

**Report of the Director and
Financial Statements
for the Year Ended 31 December 2022
for
Lightning Holdco Limited**

**Contents of the Financial Statements
for the year ended 31 December 2022**

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Lightning Holdco Limited
Company Information
for the year ended 31 December 2022

DIRECTOR:	S Wasserman
REGISTERED OFFICE:	1 St. James's Market London United Kingdom SW1Y 4AH
REGISTERED NUMBER:	13505746 (England and Wales)
AUDITORS:	Anstey Bond LLP Statutory Auditors & Chartered Accountants 1-2 Charterhouse Mews London EC1M 6BB

**Report of the Director
for the year ended 31 December 2022**

The director presents his report with the financial statements of the company for the year ended 31 December 2022.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of being a holding company.

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2022.

DIRECTOR

S Wasserman held office during the whole of the period from 1 January 2022 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with UK-adopted international accounting standards. Under company law the director must not approve the financial statements unless he is 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Anstey Bond LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

S Wasserman - Director

27 September 2023

Report of the Independent Auditors to the Members of Lightning Holdco Limited

Opinion

We have audited the financial statements of Lightning Holdco Limited (the 'company') for the year ended 31 December 2022 which comprise the Statement of Profit or Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and Notes to the Statement of Cash Flows, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the UK.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the UK; 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 Auditors' 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 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

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The director is responsible for the other information. The other information comprises the information in the Report of the Director, but does not include the financial statements and our Report of the Auditors 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of Lightning Holdco Limited

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 Report of the Director.

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

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

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 director determines 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example forgery or intentional misrepresentations, or through collusion.

We focussed on laws and regulations which could give rise to material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and UK tax legislation. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management. There are inherent limitations in the audit procedures described above, and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. We did not identify any key audit matters relation to irregularities, including fraud. As in all our audits, we also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
Lightning Holdco Limited**

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 a Report of the Auditors 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.

Colin Ellis FCCA CF (Senior Statutory Auditor)
for and on behalf of Anstey Bond LLP
Statutory Auditors &
Chartered Accountants
1-2 Charterhouse Mews
London
EC1M 6BB

27 September 2023

Lightning Holdco Limited (Registered number: 13505746)

**Statement of Profit or Loss and Other Comprehensive Income
for the year ended 31 December 2022**

		Year Ended 31.12.22 \$'000	Period 12.7.21 to 31.12.21 \$'000
	Notes		
CONTINUING OPERATIONS			
Revenue		-	-
Finance costs	4	(3,943)	(1,293)
Finance income	4	4,142	1,358
PROFIT BEFORE INCOME TAX	5	199	65
Income tax	6	-	-
PROFIT FOR THE YEAR		199	65
OTHER COMPREHENSIVE INCOME			
Item that will not be reclassified to profit or loss:			
Share options		4,381	-
Income tax relating to item that will not be reclassified to profit or loss		-	-
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX		4,381	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		4,580	65

The notes form part of these financial statements

Lightning Holdco Limited (Registered number: 13505746)

**Statement of Financial Position
31 December 2022**

	Notes	31.12.22 \$'000	31.12.21 \$'000
ASSETS			
NON-CURRENT ASSETS			
Investments	9	107,436	100,955
Trade and other receivables	10	200,040	196,377
		<u>307,476</u>	<u>297,332</u>
TOTAL ASSETS		<u>307,476</u>	<u>297,332</u>
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	11	2,960	2,960
Share premium	12	100,095	97,995
Other reserves	12	4,381	-
Retained earnings	12	264	65
TOTAL EQUITY		<u>107,700</u>	<u>101,020</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	13	199,776	196,312
TOTAL LIABILITIES		<u>199,776</u>	<u>196,312</u>
TOTAL EQUITY AND LIABILITIES		<u>307,476</u>	<u>297,332</u>

The financial statements were approved by the director and authorised for issue on 27 September 2023 and were signed by:

S Wasserman - Director

The notes form part of these financial statements

Lightning Holdco Limited (Registered number: 13505746)**Statement of Changes in Equity
for the year ended 31 December 2022**

	Called up share capital \$'000	Retained earnings \$'000	Share premium \$'000	Other reserves \$'000	Total equity \$'000
Changes in equity					
Issue of share capital	2,960	-	97,995	-	100,955
Total comprehensive income	-	65	-	-	65
Balance at 31 December 2021	<u>2,960</u>	<u>65</u>	<u>97,995</u>	<u>-</u>	<u>101,020</u>
Changes in equity					
Issue of share capital	-	-	2,100	-	2,100
Total comprehensive income	-	199	-	4,381	4,580
Balance at 31 December 2022	<u>2,960</u>	<u>264</u>	<u>100,095</u>	<u>4,381</u>	<u>107,700</u>

The notes form part of these financial statements

Lightning Holdco Limited (Registered number: 13505746)

**Statement of Cash Flows
for the year ended 31 December 2022**

		Year Ended 31.12.22 \$'000	Period 12.7.21 to 31.12.21 \$'000
Cash flows from operating activities	Notes		
Cash generated from operations	1	<u>-</u>	<u>-</u>
Cash flows from investing activities			
Purchase of fixed asset investments		<u>(6,481)</u>	<u>(100,955)</u>
Net cash from investing activities		<u>(6,481)</u>	<u>(100,955)</u>
Cash flows from financing activities			
Share issue		<u>6,481</u>	<u>100,955</u>
Net cash from financing activities		<u>6,481</u>	<u>100,955</u>
Increase in cash and cash equivalents		<u>-</u>	<u>-</u>
Cash and cash equivalents at beginning of year		<u>-</u>	<u>-</u>
Cash and cash equivalents at end of year		<u><u>-</u></u>	<u><u>-</u></u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows
for the year ended 31 December 2022

1. **RECONCILIATION OF PROFIT BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS**

	Year Ended 31.12.22	Period 12.7.21 to 31.12.21
	\$'000	\$'000
Profit before income tax	199	65
Finance costs	3,943	1,293
Finance income	(4,142)	(1,358)
Cash generated from operations	-	-

**Notes to the Financial Statements
for the year ended 31 December 2022**

1. STATUTORY INFORMATION

Lightning Holdeo Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in United States Dollars (USD), which is the functional currency of the group. Monetary amounts in these financial statements are rounded to the nearest thousand Dollar, unless stated otherwise.

Going concern

The financial statements have been prepared on the going concern basis. The Directors have produced financial projections for the Group for the next twelve months and beyond. These projections take into account a sufficient level of working capital in order for the Group to cover its cost base.

Preparation of consolidated financial statements

The financial statements contain information about Lightning Holdeo Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, Lightning Topco Limited, 1 St James's Market, London, SW1Y 4AH.

**Notes to the Financial Statements - continued
for the year ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Financial instruments

Recognition and initial measurement

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

A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. Transaction costs related to financial instruments designated at FVTPL are expensed immediately.

Classification of financial assets

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortised cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI)

In the periods presented the Company does not have any financial assets categorised as FVOCI.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect Contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI)

Classification of financial liabilities

Financial liabilities are classified as either:

- Amortised cost
- Fair value through profit or loss (FVTPL)

Subsequent measurement of financial instruments

Financial instruments at fair value through profit or loss are subsequently measured at fair value, with gains and losses arising from changes in fair value recognised in profit or loss. Financial assets and liabilities at amortised cost are subsequently measured at amortised cost, using the effective interest rate method.

An exception is made for trade receivables without a significant financing component. These are recognised at the transaction price, per IFRS 15. For trade receivables with a significant financing component, any differences arising between the amount of revenue recognised in accordance with IFRS 15 and the fair value of the trade receivable is recognised as an expense in profit or loss.

Offsetting

Financial assets and liabilities are offset and the net amounts presented in the statement of financial position only when the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or have been transferred and the Company has transferred substantially all risks and rewards of ownership.

Financial liabilities are derecognised when they are extinguished, i.e. when the contractual obligation is discharged, cancelled, expires or when a substantial modification of the terms occur.

**Notes to the Financial Statements - continued
for the year ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Impairment

At each reporting date the Company assesses whether there is a significant increase in credit risk over the remaining life of financial assets in comparison with the credit risk on initial recognition. The Company recognises expected credit losses (ECL) on financial instruments that are not measured at FVTPL.

IFRS 9 establishes a three-stage impairment model, based on whether there has been a significant increase in the credit risk of a financial asset since its initial recognition. Three-stages determine the amount of impairment to be recognised as expected credit losses at each reporting date as well as the amount of interest revenue to be recorded in future periods:

- Stage 1: Credit risk has not increased significantly since initial recognition - recognise 12 months ECL, and recognise interest on a gross basis;
- Stage 2: Credit risk has increased significantly since initial recognition - recognise lifetime ECL, and recognise interest on a gross basis;
- Stage 3: Financial asset is credit impaired - recognise lifetime ECL, and present interest on a net basis (i.e. on the gross carrying amount less credit allowance).

In making this assessment the Company considers a broader range of forward-looking information. Considerations include past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

The Company makes use of a simplified approach in accounting for trade and other receivables or contract assets without a significant financing component and records the loss allowance as lifetime expected credit losses.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument. This includes both credit loss and non-credit loss scenarios.

Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with enough frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all the factors that market participants would consider in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

**Notes to the Financial Statements - continued
for the year ended 31 December 2022**

2. ACCOUNTING POLICIES - continued

Taxation

Current taxes, where applicable, are based on the results shown in the financial statements and are calculated according to local tax rules using tax rates enacted, or substantially enacted, by the statement of financial position date and taking into account deferred taxation.

Deferred tax is computed using the liability method. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the financial reporting and tax bases of assets and liabilities and are measured using enacted rates and laws that will be in effect when the differences are expected to reverse. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will arise against which the temporary differences will be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets and liabilities arising in the same tax jurisdiction are offset.

Foreign currencies

A foreign currency transaction is recorded, on initial recognition in United States Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in United States Dollars, by applying to the foreign currency amount to the exchange rate between the United States Dollar and the foreign currency at the date of the cash flow.

Notes to the Financial Statements - continued
for the year ended 31 December 2022

2. ACCOUNTING POLICIES - continued

Provisions and contingencies

Provisions are recognised when:

- the Company has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

Provisions are recorded as the present value of the expenditure expected to be required to settle the obligation.

Contingent assets and contingent liabilities are not recognised.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and shown less any provision for amounts considered irrecoverable. They are subsequently measured at an amortised cost using the effective interest rate method, less irrecoverable provision for receivables.

Trade and other payables

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

Adoption of new and revised standards

The International Accounting Standards Board and IFRIC have issued the following new and revised standards and interpretations. The Company has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective. These standards, interpretations and amendments are listed in the table below, and are not expected to impact the Company:

Standard	Details of amendment	Effective date
Amendments to IAS 8	Definition of Accounting Estimates	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 12	Deferred Tax related Assets and Liabilities arising from a Single Transaction	1 January 2023
IFRS 17	Insurance Contracts	1 January 2023
Amendments to IAS 1	Classification of Liabilities as Current or Non-Current	1 January 2024
Amendments to IFRS 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Pending

The directors anticipate that the adoption of these standards in future periods will have no material impact on the financial statements of the Company.

3. EMPLOYEES AND DIRECTORS

There were no staff costs for the year ended 31 December 2022 nor for the period ended 31 December 2021.

The average number of employees during the year was NIL (2021 - NIL).

Notes to the Financial Statements - continued
for the year ended 31 December 2022

3. EMPLOYEES AND DIRECTORS - continued

	Year Ended 31.12.22 \$	Period 12.7.21 to 31.12.21 \$
Directors' remuneration	<u>-</u>	<u>-</u>

4. NET FINANCE INCOME

	Year Ended 31.12.22 \$'000	Period 12.7.21 to 31.12.21 \$'000
Finance income:		
Interest income	<u>4,142</u>	<u>1,358</u>
Finance costs:		
Interest expense	<u>3,943</u>	<u>1,293</u>
Net finance income	<u>199</u>	<u>65</u>

5. PROFIT BEFORE INCOME TAX

	2022 \$'000	2021 \$'000
Auditor's remuneration	<u>5</u>	<u>5</u>

Auditors remuneration is provided for within the parent Company, Lightning TopCo Limited.

6. INCOME TAX

Analysis of tax expense

No liability to UK corporation tax arose for the year ended 31 December 2022 nor for the period ended 31 December 2021.

7. FAIR VALUE OF FINANCIAL LIABILITIES

The directors consider that the carrying amounts of financial liabilities carried at amortised cost in the financial statements approximate to their fair values.

8. LIQUIDITY RISK

Responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the company's funding and liquidity management requirements. The company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial asset and liabilities.

Notes to the Financial Statements - continued
for the year ended 31 December 2022

9. INVESTMENTS

	Unlisted investments \$'000
COST	
At 1 January 2022	100,955
Additions	6,481
At 31 December 2022	<u>107,436</u>
NET BOOK VALUE	
At 31 December 2022	<u>107,436</u>
At 31 December 2021	<u>100,955</u>

Lightning Holdco Ltd's investments in the Share Capital of companies at the Balance Sheet date, included the following:

	Country of incorporation	Class of shares held	2022	2021
Lightning Midco Limited	England & Wales	Direct	100%	100%
Lightning Finco Limited	England & Wales	Indirect	100%	100%
Vital TopCo Limited	England & Wales	Indirect	100%	100%
Vital MidCo Limited	England & Wales	Indirect	100%	100%
Vital HoldCo Limited	England & Wales	Indirect	100%	100%
LiveU Solutions Ltd	Israel	Indirect	100%	100%
LiveU UK Ltd	England & Wales	Indirect	100%	100%
LiveU Ltd	Israel	Indirect	100%	100%
LiveU Inc.	USA	Indirect	100%	100%
LiveU Japan K.K.	Japan	Indirect	100%	100%
Pacific Live Media PTY Ltd	Australia	Indirect	100%	-
Easy Live SAS	France	Indirect	100%	-

10. TRADE AND OTHER RECEIVABLES

	31.12.22 \$'000	31.12.21 \$'000
Non-current:		
Loan amounts owed by related party	<u>200,040</u>	<u>196,377</u>

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			31.12.22	31.12.21
Number:	Class:	Nominal value:	\$'000	\$'000
295,974,411	Ordinary	\$0.01	<u>2,960</u>	<u>2,960</u>

**Notes to the Financial Statements - continued
for the year ended 31 December 2022**

12. RESERVES

	Retained earnings \$'000	Share premium \$'000	Other reserves \$'000	Totals \$'000
At 1 January 2022	65	97,995	-	98,060
Profit for the year	199			199
Share issue	-	2,100	-	2,100
ESOP	-	-	4,381	4,381
At 31 December 2022	<u>264</u>	<u>100,095</u>	<u>4,381</u>	<u>104,740</u>

13. TRADE AND OTHER PAYABLES

	31.12.22 \$'000	31.12.21 \$'000
Non-current:		
Loan amounts owed to related party	<u>199,776</u>	<u>196,312</u>

14. RELATED PARTY DISCLOSURES

As at the balance sheet date included within trade and other receivables is an amount due from Lightning Midco Limited, equating to \$200,040 (2021 : \$196,377). Interest has been applied to the loan in line with market rates. The aggregate balance remains outstanding as at the year end and has been classified as non current due to repayment terms in excess of one year.

As at the balance sheet date included within trade and other payables is an amount due to Lightning Topco Limited, equating to \$199,776 (2021 : \$196,312). Interest has been applied to the loan in line with market rates. The aggregate balance remains outstanding as at the year end and has been classified as non current due to repayment terms in excess of one year.

15. CAPITAL RISK MANAGEMENT

The company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists of debt, cash and cash equivalents and equity comprising share capital, reserves and retained earnings. The company reviews the capital structure annually and as part of its review considers the cost of capital and the risk associated with each class of capital.

The company is not subject to any externally imposed capital requirements.

16. ULTIMATE PARENT COMPANY

The Company knows or has reasonable cause to believe that there is no registrable person or relevant legal entity which holds ultimate control.

The immediate controlling company is Lightning Topco Limited registered in England and Wales, registered office; 1 St James's Market, London, SW1Y 4AH.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.