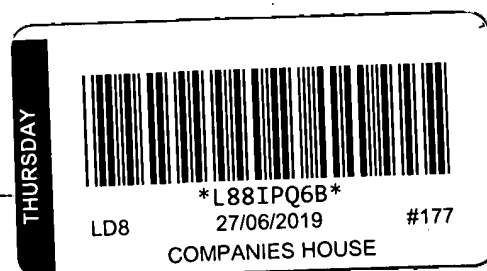


Extra UK Holdings Limited

Report and Financial Statements

30 September 2018



Company information

Directors

D Hart

L Pennington-Benton

Auditors

Ernst & Young LLP

1 More London Place

London SE1 2AF

Registered Office

Tower House

67-73 Worship Street

London EC2A 2DZ

United Kingdom

Bankers

JP Morgan Chase Bank, N.A. – London Branch

25 Bank Street

London E14 5JP

United Kingdom

Strategic report

The directors present their strategic report and the financial statements for the year ended 30 September 2018.

Principal activity and review of the business

The principal activity of the company is to be a holding company. The company does not trade.

The company's key financial and other performance indicators during the first year were as follows:

	2018	2017
	£	£
Operating profit / (loss)	95	(483)
Loss before tax	(427,542)	(46,151,846)
Shareholders' funds	16,380,040	17,153,545

The results for the year reflect the expected limited activity of the company during the year.

Principal risks and uncertainties

The principal risks and uncertainties facing the company are broadly grouped as market and competitive risk.

Market risk

The company's principal activity is a holding company but whose subsidiaries activities are the sale, installation and servicing of telephone systems mainly to the financial services community and to a certain extent its revenues are linked to the state of the financial markets.

Competitive risk

The company subsidiaries operate in a competitive market and therefore their revenues could be affected by increased price competition and changes in technology. This would impact any dividend income the company might receive.

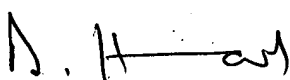
Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. Company policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

Liquidity risk

This is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing cash generation by its operations and applying cash collection targets. The company also manages liquidity risk to the extent required via financial support from its ultimate parent undertaking, IPC Corp.

Approved by the Board on 26 June 2019 and signed on its behalf by:



D-Hart
Director

Registered No. 9597949

Directors' report

The directors present their report and financial statements for the year ended 30 September 2018.

Directors

The directors who served the company during the year were as follows:

D Hart

L Pennington-Benton

Dividends

The directors do not recommend a final dividend.

Future developments

The directors do not anticipate any change in the principal activity of the company in the foreseeable future.

Events since the year end date

There were no other material events since the year end date that required revision to the financial statements.

Going concern

The financial statements have been prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because all liabilities within the company are with fellow group undertakings and these will not be repaid if it gives rise to a going concern issue. The ultimate parent undertaking has also provided a guarantee that it will assist the company to make any payments as and when they should fall due. The directors therefore consider it appropriate to prepare the financial statements on a going concern basis.

Directors' qualifying third party indemnity provision

The company has granted an indemnity to all directors of the company 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 provisions remains in force as at the date of approving the directors' report.

Disclosure of information to the auditor

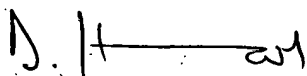
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's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

Directors' report (continued)

Auditor

A resolution to reappoint Ernst & Young LLP as auditor will be put to the members at the Annual General Meeting.

Approved by the Board on 26 June 2019 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'D. Hart', with a horizontal line extending from the middle of the name.

D Hart
Director

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report

to the members of Extra UK Holdings Limited

Opinion

We have audited the financial statements of Extra UK Holdings Limited for the year ended 30 September 2018 which comprise the Income Statement, the Statement of Comprehensive Income, and the Statement of Changes in Equity, the Statement of Financial Position and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 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 company's affairs as at 30 September 2018 and of its 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 Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

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

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

Independent auditors' report (continued)

to the members of Extra UK Holdings Limited

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going-concern-basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report (continued)

to the members of Extra UK Holdings Limited

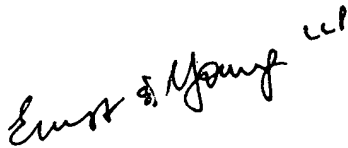
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

A handwritten signature in black ink, appearing to read 'Ernst & Young' with a stylized flourish at the end.

Mirco Bardella (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
26 June 2019

Income statement

for the year ended 30 September 2018

		2018	2017
	Notes	£	£
Administrative expenses		95	(483)
Operating profit / (loss)	2	95	(483)
Impairment of investments	7	—	(46,798,645)
Interest receivable and similar income	4	—	647,282
Interest payable and similar charges	5	(427,637)	—
Loss on ordinary activities before taxation		(427,542)	(46,151,846)
Tax on loss on ordinary activities	6	189,893	(237,568)
Loss for the financial year		<u>(237,649)</u>	<u>(46,389,414)</u>

All amounts relate to continuing activities.

Statement of comprehensive income

for the year ended 30 September 2018

		2018	2017
	Note	£	£
Loss for the financial year		(237,649)	(46,389,414)
Finance expense related to unwinding of discount on long-term loans	5	(535,856)	(663,561)
		<u>(773,505)</u>	<u>(47,052,975)</u>

Statement of changes in equity

for the year ended 30 September 2018

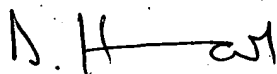
	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total share- holders' funds</i>
	£	£	£
At 1 October 2016	62,673,704	1,532,816	64,206,520
Loss for the year	—	(46,389,414)	(46,389,414)
Other comprehensive loss	—	(663,561)	(663,561)
Total comprehensive loss	—	(47,052,975)	(47,052,975)
At 1 October 2017	62,673,704	(45,520,159)	17,153,545
Loss for the year	—	(237,649)	(237,649)
Other comprehensive loss	—	(535,856)	(535,856)
Total comprehensive loss	—	(773,505)	(773,505)
At 30 September 2018	62,673,704	(46,293,664)	16,380,040

Statement of financial position

at 30 September 2018

	Notes	2018 £	2017 £
Fixed assets			
Investments	7	35,424,324	35,354,180
Current assets			
Debtors	8	383,061	301,828
Cash at bank and in hand		7,803	7,708
		390,864	309,536
Creditors: amounts falling due within one year	9	(5,406,759)	(5,389,507)
Net current liabilities		(5,015,895)	(5,079,971)
Total assets less current liabilities		30,408,429	30,274,209
Creditors: amounts falling due after more than one year	10	(14,028,389)	(13,120,664)
Net assets		16,380,040	17,153,545
Capital and reserves			
Called up share capital	11	62,673,704	62,673,704
Profit and loss account		(46,293,664)	(45,520,159)
Shareholders' funds		16,380,040	17,153,545

Approved by the Board on 26 June 2019 and signed on its behalf by:



D Hart
Director

Notes to the financial statements

at 30 September 2018

1. Accounting policies

Statement of compliance

The company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the company for the year to 30 September 2018.

Basis of preparation

The financial statements of Extra UK Holdings Limited were authorized for issue by the board of director on 26 June 2019.

The financial statements have been prepared in accordance with the Companies Act 2006 and with applicable United Kingdom accounting standards.

The financial statements are prepared in sterling which is the functional currency of the company and in whole pounds.

The company has recorded a prior year adjustment with regard to financial instruments as described in the financial instrument accounting policy and also in note 12.

The Company has taken advantage of the following disclosure exemptions:-

- The requirements of Section 7 Statement of Cash Flows and Section 2 Financial Statement Presentation paragraph 3.17 (d)
- The requirements of Section 33 Related Party Disclosures paragraphs 33.1A and 33.7
- The requirements of Section 11 Basic Financial Instruments paragraphs 11.39 to 11.48A
- The requirements of Section 26 Share-based payment paragraphs 26.18B

The exemptions stated above are available to the company as it is a member of a group where the parent company of that group prepares publically available consolidated financial statements.

Group financial statements

The company is exempt from the requirements to prepare group financial statements by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not its group.

Going concern

The financial statements have been prepared on a going concern basis. The use of the going concern basis of accounting is appropriate because there are no material uncertainties related to events or conditions that may cast significant doubt about the ability of the company to continue as a going concern.

Extra UK Holdings Limited has a net current liabilities position but all liabilities are with fellow group undertakings and the company has received a letter of support from its ultimate parent undertaking. The directors therefore consider it appropriate to prepare the financial statements on a going concern basis.

Statement of cash flows

The company has taken advantage of the exemption in FRS 102.1.12(b) Reduced disclosures for subsidiaries. A statement of cashflows has not been prepared as the company is a member of a group where the parent prepares publicly available consolidated financial statements and the company is included in the consolidation (see note 12).

Notes to the financial statements

at 30 September 2018

1. Accounting policies (continued)

Investments

Fixed asset investments are initially recorded at cost.

The carrying values of fixed asset investments are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Financial instruments

Intercompany loan notes which are basic financial instruments are initially recorded at the present value of future payments discounted at a market rate of interest for a similar loan. Subsequently, they are measured at amortised cost using the effective interest method. Loan notes receivable within one year are not discounted.

Foreign currencies

Transactions in foreign currencies are recorded in the entity's functional currency by applying the rate ruling on the last day of the previous month. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the statement of financial position date. All differences are taken to the income statement.

Judgements 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 for the year. The nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Impairment of investments

Where there are indicators of impairment of individual assets, the company performs impairment tests based on a value in use calculation. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budgets for the next five years and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the investment. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow as well as the expected future cash flows and the growth rate used for extrapolation purposes.

Taxation

Management estimation is required to determine the amount of deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

2. Operating profit / (loss)

This is stated after charging:

	2018	2017
	£	£
Net gain / (loss) on foreign currency translation	120	(99)

Auditors' remuneration in the current year has been borne by the company's subsidiary undertaking, IPC Information Systems.

Notes to the financial statements

at 30 September 2018

3. Directors' remuneration and staff costs

Damian Hart and Linda Pennington Benton are employees of IPC Network Services Limited and IPC Information Systems Singapore Pte respectively and their remuneration is borne by those entities. The level of qualifying services they provide for Extra UK Holdings Limited are negligible compared to their main roles so they have determined their remuneration for these services is £nil.

There are no employees other than the directors.

4. Interest receivable and similar income

	2018	2017
	£	£
Foreign exchange gain on loans from fellow group undertakings	–	647,282

5. Interest payable and similar charges

	2018	2017
	£	£
<i>Included in Income Statement:</i>		
Foreign exchange loss on loans from fellow group undertakings	427,637	–
<i>Included in Other Comprehensive Income:</i>		
Finance expense from unwinding of discount on intercompany loan	535,856	663,561

6. Tax

(a) Tax on loss on ordinary activities

The tax credit is made up as follows:

	2018	2017
	£	£
Current tax:		
UK corporation tax on the loss for the year	(81,233)	126,238
(Over) / under provision in prior years	(108,660)	111,330
Tax on loss on ordinary activities	(189,893)	237,568

Notes to the financial statements

at 30 September 2018

6. Tax (continued)

(b) Factors affecting tax credit for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19.0% (2017 – 19.5%). The differences are explained below:

	2018 £	2017 £
Loss on ordinary activities before tax	(427,542)	(46,151,846)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.0% (2017 – 19.5%)	(81,233)	(8,999,610)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	–	9,125,848
Adjustments to tax credit in respect of previous years	(108,660)	111,330
Total tax for the year	(189,893)	237,568

(c) Deferred tax

The company has no recognised or unrecognised deferred tax assets.

(d) Factors that may affect future tax charge

The UK rate of corporation tax reduced to 19% from 1 April 2017 and a further reduction to 17% effective 1 April 2020 has also been announced. This reduction was substantively enacted prior to the balance sheet date and therefore a rate of between 17% has been used in calculating deferred tax balances.

7. Investments

	<i>Subsidiary undertakings</i> £
Cost:	
At 1 October 2017	82,152,825
Additions during the year	70,144
At 30 September 2018	82,222,969
Impairment:	
At 1 October 2017	46,798,645
Provided during the year	–
At 30 September 2018	46,798,645
Net book value:	
At 30 September 2018	35,424,324
At 1 October 2017	35,354,180

During the year the final settlement for the acquisition of Extra Etrali Holdings SAS was made to the former owners for €575,000. The previous estimate of this final settlement was €500,000 and the incremental amount is shown as additions during the year.

Notes to the financial statements

at 30 September 2018

7. Investments (continued)

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

<i>Name of company</i>	<i>Country of incorporation if not Great Britain</i>	<i>Holding</i>	<i>Effective proportion held</i>
Extra GP LLP		Ordinary	100%
Extra Knight Holdings (Cayman) L.P.	Cayman Islands	Ordinary	100%
NB Investment Holdings S.a.r.l. *	Luxembourg	Ordinary	100%
Extra Etrali Holdings SAS **	France	Ordinary	100%
Etrali S.A. *	France	Ordinary	100%
Etrali France S.A. *	France	Ordinary	100%
Etrali UK Limited *		Ordinary	100%
Etrali GmbH *	Germany	Ordinary	100%
Etrali (Suisse) S.A. *	Switzerland	Ordinary	100%
Etrali Espagne SA *	Spain	Ordinary	100%
Etrali Technology Trading Co. Limited *	China	Ordinary	100%
Etrali Limited *	Hong Kong	Ordinary	100%
Etrali KK *	Japan	Ordinary	100%
Etrali Singapore Pte Limited *	Singapore	Ordinary	100%
Etrali Australia Pty Limited *	Australia	Ordinary	100%
Etrali North America LLC *	U.S.A.	Ordinary	100%

* Held by subsidiary undertaking.

** 32.28% held by the company, remainder by subsidiary

8. Debtors

	<i>2018</i>	<i>2017</i>
	<i>£</i>	<i>£</i>
Amounts due from fellow group undertakings	383,060	301,827
Other debtors	1	1
	<u>383,061</u>	<u>301,828</u>

Notes to the financial statements

at 30 September 2018

9. Creditors: amounts falling due within one year

	2018	2017
	£	£
Amounts due to fellow group undertakings	5,406,759	4,950,998
Deferred consideration on investments	–	438,509
	<u>5,406,759</u>	<u>5,389,507</u>

The loans from fellow group undertakings totalling £4,432,064 are all repayable on 30 September 2019 and do not bear interest. The remaining amounts payable are all repayable upon demand.

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

	2018	2017
	£	£
Amounts payable to parent undertaking (note 13)	<u>14,028,389</u>	<u>13,120,664</u>

The company has various loans from IPC Information Systems UK Holdings Limited totalling £16,014,417 all of which are due in more than one year. These loans are not interest bearing and are all repayable on 6 February 2022. The present value of the non-interest bearing loans is £14,028,389.

11. Issued share capital

	No.	2018	No.	2017
		£		£
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	62,673,703	<u>62,673,704</u>	62,673,703	<u>62,673,704</u>

Notes to the financial statements

at 30 September 2018

12. Financial instruments

Intercompany loans payable, included within creditors due after more than one year (note 10), are analysed as follows:

	2018 £	2017 £
Repayable within two to five years	14,028,389	–
Not wholly repayable within five years	–	13,120,664
	<u>13,030,452</u>	<u>13,120,664</u>

Details of loans wholly repayable within two to five years are follows:

	2018 £	2017 £
Interest free unsecured GBP loan repayable on 6 February 2022	1,751,970	1,677,561
Interest free unsecured USD loan repayable on 6 February 2022	11,722,672	10,920,809
Interest free unsecured EUR loan repayable on 6 February 2022	553,747	522,294
	<u>14,028,389</u>	<u>13,120,664</u>

The repayment value of the loans with a repayment date of 6 February 2022 is £16,014,417.

13. Related party transactions

The company has taken advantage of the exemption in FRS 102.33.1A not to disclose related party transactions with fellow wholly-owned subsidiary undertakings of IPC Corp group, which prepares publicly available consolidated financial statements (see note 14).

14. Ultimate parent undertaking and controlling party

The company's immediate parent undertaking as at 30 September 2018 is IPC Information Systems UK Limited.

IPC Corp, a company incorporated in the United States of America, is the parent undertaking of the only group for which group financial statements are prepared, and of which the company is a member as at 30 September 2018. Its group financial statements are publicly available from The Registrar, Companies House, and Crown Way, Cardiff, CF14 3UZ.

The directors consider the company's ultimate controlling party to be Centerbridge Capital Partners II, L.P. as at 30 September 2018.