Company registered number 03080780

Synamedia Limited

Annual Report and Financial Statements

For the period from 28 July 2018 to 30 June 2019

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Synamedia Limited
Annual Report and Financial Statements
Period ended 30 June 2019

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Synamedia Limited
Strategic report
Period ended 30 June 2019

Introduction
The directors present their Strategic report for the period from 28 July 2018 to 30 June 2019.

Principal activities and business review
The Company is part of the world's largest independent video software provider, building and delivering the world's most complete, secure, and advanced end-to-end video technology platforms. In so doing, the Company aims to help Pay-TV operators, telecoms service providers and media companies change the way they deliver, protect and monetise their content.

On 28 October 2018, the Company was acquired by Synamedia Holdings Limited, a newly incorporated entity owned by Permira funds, a private equity investor. Synamedia Holdings Limited and the Company simultaneously acquired from Cisco Systems, Inc. and its subsidiaries certain other assets and liabilities, including employees, customer contracts and tangible and intangible assets, relating to the business. As of that date several charges were applied against this entity in favour of the bank providing finance and also a reduction in share capital was performed. The Company changed its name from NDS Limited to Synamedia Limited on 8 November 2018.

The new owners and directors have invested in the Synamedia business by increasing and focusing on research and development, sales, and customer support to sell new products, services and technologies to existing and new customers.

Key performance indicators
The (loss)/profit for the financial period after taxation was £(49.6)m (2018: £4.4m). The net assets/(liabilities) of the Company declined from £60.6m at 28 July 2018 to £(40.0)m at 30 June 2019.

During the period, the Company supplied 15.6 million smart cards to customers (2018: 22.6 million). The number of set-top box software units deployed in the period from which the Company earned royalties was 4 million (2018: 5 million).

Subsidiaries and branches outside the UK
The Company has subsidiaries that operate a number of non-registered entities, such as branches, in jurisdictions outside of the UK. The various jurisdictions include Sweden, India, Israel and China.

Research and development

The Company and its subsidiaries operate a number of research and development sites in India, Israel and the UK and many of the subsidiaries' workforce are involved in research and development activities. The total expenditure on research and development activities in the period ended 30 June 2019 by the Company was £6.9m (2018: £0.5m).

People
The Company has subsidiaries that create a diverse and inclusive working environment that allows the subsidiaries' employees to make an impact; apply creative thinking into their day-to-day work; and develop their skills and careers.

Synamedia Limited
Directors' report
Period ended 30 June 2019

The Directors present their report and the audited financial statements of the Company for the period ended 30 June 2019.

Future developments
Information about the future strategic direction of the Company, together with details of events that have occurred after the balance sheet date are included in the Strategic report.

Dividends
The Company paid an interim dividend of £44.4m in 2019 (2018: £111.5m) and the Directors do not recommend a final dividend for the period (2018: £nil).

Donations
The Company made no political donations during the period (2018: nil).

Directors
The Directors who served during the period and up to the date of this report are shown below:

Yves Padrines (appointed 28 October 2018)
Bijal Patel (appointed 19 August 2019)
Ismat Levin (appointed 28 October 2018)
Charles Richard Kenneth Medlock (appointed 28 October 2018; resigned 19 August 2019).
Evan Barry Sloves (resigned 28 October 2018)
Sajaid Rashid (resigned 28 October 2018)
Susan Tiu Li Lee (resigned 28 October 2018)
David James Keen (resigned 28 October 2018)
Mark Thomas Gorman (resigned 28 October 2018)

Risks and uncertainties
As the Company is still in the set-up phase of its development, the Directors are in the process of establishing a fully operational Risk Management Framework. However, the following principal risks and uncertainties facing the Company and its subsidiaries have been identified:

Changes in economic and market conditions
The risk that results may be adversely affected by unfavourable economic or market conditions and uncertain geopolitical environments. Due to the global nature of the Company's operations and customers, political or economic changes or other factors in a specific country or region could arise.

Competitive landscape and product development
The risk that the Company's subsidiaries are unable to respond quickly to emerging technological trends and the Company's customers' changing needs to develop the next-generation products and services, resulting in competitors moving faster than the subsidiaries, leading to loss of customers.

Credit
Exposure to credit risk, particularly to customers in less developed regions.

Risks and uncertainties (continued)

Scale of change

The risk of loss of profit, opportunity, reputation or disruption to business activities resulting from the magnitude of change being undertaken by the Company.

Reliance on third parties and supply chain issues

The risk of loss as a result of reliance by the Company on third parties carrying out core business activities.

Data security

Financial loss and reputational damage due to a breach of confidential data or technology disruption caused by an internal or external attack on the Company or its third party suppliers.

Statement of disclosure of information to the auditors

Each of the Directors who held office at the date of approval of this Directors' report confirms that: so far as he/she is aware, there is no relevant audit information of which the Company's auditor is unaware; and that he/she has taken all steps that he/she ought to have taken as a Director to make him/her aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

COVID-19 considerations

The Synamedia Group, of which Synamedia Limited is part of, has established a Global Pandemic Response Team to actively address the challenges brought about by COVID-19. We rapidly adjusted our operations and put into action our Business Continuity procedures and saw no disruption of service to our customers from any of our locations.

In line with government guidelines, the vast majority of our workforce in Synamedia Limited moved immediately to home-working. The exception to this was staff based in the Company's SmartCard production facility in Maidenhead.

This site was officially authorised to operate as a critical service to the TMT industry during the lockdown and therefore has remained open throughout. The site operates split shifts to ensure minimal staff are on site and social distancing measures can be followed; and in the event of a forced shutdown, the operations are mirrored in our sister site in Costa Mesa, US to ensure production requirements continue to be met without disruption to our customers.

We are working with each of our closed offices to plan for the eventual, phased, safe reopening in line with local regulations and prioritised customer requirements; using expert epidemiological advice to provide guidelines for staff and considering applicable factors such as social distancing in the workplace, childcare status, health concerns, and access to public transport.

In addition to ensuring the safety of our staff and the continued operation at our SmartCard production facility, we are also monitoring suppliers (components, finished good products) and identifying alternatives to ensure any supply chain disruption is minimised.

As at the date of signing of these financial statements, COVID-19 has not had a material impact on the financial performance or position of the Synamedia Group and in turn Synamedia Limited.

Going concern

The financial statements have been prepared on a going concern basis. The Company made a loss of £49.6m for the financial period and the net liabilities at 30 June 2019 were £40.0m.

The Company remains reliant on support from the parent company, Triton UK Midco Limited, known as Synamedia Group. The Company has received written confirmation from the Synamedia Group of its intention to continue to provide financial support to the Company. This will enable the Company to continue as a going concern.

As at the date of signing of these financial statements, COVID-19 has not had a material impact on the financial performance or position of Synamedia Limited or the Synamedia Group.

The Synamedia Group has a high level of re-occurring revenue which provides some protection against the impact of COVID-19. That said, disruptions to supply chain that are outside of our control are possible. In addition, it is prudent to assume that we would not be unaffected should a global recession and significant increase in global unemployment occur and impact our customers' ability to generate revenue.

The Directors have prepared a forecast for the financial year starting in July 2020 and have modelled the potential impact COVID-19 could have on the Synamedia Group's liquidity and solvency. In reaching the conclusion that the going concern basis is appropriate, the Company has stress tested future cash flow forecasts to evaluate the impact of plausible downside scenarios. These include scenarios that reflect current market conditions and updated short term forecasts. Under all plausible scenarios, the Directors have concluded that the Synamedia Group retains sufficient liquidity and that therefore the going concern basis remains appropriate for the Company. However, to protect against a fall in revenues beyond that currently anticipated, the Directors are also developing contingency measures which include careful control of discretionary spend and capital expenditure, and further restructuring initiatives which are within the control of the Directors.

Accordingly, the Directors believe that it is appropriate to prepare the financial statements on a going concern basis.

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the Company financial statements in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council. They have also been prepared under the historical cost convention and in accordance with the Companies Act 2006.

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 for that period.

In preparing the Company's financial statements the Directors, are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;

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Statement of Directors' responsibilities (continued)

• state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and

• prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions 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.

Responsibility statement of the Directors in respect of the Annual report and accounts

The Directors confirm that, to the best of their knowledge, they have complied with these requirements and, having a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, continue to adopt the going concern basis in preparing the financial statements.

The Strategic report and the Directors' report comprising pages 1 to 5 have been approved and are signed by order of the Board by:

DocuSigned by:
Bijal Patel
023BB3C4D695499...

Bijal Patel
Director

29 June 2020

Independent auditor's report to the members of Synamedia Limited

Period ended 30 June 2019

Opinion

We have audited the financial statements of Synamedia Limited for the period ended 30 June 2019 which comprise of the Statement of comprehensive income, the Statement of changes in equity, the Balance sheet and the related notes1 to 23, including a summary of significant accounting policies The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 30 June 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Emphasis of matter – Effects of COVID-19

We draw attention to Notes 1 and 23 of the financial statements, which describe the economic and social disruption the company is facing as a result of COVID-19 which is impacting the supply chain in the short term. Our opinion is not modified in respect of this matter.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 5, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Other information (continued)

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

We have nothing to report in this regard.

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 Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, set out on pages 4 and 5, 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.

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 Financial Reporting Council's website at https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Ernst & Young LLP

Richard Addison (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
29 June 2020

Synamedia Limited
Statement of comprehensive income
Period ended 30 June 2019

	Note	11 month period to 30 June 2019 £m	12 month period to 28 July 2018 Restated* £m
Revenue	3	168.5	158.6
Cost of sales		(17.9)	(23.2)
Gross profit		**150.6**	**135.4**
Administrative expenses		(262.6)	(141.2)
Other income	4	56.3	10.2
Operating (loss)/profit	5	**(55.7)**	**4.4**
Interest receivable and similar income	8	0.1	4.6
Interest payable and similar charges	9	(0.1)	(0.9)
(Loss)/profit on ordinary activities before taxation		**(55.7)**	**8.1**
Tax on (loss)/profit on ordinary activities	10	6.1	(3.7)
(Loss)/profit for the financial period		**(49.6)**	**4.4**
Items that will not be reclassified subsequently to profit or loss			
Deferred tax		-	(2.4)
Total other comprehensive income		**-**	**(2.4)**
Total comprehensive (loss)/profit for the financial period		**(49.6)**	**2.0**

All of the activities of the Company are classed as continuing.

There is no difference between the loss for the financial period as shown in the statement of comprehensive income and its historical cost equivalent.

*The prior period has been restated as a result of a change in the presentational currency. Further details can be found in Note 1 on page 12.

The notes on pages 12 to 30 form part of these financial statements.

Synamedia Limited
Statement of changes in equity
Period ended 30 June 2019

	Note	Called-up share capital £m	Foreign exchange reserves £m	Retained (loss)/ earnings £m	Total £m
Balance as at 29 July 2017 (restated)*		**41.5**	**-**	**119.8**	**161.3**
Profit for the financial period (restated)		-	-	4.4	4.4
Dividends (restated)	**21**	-	-	(111.5)	(111.5)
Other comprehensive expense (restated)		-	-	(2.4)	(2.4)
Foreign exchange differences (restated)		-	-	8.8	8.8
Balance as at 28 July 2018 (restated)*		**41.5**	**-**	**19.1**	**60.6**
Loss for the financial period		-	-	(49.6)	(49.6)
Dividends	**21**	-	-	(44.4)	(44.4)
Foreign exchange differences on translation		-	(6.6)	-	(6.6)
Called-up share capital buy-back	**19**	(41.5)	-	41.5	-
Balance as at 30 June 2019		**-**	**(6.6)**	**(33.4)**	**(40.0)**

*The prior period has been restated as a result of a change in the presentational currency. Further details can be found in Note 1 on page 12.

The notes on pages 12 to 30 form part of these financial statements.

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Synamedia Limited
Balance sheet
As at 30 June 2019

	Note	As at 30 June 2019 £m	As at 28 July 2018 Restated* £m
Non-current assets			
Investments	11	29.9	5.9
Deferred tax assets	12	8.2	2.2
Intangible assets	13	118.4	-
Property, plant and equipment	14	7.4	-
		163.9	**8.1**
Current assets			
Trade and other receivables	15	163.9	111.0
Cash and cash equivalents		15.6	6.8
Inventories	16	16.5	26.1
		196.0	**143.9**
Current liabilities			
Trade and other payables	17	(387.2)	(90.1)
		(387.2)	**(90.1)**
Non-current liabilities			
Provisions for liabilities	18	(1.4)	(1.3)
Deferred tax liabilities	12	(11.3)	-
		(12.7)	**(1.3)**
Net assets		**(40.0)**	**60.6**
Equity			
Called-up share capital	19	-	41.5
Foreign exchange reserves		(6.6)	-
Retained (loss)/earnings		(33.4)	19.1
Total equity		**(40.0)**	**60.6**

*The prior period has been restated as a result of a change in the presentational currency. Further details can be found in Note 1 on page 12.

These financial statements were approved by the Board of the Directors and authorised for issue on 29 June 2020 June 2020 and are signed on their behalf by:

DocuSigned by:
Bijal Patel
023BB3C4D695499...
Bijal Patel
Director

Company number: 03080780

The notes on pages 12 to 30 form part of these financial statements.

1. Accounting policies

Corporate information

The Company is a limited company incorporated in the United Kingdom, which is registered and domiciled in the United Kingdom at One London Road, Staines-Upon-Thames, London, Middlesex, TW18 4EX.

On 28 October 2018, the Company was acquired by Synamedia Holdings Limited (formerly Triton UK Bidco Limited), a newly incorporated entity owned by Permira funds, a private equity investor. Synamedia Holdings Limited and the Company simultaneously acquired from Cisco Systems, Inc. and its subsidiaries certain other assets and liabilities, including employees, customer contracts and tangible and intangible assets, relating to the business. The Company changed its name from NDS Limited to Synamedia Limited on 8 November 2018.

Basis of preparation

The financial statements have been prepared on the going concern basis, under the historical cost convention, and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom, including FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

The Company's financial statements are presented in GBP Sterling which is the Company's functional currency and all values are rounded to the nearest one hundred thousand GBP Sterling, except when otherwise indicated. The Company's financial statements are for the period from 28 July 2018 to 30 June 2019 in order to align with Synamedia Holdings Limited, the immediate parent company. The amounts presented in the financial statements are not entirely comparable as the period is only for 11 months to 30 June 2019 compared to 12 months to 28 July 2018 in the prior period.

The principal accounting policies, which have been applied consistently in the preparation of these financial statements, are set out below.

Going concern

The financial statements have been prepared on a going concern basis. The Company made a loss of £49.6m for the financial period and the net liabilities at 30 June 2019 were £40.0m.

The Company remains reliant on support from the parent company, Triton UK Midco Limited, known as Synamedia Group. The Company has received written confirmation from the Synamedia Group of its intention to continue to provide financial support to the Company. This will enable the Company to continue as a going concern.

As at the date of signing of these financial statements, COVID-19 has not had a material impact on the financial performance or position of Synamedia Limited or the Synamedia Group.

The Synamedia Group has a high level of re-occurring revenue which provides some protection against the impact of COVID-19. That said, disruptions to supply chain that are outside of our control are possible. In addition, it is prudent to assume that we would not be unaffected should a global recession and significant increase in global unemployment occur and impact our customers' ability to generate revenue.

1. Accounting policies (continued)

Going concern (continued)

The Directors have prepared a forecast for the financial year starting in July 2020 and have modelled the potential impact COVID-19 could have on the Synamedia Group's liquidity and solvency. In reaching the conclusion that the going concern basis is appropriate, the Company has stress tested future cash flow forecasts to evaluate the impact of plausible downside scenarios. These include scenarios that reflect current market conditions and updated short term forecasts. Under all plausible scenarios, the Directors have concluded that the Synamedia Group retains sufficient liquidity and that therefore the going concern basis remains appropriate for the Company. However, to protect against a fall in revenues beyond that currently anticipated, the Directors are also developing contingency measures which include careful control of discretionary spend and capital expenditure, and further restructuring initiatives which are within the control of the Directors.

Accordingly, the Directors believe that it is appropriate to prepare the financial statements on a going concern basis.

Foreign currency translation

The Company financial statements are presented in GBP Sterling, which is the Company's presentational currency and the functional currency. Transactions in other currencies are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement. except for differences on monetary assets and liabilities that form part of the Company's net investment in a foreign operation. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a currency other than GBP Sterling are translated using the exchange rates as at the dates of the initial transactions.

Prior year adjustment

The change in presentational currency is considered to be a change in the Company's accounting policies and has therefore been accounted for retrospectively as though the presentational currency of the Company was always GBP Sterling. Opening equity as at 29 July 2017 and 28 July 2018 has been translated at historic rates, the Statement of Comprehensive Income has been translated at average rates for 2017 and 2018 and the Statement of Financial Position has been translated at the closing rate for 28 July 2018.

There was a £0.2m gain arising from the changes in presentational currency.

Cash flow statement

At 30 June 2019, the Company was a wholly owned subsidiary of Triton UK Midco Limited, which prepares publicly available consolidated Group financial statements including a group cash flow statement. In accordance with FRS 101 paragraph 8 (h), no cash flow statement is therefore included in these financial statements.

Related party transactions

As the Company is a wholly owned subsidiary of Triton UK Midco Limited, the Company has taken advantage of the exemption contained in FRS 101 paragraph 8 (k) and has therefore not disclosed transactions with wholly owned subsidiaries which form part of the Group.

1. Accounting policies (continued)

Consolidated financial statements
At 30 June 2019, the Company was a wholly owned subsidiary of Triton UK Midco Limited, which prepares publicly available consolidated Group financial statements. It is included in the consolidated financial statements of Triton UK Midco Limited, which are publicly available. Therefore the Company is exempt, by virtue of section 400 of the Companies Act 2006, from the requirement to prepare consolidated financial statements. The address of the ultimate parent's registered office is One London Road, Staines-Upon-Thames, London, Middlesex, TW18 4EX.

Financial instruments
At 30 June 2019, the Company was a wholly owned subsidiary of Triton UK Midco Limited, which prepares publicly available consolidated Group financial statements including Financial Instruments disclosure. In accordance with FRS 101 paragraph 8 (d), no disclosures on financial instruments is therefore included in these financial statements. Financial instruments are held at amortised cost using the effective interest method.

Income and deferred taxes
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception:

Deferred tax assets are recognised only to the extent that the Directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Investments
Investments in subsidiary undertakings are stated at cost less accumulated impairment losses.

Income from investments is included in the statement of comprehensive income only if received, or declared and receivable.

The Company assesses at the end of each reporting period whether there is objective evidence that an investment in a subsidiary is impaired. An investment in a subsidiary or associate is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the investment in a subsidiary or associate that can reliably be measured.

Revenue recognition
The Company has applied IFRS 15: "Revenue from Contracts with Customers" in accounting for revenue.

1. Accounting policies (continued)

Revenue recognition (continued)

Revenue represents the consideration received or receivable from customers for services and products provided and is stated excluding sales tax, trade discounts and other provisions (for example rebates and rights of return).

The Company recognises revenue when it satisfies a performance obligation by transferring control of a product or service to a customer. In assessing the application of IFRS 15, the Company identifies the separate performance obligations for each contractual arrangement.

Contract types and performance obligations

At contract inception, the separate performance obligations under the contract are determined and the total contract price, net of any amounts payable to the customer, is allocated between the separate performance obligations based on the relative standalone selling price, which may be estimated. The Company has not, to date, entered into any contracts with a significant financing element.

Revenue is recognised on completion of each performance obligation, either over time or at a point in time as applicable. Where performance obligations are satisfied over time, progress towards complete satisfaction of that performance obligation is measured using the most suitable method.

The Company's contracts typically include the following revenue streams:

Agreement type 1: Conditional access licence plus smart cards and support

In these types of agreements, the Company delivers and receives fees for:

- An upfront licence to the customer (with associated hardware and software installation, integration and setup services to establish the licence for use with the customer's existing platforms and infrastructure);
- Smart cards and/or Set Top Box (STB) licences;
- Support and maintenance;
- Warranties.

Under agreement type 1, performance obligations in relation to delivery of licences and smart cards are satisfied at the point in time that each is delivered to the customer; support and maintenance is generally satisfied over time on a straight-line basis.

Agreement type 2: Development contracts

In cases where a customer requests specific software and hardware, the Company enters into a development contract. Under this type of agreement, the Company is contracted and receives fees to:

- Develop bespoke software on a term or a perpetual licence based on the specifications provided by the customer;
- Deliver any hardware required for the development phase;
- Provide support and maintenance for developed or in-built customised software.

Under agreement type 2, the performance obligations in respect of both software development and support and maintenance are assumed to be satisfied over time; the performance obligations on hardware delivered are satisfied at a point in time.

1. Accounting policies (continued)

Revenue recognition (continued)

Contract types and performance obligations *(continued)*

Agreement type 3: Manufacturers' royalty contracts

In this type of agreement, the Company enters into a contract with either a manufacturer or an operator for the manufacture of decoders, Set Top Boxes (STBs) or other hardware (that incorporates Synamedia Intellectual Property (IP) or technology).

In these type of contracts the Company is contracted to provide and receives fees for:

- A term-based licence of its IP to the manufacturer to manufacture the products;
- Integration service for integrating the IP with the manufacturer's existing systems and network.

Under agreement type 3, the performance obligation for the integration service is satisfied over time; royalty income arising from the provision of the licence is recognised on a usage basis.

Agreement type 4: Service/Cloud

In this type of contract, the Company provides cloud-based digital video services (e.g. video recorder ("cDVR")) to the customer who in turn provides this to the end consumer. As a result, the Company is contracted and receives fees to:

- Provide cloud-based media plane software (and regular updates) which supports encoding and transcoding, recording, storage and playback of the video;
- Provide related on-boarding and service desk support to the customer.

Under agreement type 4, each month is treated as a distinct performance obligation, with each obligation assumed to be recognised over time.

Key judgements

The most significant judgements and sources of estimation uncertainty relate to ascertaining the relative standalone selling price and allocating this between the separate performance obligations, accounting for variable consideration and identifying contract modifications.

Royalties

Where revenue includes a usage-based element, for example under agreement type 3 above, revenue is recognised at the later of a) when the subsequent sales or usage occur; and, b) the satisfaction or partial satisfaction of the performance obligation to which some or all of the sales- or usage-based royalty has been allocated.

Cost of sales

Cost of sales primarily consists of inventory or software and licence fees used in delivering the product or service to the customer. These costs are recognised in the income statement in the same period as the related revenue. The Company has not, to date, incurred any significant costs in obtaining contracts with customers.

1. Accounting policies (continued)

Cash and cash equivalents
Cash and short-term deposits in the statement of financial position comprise cash at banks and on hand and short-term highly liquid deposits with a maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.

Tangible assets
Property, plant and equipment is initially recognised at cost. Cost includes all expenditure directly attributable to bringing the asset to the location and working condition for its intended use. Subsequent measurement of property, plant and equipment is at cost less accumulated depreciation and impairment losses.

Depreciation rates for each category of property, plant and equipment are as follows:
• Engineering and production equipment (lab and smart card related): 3 to 4 years
• Computer hardware and office equipment: 3 to 5 years.

Depreciation begins when the asset is ready for use and ceases on disposal of the asset of the end of its useful life, whichever is sooner.

The gain or loss on disposal is the difference between the net proceeds received and the carrying amount of the asset, together with any costs that will be necessarily incurred in removing the asset from its location at the end of its useful life.

Intangible assets
Intangible assets initially recognised at fair value. Subsequently, they are reported at cost less accumulated amortisation and impairment losses, if any.

Amortisation is recognised on a straight-line basis over the estimated useful economic life. The estimated useful economic lives and the amortisation method are reviewed at the end of the reporting period.

The useful lives applied by the Company are:
• Customer relationships: 6 to 8 years
• Trade names: 2 years
• Technology: 7 years
• Software: lower of licence term or 3 to 5 years.

Inventory
Inventory is stated at the lower of cost and net realisable value after making due allowance for obsolete and slow moving costs.

Deferred cost of sales are also held within inventory until such time that the revenue is recognised, in line with the revenue recognition policy.

1. Accounting policies (continued)

Trade receivables
Trade receivables are amounts due from customers for product sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value. They are subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Trade payables
Payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Share capital
Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Dividends
Dividend income is recognised when the right to receive payment is established.

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

1. Accounting policies (continued)

Unfunded pension arrangements
The Company retains a liability to pay defined benefit pensions to two former employees. A provision is recognised in these financial statements for that contractual obligation, which has been measured using generally accepted actuarial principles.

Accounting developments
Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- IFRS 16 Leases – effective date for the Company is 1 July 2019
- IFRIC 23 Uncertainty over Tax Treatments – effective date for the Company is 1 July 2019
- Prepayment Features with Negative Compensation (Amendments to IFRS 9) – effective date for the Company is 1 July 2019
- Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28) – effective date for the Company is 1 July 2019
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) – effective date for the Company is 1 July 2019
- Amendments to IFRS 3: Definition of a Business – effective date for the Company is 1 July 2020

Of these standards that are not yet effective, only IFRS 16 is expected to have a material impact on the Company's financial statements in the period of initial application.

IFRS 16 Leases
The Company is required to adopt IFRS 16 from 1 July 2019. The Company has assessed the estimated impact that initial application of IFRS 16 will have on its financial statements, as described below. The actual impacts of adopting the standard from 1 July 2019 may change because:

- the Company has not finalised the testing and assessment of controls over its new IT systems; and;
- the new accounting policies are subject to change until the Company presents its first financial statements that include the date of initial application.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments.

The Company will recognise new assets and liabilities in relation to its operating leases for premises. The nature of expenses related to those leases will now change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities. No significant impact is expected for the Company's finance leases.

1. Accounting policies (continued)
Accounting developments (continued)
IFRS 16 Leases (continued)
The Company plans to apply IFRS 16 using the modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognised as an adjustment to the opening balance retained earnings as at 1 July 2019, with no restatement of comparative information. The Company plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply IFRS 16 to all contracts entered into before 1 July 2019 and identified as leases in accordance with IAS 17.

On implementation, based upon the Company's existing lease arrangements, approximately £4m right-of-use assets, related to property, will be recognised in the Balance sheet together with a corresponding lease liability and rectification provision. Annual operating costs will be reduced by approximately £2m, increasing EBITDA by the same amount. Annual depreciation on the right-of-use asset will be approximately £1.5m and lease interest will be approximately £0.2m, which means we do not expect there to be a material impact on net income.

2. Critical accounting judgements and estimates
In the application of the Company's accounting policies, which are described in Note 1, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Revenue
Application of the revenue accounting policies outlined in Note 1 requires management to make accounting estimates; in particular management must apply judgement as to whether a sale includes multiple deliverables and how it values each unit and where deliverables are not sold separately how to apply fair value to the sale. The most significant judgements and sources of estimation uncertainty relate to ascertaining the relative standalone selling price and allocating this between the separate performance obligations, accounting for variable consideration and identifying contract modifications.

3. Revenue

All revenue is derived from the Company's principal activity as described in the Strategic report.

The analysis of the Company's turnover for the period from external customers based on location of customer is as follows:

Analysis of revenue by geography:	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
UK	57.0	6.9
Europe	62.6	49.2
Rest of world	48.9	102.5
Total revenue	**168.5**	**158.6**

4. Other income

	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
Services provided to other Group companies	56.3	9.7
Dividends from subsidiaries	-	0.5
Total other operating income	**56.3**	**10.2**

5. Operating (loss)/profit

This is stated after charging:	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
Amortisation	15.4	-
Depreciation	1.0	-
Foreign exchange losses	4.0	3.7
Inventory recognised as an expense	7.9	12.7
Operating lease costs	3.5	-
Research and development expenses	6.9	0.5
Royalty expense	-	0.3

Audit fees for the audit of the Company amounted to £0.3m (2018: £0.2m).

6. Personnel expenses

Expenses related to services rendered by employees are recognised in the period in which the service is rendered. This includes wages and salaries, social security contributions, pension contributions, bonuses, termination payments and employee benefits.

Where payments of amounts due are outstanding at the end of the reporting period an accrual for the expense is recognised. Where payments have been made in advance prior to the end of the reporting period, a prepayment of the expense is recognised.

The Company operates defined contribution pension schemes and closed defined benefit schemes (see note 18). The amounts charged to the income statement in respect of pension costs and other post-retirement benefits are the contributions payable in the period. Differences between contributions payable in the period and actually paid are shown in either prepayments or accruals at the balance sheet date.

Employee numbers

The average number of employees during the period was 400 (2018: none). Effective 1 January 2013, all of the Company's employees were transferred to a company in the Cisco group and the Company had no employees since that date till end of October 2018.

	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
Wages and salaries (including redundancy costs)	19.8	-
Short-term employee benefits	1.9	-
Social security costs	2.6	-
Pensions and other post-employment benefits	1.3	-
Contractor costs	9.5	-
Total personnel expenses	**35.1**	**-**

The Company had certain obligations to a small number of former employees who are members of a UK defined benefit pension plan. The obligations were transferred to a fellow Group company during 2018. The service cost was £nil for the period (2018: £nil).

7. Directors' emoluments

	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
Wages and salaries	3.4	-

7. Directors' emoluments (continued)

Highest paid Director

	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
Wages and salaries	2.4	-

8. Interest receivable and similar income

	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
Interest on amounts due from Group companies	-	4.5
Bank interest receivable	0.1	0.1
Total interest receivable and similar income	**0.1**	**4.6**

9. Interest payable and similar charges

	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
Interest on amounts due to Group companies	0.1	0.9
Total interest payable and similar charges	**0.1**	**0.9**

10. Tax on (loss)/profit on ordinary activities

(a) Analysis of (credit)/charge in the period
The tax (credit)/charge in the financial period is made up as follows:

	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
Current tax		
UK corporation tax	-	0.6
UK corporation tax adjustment to prior periods	-	0.8
Foreign tax	-	3.7
Witholding taxes written off	1.4	-
	1.4	**5.1**
Deferred tax:		
Origination and reversal of timing differences	(8.6)	(1.4)
Adjustments in respect of prior years	0.2	-
Effects of rate change on deferred tax	0.9	-
Total deferred tax (note 12)	**(7.5)**	**(1.4)**
Tax on (loss)/profit on ordinary activities	**(6.1)**	**3.7**

(b) Factors affecting current tax (credit)/charge
The current tax assessed on the loss on ordinary activities for the period is lower than the standard rate of corporation tax in the UK (2018: higher than the standard rate of corporation tax in the UK) of 19.0%.

	11 month period to 30 June 2019	12 month period to 28 July 2018 Restated
	£m	£m
(Loss)/profit on ordinary activities before taxation	(55.7)	8.1
Corporation tax at standard rate	(10.6)	1.6
Adjustment to tax charge in respect of prior periods	0.2	0.8
Impact of rate change	0.9	-
Non-taxable income	-	(0.1)
Expenses not deductible for tax purposes	2.0	-
Effect of Group and other reliefs	-	(2.4)
Foreign exchange on tax payable	-	0.1
Witholding taxes written off	1.4	-
Higher taxes on overseas earnings	-	3.7
Total tax (credit)/charge (note 10(a))	**(6.1)**	**3.7**

10. Tax on loss on ordinary activities (continued)

(c) Factors that may affect future tax charges

As announced in the Chancellor's Budget on 16 March 2016, the UK corporation tax rate will reduce to 17% on 1 April 2020.

11. Investments in subsidiaries

	As at 30 June 2019	As at 28 July 2018 Restated
	£m	£m
Cost and net book value brought forward	5.9	5.4
Additions	24.0	0.5
Cost and net book value carried forward	**29.9**	**5.9**

It is Company policy to align the year end of each subsidiary with that of the Company. However, some subsidiaries below have year ends that are non-coterminous where they are restricted on the year end options possible due to legislation in local jurisdictions.

The Company has the following principal subsidiaries:

Subsidiary name	Address	Country of incorporation	Financial year end	Ordinary shares held
Overseas subsidiary				
Beijing NDS Information Technology Co Ltd	1	China	31 Dec	100%
Synamedia India Private Limited	2	India	31 Mar	100%
Synamedia Technologies Israel Ltd	3	Israel	31 Dec	100%

Principal place of business

1 Block 1, No 66, Nanlishi Road, Beijing 100045
2 Block 9A, 9B Pritech Park SEZ, Bangalore, Karnataka
3 5 Shlomo Ha Levi, Jerusalem, Israel

12. Deferred taxation

The deferred tax included in the Balance Sheet is as follows:

	As at 30 June 2019	As at 28 July 2018 Restated
	£m	£m
Accelerated tax depreciation	0.3	0.5
Accruals	0.8	1.7
Tax losses	7.1	-
Deferred tax assets	**8.2**	**2.2**

12. Deferred taxation (continued)

	As at 30 June 2019	As at 28 July 2018 Restated
	£m	£m
Intangible assets	(11.3)	-
Deferred tax liabilities	**(11.3)**	**-**

The deferred taxation movement during the period was:

	As at 28 July 2018 Restated	Recognised in income	Additions	As at 30 June 2019
	£m	£m	£m	£m
Accelerated tax depreciation	0.5	(0.2)	-	0.3
Accruals	1.7	(0.9)	-	0.8
Tax losses	-	7.1	-	7.1
Intangible assets	-	1.5	(12.8)	(11.3)
Deferred tax	**2.2**	**7.5**	**(12.8)**	**(3.1)**

The deferred taxation movement during the prior period was:

	As at 28 July 2017 Restated	Recognised in income Restated	Recognised in other comprehensive income Restated	As at 28 July 2018 Restated
	£m	£m	£m	£m
Accelerated tax depreciation	0.6	(0.1)	-	0.5
Accruals	2.5	1.5	(2.3)	1.7
Deferred tax liability	-	-	-	-
Deferred tax	**3.1**	**1.4**	**(2.3)**	**2.2**

13. Intangible assets

	Software	Technology	Customer relationships	Trade names and brands	As at 30 June 2019
Cost	£m	£m	£m	£m	£m
Additions	1.0	57.5	64.8	10.5	133.8
As at 30 June 2019	**1.0**	**57.5**	**64.8**	**10.5**	**133.8**
Accumulated amortisation					
Charge for the period	(1.0)	(5.5)	(5.4)	(3.5)	(15.4)
As at 30 June 2019	**(1.0)**	**(5.5)**	**(5.4)**	**(3.5)**	**(15.4)**
Net book value as at 30 June 2019	**-**	**52.0**	**59.4**	**7.0**	**118.4**

14. Property, plant and equipment

	Engineering and production equipment	Computer hardware and office equipment	As at 30 June 2019
Cost	£m	£m	£m
Additions	2.3	6.1	8.4
As at 30 June 2019	**2.3**	**6.1**	**8.4**
Accumulated depreciation			
Charge for the period	(0.1)	(0.9)	(1.0)
As at 30 June 2019	**(0.1)**	**(0.9)**	**(1.0)**
Net book value as at 30 June 2019	**2.2**	**5.2**	**7.4**

15. Trade and other receivables

	As at 30 June 2019	As at 28 July 2018 Restated
	£m	£m
Trade receivables	46.0	30.5
Prepayments and accrued income	25.0	2.5
Other receivables	-	1.0
Amounts owed by Group undertakings	92.9	77.0
Total trade and other receivables	**163.9**	**111.0**

Amounts owed by Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

16. Inventories

	As at 30 June 2019	As at 28 July 2018 Restated
	£m	£m
Smart cards and their components	13.2	22.5
Deferred smart card costs	1.5	3.6
Contract work-in-progress	1.8	-
Total inventories	**16.5**	**26.1**

Smart cards and their components are considered to be in the state of work-in-progress. Deferred smart card costs represent smart cards delivered to customers but for which the associated revenue has not been recognised. There is no material difference between the balance sheet value of inventories and their replacement cost.

17. Trade and other payables

	As at 30 June 2019	As at 28 July 2018 Restated
	£m	£m
Trade payables	14.6	2.2
Accruals and deferred income	33.2	9.3
Other payables	0.8	0.1
Social security and other taxes	5.5	-
Amounts owed to Group undertakings	333.1	78.5
Total trade and other payables	**387.2**	**90.1**

Amounts owed to Group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

18. Provisions for liabilities

Provisions for liabilities comprise unfunded pension obligations of £1.4m (2018: £1.3m).

19. Called-up share capital

The allotted, called-up and fully paid share capital of the Company as at 28 July 2018 comprised of 41,465,202 ordinary shares of £1 each.

During the period the Company's share capital was reduced by 41,465,202 ordinary shares of £0.00002412 each, resulting in a total nominal value of £1,000 as at 30 June 2019.

20. Related parties

During the period, the Company had the following balances with related parties:

	As at 30 June 2019	As at 28 July 2018 Restated
	£m	£m
Synamedia Americas LLC	34.1	0.1
Synamedia Americas Holdings, Inc	6.5	-
Synamedia Canada ULC	10.7	-
Synamedia Asia Private Limited	1.3	-
Synamedia Vividtec Holdings, Inc.	26.0	-
Synamedia Vividtec Europe BVBA	10.9	-
TRISO Video Technologies India Private Ltd	0.6	-
Synamedia Vividtec Canada ULC	2.8	-
Cisco International Limited	-	1.0
Cisco Systems International B.V.	-	75.7
Cisco S.A.R.L.	-	0.2
Total amounts owed by Group undertakings	**92.9**	**77.0**

20. Related parties (continued)

	As at 30 June 2019	As at 28 July 2018 Restated
	£m	£m
Synamedia Holdings Limited	208.2	-
Synamedia Technologies Israel Ltd	77.1	-
Synamedia India Private Limited	40.5	10.0
Beijing NDS Information Technology Co Ltd	6.6	-
NDS Video Technologies Private Limited	0.7	-
NDS Finance Limited	-	21.1
NDS Technologies Israel Limited	-	37.5
NDS Beijing Information Technology Co., Limited	-	3.0
NDS Sweden AB	-	0.5
Cisco Systems Israel Limited	-	6.4
Total amounts owed to Group undertakings	**333.1**	**78.5**

21. Dividends

The Company paid an interim dividend of £44.4m (2018: £111.5m) and the Directors do not recommend a final dividend for the period (2018: £nil).

22. Ultimate controlling party

As at 28 July 2018, the Company's immediate parent was NDS Finance Limited. The ultimate parent was Cisco Systems, Inc.

Since 28 October 2018, the immediate parent company has been Synamedia Holdings Limited, a company incorporated in England, and the ultimate controlling party has been Permira funds, a private equity investor.

Triton UK Midco Limited is the parent of the smallest and largest group in which subsidiary financial statements are consolidated.

23. Events subsequent to the reporting date

COVID-19 pandemic

The Synamedia Group, of which Synamedia Limited is part of, has established a Global Pandemic Response Team to actively address the challenges brought about by COVID-19. We rapidly adjusted our operations and put into action our Business Continuity procedures and saw no disruption of service to our customers from any of our locations.

In line with government guidelines, the vast majority of our workforce in Synamedia Limited moved immediately to home-working. The exception to this was staff based in the Company's SmartCard production facility in Maidenhead.

23. Events subsequent to the reporting date (continued)

COVID-19 pandemic (continued)

This site was officially authorised to operate as a critical service to the TMT industry during the lockdown and therefore has remained open throughout. The site operates split shifts to ensure minimal staff are on site and social distancing measures can be followed; and in the event of a forced shutdown, the operations are mirrored in our sister site in Costa Mesa, US to ensure production requirements continue to be met without disruption to our customers.

We are working with each of our closed offices to plan for the eventual, phased, safe reopening in line with local regulations and prioritised customer requirements; using expert epidemiological advice to provide guidelines for staff and considering applicable factors such as social distancing in the workplace, childcare status, health concerns, and access to public transport.

In addition to ensuring the safety of our staff and the continued operation at our SmartCard production facility, we are also monitoring suppliers (components, finished good products) and identifying alternatives to ensure any supply chain disruption is minimised.

As at the date of signing of these financial statements, COVID-19 has not had a material impact on the financial performance or position of the Synamedia Group and in turn Synamedia Limited. Based on the facts known as of today, the Company currently has been assessed the COVID-19 pandemic as a non-adjusting event.