

LGCI HOLDINGS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**



LGCI HOLDINGS LIMITED

COMPANY INFORMATION

Directors	S J C Freer E J Wolfe
Registered number	09458929
Registered office	Griffin House 161 Hammersmith Road London United Kingdom W6 8BS
Independent auditor	KPMG LLP 1 Sovereign Square Sovereign Square Leeds LS1 4DA

LGCI HOLDINGS LIMITED

CONTENTS

	Page
Strategic report	1 - 2
Directors' report	3 - 4
Directors' responsibilities statement	5
Independent auditor's report to the member of LGCI Holdings Limited	6 - 7
Profit and loss account and statement of other comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11 - 16

LGCI HOLDINGS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Principal activities and business review

The principal activity of the company during the year was, and will continue to be, that of a holding company for Formula E Holdings Limited. Formula E Holdings Limited is the promoter of the FIA Formula E Championship (Formula E), a class of motor racing that uses only electric-powered vehicles. Further details can be found on the Formula E website www.fiaformulae.com.

The company is a wholly owned subsidiary of Liberty Global plc (Liberty Global). The consolidated financial statements of Liberty Global plc are available to the public and may be obtained from Liberty Global's website at www.libertyglobal.com.

Liberty Global is the world's largest international TV and broadband company with operations in 10 European countries. Its substantial scale and commitment to innovation enables it to develop market-leading products delivered through next-generation networks that, as of 31 December 2018, connected over 21 million customers subscribing to 45 million television, broadband internet and telephony services. In addition, at 31 December 2018, Liberty Global served over 6 million mobile subscribers and offered WiFi service across 10 million access points.

The directors do not use key performance indicators (KPI's) to assess the performance of the company as its principal activity is that of a holding company.

Principal risks and uncertainties

Financial and operational risk management is undertaken as part of the group operations as a whole. The company's operations expose it to a variety of operational and financial risks. These are considered in more detail in the 2018 Liberty Global Annual Report which is available at www.libertyglobal.com.

The UK referendum advising for the exit of the UK from the EU could have a material adverse effect on our business, financial condition, results of operations or liquidity. On 23 June 2016, the UK held a referendum in which voters approved, on an advisory basis, an exit from the EU, commonly referred to as "Brexit". Following the failure to reach a separation deal by the original deadline of 29 March 2019, the EU granted the UK an extension until 31 October 2019. Uncertainty remains as to what kind of separation agreement, if any, may be agreed and approved by the UK Parliament. It is possible that the UK will again fail to agree to a separation agreement with the EU by the new 31 October 2019 deadline which, in the absence of another extension, would require the UK to leave the EU under a so-called "hard Brexit" or "no-deal Brexit" without agreements on trade, finance and other key elements. The foregoing has caused considerable uncertainty as to Brexit's impact on the free movement of goods, services, people and capital between the UK and the EU, customer behaviour, economic conditions, interest rates, currency exchange rates, and availability of capital. Examples of the potential impact Brexit could have on Liberty Global group's business, financial condition or results of operations include:

- changes in foreign currency exchange rates and disruptions in the capital markets;
- shortages of labour necessary to conduct our business;
- disruption to our UK supply chain and related increased cost of supplies;
- a weakened UK economy resulting in decreased consumer demand for our products and services;
- legal uncertainty and potentially divergent national laws and regulations as the UK determines which EU laws and directives to replace or replicate, or where previously implemented by enactment of UK laws or regulations, to retain, amend or repeal; and
- various geopolitical forces may impact the global economy and our business, including, for example, other EU member states (in particular those member states where we have operations) proposing referendums to, or electing to, exit the EU.

Future outlook


The directors will continue to review management policies in light of changing trading and market conditions. Further detail of the future outlook of the group is provided in the 2018 Liberty Global Annual Report which is available at www.libertyglobal.com.

LGCI HOLDINGS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

This report was approved by the board and signed on its behalf on 23 September 2019.

S J C Freer
Director

A handwritten signature in black ink, consisting of a stylized 'S' followed by a horizontal line and a diagonal stroke.

LGCI HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

The directors present their report and the financial statements for the year ended 31 December 2018.

Results and dividends

The loss for the year, after tax, amounted to \$366,000 (2017 - loss \$11,465,000).

The directors have not recommended an ordinary dividend (2017 - \$nil).

Directors

The directors who served during the year and thereafter were as follows:

S J C Freer
E J Wolfe

The directors of the company have been indemnified against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision is in force for directors serving during the financial period and as at the date of approving the Directors' report.

Going concern

Notwithstanding net current liabilities of \$3,429,000 as at 31 December 2018 and a loss for the year then ended of \$366,000, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

After making suitable enquiries and obtaining the necessary assurances, including a letter of support, from Liberty Global plc, that sufficient resources will be made available to meet any liabilities as they fall due, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements they have no reason to believe that it will not do so and continued operations are key to the wider group.

It is not Liberty Global's practice to prepare forecasts and projections for individual entities that are wholly owned by the group, as operational and financial management is undertaken at a group level. However forecasts and projections have been prepared for the Liberty Global group as a whole and these showed that cash on hand, together with cash from operations and the undrawn revolving credit facility, are expected to be sufficient for the Liberty Global group's and hence the company's cash requirements through to at least 12 months from the approval of these financial statements.

Taking into account these forecasts and projections and after making enquiries, the directors have a reasonable expectation that the company has adequate support and resources to continue in operational existence for the foreseeable future. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

Disclosure of information to the Auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

KPMG LLP will be reappointed under section 487(2) of the Companies Act 2006.

Post balance sheet events

At various dates subsequent to the reporting period end and the date of approval of these financial statements the company invested further funds in the existing associate. Following these investments the company interest in the associate remained less than 50%.

LGCI HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018**

This report was approved by the board and signed on its behalf on 23 September 2019.

S J C Freer
Director

A handwritten signature in black ink, consisting of a large, stylized 'S' followed by a series of loops and a final upward stroke.

LGCI HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2018

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LGCI HOLDINGS LIMITED

Opinion

We have audited the financial statements of LGCI Holdings Limited ("the company") for the year ended 31 December 2018 which comprise the Strategic report, the Directors' report, the Profit and loss account and statement of other comprehensive income, Balance sheet, Statement of changes in equity and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the valuation of investments and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report, its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effect unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

Strategic report and directors' report

The directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the Strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF LGCI HOLDINGS LIMITED (CONTINUED)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's member 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 member those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's member for our audit work, for this report, or for the opinions we have formed.



Katharine L'Estrange (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

27 September 2019

LGCI HOLDINGS LIMITED

**PROFIT AND LOSS ACCOUNT AND STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 \$000	2017 \$000
Administrative income/(expenses)		3,193	(8,239)
Operating profit/(loss)	4	3,193	(8,239)
Interest receivable and similar income	6	1	-
Interest payable and similar expenses	7	(3,560)	(3,226)
Loss before tax		(366)	(11,465)
Tax on loss	8	-	-
Loss for the financial year		(366)	(11,465)

The notes on pages 11 to 16 form part of these financial statements.

There was no other comprehensive income or expenditure for 2018 or 2017 other than that included in the profit and loss account.

All results were derived from continuing operations.

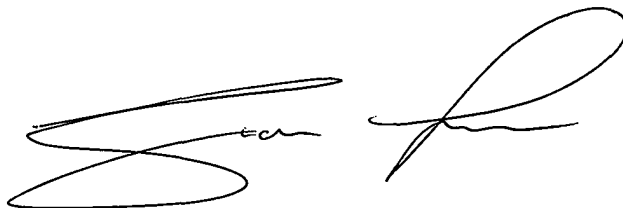
LGCI HOLDINGS LIMITED
REGISTERED NUMBER:09458929

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note	2018 \$000	2017 \$000
Fixed assets			
Investments	9	63,879	63,879
Current assets			
Debtors	10	31	203
Bank and cash balances		216	125
		247	328
Creditors: amounts falling due within one year	11	(3,676)	(3,943)
Net current liabilities		(3,429)	(3,615)
Total assets less current liabilities		60,450	60,264
Creditors: amounts falling due after more than one year	12	(66,147)	(65,595)
Net liabilities		(5,697)	(5,331)
Capital and reserves			
Share capital	13	-	-
Profit and loss account	14	(5,697)	(5,331)
Deficit		(5,697)	(5,331)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2019:

S J C Freer
Director



The notes on pages 11 to 16 form part of these financial statements.

LGCI HOLDINGS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Share capital	Profit and loss account	Deficit
	\$000	\$000	\$000
At 1 January 2018	-	(5,331)	(5,331)
Comprehensive income for the year			
Loss for the year	-	(366)	(366)
Total comprehensive income for the year	-	(366)	(366)
At 31 December 2018	-	(5,697)	(5,697)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Share capital	Profit and loss account	Deficit
	\$000	\$000	\$000
At 1 January 2017	-	6,134	6,134
Comprehensive income for the year			
Loss for the year	-	(11,465)	(11,465)
Total comprehensive income for the year	-	(11,465)	(11,465)
At 31 December 2017	-	(5,331)	(5,331)

The notes on pages 11 to 16 form part of these financial statements.

LGCI HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. Company information

LGCI Holdings Limited (the "company") is a private company incorporated, domiciled and registered in the UK. The registered number is 09458929. The registered address is Griffin House, 161 Hammersmith Road, London, W6 8BS.

2. Accounting policies

A summary of the principal accounting policies is set out below. All accounting policies have been applied consistently, unless noted below.

2.1 Basis of accounting

These financial statements have been prepared on a going concern basis, and under the historical cost basis in accordance with the Companies Act 2006 and the Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101").

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

The financial statements are presented in US dollars ('\$') and rounded to the nearest thousand.

The company's immediate parent undertaking, Liberty Global plc, includes the company in its consolidated financial statements. The consolidated financial statements of Liberty Global plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Liberty Global's website at www.libertyglobal.com.

In these financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital;
- disclosures in respect of related party transactions with fellow group undertakings;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of key management personnel; and
- disclosures of transactions with a management entity that provides key management personnel services to the company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

2. Accounting policies (continued)

2.2 Going concern

Notwithstanding net current liabilities of \$3,429,000 as at 31 December 2018 and a loss for the year then ended of \$366,000, the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

After making suitable enquiries and obtaining the necessary assurances, including a letter of support from Liberty Global plc, that sufficient resources will be made available to meet any liabilities as they fall due, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although at the date of approval of these financial statements they have no reason to believe that it will not do so and continued operations are key to the wider group.

It is not Liberty Global's practice to prepare forecasts and projections for individual entities that are wholly owned by the group, as operational and financial management is undertaken at a group level. However forecasts and projections have been prepared for the Liberty Global group as a whole and these showed that cash on hand, together with cash from operations and the undrawn revolving credit facility, are expected to be sufficient for the Liberty Global group's and hence the company's cash requirements through to at least 12 months from the approval of these financial statements.

Taking into account these forecasts and projections and after making enquiries, the directors have a reasonable expectation that the company has adequate support and resources to continue in operational existence for the foreseeable future. Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

2.3 Investments

Investments are recorded at cost, less provision for impairment as appropriate. The company assesses at each reporting date whether there is an indication that an investment may be impaired. If any such indication exists, the company makes an estimate of the investment's recoverable amount. Where the carrying amount of an investment exceeds its recoverable amount, the investment is considered impaired and is written down to its recoverable amount. A previously recognised impairment loss is reversed only if there was an event not foreseen in the original impairment calculations, such as a change in use of the investment or a change in economic conditions. The reversal of impairment loss would be to the extent of the lower of the recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised for the investment in prior years.

2.4 Trade and other debtors

Trade and other debtors are stated at their recoverable amount. Provision is made when the amount receivable is not considered recoverable and the amount is fully written off when the probability for recovery of a balance is assessed as being remote.

IFRS 9 Financial Instruments was issued by the IASB in July 2014 and is effective for the company for the year ended 31 December 2018. Applying IFRS 9 has resulted in changes to the measurement and disclosure of financial instruments and introduced a new expected loss impairment model. Regarding impairment, the company has applied the IFRS 9 approach to measuring expected credit losses which uses a lifetime expected loss allowance for all assets held at amortised cost.

We have revised the methodologies we use to impair financial assets to reflect the forward-looking 'expected credit loss' model introduced by IFRS 9, in contrast to the backward-looking 'incurred credit loss' model used under IAS 39. In order to assess the impact of IFRS 9 the company reviewed the last 12 months of actual debtor impairment when calculating the impact of the expected credit loss. The company now recognises a loss allowance for all expected credit losses on initial recognition of trade receivables. Providing for loss allowances on our existing financial assets has not had a material impact on the financial statements.

The group's trade and other receivables are non-interest bearing.

2.5 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. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

LGCI HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

2. Accounting policies (continued)

2.6 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. The resulting exchange differences are taken to the profit and loss account.

2.7 Borrowing costs

All borrowing costs are recognised in the profit and loss account in the year in which they are incurred.

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

In the process of applying the company's accounting policies which are described above, management has not made any critical judgements that have a significant effect on the amounts recognised in the financial statements, except for:

Carrying value of investments

Investments are held at cost less any necessary provision for impairment. Where the impairment assessment did not provide any indication of impairment, no provision is required. If any such indications exist, the carrying value of an investment is written down to its recoverable amount.

Recoverability of intercompany debtors

Intercompany debtors are stated at their recoverable amount less any necessary provision. Recoverability of intercompany debtors is assessed annually and a provision is recognised if any indications exist that the debtor is not considered recoverable.

4. Operating profit/(loss)

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

	2018 \$000	2017 \$000
Net gain/(loss) on foreign exchange transactions	3,398	(8,273)

Certain expenses are specifically attributable to the company. Where costs are incurred by other group companies on behalf of the company, expenses are allocated to the company on a basis that, in the opinion of the directors, is reasonable.

The directors received no remuneration for the qualifying services as directors of this company. All director's remuneration is paid by and disclosed in the financial statements of Liberty Global Europe Limited.

Auditor's remuneration of \$11,700 (£9,200) (2017 - \$8,000 (£6,000)) represents costs attributed to the company, all of which is borne by a fellow Liberty Global plc undertaking that pays all auditor's remuneration on behalf of the group.

5. Staff costs

The company does not have any directly employed staff and is not charged an allocation of staff costs by the group.

6. Interest receivable and similar income

	2018 \$000	2017 \$000
Other interest receivable	1	-

LGCI HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

7. Interest payable and similar expenses

	2018 \$000	2017 \$000
Interest payable on amounts owed to group undertakings	3,560	3,226

8. Tax on loss

	2018 \$000	2017 \$000
Total current tax	-	-
Deferred tax		
Total deferred tax	-	-
Tax on loss	-	-

The tax assessed for the year is higher than (2017 - higher than) the standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%). The differences are explained below:

	2018 \$000	2017 \$000
Loss before tax	(366)	(11,465)
Loss multiplied by standard rate of corporation tax in the UK of 19.00% (2017 - 19.25%)	(70)	(2,207)
Effects of:		
Expenses not deductible for tax purposes	8	5
Group relief surrendered without payment	62	2,202
Total tax charge for the year	-	-

Factors affecting current and future tax charges

A reduction in the UK corporation tax rate from 20% to 19% (effective from 1 April 2017) was substantively enacted on 26 October 2015. A further reduction to 17% (effective from 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

LGCI HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

9. Investments

	Investment in associate \$000
Cost	
At 1 January 2018	63,879
At 31 December 2018	<u>63,879</u>
Net book value	
At 31 December 2018	<u>63,879</u>
At 31 December 2017	<u>63,879</u>

The investment in associate in which the company holds is unlisted and represents 24.3% interest in Formula E Holdings Limited, a holding company that is registered at Level 54, Hopewell Centre, 183 Queens Road East, Hong Kong. The interest held includes A Preferred Shares, B Preferred Shares, Ordinary Shares, Base Shares and Growth Shares.

In the opinion of the directors the aggregated value of the investments in associate is not less than the amount at which they are stated in the financial statements.

10. Debtors

	2018 \$000	2017 \$000
Due within one year		
Other debtors	<u>31</u>	<u>203</u>

11. Creditors: amounts falling due within one year

	2018 \$000	2017 \$000
Amounts owed to group undertakings	3,676	3,819
Other accruals	-	124
	<u>3,676</u>	<u>3,943</u>

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

LGCI HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

12. Creditors: amounts falling due after more than one year

	2018 \$000	2017 \$000
Amounts owed to group undertakings	66,147	65,595

Amounts owed to group undertakings falling due after more than one year represent loan notes which had a carrying value of \$66,147,000 (2017 - \$65,595,000) at the balance sheet date. Loan notes are denominated in Euros, bear interest of 5.16% and mature in 2024.

13. Share capital

	2018 \$	2017 \$
Authorised, allotted, called up and fully paid		
1 Ordinary share of £1	2	2

14. Reserves

Profit and loss account

Includes all current and prior period retained profits and losses net of dividends paid.

15. Post balance sheet events

At various dates subsequent to the reporting period end and the date of approval of these financial statements the company invested further funds in the existing associate. Following these investments the company interest in the associate remained less than 50%.

16. Parent undertaking and controlling party

The company's immediate parent undertaking and controlling party is Liberty Global plc, a company incorporated in the UK.

The smallest and largest group of which the company is a member and in to which the company's accounts were consolidated at 31 December 2018 is Liberty Global plc.

Copies of the consolidated Liberty Global plc accounts which include the results of the company are available on Liberty Global's website at www.libertyglobal.com.