests and the matters set out in Section 172 of the Companies Act 2006 have been considered in Board discussions and decision-making. Throughout the year, while discharging their section 172 duty, the Directors have acted in a way that they considered, in good faith, would be most likely to promote the success of the Company for the benefit of its shareholder. The Directors also considered the interests of a wider set of stakeholders including its subsidiary undertakings.

The Company is a wholly owned subsidiary of Videndum plc and details of how the Directors of Videndum plc discharged their section 172 duties when taking principal decisions during the year are set out in Videndum plc's 2023 Annual Report on pages 86 to 91, a copy of which can be obtained as disclosed in Note 13.

Approved and authorised for issue by the Board.



Jonathan Bolton
Director

15th July 2024

VIDENDUM GROUP HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited Financial Statements for the year ended 31 December 2023.

The particulars of any important events which have occurred since the end of the financial year are detailed in Note 12. An indication of likely future developments of the business have been included within the Principal activities section of the Strategic Report.

Dividends

The directors do not recommend the payment of a dividend (2022: £nil).

Financial instruments

The Company's operations and financing expose it to a variety of financial risks. In the course of its business, the Company is exposed to liquidity risk. Financial risk management policies are set by the Directors. These policies are implemented by a central treasury department that has formal procedures to manage risk. The Company has clearly defined authority and approval limits built into these procedures.

Directors

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

Jonathan Bolton
Martin Green (resigned 12 January 2023)
Andrea Rigamonti

All Directors' remuneration is borne by the ultimate parent company and no allocation is made to the Company. During the year two (2022: two) Directors exercised share options in the ultimate parent company.

The ultimate parent company has granted indemnities to the Company's Directors to the extent permitted by law. Qualifying third party indemnity provisions (as defined in Section 234 of the Companies Act 2006) have been adopted for the Directors and indemnify in relation to certain losses and liabilities which the Directors may incur to third parties in the course of acting as Directors of the Company or any other Group company of which they are a Director.

Statement regarding fostering relationships with suppliers, customers and others

The Company is a wholly owned subsidiary of Videndum plc. Its key stakeholders are its parent and subsidiary companies. The relationships that its ultimate parent company, Videndum plc, has fostered with suppliers, customers and others are set out in Videndum plc's 2023 Annual Report on pages 86 to 91, a copy of which can be obtained as disclosed in Note 13.

Energy and Carbon Reporting

The company has taken exemption as per The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 Schedule 7: 20A (2) from Energy and Carbon Reporting disclosures as these have been included within the consolidated Annual Report & Financial Statements 2023 of Videndum plc.

Disclosure of information to the auditor

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 (as defined in section 418(2) of the Companies Act 2006) of which the Company's auditor is unaware; and each Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditor

Deloitte LLP will be ceasing to be the Company's auditor following the completion of their audit of the financial statements for the year ended 31 December 2023. A written resolution of the members of the Company in accordance with section 514 of the Companies Act 2006 will be circulated seeking approval for the appointment of PricewaterhouseCoopers LLP as replacement auditor for the financial year ending 31 December 2024.

VIDENDUM GROUP HOLDINGS LIMITED

DIRECTORS' REPORT (Continued)

Approved and authorised for issue by the Board



Jonathan Bolton
Director

15th July 2024

Registered Office:
Bridge House
Heron Square
Richmond
TW9 1EN

VIDENDUM GROUP HOLDINGS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual 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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

VIDENDUM GROUP HOLDINGS LIMITED

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Videndum Group Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 13.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (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 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 Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 4(a) in the financial statements, which states that the Group Directors at the date of signing the Group financial statements, determined that given the sensitivities over the timeline and pace of recovery from the strikes and the financial impact on the Group (including potential covenant breaches) of a slower than expected recovery and worsening macroeconomic conditions, a material uncertainty exists which may cast significant doubt on the Group's ability to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Company is one of a number of other Group companies which act as guarantor in relation to the Group's Revolving Credit Facility. In the event of Videndum plc no longer being a going concern, the Company will not have sufficient resources to meet the requirement of the guarantee.

As stated in note 4(a), these events or conditions, along with the other matters as set forth in note 4(a), indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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.

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

Other information

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

VIDENDUM GROUP HOLDINGS LIMITED

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered 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.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of its policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

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- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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.

Alistair Pritchard FCA

Alistair Pritchard FCA (Senior statutory auditor)

For and on behalf of Deloitte LLP

Statutory Auditor

London

United Kingdom

15 July 2024

VIDENDUM GROUP HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2023

	Notes	2023 £'000	2022 £'000
Administrative costs		-	(2)
Interest payable to group undertakings	8	<u>(6,443)</u>	<u>(3,299)</u>
Loss before taxation		(6,443)	(3,301)
 Tax on loss	 6	 -	 -
 Loss after tax		 <u>(6,443)</u>	 <u>(3,301)</u>

The Profit and Loss Account contains all the gains and losses recognised in the year and therefore no separate Statement of Other Comprehensive Income has been presented.

The notes on pages 11 to 17 form an integral part of these Financial Statements.

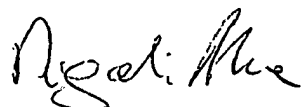
VIDENDUM GROUP HOLDINGS LIMITED

BALANCE SHEET as at 31 December 2023

	Notes	2023 £'000	2022 £'000
Fixed assets			
Investments	7	546,264	414,275
Current assets			
Cash at bank and in hand		1	2
Creditors – amounts falling due within one year by group undertakings		(2)	(3)
Net current liabilities		(1)	(1)
Total assets less current liabilities		546,263	414,274
Creditors – amounts falling due after more than one year	8	(100,255)	(93,812)
Net assets		446,008	320,462
Capital and reserves			
Called up share capital	9	-	-
Share premium	10	418,685	286,696
Profit and loss account	9	27,323	33,766
Shareholder's funds		446,008	320,462

The notes on pages 11 to 17 form an integral part of these Financial Statements.

The Financial Statements on pages 8 to 17 were approved by the Board of Directors on 15th July 2024 and were signed on its behalf by:



Andrea Rigamonti
Director

Registered in England no 03800708
Videndum Group Holdings Limited is a private company limited by shares.

VIDENDUM GROUP HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

	Notes	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2023		-	286,696	33,766	320,462
Loss for the year		-	-	(6,443)	(6,443)
Total comprehensive expense for the year		-	-	(6,443)	(6,443)
New shares issued	9,10	-	131,989	-	131,989
Balance at 31 December 2023		-	418,685	27,323	446,008
Balance at 1 January 2022		-	247,643	37,067	284,710
Loss for the year		-	-	(3,301)	(3,301)
Total comprehensive expense for the year		-	-	(3,301)	(3,301)
New shares issued	9,10	-	39,053	-	39,053
Balance at 31 December 2022		-	286,696	33,766	320,462

The notes on pages 11 to 17 form an integral part of these Financial Statements.

VIDENDUM GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

Videndum Group Holdings Limited is a private limited company incorporated in England. The Company's registration number is 03800708 and registered office is Bridge House, Heron Square, Richmond, TW9 1EN. The Company is an investment holding company for the Videndum Group.

These Financial Statements have been prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

The Financial Statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and International Financial Reporting Standards as issued by the IASB, 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.

The Company is a wholly owned subsidiary of Videndum plc and is included in the consolidated Financial Statements of Videndum 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 under FRS 101

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; 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. Impact of adoption of new accounting standards

The Company have considered the following amendments to standards that are effective from 1 January 2023. These do not have a significant impact on the financial statements of the Company.

- IFRS 17: Insurance Contracts
- Amendments to IAS 1: Presentation of Financial Statements and IFRS Practice Statement 2: Making Materiality Judgements; Disclosure of accounting policies
- Amendments to IAS 12: Income Taxes; Deferred tax relating to assets and liabilities arising from a single transaction; International tax reform. Pillar two model rules
- Amendments to IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors; Definition of accounting estimates

Amended standards and interpretations not yet effective are not expected to have a significant impact on the Company's financial statements.

4. Accounting policies

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006.

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 Company's assets are primarily equity investments in other Group companies and as such the performance of those investments supports the continued operations of the Company.

As part of the Company's Directors' consideration of the appropriateness of adopting the going concern basis in preparing the Company's financial statements, a range of scenarios for the Group, which includes subsidiaries, have been modelled through to the end of June 2025.

VIDENDUM GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Accounting policies (continued)

a) Going concern (continued)

As part of the Company's Directors' consideration of the appropriateness of adopting the going concern basis in preparing the Company's financial statements, a range of scenarios for Videndum plc and its subsidiaries (the "Group"), which includes the investments, have been modelled through to the end of June 2025.

The Group Directors at the date of signing Videndum plc's financial statements, determined that given the sensitivities over the timeline and pace of recovery from the strikes and the financial impact on the Group (including potential covenant breaches) of a slower than expected recovery and worsening macroeconomic conditions, a material uncertainty existed which may cast significant doubt on the Group's ability to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

On 28 June 2024, Videndum plc signed an amended RCF agreement, which relaxed both the covenant requirements and extended the RCF termination date by 6 months. Additionally, the RCF has reduced from £200 million to £150 million. The amended agreement provides the directors with additional headroom with the forecasted covenant calculations.

The Company's assets are primarily equity investments in other companies in the Group headed by Videndum plc and as such the performance of those investments supports the continued operations of the Company. The Company is also one of a number of other Group companies which act as guarantor in relation to the Group's Revolving Credit Facility ("RCF").

The material uncertainty within the Group financial statements therefore creates a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern such that the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

Notwithstanding the above material uncertainty, the Company Directors have concluded that it is appropriate to adopt the going concern basis of accounting in preparing the 2023 year-end 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.

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/profit 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.

e) Amounts owed to group undertakings and interest payable

Interest-bearing borrowings are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these transaction costs are recognised in the Profit and Loss Account over the term of the related borrowings.

f) Critical accounting judgements and key sources of estimation uncertainty

The following provides information on those policies that the Directors consider critical because of the level of judgement and estimation required which often involves assumptions regarding future events which can vary from what is anticipated. The Directors review the judgements and estimates on an ongoing basis with revisions to accounting estimates recognised in the period in which the estimates are revised and in any future periods affected. The Directors believe that the financial statements reflect appropriate judgements and estimates and provide a true and fair view of the Company's performance and financial position.

VIDENDUM GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Accounting policies (continued)

Key sources of estimation uncertainty

There were no key source of estimated uncertainties made by the Company that the Directors have made in the process of applying the Company's accounting policies.

Critical accounting judgements in applying the Company's accounting policies

There were no critical judgements made by the Company apart from those involving estimations (which are dealt with above), that the Directors have made in the process of applying the Company's accounting policies.

g) Dividends received from subsidiary undertakings

Dividends received from subsidiary undertakings are recognised in the Profit and Loss Account when the Company has a right to receive the dividend.

5. Operating result

Auditor remuneration: Audit fees for the audit of the Company's financial statements of £10,400 (2022: £9,720) are borne by the ultimate parent company.

The Company has no employees (2022: none).

6. Tax on loss

(a) There is no current or deferred tax charge recognised in the year (2022: £nil).

(b) Factors affecting total tax charge

The tax assessed on the loss before tax for the year is higher (2022: higher) than the effective rate of corporation tax in the UK of 23.5% (2022: 19%). The differences are reconciled below:

	2023 £'000	2022 £'000
Loss before tax	(6,443)	(3,301)
Loss at the UK statutory rate of 23.5% (2022 19.00%)	(1,514)	(627)
Effects of:		
Group relief surrendered free of charge	1,514	627
Total tax charge	-	-

On 24 May 2021 the UK government substantively enacted to increase the UK corporation tax from 19% to 25% with effect from 1 April 2023.

The UK tax rate for the period 1 January 2023 to 31 December 2023 was 23.5%.

The Company has £1,185,000 (2022: £1,185,000) of unused tax losses for which no deferred tax asset is recognised. These losses do not have a time limit.

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NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Investments

	2023 £'000	2022 £'000
Cost		
At 1 January	414,275	375,222
Additions	131,989	39,053
At 31 December	546,264	414,275
Provision for impairment		
At 1 January and 31 December	-	-
Net book value		
At 31 December	546,264	414,275

On 15 May 2023, as part of a wider intercompany debt restructure impacting several of the Company's fellow subsidiaries, the Company subscribed to 155 shares in Videndum Investments Limited ("VIL") resulting in an increase of its investment in VIL of £26,877,000.

On 30 June 2023, as part of a wider intercompany debt restructure impacting several of the Company's fellow subsidiaries, the Company's parent company transferred a US Dollar loan receivable from a fellow subsidiary to the Company in exchange for 100 ordinary shares. The Company immediately contributed the loan receivable to VIL in exchange for shares, resulting in an increase of its investment in VIL of £105,112,000.

Impairment of investments in subsidiary undertakings

The carrying value of the Company's investments in subsidiary undertakings are reviewed for indicators of impairment on an annual basis. If an indicator of impairment exists, the recoverable amount of the investment is determined based on a value in use calculation which requires the determination of appropriate assumptions in relation to cash flows over a forecast period, the long-term growth rate to be applied beyond this period and the risk-adjusted discount rate used to discount the estimated cash flows to present value.

In the current year there were impairment indicated, however following the performance of the above assessment, no impairments were required.

The Company's investments in subsidiaries as at 31 December 2023 are as follows:

Subsidiary	Country of incorporation	Class of shares held	Percentage of shares held
Amimon Inc	United States ⁽¹⁾	Ordinary shares of NPV	100%*
Amimon Japan Co. Ltd	Japan ⁽²⁾	Ordinary shares of 10,000 JPY each	100%*
Amimon Ltd	Israel ⁽³⁾	Ordinary shares of NIS 0.01 each	100%*
Autocue LLC	United States ⁽⁴⁾	Membership units of NPV	100%*
Audix LLC	United States ⁽³³⁾	Membership interests of NPV	100%*
Autoscript Limited	England & Wales ⁽⁵⁾	Ordinary shares of £1 each	100%*
BRCT Holdings Limited	New Zealand ⁽⁶⁾	Ordinary shares of NZD1.00	100%*
Camera Corps, Inc.	United States ⁽⁷⁾	Ordinary shares of US\$0.01 each	100%*
Camera Corps Ltd	England & Wales ⁽⁵⁾	Ordinary shares of £1 each	100%*
Camera Dynamics sarl	France ⁽⁸⁾	Ordinary shares of NPV	100%*
Chalfont Investments Inc	United States ⁽⁹⁾	Ordinary shares of US\$0.01 each	100%*

VIDENDUM GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Investments (continued)

Subsidiary	Country of incorporation	Class of shares held	Percentage of shares held
Creative Solutions Division Inc.	United States ⁽³¹⁾	Ordinary shares of US\$0.001 each	100%*
Gitzo S.A.	France ⁽¹⁰⁾	Ordinary shares of NPV	100%*
JOBY Technology (Shenzhen) Co. Limited	China ⁽¹¹⁾	Ordinary shares of RMB1,814,855 each	100%*
LCB Beteiligungs GmbH	Germany ⁽¹²⁾	Ordinary shares of €25,000 each	100%*
Litepanels Ltd	England & Wales ⁽⁵⁾	Ordinary shares of US\$1 each	100%*
Lowepr Huizhou Trading Co Ltd	China ⁽¹³⁾	Ordinary shares of HK\$3,000,000 each	100%*
Manfrotto Bags Ltd	Israel ⁽¹⁴⁾	Ordinary shares of ILS1 each	100%*
Mount Olive 2016, LLC	United States ⁽¹⁵⁾	Membership units of NPV	100%*
Offhollywood, LLC	United States ⁽⁹⁾	Membership units of NPV	100%*
Palmer Dollar Finance	England & Wales ⁽⁵⁾	Ordinary shares of US\$1 each	100%*
Palmer Finance	England & Wales ⁽⁵⁾	Ordinary shares of €1 each	100%
Palmer Yen Finance	England & Wales ⁽⁵⁾	Ordinary shares of JP¥100 each	100%
Petrol Bags Limited	Israel ⁽¹⁶⁾	Ordinary shares of ILS1 each	100%*
Quasar Science LLC	United States ⁽³²⁾	Membership units of NPV	100%*
Rycote Microphone Windshields Ltd	England & Wales ⁽⁵⁾	Ordinary shares of £1 each and Deferred shares of £1 each	100%*
Superior Paper Specialties, LLC	United States ⁽⁷⁾	Membership units of NPV	100%*
Savage Universal LLC	United States ⁽⁷⁾	Membership units of NPV	100%*
SmallHD LLC	United States ⁽¹⁸⁾	Membership units of NPV	100%*
Syrp Limited	New Zealand ⁽⁶⁾	Ordinary shares of NZD1.00	100%*
Teradek Ukraine LLC	Ukraine ⁽²⁰⁾	Membership interests of NPV	100%*
Teradek, LLC	United States ⁽²¹⁾	Membership units of NPV	100%*
Videndum Creative Solutions UK Limited	England & Wales ⁽⁵⁾	Ordinary shares of £1 each	100%*
Videndum Italia spa	Italy ⁽¹⁷⁾	Ordinary shares of €1,000 each	100%*
Videndum US Holdings, Inc.	United States ⁽⁹⁾	Ordinary shares of US\$0.01 each	100%*
Videndum Media Distribution Australia Pty Ltd	Australia ⁽²³⁾	Ordinary shares of AUD1 each	100%*

VIDENDUM GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Investments (continued)

Subsidiary	Country of incorporation	Class of shares held	Percentage of shares held
Videndum Media Distribution SAS	France ⁽¹⁰⁾	Ordinary shares of €16 each	100%*
Videndum Media Distribution GmbH	Germany ⁽²⁵⁾	Shares of €25,000 each	100%*
Videndum Media Distribution HK Ltd	Hong Kong ⁽²⁶⁾	Shares of HK\$1 each	100%*
Videndum Media Distribution Shanghai Limited	China ⁽²⁷⁾	Ordinary shares of US\$1 each	100%*
Videndum Media Solutions HK Ltd	Hong Kong ⁽²⁸⁾	Shares of HK\$1 each	100%*
Videndum Media Solutions Spa	Italy ⁽¹⁷⁾	Ordinary shares of €5.556 each	100%*
Videndum Media Solutions UK Limited	England & Wales ⁽⁵⁾	Ordinary shares of £1 each	100%*
Videndum Investments Limited	England & Wales ⁽⁵⁾	Ordinary shares of £1 each	100%
Videndum Production Solutions GmbH	Germany ⁽¹²⁾	Ordinary share of DEM50,000 each	100%*
Videndum Production Solutions Inc.	United States ⁽⁹⁾	Ordinary shares of US\$0.01 each	100%*
Videndum Production Solutions Limitada	Costa Rica ⁽²⁹⁾	Shares of CRC50 each	100%*
Vizua Ltd	England & Wales ⁽⁵⁾	Ordinary shares of £1 each	100%*
WHDI LLC	United States ⁽¹⁾	Membership unit of NPV	100%*
Wooden Camera, Inc.	United States ⁽³⁰⁾	Ordinary shares of NPV	100%*

* The ordinary capital of these companies was owned by a subsidiary of Videndum Group Holdings Limited at 31 December 2023.

The registered addresses of the above companies are listed below:

⁽¹⁾ 8 Mason Drive, Irvine, CA 92618, United States

⁽²⁾ 701 A105 Gotanda Building, 1-10-7 Higashi Gotanda, Shinagawa-Ku, Tokyo, Japan

⁽³⁾ Zarhin26, POB 2308, Ra'anana 4366250, Israel

⁽⁴⁾ 124 West 30th Street, Suite 312, New York, NY 10001, United States

⁽⁵⁾ Bridge House, Heron Square, Richmond, TW9 1EN, United Kingdom

⁽⁶⁾ 32 Crummer Road, Grey Lynn, Auckland, 1021, New Zealand

⁽⁷⁾ Corporate Service Company, 251 Little Falls Drive, Wilmington, New Castle County DE, 19808, United States

⁽⁸⁾ 171 avenue des Grésillons, 92635 Gennevilliers cedex, France

⁽⁹⁾ Corporation Service Company, 2711 Centerville Road - Suite 400, Wilmington, DE 19808, United States

⁽¹⁰⁾ Parc Tertiaire Silic, 44 Rue De La Couture, 94150 Rungis, France

⁽¹¹⁾ Unit 3001, 3002, 3316, Office Tower, Shun Hing Square, Di Wang Commercial Centre, 5002 Shen Nan Dong Road, Shenzhen, 518008, China

⁽¹²⁾ Parkring 29, 85748 Garching, Germany

⁽¹³⁾ No. 1101, Office Building, Block B, Zhixing Commercial Building, Banshi Village, Changping Town, Dongguan City, Guangdong Province, China

⁽¹⁴⁾ Abraham & Bachar cp., Keren HaYesod 36, Jerusalem, Israel

⁽¹⁵⁾ Corporation Service Company, 2595 Interstate Drive – Suite 103, Harrisburg, PA 17110, United States

⁽¹⁶⁾ 3 Hasolelim Street, 67897, Tel Aviv, Israel

⁽¹⁷⁾ Via Valsugana 100, 36022 Cassola VI, Italy

⁽¹⁸⁾ Corporation Service Company, 327 Hillsborough Street, Raleigh, NC 27603, United States

⁽²⁰⁾ Per.Nechipurenko 4, Suite 15, Odessa, 65045, Ukraine

⁽²¹⁾ CSC-Lawyers Incorporating Service, 2710 Gateway Oaks Drive – Suite 150N, Sacramento, CA 95833-3505, United States

VIDENDUM GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Investments (continued)

(23) 2 Baldwin Road, Altona North VIC 2025, Australia

(24) J.P. Poelstraat 5, 1483 GC De Rijp, Netherlands

(25) Ferdinand-Porsche-Strasse 19, 41149 Cologne, Germany

(26) Unit No.03, 3/F, Tower 3, Phase 1, Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Hong Kong

(27) Room 2704-05, Shanghai Mart Tower, No.2299, Yan'an Road (West), Shanghai, 200336, China

(28) Unit 901-2, 9/F, Metroplaza Tower 2, No. 223 Hing Fong Road, Kwai Fong, N.T. Hong Kong

(29) Parque Industrial de Cartago, Edificio Numero 68, Cartago, Costa Rica

(30) 1826 West Commerce Street, Dallas TX 75208, United States

(31) 14 Progress Drive, Shelton, CT, 06484, United States

(32) 909 Third Avenue, 27th Floor, New York, NY, 10022, United States

(33) 9400 SW Barber St, Wilsonville, Oregon, 97070, United States

8. Creditors – amounts falling due after more than one year

	2023 £'000	2022 £'000
Amounts owed to group undertakings	<u>100,255</u>	<u>93,812</u>

Amounts owed to group undertakings are unsecured and bear floating rates of interest.

9. Called up share capital

	2023 £	2022 £
Allotted, called up and fully paid:		
434 (2022: 305) Ordinary shares of £1 each	<u>434</u>	<u>305</u>

On 15 May 2023 29 ordinary shares were issued to Videndum plc in exchange for cash consideration of £26,877,000 (€30,750,900) from Videndum plc.

On 30 June 2023 100 ordinary shares were issued in exchange of a £105,112,000 (\$130,000,000) receivable assigned by Videndum plc.

The amounts recorded in the profit and loss account are the cumulative gains and losses recognised by the Company, not recorded in any of the other reserves.

10. Share premium

	2023 £'000	2022 £'000
At 1 January	286,696	247,643
Shares issued	131,989	39,053
At 31 December	<u>418,685</u>	<u>286,696</u>

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

11. Contingent liabilities

The Company is a guarantor to a £200 million multicurrency Revolving Credit Facility. The agreement is between Videndum plc, several of its subsidiaries and five banks.

This guarantee is considered to be an inter group insurance arrangement and in accordance with IFRS 4 is accounted for as a contingent liability.

Details of the financing facility can be found in the Annual Report & Accounts 2023 of Videndum plc.

VIDENDUM GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

12. Post balance sheet events

On 28 June 2024, Videndum plc signed an amended RCF agreement, which relaxed both the covenant requirements and extended the RCF termination date by 6 months. Additionally, the RCF has reduced from £200 million to £150 million. The amended agreement provides the directors with additional headroom with the forecasted covenant calculations.

13. Ultimate parent company

The Company is a wholly owned subsidiary of Videndum plc. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Videndum plc, a company which is registered in England and Wales. Copies of the Annual Report & Financial Statements 2023 of Videndum plc are available from the Company Secretary, Bridge House, Heron Square, Richmond, TW9 1EN.