

VITEC GROUP HOLDINGS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018
Registered number 3800708



VITEC GROUP HOLDINGS LIMITED

STRATEGIC REPORT

The Directors present their strategic report for the year ended 31 December 2018.

Principal activities

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

Business review

The loss for the year amounted to £2,675,000 (2017: profit of £46,164,000). The net assets at 31 December 2018 were £79,915,000 (2017: £82,590,000).

Principal risks and uncertainties

The Company is a wholly owned subsidiary of The Vitec Group plc. The Vitec Group's principal risks and uncertainties and their mitigation are detailed in that company's Annual Report & Accounts 2018 on pages 18 to 21.

The principal risks below are deemed to be specific major risks and their mitigation 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.

By order of the Board



Jonathan Bolton
Director

17 July 2019

VITEC GROUP HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors present their report and the audited Financial Statements for the year ended 31 December 2018.

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

Dividends

The Directors do not recommend the payment of a dividend and no final dividend is proposed (2017: £48,611,055).

Directors

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

Jonathan Bolton
Martin Green
Kath Kearney-Croft

All Directors' remuneration is borne by the ultimate parent company and no allocation is made to the Company.

The Company has also granted indemnities to some of its Directors to the extent permitted by law. Qualifying third party indemnity provisions (as defined in Section 324 of the Companies Act 2006) have been adopted for some 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.

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.

Auditor

In 2018 Deloitte LLP were appointed as auditors. Deloitte LLP has indicated its willingness to continue in office. Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and Deloitte LLP will therefore continue in office.

Approved and authorised for issue by the Board



Jonathan Bolton
Director

17 July 2019

Registered Office:
Bridge House
Heron Square
Richmond
TW9 1EN

VITEC GROUP HOLDINGS LIMITED

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

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

Company law requires the Directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Vitec Group Holdings Limited (the "Company"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 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.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

Other information

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

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 this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of directors

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

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

Responsibilities of directors (continued)

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.

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

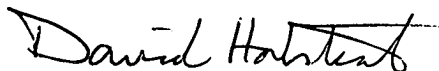
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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.



David Halstead FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
St Albans
United Kingdom

19 July 2019

VITEC GROUP HOLDINGS LIMITED**PROFIT AND LOSS ACCOUNT
for the year ended 31 December 2018**

	Notes	2018 £'000	2017 £'000
Interest payable to group undertakings		(2,675)	(2,447)
Net income from shares in group undertakings	5	-	48,611
(Loss)/profit before taxation		<u>(2,675)</u>	<u>46,164</u>
Tax on (loss)/profit	6	-	-
(Loss)/profit after tax		<u>(2,675)</u>	<u>46,164</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 9 to 15 form an integral part of these Financial Statements.

VITEC GROUP HOLDINGS LIMITED

BALANCE SHEET
as at 31 December 2018

	Notes	2018 £'000	2017 £'000
Fixed assets			
Investments	7	162,190	162,190
Total assets		162,190	162,190
Creditors – amounts falling due after more than one year	8	(82,275)	(79,600)
Net assets		79,915	82,590
Capital and reserves			
Called up share capital	9	-	-
Share premium	10	31,100	31,100
Profit and loss account		48,815	51,490
Shareholder's funds		79,915	82,590

The notes on pages 9 to 15 form an integral part of these Financial Statements.

The Financial Statements on pages 6 to 15 were approved by the Board of Directors on 17 July 2019 and were signed on its behalf by:



Kath Kearney-Croft
Director

Registered in England no 3800708
Vitec Group Holdings Limited is a private company limited by shares

VITEC GROUP HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

	Called up share capital £'000	Share premium £'000	Profit and loss account £'000	Total equity £'000
Balance at 1 January 2018	-	31,100	51,490	82,590
Total comprehensive loss for the year				
Loss for the year	-	-	(2,675)	(2,675)
Balance at 31 December 2018	-	31,100	48,815	79,915
Balance at 1 January 2017	-	31,100	53,937	85,037
Total comprehensive income for the year				
Profit for the year	-	-	46,164	46,164
Dividends paid	-	-	(48,611)	(48,611)
Balance at 31 December 2017	-	31,100	51,490	82,590

The notes on pages 9 to 15 form an integral part of these Financial Statements.

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation

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

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

The Company is a wholly owned subsidiary of The Vitec Group plc and is included in the consolidated Financial Statements of The Vitec Group plc, which are publicly available. The Company is therefore exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group Financial Statements. These Financial Statements present information about the Company as an individual undertaking and not about its group.

2. Exemptions taken by the Company 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. Accounting policies

The Company has applied IFRS 9 "Financial Instruments" from 1 January 2018, which has resulted in new accounting policies as set out below. There has been no impact on the Financial Statements as a result of adopting the new standard.

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

a) Going concern

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

b) Foreign currencies

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

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.

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. Accounting policies (continued)

d) Taxation

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

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) Accounting estimates and judgments

There are no significant estimates or judgments contained in the Financial Statements.

4. Operating result

Auditors' remuneration: Audit of Company's annual accounts of £5,000 (2017: £2,000) are borne by the ultimate parent company. The Company has no employees.

5. Net income from shares in group undertakings

	2018 £'000	2017 £'000
Dividends received	-	48,611
Net income from shares in group undertakings	-	48,611

6. Tax on (loss)/profit

(a) There is no current or deferred tax charge recognised in the year (2017: £nil).

(b) Factors affecting total tax charge

The tax assessed on the (loss)/profit before tax for the year is lower (2017: lower) than the effective rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are reconciled below:

	2018 £'000	2017 £'000
(Loss)/profit before tax	(2,675)	46,164
(Loss)/profit multiplied by effective rate of corporation tax in the UK of 19% (2017: 19.25%)	(508)	8,887
Effects of:		
Non-taxable income	-	(9,358)
Group relief surrendered free of charge	508	466
Losses not recognised for deferred tax	-	5
Total tax charge	-	-

Reductions in the UK corporation tax rate from 19% (effective from 1 April 2017) to 17% (effective from 1 April 2020) have been imposed by Finance Act 2019 which was already substantively enacted by Finance Act 2016 on 6 September 2016. This will reduce the company's future current tax charge accordingly.

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Fixed asset investments

	2018 £'000	2017 £'000
Cost and net book value		
At 1 January and 31 December	<u>162,190</u>	<u>162,190</u>

The Company's investments in subsidiaries as at 31 December 2018 are as follows:

	Country of incorporation	Class of shares held	Percentage of shares held
ALC Broadcast Limited	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
Amimon Inc	United States ⁽³¹⁾	Ordinary shares of NPV	100%*
Amimon Japan Co. Ltd	Japan ⁽³²⁾	Ordinary shares of 10,000 JPY each	100%*
Amimon Ltd	Israel ⁽³³⁾	Ordinary shares of NIS 0.01 each	100%*
Anton/Bauer Europe B.V.	Netherlands ⁽²⁾	Ordinary shares of €1 each	100%*
Autocue LLC	United States ⁽³⁾	Membership units of NPV	100%*
Autoscript Limited	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
Camera Corps, Inc.	United States ⁽²⁹⁾	Ordinary shares of US\$0.01 each	100%*
Camera Corps Ltd	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
Camera Dynamics sarl	France ⁽⁴⁾	Ordinary shares of NPV	100%*
Chalfont Investments Inc	United States ⁽⁵⁾	Ordinary shares of US\$0.01 each	100%*
Colorama Photodisplay Holdings Limited	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
Gitzo S.A.	France ⁽⁶⁾	Ordinary shares of NPV	100%*
JOBY Technology (Shenzhen) Co. Limited	China ⁽²⁸⁾	Ordinary shares of RMB1,814,855 each	100%*
LCB Beteiligungs GmbH	Germany ⁽⁸⁾	Ordinary shares of €25,000 each	100%*
Litepanels Ltd	England & Wales ⁽¹⁾	Ordinary shares of US\$1 each	100%*
Lowepro Dongguan Trading Co Ltd (formerly DayMen Dongguan Trading Co Limited)	China ⁽²⁷⁾	Ordinary shares of HK\$3,000,000 each	100%*
Manfrotto Bags Ltd	Israel ⁽⁷⁾	Ordinary shares of ILS1 each	100%*
Mount Olive 2016, LLC	United States ⁽¹⁵⁾	Membership units of NPV	100%*
Offhollywood, LLC	United States ⁽¹⁶⁾	Membership units of NPV	100%*
Palmer Dollar Finance	England & Wales ⁽¹⁾	Ordinary shares of US\$1 each	100%

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Fixed asset investments (continued)

	Country of incorporation	Class of shares held	Percentage of shares held
Palmer Finance	England & Wales ⁽¹⁾	Ordinary shares of €1 each	100%
Palmer Yen Finance	England & Wales ⁽¹⁾	Ordinary shares of JP¥100 each	100%
Panlight Limited**	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
Petrol Bags Limited	Israel ⁽¹⁷⁾	Ordinary shares of ILS1 each	100%*
RECO Srl	Italy ⁽⁹⁾	Shares of NPV	100%*
RT Motion Systems Limited**	Scotland ⁽²⁵⁾	Ordinary shares of £0.0167 each	100%*
Rycote Microphone Holdings Ltd	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
Rycote Microphone Windshields Ltd	England & Wales ⁽¹⁾	Ordinary shares of £1 each and Deferred shares of £1 each	100%*
Rycote Partnership Limited	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
SmallHD LLC	United States ⁽¹⁸⁾	Membership units of NPV	100%*
Teradek Ukraine LLC	Ukraine ⁽¹⁹⁾	Membership interests of NPV	100%*
Teradek, LLC	United States ⁽²⁰⁾	Membership units of NPV	100%*
Vitec Creative Solutions UK Limited	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
Vitecgroup Italia spa	Italy ⁽²³⁾	Ordinary shares of €1,000 each	100%*
Vitec Group US Holdings, Inc.	United States ⁽⁵⁾	Ordinary shares of US\$0.01 each	100%*
Vitec Holdings Italia Srl	Italy ⁽⁹⁾	Ordinary share of €10,000 each	100%*
Vitec Holdings Limited	Guernsey ⁽²¹⁾	Ordinary shares of £0.10 each	100%*
Vitec Imaging Distribution Australia Pty Ltd (formerly Adeal Proprietary Limited)	Australia ⁽³⁰⁾	Ordinary shares of AUD1 each	100%*
Vitec Imaging Distribution Benelux B.V. (formerly Manfrotto Distribution Benelux B.V.)	Netherlands ⁽¹⁰⁾	Ordinary shares of €454 each	100%*
Vitec Imaging Distribution GmbH (formerly Manfrotto Distribution GmbH)	Germany ⁽¹¹⁾	Shares of €25,000 each	100%*
Vitec Imaging Distribution HK Ltd (formerly Manfrotto Distribution HK Limited)	Hong Kong ⁽¹²⁾	Shares of HK\$1 each	100%*

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Fixed asset investments (continued)

	Country of incorporation	Class of shares held	Percentage of shares held
Vitec Imaging Distribution Inc (formerly Manfrotto Distribution Inc)	United States ⁽¹³⁾	Ordinary shares of NPV	100%*
Vitec Imaging Distribution SAS (formerly Manfrotto Distribution SAS)	France ⁽⁶⁾	Shares of €16 each	100%*
Vitec Imaging Distribution Shanghai Limited (formerly Manfrotto Distribution Shanghai Limited)	China ⁽¹⁴⁾	Ordinary shares of US\$1 each	100%*
Vitec Imaging Solutions HK Ltd (formerly DayMen Asia Limited)	Hong Kong ⁽²⁶⁾	Shares of HK\$1 each	100%*
Vitec Imaging Solutions Spa (formerly Lino Manfrotto & Co Spa)	Italy ⁽⁹⁾	Ordinary shares of €5.556 each	100%*
Vitec Imaging Solutions UK Limited (formerly Manfrotto UK Limited)	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%*
Vitec Investments Limited	England & Wales ⁽¹⁾	Ordinary shares of £1 each	100%
Vitec Production Solutions GmbH (formerly Vitec Videocom GmbH)	Germany ⁽⁸⁾	Ordinary share of DEM50,000 each	100%*
Vitec Production Solutions Inc. (formerly Vitec Videocom, Inc)	United States ⁽⁵⁾	Ordinary shares of US\$0.01 each	100%*
Vitec Production Solutions Limitada (formerly Vitec Videocom Limitada)	Costa Rica ⁽²²⁾	Shares of CRC50 each	100%*
WHDI LLC	United States ⁽³¹⁾	Single Member Limited Liability Company	100%*
Wooden Camera, Inc.	United States ⁽²⁴⁾	Ordinary shares of NPV	100%*

* The ordinary capital of these companies was owned by a subsidiary of Vitec Group Holdings Limited at 31 December 2018.

** In 2019 Panlight Limited and RT Motion Systems Limited submitted an application to Companies House to be struck off.

The registered addresses of the above companies are listed below:

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

⁽²⁾ Sint Lambertuslann 9, 6212 AR Maastricht, Netherlands

⁽³⁾ 124 West 30th Street, Suite 312, New York, NY 1001, United States

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

⁽⁵⁾ Corporation Service Company, 2711 Centerville Road - Suite 400, Wilmington, DE 19808, United States

⁽⁶⁾ Parc Tertiaire Silic, 44 Rue De La Couture, 94150 Rungis, France

⁽⁷⁾ Abraham & Bachar cp., Keren Hayesod 36, Jerusalem, Israel

⁽⁸⁾ Parkring 29, 85748 Garching, Germany

⁽⁹⁾ Via Valsugana 100, 36022 Cassola VI, Italy

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Fixed asset investments (continued)

- (10) J.P Poelstraat 5, 1483 GC De Rijp, Netherlands
 (11) Ferdinand-Porsche-Strasse 19, 41149 Cologne, Germany
 (12) Unit No.03, 3/F, Tower 3, Phase 1, Enterprise Square, No.9 Sheung Yuet Road, Kowloon Bay, Hong Kong
 (13) Corporation Service Company, 830 Bear Tavern Road, West Trenton, NJ 08628, United States
 (14) Room 2704-05, Shanghai Mart Tower, No.2299, Yan'an Road (West), Shanghai, 200336, China
 (15) Corporation Service Company, 2595 Interstate Drive – Suite 103, Harrisburg, PA 17110, United States
 (16) Corporation Service Center, 2711 Centerville Road – Suite 440, Wilmington, New Castle County, DE 19808, United States
 (17) 3 Hasolelim Street, 67897, Tel Aviv, Israel
 (18) Corporation Service Company, 327 Hillsborough Street, Raleigh, NC 27603, United States
 (19) Uspenskaya 2, Odessa, 65014, Ukraine
 (20) CSC-Lawyers Incorporating Service, 2710 Gateway Oaks Drive – Suite 150N, Sacramento, CA 95833 3505, United States
 (21) Mont Crevelt House, Bulwer Avenue, St. Sampson, GY2 4LH, Guernsey
 (22) Parque Industrial de Cartago, Edificio Numero 68, Cartago, Costa Rica
 (23) Via Monte Rosa, 91, 20149 Milano, Italy
 (24) 1826 West Commerce Street, Dallas, Texas 75208, United States
 (25) 272 Bath Street, Glasgow, Scotland, G2 4JR, United Kingdom
 (26) Unit 901-2, 9/F, Metroplaza Tower 2, No. 223 Hing Fong Road, Kwai Fong, N.T. Hong Kong
 (27) No. 1101, Office Building, Block B, Zhixing Commercial Building, Banshi Village, Changping Town, Dongguan City, Guangdong Province, China
 (28) Suite 916, Office Tower, Shun Hing Square, Di Wang Commercial Centre, 5002 Shen Nan Dong Road, Shenzhen, 518008, China
 (29) Corporate Service Company, 251 Little Falls Drive, Wilmington, County of New Castle, DE, 19808, United States
 (30) 2 Baldwin Road, Altona North VIC 2025, Australia
 (31) 251 Little Falls Drive, Wilmington, County of New Castle, DE, 19808, United States
 (32) 701 A105 Gotanda Building, 1-10-7 Higashi Gotanda, Shinagawa-Ku, Tokyo, Japan
 (33) Zarhin26, POB 2308, Ra'anana 4366250, Israel

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

	2018 £'000	2017 £'000
Amounts owed to group undertakings	<u>82,275</u>	<u>79,600</u>

Amounts owed to group undertakings are unsecured and payable on demand.

9. Share capital

	2018 £	2017 £
Allotted, called up and fully paid:		
5 (2017: 5) Ordinary shares of £1 each	<u>5</u>	<u>5</u>

10. Share premium

	2018 £'000	2017 £'000
At 1 January and 31 December	<u>31,100</u>	<u>31,100</u>

VITEC GROUP HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Post balance sheet events

On 28 March 2019, the Company issued 95 shares of £1 each in exchange for an intra group loan of \$243,239,000 due from Vitec Group US Holdings Inc., which was transferred from its parent company, The Vitec Group plc. The Company immediately transferred this loan to its wholly owned subsidiary Palmer Dollar Finance in exchange for 16,000,000 shares of \$1 each.

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

12. Contingent liabilities

The Company is a guarantor to a Multicurrency Revolving Credit Facility Agreement, which increased from £125 million to £150 million in November 2018. The agreement is between The Vitec Group 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 2018 of The Vitec Group plc.

13. Ultimate parent company

The Company is a wholly owned subsidiary of The Vitec Group plc. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is The Vitec Group plc, a company which is registered in England and Wales. Copies of the Annual Report & Financial Statements 2018 of The Vitec Group plc are available from the Company Secretary, Bridge House, Heron Square, Richmond, TW9 1EN.