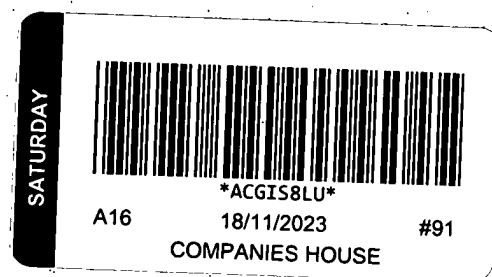


Registered number: 06496829

Zinwave Holdings Limited

Annual Report and Financial Statements

For the Year Ended 31 December 2022



Zinwave Holdings Limited

Company Information

Director Bruce Lancaster (appointed 6 December 2022)

Registered number 06496829

Registered office First Floor Block J
Harston Mill
Cambridgeshire
CB22 7GG

Independent auditors Kreston Reeves LLP
Chartered Accountants & Statutory Auditor
2nd Floor
168 Shoreditch High Street
London
E1 6RA

Bankers JP Morgan Chase Bank
25 Bank Street
London
E14 5JP

Regions
1900 5th Avenue
North Birmingham, AL
95203

Zinwave Holdings Limited

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Zinwave Holdings Limited

Group Strategic Report For the Year Ended 31 December 2022

Introduction

The Director presents the Strategic Report of Zinwave Holdings Limited (the "Group") and Zinwave Holdings Limited (the "Company") for the year ended 31 December 2022.

Review of business

The Group and other related Zinwave companies are global providers of reliable in-building wireless coverage solutions with offices in the USA, UK and Asia. Zinwave has the only true wideband active Distributed Antenna System (DAS) in the market covering all frequencies between 150MHz and 2,700MHz. It provides a highly cost effective multi-service solution over a single hardware infrastructure that can be easily scaled for future service additions.

Zinwave supply in-building wireless coverage solutions across vertical markets including Corporate and enterprise, Education, Healthcare, Government, Hospitality, Industrial and Public venues.

Results and performance

The results of the Group for the year, as set out in the Consolidated statement of comprehensive income, show loss for the financial year of \$0.1m (2021: profit of \$0.8m).

The performance of the Group during FY22 has been good with revenues increasing to \$11.2m (2021: \$10.0m). Although gross profit increased by \$0.3m to \$5.8m (2021: \$5.5m) gross profit margin decreased to 51.5% (2021: 55.0%). Non-exceptional operating expenses increased by \$1.1m to \$5.8m (2021: \$4.7m).

Financial key performance indicators

The key performance indicators for 2022 are shown below:

	2022	2021
Revenue	\$11.2m	\$10.0m
Gross profit	\$5.8m	\$5.5m
Gross profit % of revenue	51.5%	55.0%
EBITDA	\$0.1m	\$1.0m

Reconciliation back to operating (loss) / profit:

Adjust for depreciation and amortisation	\$0.2m	\$0.2m
Operating profit	(\$0.1m)	\$0.8m

Business environment

Per Research and Markets' forecast, the global DAS equipment market was \$8.7 billion in 2021 and is expected to grow to \$12.7 billion by 2027, with a CAGR of 6.5% during 2021-2027. Multiple alternative technologies vie for the in-building market with some suppliers offering many solutions to cover a larger section of market needs.

Strategy

The Group's development efforts for 2022 were focused on; 1) launching its high-power remote; 2) developing a converged low band / mid band remote to reduce cost to deploy, and; 3) developing an MIMO combined remote to reduce cost to deploy. The Group will also continue to leverage existing core intellectual property to drive development into new markets not previously served.

Zinwave will continue to consolidate its position and concentrate its efforts on achieving maximum growth in its existing market segments, whilst exploring new markets that suit our solution. Zinwave aims to improve efficiency in all areas of operations through cost reduction, production efficiency and flexible policies to keep up with the pace of change in this market. Customer service remains a top priority.

Zinwave Holdings Limited

Group Strategic Report (continued) For the Year Ended 31 December 2022

Principal risks and uncertainties

Zinwave remains focused on understanding the risks it faces in today's business environment and putting in place strategies to deal with these in the short and longer term.

The risk	The management strategy
Technology change	Product innovation, active participation on technical advisory boards and thought leadership forums.
Competitors	We are actively increasing our focus on differentiating Zinwave from other OEM offerings and promoting our superior Total Cost of Ownership (TCO) model to the market.
Price risk	Zinwave products are continually being bench-marked against other competitors' products. We believe our solution continues to be the most competitive TCO model on the market. We continue to seek ways to reduce the cost to produce without compromising the quality of our solution through redesign and supplier management.
Credit risk	To keep aware of potential risks. Working with the right partners, close analysis of regional activity, utilisation of credit analysis tools and maintaining good communication channels with current customer base.
Foreign currency	Reducing risk by natural hedging, aligning costs to match sales currency.
Cash flow	We maintain focus on our cash position, monitoring the balance daily. Our operating expenditure is mostly fixed, with the only significant variable being payment to our main PCBA supplier. This supplier is on a 60-day account while most of our customers are on a 30-day account.
Liquidity	With the backing of our parent company Wilson Electronics, LLC the risk associated with our ability to meet short term financial demands is low. Wilson Electronics remains invested in our long-term strategy and provide the backing required for us to continue operating.
Supply risk	We remain in close contact with our suppliers to understand the impacts of their businesses and operations. Our suppliers may face challenges in maintaining an adequate workforce or securing materials from their own suppliers.

Zinwave remains focused on understanding the risks it faces in today's business environment and putting in place strategies to deal with these in the short and longer term.

This report was approved by the board on 13 November 2023 and signed on its behalf.

Bruce Lancaster
Bruce Lancaster (Nov 13, 2023 09:41 MST)

B Lancaster
Director

Zinwave Holdings Limited

Directors' Report For the Year Ended 31 December 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Principal activity

The principal activity of the Group is the development, manufacture and sale of telecommunication infrastructure equipment.

Results and dividends

The loss for the year, after taxation, amounted to \$122 thousand (2021 - profit \$830 thousand).

The Directors do not recommend the payment of a dividend for the financial year (2021: \$Nil).

Going concern

The Directors have prepared the financial statements on the basis of accounting principles applicable to a going concern, which assumes that the Group will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Group was able to generate profit in 2021 and after some reorganisations since the acquisition the Group expects to generate profits going forward. Wilson Electronics is committed to the continued support of Zinwave Holdings Limited.

Directors

The directors who served during the year were:

Bruce Lancaster (appointed 6 December 2022)

Bradley Scott Kitterman (resigned 6 December 2022)

Charles Philip Mcwane (appointed 5 January 2022, resigned 6 December 2022)

JR Page (resigned 5 January 2022)

Kirk Edward Petty (resigned 6 December 2022)

Financial risk management

Financial risk management is discussed in the Strategic Report on pages 1-2.

Future developments

Future developments of the Group are discussed in the Strategic Report on pages 1-2.

Research and development activities

Research and development costs incurred during the year amounted to \$368k (2021: \$49k), all of which has been expensed in the Consolidated statement of comprehensive income.

Directors' Report (continued)
For the Year Ended 31 December 2022

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments 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 Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

Auditors

Kreston Reeves LLP were appointed as auditors in the year. Under section 487(2) of the Companies Act 2006, Kreston Reeves LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 13 November 2023 and signed on its behalf.

Bruce Lancaster
Bruce Lancaster (Nov 13, 2023 09:41 MST)

B Lancaster
Director

Independent Auditors' Report to the Members of Zinwave Holdings Limited

Opinion

We have audited the financial statements of Zinwave Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's loss for the year 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors' 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 Group's or the parent 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 directors with respect to going concern are described in the relevant sections of this report.

Independent Auditors' Report to the Members of Zinwave Holdings Limited (continued)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 Group 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 Group Strategic Report and the 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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 page 4, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Independent Auditors' Report to the Members of Zinwave Holdings Limited (continued)

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 an Auditors' 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 Group financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the group and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law (edit as necessary and consider adding additional industry specific laws and regulations). We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to (examples of risks might include: posting inappropriate journal entries to increase revenue or reduce expenditure, management bias in accounting estimates and judgemental areas of the financial statements such as the valuation of stock and revenue and margin recognition on long-term contracts. Audit procedures performed by the group engagement team included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety) and fraud, and review of the reports made by management; and
- Assessment of identified fraud risk factors; and
- Testing of internal controls procedures relating to expenditure potentially more susceptible to fraud and other irregularities including cash, payroll and credit card expenditure; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Performing analytical procedures to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.
- Physically verified the quantities of stock at the balance sheet date; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement due to fraud; and

Independent Auditors' Report to the Members of Zinwave Holdings Limited (continued)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditors' Report to the Members of Zinwave Holdings Limited (continued)

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 Auditors' 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.



Michael Cook BA(Hons) FCA (Senior Statutory Auditor)

for and on behalf of

Kreston Reeves LLP

Chartered Accountants
Statutory Auditor

London

Date: 14 November 2023

Zinwave Holdings Limited

Consolidated Statement of Comprehensive Income For the Year Ended 31 December 2022

	Note	2022 \$000	2021 \$000
Turnover	4	11,210	9,980
Cost of sales		(5,433)	(4,502)
Gross profit		5,777	5,478
Administrative expenses		(5,860)	(4,687)
Operating (loss)/profit	5	(83)	791
Interest payable and similar expenses	9	(39)	(33)
(Loss)/profit before taxation		(122)	758
Tax on (loss)/profit	10	-	72
(Loss)/profit for the financial year		(122)	830

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 16 to 34 form part of these financial statements.

Consolidated Balance Sheet
As at 31 December 2022

	Note	2022 \$000	2021 \$000
Fixed assets			
Intangible Assets	11	54	74
Tangible assets	12	405	388
		<u>459</u>	<u>462</u>
Current assets			
Stocks	14	2,571	1,726
Debtors: amounts falling due within one year	15	1,774	4,522
Cash at bank and in hand	16	1,181	301
		<u>5,526</u>	<u>6,549</u>
Creditors: amounts falling due within one year	17	(2,307)	(1,711)
Net current assets		<u>3,219</u>	<u>4,838</u>
Total assets less current liabilities		<u>3,678</u>	<u>5,300</u>
Creditors: amounts falling due after more than one year	18	-	(1,500)
Net assets		<u><u>3,678</u></u>	<u><u>3,800</u></u>
Capital and reserves			
Called up share capital	19	30,269	30,269
Share premium account	20	36,625	36,625
Capital redemption reserve	20	2,063	2,063
Foreign exchange reserve	20	(155)	(155)
Other reserves	20	3,010	3,010
Profit and loss account	20	(68,134)	(68,012)
		<u><u>3,678</u></u>	<u><u>3,800</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 November 2023

Bruce Lancaster

Bruce Lancaster (Nov 13, 2023 09:41 MST)

Bruce Lancaster
Director

The notes on pages 16 to 34 form part of these financial statements.

Zinwave Holdings Limited
Registered number: 06496829

Company Balance Sheet
As at 31 December 2022

	Note	2022 \$000	2021 \$000
Fixed assets			
Fixed asset investments	13	4,747	19,742
Creditors: amounts falling due within one year	17	(3)	(3)
Net current liabilities		<u>(3)</u>	<u>(3)</u>
Total assets less current liabilities		<u>4,744</u>	<u>19,739</u>
Net assets		<u><u>4,744</u></u>	<u><u>19,739</u></u>
Capital and reserves			
Called up share capital	19	30,269	30,269
Share premium account	20	36,625	36,625
Capital redemption reserve	20	2,063	2,063
Foreign exchange reserve	20	(644)	(644)
Other reserves	20	170	170
Profit and loss account	20	(63,739)	(48,744)
		<u>4,744</u>	<u>19,739</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on
13 November 2023

Bruce Lancaster
Bruce Lancaster (Nov 13, 2023 09:41 MST)

Bruce Lancaster
Director

The notes on pages 16 to 34 form part of these financial statements.

Zinwave Holdings Limited

**Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2022**

	Called up share capital \$000	Share premium account \$000	Capital redemption reserve \$000	Foreign exchange reserve \$000	Other reserves \$000	Profit and loss account \$000	Total equity \$000
At 1 January 2021	30,269	36,625	2,063	(155)	3,010	(68,842)	2,970
Profit for the year	-	-	-	-	-	830	830
At 1 January 2022	30,269	36,625	2,063	(155)	3,010	(68,012)	3,800
Loss for the year	-	-	-	-	-	(122)	(122)
At 31 December 2022	30,269	36,625	2,063	(155)	3,010	(68,134)	3,678

The notes on pages 16 to 34 form part of these financial statements.

Zinwave Holdings Limited

**Company Statement of Changes in Equity
For the Year Ended 31 December 2022**

	Called up share capital \$000	Share premium account \$000	Capital redemption reserve \$000	Foreign exchange reserve \$000	Other reserves \$000	Profit and loss account \$000	Total equity \$000
At 1 January 2021	30,269	36,625	2,063	(644)	170	(32,811)	35,672
Loss for the year	-	-	-	-	-	(15,933)	(15,933)
At 1 January 2022	30,269	36,625	2,063	(644)	170	(48,744)	19,739
Loss for the year	-	-	-	-	-	(14,995)	(14,995)
At 31 December 2022	30,269	36,625	2,063	(644)	170	(63,739)	4,744

The notes on pages 16 to 34 form part of these financial statements.

Zinwave Holdings Limited

**Consolidated Statement of Cash Flows
For the Year Ended 31 December 2022**

	2022 \$000	2021 \$000
Cash flows from operating activities		
(Loss)/profit for the financial year	(122)	830
Adjustments for:		
Taxation charge	-	(72)
Amortisation of intangible assets	20	20
Depreciation of tangible assets	198	200
Foreign exchange differences	-	2
Interest paid	39	33
(Increase) in stocks	(845)	(47)
Decrease/(increase) in debtors	2,676	(399)
Increase/(decrease) in creditors	596	(580)
Corporation tax received	72	61
Net cash generated from operating activities	2,634	48
Cash flows from investing activities		
Purchase of tangible fixed assets	(215)	(89)
Net cash from investing activities	(215)	(89)
Cash flows from financing activities		
Loans from group companies repaid	(1,500)	-
Interest paid	(39)	(33)
Net cash used in financing activities	(1,539)	(33)
Net increase/(decrease) in cash and cash equivalents	880	(74)
Cash and cash equivalents at beginning of year	301	375
Cash and cash equivalents at the end of year	1,181	301
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,181	301

The notes on pages 16 to 34 form part of these financial statements.

Zinwave Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

1. General information

Zinwave Holdings Limited (the "Company") is a private company limited by shares incorporated in England, United Kingdom. The Company's registered address and principal place of business is Harston Mill, Harston, Cambridge, CB227GG.

The principal activity of the Group is the development, manufacture and sale of telecommunication infrastructure equipment.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements incorporates the financial statements of the Company and all subsidiary undertakings.

A separate income statement for the Company is not presented with the Group financial statements as permitted by section 408 of the Companies Act 2006. The Company's loss for the financial year amounted to \$14,995k (2021: \$15,933k).

2.3 Going concern

The Directors have prepared the financial statements on the basis of accounting principles applicable to a going concern, which assumes that the Group will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Group was able to generate profit in 2021 and after some reorganisations since the acquisition the Group expects to generate profits going forward. Wilson Electronics is committed to the continued support of Zinwave Holdings Limited.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Dollars at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.5 Revenue

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.6 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.7 Research and development

Expenditures incurred on research and product development and testing is charged to the Statement of comprehensive income in the period in which it is incurred, unless the development expenditure meets the criteria for capitalisation. Where the development expenditure meets the criteria for capitalisation under Section 18, development costs are capitalised and amortised over the period of expected future sales of the related project with impairment reviews being carried out at least annually. The asset is carried at cost less any accumulated depreciation and impairment losses. In general, the Group's research and development activities are closely interrelated and it is not until the technical feasibility of a product can be determined with reasonable certainty that development costs are considered for capitalisation. In addition, intangible assets are not recognised unless it is reasonably certain that the resultant products will generate future economic benefits in excess of the amounts capitalised.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.10 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Software	-	3 to 10 years
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2.12 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- 3 to 5 years
Plant and machinery	- 3 to 5 years
Office equipment	- 3 years
Computer equipment	- 3 years
Other fixed assets	- 3 to 5 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 Stocks

Stocks are stated at the lower of cost and net realisable value, after provisions are made in respect of obsolete and slow-moving items. Cost of raw materials, consumables and goods for resale is based on purchase cost on a first-in, first-out basis. The cost of finished goods and work in progress comprises raw materials and direct labour. Net realisable value is the estimated selling price less all further costs to complete and all costs to be incurred in marketing, selling and distribution.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.15 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.17 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.18 Financial instruments

The Group has elected to apply the provisions of Section 11 "Basic Financial Instruments" of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Group's Balance Sheet when the Group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other receivables, cash and bank balances, are initially measured at their transaction price including transaction costs and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

2. Accounting policies (continued)

2.18 Financial instruments (continued)

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting date.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

Financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Group after the deduction of all its liabilities.

Basic financial liabilities, which include trade and other payables, bank loans, other loans and loans due to fellow group companies are initially measured at their transaction price after transaction costs. When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Discounting is omitted where the effect of discounting is immaterial.

Debt instruments are subsequently carried at their amortised cost using the effective interest rate method.

Trade 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 the payment is due within one year. If not, they represent non-current liabilities. Trade payables are initially recognised at their transaction price and subsequently are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following key judgements, estimates and assumptions, none of which are thought to have a reasonable possibility of material reassessment in the coming year, have been applied in preparing the Group financial statements:

Deferred tax

No deferred tax asset has been recognised in respect of accumulated trading losses as there is insufficient certainty over timing of future taxable profits.

Stock

The provision for obsolete, slow-moving or defective stock is based on management's estimation of the commercial life of the stock line. In assessing this, management takes into consideration the sales history of products and the length of time that they have been available for resale.

Provisions for trade debtors

The Group has some concentration of credit risk due to the influence of large contracts on its business. To offset this risk the Company has implemented policies that require appropriate credit checks on potential customers before sales are made. An impairment provision is maintained in respect of amounts owed by specific customers where recoverability of the debt is considered sufficiently uncertain.

Revenue

Significant management estimate is applied in determining the allocation and timing of the recognition of revenue on certain contracts. In this process management considers milestones, hardware supplied, actual work performed, further obligations and costs expected to complete the work.

Valuation of investment

Significant management judgement has been applied in determining whether there has been an impairment of investments in subsidiaries. During the year, the Company recorded an impairment loss on the investments amounting to \$14,995k (2021: \$15,933k). This impairment was based on many factors, including expected performance of its subsidiaries and macroeconomic conditions.

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

4. Turnover

An analysis of turnover by class of business is as follows:

	2022	2021
	\$000	\$000
Equipment	10,203	9,263
Services	1,007	717
	11,210	9,980

Analysis of turnover by country of destination:

	2022	2021
	\$000	\$000
UK	2,799	1,237
Rest of Europe	413	832
Rest of the world	7,998	7,911
	11,210	9,980

5. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2022	2021
	\$000	\$000
Research & development charged as an expense	368	49
Exchange differences	45	50
Operating lease charges	179	202
Depreciation of tangible assets	198	200
Amortisation of intangible assets	20	20
Impairment of trade debtors	563	59
Impairment of stock	(85)	230

Zinwave Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

6. Auditors' remuneration

During the year, the Group obtained the following services from the Company's auditors:

	2022 \$000	2021 \$000
Fees payable to the Company's auditors for the audit of the consolidated and parent Company's financial statements	25	67
Fees payable to the Company's auditors in respect of:		
Taxation compliance services	11	21
All non-audit services not included above	5	1
	<u>25</u>	<u>67</u>

7. Employees

	Group 2022 \$000	Group 2021 \$000	Company 2022 \$000	Company 2021 \$000
Wages and salaries	2,187	2,132	-	-
Social security costs	120	131	-	-
Cost of defined contribution scheme	47	42	-	-
	<u>2,354</u>	<u>2,305</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2022 No.	2021 No.
Employees	17	27
	<u>17</u>	<u>27</u>

The Company has no employees other than the directors.

8. Directors' remuneration

	2022 \$000	2021 \$000
Directors' emoluments	142	369
	<u>142</u>	<u>369</u>

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

9. Interest payable and similar expenses

	2022 \$000	2021 \$000
Bank interest payable	1	-
Loans from group undertakings	38	33
	<u>39</u>	<u>33</u>

10. Taxation

	2022 \$000	2021 \$000
Corporation tax		
Current tax on profits for the year	-	(67)
Adjustments in respect of previous periods	-	(5)
Tax on (loss)/profit	<u>-</u>	<u>(72)</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 \$000	2021 \$000
(Loss)/profit on ordinary activities before tax	<u>(122)</u>	<u>758</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(23)	144

Effects of:

Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	11	22
Adjustments to tax charge in respect of prior periods	-	(5)
Adjustment in research and development tax credit	-	(67)
Losses carried forward for which no deferred tax asset recognised	12	(166)
Total tax charge for the year	<u>-</u>	<u>(72)</u>

Factors that may affect future tax charges

On 24 May 2021, the Finance Bill 2021 was substantively enacted, increasing the main rate of corporation tax to 25% on 1 April 2023, for companies with taxable profits above £250,000. Companies with taxable profits below £50,000 will continue to pay at 19%, and marginal relief will apply between these thresholds. A deferred tax asset has not been recognised for the significant tax losses that are being carried forward as at the balance sheet date due to the uncertainty surrounding future profitability.

Zinwave Holdings Limited

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

11. Intangible assets

Group

	Computer software \$000
Cost	
At 1 January 2022	275
At 31 December 2022	275
Amortisation	
At 1 January 2022	201
Charge for the year	20
At 31 December 2022	221
Net book value	
At 31 December 2022	54
At 31 December 2021	74

Zinwave Holdings Limited

Notes to the Financial Statements
For the Year Ended 31 December 2022

12. Tangible fixed assets

Group

	Leasehold improvements \$000	Plant and machinery \$000	Office equipment \$000	Computer equipment \$000	Other fixed assets \$000	Total \$000
Cost or valuation						
At 1 January 2022	29	899	36	46	697	1,707
Additions	-	215	-	-	-	215
At 31 December 2022	29	1,114	36	46	697	1,922
Depreciation						
At 1 January 2022	27	622	10	46	614	1,319
Charge for the year	2	146	7	-	43	198
At 31 December 2022	29	768	17	46	657	1,517
Net book value						
At 31 December 2022	-	346	19	-	40	405
At 31 December 2021	2	277	26	-	83	388

Zinwave Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

13. Fixed asset investments

Company

	Investments in subsidiary companies \$000
Valuation	
At 1 January 2022	19,742
At 31 December 2022	19,742
Impairment	
Charge for the period	14,995
At 31 December 2022	14,995
Net book value	
At 31 December 2022	4,747
At 31 December 2021	19,742

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Zinwave Limited	Zinwave Limited, First Floor Block J, Harston Mill, Cambridgeshire, CB22 7GG, United Kingdom	Ordinary	100%
Zinwave Holdings LLC	Zinwave Holdings LLC, Harston Mill, Harston, Cambridge, CB22 7GG, United Kingdom	Stocks	100%
Zinwave (Macau) Limited	Zinwave (Macau) Limited, Avenida da Paria Grande, no 409, China Law Building, 21 Andar, Macau	Ordinary	100%
Zinwave U.S., LLC	Zinwave U.S. LLC, 2900 Highway 280 Ste, 300 Birmingham, AL, 35223, USA	Stocks	100%

Zinwave Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

14. Stocks

	Group 2022 \$000	Group 2021 \$000	Company 2022 \$000	Company 2021 \$000
Raw materials and consumables	1,539	1,116	-	-
Work in progress	245	174	-	-
Finished goods and goods for resale	787	436	-	-
	2,571	1,726	-	-

The difference between purchase price or production cost of stocks and their replacement cost is not material.

15. Debtors

	Group 2022 \$000	Group 2021 \$000	Company 2022 \$000	Company 2021 \$000
Trade debtors	491	871	-	-
Amounts owed by group undertakings	797	2,748	-	-
Other debtors	91	212	-	-
Tax recoverable	16	154	-	-
Prepayments and accrued income	379	537	-	-
	1,774	4,522	-	-

16. Cash and cash equivalents

	Group 2022 \$000	Group 2021 \$000	Company 2022 \$000	Company 2021 \$000
Cash at bank and in hand	1,181	301	-	-

Notes to the Financial Statements
For the Year Ended 31 December 2022

17. Creditors: Amounts falling due within one year

	Group 2022 \$000	Group 2021 \$000	Company 2022 \$000	Company 2021 \$000
Trade creditors	813	632	-	-
Amounts owed to group undertakings	694	401	3	3
Other creditors	31	30	-	-
Accruals and deferred income	769	648	-	-
	2,307	1,711	3	3

The amounts owed to group undertakings are unsecured, interest free and repayable on demand.

18. Creditors: Amounts falling due after more than one year

	Group 2022 \$000	Group 2021 \$000	Company 2022 \$000	Company 2021 \$000
Amounts owed to group undertakings	-	1,500	-	-

Amounts owed to group undertakings bear interest at LIBOR plus 0.266%, assessed on a quarterly basis. The interest charge for the period was \$38k (2021: \$33k). The loan was settled in full during the year.

Please provide details of the terms of payment or repayment and the rates of any interest payable on the amounts repayable more than five years after the balance sheet date.

19. Share capital

	2022 \$000	2021 \$000
Allotted, called up and fully paid		
2,306,567 (2021: 2,306,567) A Ordinary shares of \$10 (2021: \$10) each	23,065	23,065
315,921 (2021: 315,921) A1 Preferred shares of £9.3055 (2021: £9.3055) each	4,726	4,726
81,143 (2021: 81,143) A1A Preferred shares of £0.46862566 (2021: £0.46862566) each	61	61
23,570 (2021: 23,570) A2 Ordinary shares of £10 (2021: £10) each	381	381
43,786 (2021: 43,786) A2A Ordinary shares of £0.8643 (2021: £0.8643) each	61	61
210,812 (2021: 210,812) A1B Preferred shares of £4.90 (2021: £4.90) each	1,707	1,707
66,213 (2021: 66,213) A1C Preferred shares of £2.45 (2021: £2.45) each	268	268
	30,269	30,269

**Notes to the Financial Statements
For the Year Ended 31 December 2022**

19. Share capital (continued)

Distribution rights - income

With the exception of E Ordinary shares, which have no rights to dividends, the profits which the Company may determine to distribute in respect of any financial year shall be distributed amongst the holders of the remaining classes of share on a pro-rate basis pari passu with all share classes eligible to receive dividend payments.

Distribution rights - capital

Holders of E Ordinary shares are paid first with payment per share of an amount equal to the number of E Ordinary shares issued divided by the total number of shares issued on a fully diluted basis. Holders of Preferred shares are then repaid the subscription price of the Preferred shares. The balance is then distributed among the holders of the remaining share classes on a pro-rata basis.

Voting rights

There is one vote for each share held with the exception of E Ordinary shares, which are non-voting.

20. Reserves

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Capital contribution reserve

This reserve records the contribution of cash and interest-free loans made by the parent.

Foreign exchange reserve

This reserve records the differences arising from translating operations in 2014 when the Company accounted for its transactions and balances in sterling as its functional currency.

Other reserves

This reserve records the warrants (granted in 2008) exercisable for the longer of ten years from the date of issue or five years after the initial public offering of the Group's ordinary shares. The Group's other reserves also contain a merger reserve which represents the nominal value of shares exchanged in a Group reconstruction.

Profit and loss account

This reserve records all current and prior year retained profits and losses.

Zinwave Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

21. Consolidated analysis of net debt

	Cash at bank and in hand \$000	Other loans \$000	Total \$000
As at 1 January 2022	301	(1,500)	(1,199)
Cash flows	902	1,500	2,402
As at 31 December 2022	1,203	-	1,203

22. Pension commitments

The Group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounted to \$47k (2021: \$42k).

23. Commitments under operating leases

At 31 December 2022 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 \$000	Group 2021 \$000
Not later than 1 year	103	116
Greater than one year	102	228
	205	344

The Company had no commitments under non-cancellable operating leases at the balance sheet date.

Zinwave Holdings Limited

Notes to the Financial Statements For the Year Ended 31 December 2022

24. Related party transactions

In 2022, the Group engaged in intercompany transactions with companies within the McWane group as follows:

	Recharges	Transactions Products & Services	Interest on Loans	Balance 2022
	\$'000	\$'000	\$'000	\$'000
McWane Luxembourg Holdings, SARL	-	-	(38)	-
McWane Inc	(58)	-	-	-
Synapse Wireless Inc	-	(19)	-	-
Zinwave LLC	(131)	5,052	-	797
	(189)	5,033	(38)	797

The comparative summary of intercompany transactions with companies within the McWane group is as follows:

	Recharges	Transactions Products & Services	Interest on Loans	Balance 2021
	\$'000	\$'000	\$'000	\$'000
McWane Luxembourg Holdings, SARL	-	-	(33)	(1,500)
McWane Inc	(80)	(130)	-	-
Synapse Wireless Inc	-	(27)	-	(27)
Zinwave LLC	(340)	6,634	-	2,374
	(420)	6,477	(33)	847

25. Controlling party

The ultimate parent and controlling party is TCFIV WE, LLC, a company incorporated in the United States of America.