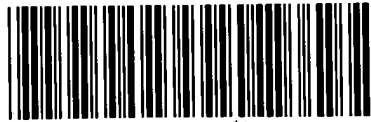


# Financial Statements Iridium Topco Limited

**For the year ended 31 December 2020**

**Registered number: 10241406**

WEDNESDAY



\*AAD1XVMØ\*

A11

15/09/2021

#226

COMPANIES HOUSE

Iridium Topco Limited

## Company Information

<b>Directors</b>	M Bungey D Conely S Cox (resigned 1 May 2020) T Green J Carpenter (resigned 30 October 2020) R Segal RN Shah R Smith (resigned 31 August 2020) R Steingraf-Regensburger (appointed 1 May 2020) K Clarke (appointed 7 December 2020)
<b>Company secretary</b>	R Verity
<b>Registered number</b>	10241406
<b>Registered office</b>	Allan House 10 John Princes Street London W1G 0JW
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Senior Statutory Auditor Grant Thornton House 30 Finsbury Square London EC2A 1AG
<b>Bankers</b>	HSBC Bank Plc 69 Pall Mall St James' London SW1Y 5EY

**Iridium Topco Limited**

## Contents

	<b>Page</b>
<b>Group strategic report</b>	<b>1 - 2</b>
<b>Directors' report</b>	<b>3 - 4</b>
<b>Independent auditor's report</b>	<b>5 – 8</b>
<b>Consolidated statement of comprehensive income</b>	<b>9</b>
<b>Consolidated statement of financial position</b>	<b>10</b>
<b>Company statement of financial position</b>	<b>11</b>
<b>Consolidated statement of changes in equity</b>	<b>12</b>
<b>Company statement of changes in equity</b>	<b>13</b>
<b>Consolidated Statement of cash flows</b>	<b>14 – 15</b>
<b>Notes to the financial statements</b>	<b>16 - 40</b>

Iridium Topco Limited

# Group strategic report

## For the period ended 31 December 2020

The directors present their report and the financial statements for the period ended 31 December 2020.

### Principal objectives and strategies

The Group's principal activities during the period were providing technology that transforms advertising workflow for the worldwide media industry.

### Business review

The Group's focus is on continued growth in its core businesses and through its policy of developing new cloud based services as well as strategic acquisitions. The Group now works in more than 100 markets with 36 local offices.

During the year the Iridium Group turnover was £32.8m. (2019: £33.0m).

During the year the Iridium Group reported an operating loss of £8.7m (2019: loss £6.2m).

During the year the EBITDA of the Iridium Group was £13.1m (2019: £12.2m)

On the 17th of August 2020, the group acquired the remaining 25% of Transmision Y Almacenamiento A Mas V S.A for a total consideration of £3.7m. The group now owns 100% of the share capital of Transmision Y Almacenamiento A Mas V S.A.

### Principal risks and uncertainties

The principal risk to Group companies arises from its ability to retain clients. The Group has maintained its track record of retaining existing clients and winning new clients.

The Group's Directors are pleased to report that the Group's operations are conducted such that Group companies comply with all legal requirements and especially those relating to the environment and health and safety in respect of which legislation and regulation continue to evolve.

The principal risk to the Group is exposure to changes in interest rates affecting the interest repayable on its bank debt. This risk is reduced through having an interest rate hedging arrangement in place.

The Group has some exposure to foreign currencies due to some selling and purchasing in currencies other than sterling. The risk is reduced through the use of forward currency contracts.

The Group's credit risk is minimised by the number of long established customers and an emphasis on good credit management.

The Group's policy is to ensure continuity of liquidity through effective management of its current assets and liabilities.

### Impact of Brexit

We provide services to customers globally. Our understanding is that the services we provide should not be affected by Brexit. Any restriction on the movements of people to the UK will not have a significant impact to our business.

**Iridium Topco Limited**

**Going Concern**

After reviewing the Group's forecasts for the period to 31 December 2023 the directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. The group continues to adopt the going concern basis in preparing its financial statements.

**Financial key performance indicators**

Group companies utilise a variety of financial and non financial KPIs to measure their effective performance which include inter alia; EBITDA, return on sales, return on capital employed, gross margin contribution and volume of files delivered. Individual Group companies similarly apply their own criteria to non financial KPIs.

The Group's Directors monitor all relevant KPIs to ensure that they remain relevant to the individual businesses.

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



**K Clarke**

Director

Date: 14<sup>th</sup> May 2021

Iridium Topco Limited

## Directors' report

For the period ended 31 December 2020

The directors present their report and the financial statements for the period ended 31 December 2020.

### 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 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 and profit or loss of the company and group 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;
- 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 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.

### Results and dividends

The loss for the period, after taxation, amounted to £21,380k (2019: loss £18,305k).  
In the period the group has paid a dividend of £310k (2019: no dividend paid).

### Directors

The directors who served during the year and up to the date of signing were:

M Bungey

D Conely

S Cox (resigned 1 May 2020)

T Green

J Carpenter (resigned 30 October 2020)

R Smith (resigned 31 August 2020)

RN Shah

R Segal

R Steingraf-Regensburger (appointed 1 May 2020)

K Clarke (appointed 7 December 2020)

Iridium Topco Limited

## Directors' report

For the period ended 31 December 2020

### Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

To the best of our knowledge

- the financial statements, prepared in accordance with United Kingdom Generally Accepted Accounting Practice, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

### Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



**K Clarke**  
Director

Date: 14<sup>th</sup> May 2021



# Independent auditor's report to the members of Iridium Topco Limited

## **Opinion**

We have audited the financial statements of Iridium Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020, which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity and consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and 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 2020 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 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the group and the parent 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.

## **The impact of macro-economic uncertainties on our audit**

Our audit of the financial statements requires us to obtain an understanding of all relevant uncertainties, including those arising as a consequence of the effects of macro-economic uncertainties such as Covid-19 and Brexit. All audits assess and challenge the reasonableness of estimates made by the directors and the 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.

Covid-19 and Brexit are amongst the most significant economic events currently faced by the UK, and at the date of this report their effects are subject to unprecedented levels of uncertainty, with the full range of possible outcomes and their impacts unknown. We applied a standardised firm-wide approach in response to these uncertainties 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 associated with these particular events.





# Independent auditor's report to the members of Iridium Topco Limited

## **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 where:

- 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.

In our evaluation of the directors' conclusions, we considered the risks associated with the company's business, including effects arising from macro-economic uncertainties such as Covid-19 and Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the period of at least twelve months from the date when the financial statements are authorised for issue. In accordance with the above, 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.

## **Other information**

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

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

We have nothing to report in this regard.



# Independent auditor's report to the members of Iridium Topco Limited

## **Opinions on other matters prescribed by the Companies Act 2006**

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

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

## **Matter on which we are required to report under the Companies Act 2006**

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 strategic report or the directors' report.

## **Matters on which we are required to report by exception**

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 for the financial statements**

As explained more fully in the directors' responsibilities statement set out on page 3 - 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.

## **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.



## Independent auditor's report to the members of Iridium Topco Limited

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: [www.frc.org.uk/auditorsresponsibilities](http://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..

*Grant Thornton*

Nicholas Page  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
London  
.17.May.... 2021

## Iridium Topco Limited

## Consolidated statement of comprehensive income

For the period ended 31 December 2020

	Note	2020 £000	2019 £000
Turnover	4	32,797	32,987
Cost of sales		(5,390)	(5,255)
<b>Gross profit</b>		<b>27,407</b>	<b>27,732</b>
Administrative expenses		(36,919)	(33,889)
Other operating income	5	768	-
<b>Operating loss</b>	6	<b>(8,744)</b>	<b>(6,157)</b>
Income from shares in group undertakings		345	844
Interest receivable and similar income	8	12	18
Interest payable and expenses	9	(12,341)	(11,043)
Impairment of investments		-	(1,675)
<b>Loss before taxation</b>		<b>(20,728)</b>	<b>(18,013)</b>
Tax on loss	10	(652)	(292)
<b>Loss for the financial period</b>		<b>(21,380)</b>	<b>(18,305)</b>
<b>Attributable to:</b>			
Non controlling interest		221	318
Group		<b>(21,601)</b>	<b>(18,623)</b>
		<b>(21,380)</b>	<b>(18,305)</b>

There were no recognised gains and losses for 2020 or 2019 other than those included in the consolidated statement of comprehensive income.

There was no other comprehensive income for 2020 or 2019.

The notes on pages 16 to 40 form part of these financial statements.

## Iridium Topco Limited

## Consolidated statement of financial position

As at 31 December 2020

	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Intangible assets	11	62,497	74,705
Tangible assets	12	280	202
Investments	13	851	639
		<u>63,628</u>	<u>75,546</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	14	10,412	10,530
Cash at bank and in hand	15	4,815	4,569
		<u>15,227</u>	<u>15,099</u>
Creditors: amounts falling due within one year	16	(12,067)	(12,603)
<b>Net current assets</b>		<u>3,160</u>	<u>2,496</u>
<b>Total assets less current liabilities</b>		<u>66,788</u>	<u>78,042</u>
Creditors: amounts falling due after more than one year	17	(139,681)	(125,500)
Deferred taxation	19	(5,740)	(6,061)
		<u>(5,740)</u>	<u>(6,061)</u>
<b>Net liabilities</b>		<u><u>(78,633)</u></u>	<u><u>(53,519)</u></u>
<b>Capital and reserves</b>			
Share capital	20	25	25
Share premium	21	691	691
Non-Controlling interests		719	1,374
Other reserves	21	(2,858)	-
Retained earnings	21	(77,210)	(55,609)
		<u><u>(78,633)</u></u>	<u><u>(53,519)</u></u>

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



K Clarke

Director

Date: 14<sup>th</sup> May 2021

The notes on pages 16 to 40 form part of these financial statements.

Iridium Topco Limited

## Company statement of financial position

As at 31 December 2020

	Note	2020 £000	2019 £000
<b>Fixed assets</b>			
Investments	13	2,956	2,826
		<u>2,956</u>	<u>2,826</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	14	10,867	9,958
Creditors: amounts falling due after more than one year	17	(16,360)	(14,306)
Net liabilities		<u>(2,537)</u>	<u>(1,522)</u>
<b>Capital and reserves</b>			
Share capital	20	25	25
Share premium	21	691	691
Retained earnings	21	(3,253)	(2,238)
		<u>(2,537)</u>	<u>(1,522)</u>

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



**K Clarke**  
Director

Date: 14<sup>th</sup> May 2021

The notes on pages 16 to 40 form part of these financial statements.

Iridium Topco Limited

## Consolidated statement of changes in equity

For the period ended 31 December 2020

	Share capital	Share premium	Non controlling interest	Other reserves	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000
At 1 January 2020	25	691	1,374	-	(55,609)	(53,519)
<b>Comprehensive income for the period</b>						
Loss for the period	-	-	221	-	(21,601)	(21,380)
Movement to Other reserves	-	-	-	(3,734)	-	(3,734)
Non controlling interests	-	-	(876)	876	-	-
<b>At 31 December 2020</b>	<b>25</b>	<b>691</b>	<b>719</b>	<b>(2,858)</b>	<b>(77,210)</b>	<b>(78,633)</b>

	Share capital	Share premium	Non controlling interest	Other reserves	Retained earnings	Total equity
	£000	£000	£000	£000	£000	£000
At 1 January 2019	25	691	-	-	(37,115)	(36,399)
<b>Comprehensive income for the period</b>						
Non controlling interest	-	-	1,056	-	-	1,056
Loss for the period	-	-	318	-	(18,623)	(18,305)
Prior year adjustment	-	-	-	-	129	129
<b>At 31 December 2019</b>	<b>25</b>	<b>691</b>	<b>1,374</b>	<b>-</b>	<b>(55,609)</b>	<b>(53,519)</b>

The notes on pages 16 to 40 form part of these financial statements.

## Iridium Topco Limited

## Company statement of changes in equity

For the period ended 31 December 2020

	Share capital	Share premium	Retained earnings	Total equity
	£000	£000	£000	£000
At 1 January 2020	25	691	(2,238)	(1,522)
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(1,015)	(1,015)
<b>At 31 December 2020</b>	<b>25</b>	<b>691</b>	<b>(3,253)</b>	<b>(2,537)</b>

	Share capital	Share premium	Retained earnings	Total equity
	£000	£000	£000	£000
At 1 January 2019	25	691	(1,392)	(676)
<b>Comprehensive income for the period</b>				
Loss for the period	-	-	(846)	(846)
<b>Contributions by and distributions to owners</b>				
Shares issued during the period	-	-	-	-
<b>At 31 December 2019</b>	<b>25</b>	<b>691</b>	<b>(2,238)</b>	<b>(1,522)</b>

The notes on pages 16 to 40 form part of these financial statements.



## Iridium Topco Limited

## Consolidated statement of cash flows

For the period ended 31 December 2020

	Note	2020 £000	2019 £000
<b>Cash flows from operating activities</b>			
Loss for the financial period		(21,380)	(18,305)
<b>Adjustments for:</b>			
Amortisation of intangible assets	11	16,364	16,604
Depreciation of tangible assets	12	154	194
Impairment and disposal of investments	13	1	3,140
Profit/(loss) on disposal of fixed assets		10	-
Share of profit from joint ventures	13	(655)	(844)
Research and development tax credit		(188)	69
Foreign exchange gain /(loss) on revaluation of loans		1,129	(1,068)
Interest payable	9	12,341	11,043
Interest received	8	(12)	(18)
Tax credit in the consolidated statement of comprehensive income	10	652	292
Increase/(Decrease) in debtors		118	(1,911)
Increase/(Decrease) in creditors		1,558	(1,351)
Corporation tax paid		(1,334)	(290)
<b>Net cash used by / generated from operating activities</b>		<b>8,758</b>	<b>7,555</b>
<b>Cash flows from investing activities</b>			
Purchase of intangible fixed assets	11	(4,156)	(3,829)
Purchase of tangible fixed assets	12	(248)	(153)
Cash receipts from sale of tangible fixed assets		-	3
Purchase of fixed asset investments		-	(5)
Net cash paid on business combinations	13	(3,737)	(4,370)
Dividends received from joint ventures	13	442	283
Interest received	8	12	18
<b>Net cash from investing activities</b>		<b>(7,687)</b>	<b>(8,053)</b>
<b>Cash flows from financing activities</b>			
Bank debt cost		(146)	(411)
New secured loans		4,000	9,750
Repayment of loans		(2,165)	(1,987)
Interest paid		(2,514)	(4,233)
<b>Net cash used in / generated from financing activities</b>		<b>(825)</b>	<b>3,119</b>

## Iridium Topco Limited

## Consolidated statement of cash flows (continued)

For the period ended 31 December 2020

	2020 £000	2019 £000
Net increase in cash and cash equivalents	246	2,621
Cash at bank and in hand at the start of the period	4,569	1,948
Net increase in cash and cash equivalents	246	2,621
Cash and cash equivalents at the end of period	<u>4,815</u>	<u>4,569</u>
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	4,815	4,569
	<u>4,815</u>	<u>4,569</u>

## Analysis of changes in net debt:

	At 1 January 2020 £000	Cashflows £000	Other non- cash changes £000	At 31 December 2020 £000
Cash	4,569	246	-	4,815
<b>Borrowings</b>				
Debt due within one year	(7,541)	2,298	(645)	(5,888)
Debt due after one year	(125,394)	-	645	(124,749)
<b>Total</b>	<u>(128,366)</u>	<u>2,544</u>	<u>-</u>	<u>(125,822)</u>

The notes on pages 16 to 40 form part of these financial statements.

Iridium Topco Limited

# Notes to the financial statements

For the period ended 31 December 2020

## 1. General information

Iridium Topco Limited is a private company limited by shares, registered and incorporated in England. The company's registered office is Allan House, 10 John Princes Street, London, W1G 0JW.

## 2. Accounting policies

### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 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 loss after tax of the parent Company for the year was £1,015k (2019 loss of £846k).

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 judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied:

### 2.2 Going Concern

After reviewing the Group's forecasts for the period to 31 December 2023 the directors have a reasonable expectation that the Group has adequate resources to continue in operation for the foreseeable future. The group continues to adopt the going concern basis in preparing its financial statements.

### 2.3 Basis of consolidation

The group financial statements consolidate the financial statements of Iridium Topco Limited and all its subsidiary undertakings drawn up to 31 December each year.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases. Control comprises the power to govern the financial and operating policies of the investee so as to obtain benefit from its activities. The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the group.

The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, except for intangibles other than goodwill which has been included within the goodwill unless the intangible asset arises from contractual or other legal rights. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the company and its

Iridium Topco Limited

# Notes to the financial statements

For the period ended 31 December 2020

subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

In the parent company financial statements investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment

## 2.4 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated statement of comprehensive income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated statement of financial position, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

## 2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from non-recurring projects 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.

Iridium Topco Limited

# Notes to the financial statements

For the period ended 31 December 2020

## 2.6 Intangible assets and amortisation

Intangible assets acquired separately from a business are capitalised at cost. Intangible assets acquired as part of an acquisition of a business are capitalised separately from goodwill if the fair value can be measured reliably on initial recognition. Intangible assets acquired as part of an acquisition are not recognised where they arise from legal or other contractual rights, and where there is no history of exchange transactions.

Intangible assets, excluding development costs, created within the business are not capitalised and expenditure is charged against profits in the year in which it is incurred.

Subsequent to initial recognition, intangible assets are stated at cost less accumulated amortisation and accumulated impairment.

Intangible assets are amortised on a straight line basis over their estimated useful. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The useful economic lives of intangible assets is between 2 and 10 years.

If there are indicators that the residual value or useful life of an intangible asset has changed since the most recent annual reporting period previous estimates shall be reviewed and, if current expectations differ the residual value, amortisation method or useful life shall be amended. Changes in the expected useful life or the expected pattern of consumption of benefit shall be accounted for as a change in accounting estimate.

## 2.7 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

The estimated useful lives range as follows:

Fixtures and fittings	- 3 years straight line
Computer equipment	- 2 to 3 years straight line

## 2.8 Investments

Investments in subsidiaries are measured at cost less accumulated impairment.

## 2.9 Operating leases

Rentals payable under operating leases are charged to the income statement on a straight line basis over the lease term. Lease incentives are recognised over the lease term on a straight line basis.

Iridium Topco Limited

# Notes to the financial statements

For the period ended 31 December 2020

## 2.10 Deferred taxation

Deferred tax is recognised in respect of all timing differences which are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements, except that:

- provision is made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries, associates and joint ventures only to the extent that, at the reporting date, dividends have been accrued as receivable;
- where there are differences between amounts that can be deducted for tax for assets (other than goodwill) and liabilities compared with the amounts that are recognised for those assets and liabilities in a business combination a deferred tax liability/(asset) shall be recognised. The amount attributed to goodwill is adjusted by the amount of the deferred tax recognised; and
- unrelieved tax losses and other deferred tax assets are recognised only to the extent that the directors consider that it probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

## 2.11 Foreign currencies

### Company

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the year end. All differences are taken to the income statement.

### Group

Each entity in the group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. The assets and liabilities of overseas subsidiary undertakings are translated into the presentational currency at the rate of exchange ruling at the year end. Income and expenses for each statement of comprehensive income are translated at exchange rates at the dates of transaction. All resulting exchange differences are recognised in other comprehensive income.

Iridium Topco Limited

# Notes to the financial statements

For the period ended 31 December 2020

## 2.12 Research and development

Research and development expenditure is written off as incurred, except that development expenditure incurred on an individual project is capitalised as an intangible asset when the group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the asset and the ability to measure reliably the expenditure during development

Following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised evenly over the period of expected future benefit. During the period of development the asset is tested for impairment annually.

## 2.13 Pensions

The company contributes to personal pension plans of employees. Charges are made to the income statement in the year they become payable.

## 2.14 Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance revenue in the income statement.

## 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. 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.

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.

Iridium Topco Limited

# Notes to the Financial Statements

For the Year Ended 31 December 2020

## 2.17 Financial instruments

The Group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the Group would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an 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.

## 2.18 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.



**Iridium Topco Limited**

# **Notes to the Financial Statements**

**For the Year Ended 31 December 2020**

## **2.19 Finance costs**

Finance costs are charged to the Consolidated statement of comprehensive income 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.

## **2.20 Interest income**

Interest income is recognised in the Consolidated statement of comprehensive income using the effective interest method.

## **2.21 Borrowing costs**

All borrowing costs are recognised in the Consolidated statement of comprehensive income in the period in which they are incurred.

Iridium Topco Limited

# Notes to the financial statements

For the period ended 31 December 2020

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

The following are significant management judgements in applying the accounting policies of the group that have the most significant effect on the financial statements.

### Revenue recognition

For non-recurring projects, management uses a judgement to assess the value of the stage of completion at each reporting date. This assessment requires the expected total contract revenues and costs to be estimated based on the current progress of the project.

### Development

Management monitors progress of internal research and development projects. Significant judgement is required in distinguishing research from the development phase. Development costs are recognised as an asset when all the criteria are met, whereas research costs are expensed as incurred.

Amortisation is charged on development intangibles over their deemed useful life. This period has been determined via a review of each asset, considering both historic and future factors. The directors believe the amortisation periods applied appropriately reflect the estimated useful life of the assets.

### Business combinations

The Group establishes a reliable estimate of the useful life of goodwill and intangible assets arising on business combinations. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected usual life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses.

Positive goodwill acquired on each business combination is capitalised, classified as an asset on the statement of financial position and amortised on a straight line basis over its useful life. Goodwill acquired in a business combination is, from the acquisition date, allocated to each cash generating unit that is expected to benefit from the synergies of the combination. If a subsidiary, associate or business is subsequently sold or discontinued, any goodwill arising on acquisition that has not been amortised through the income statement is taken into account in determining the profit or loss on sale or discontinuance.

### Classification of shares as debt or equity

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities. Accordingly, a financial instrument is treated as equity if:

- (i) there is no contractual obligation to deliver cash or other financial assets or to exchange financial assets or liabilities on terms that may be unfavourable; and
- (ii) the instrument is a non-derivative that contains no contractual obligations to deliver a variable number of shares or is a derivative that will be settled only by the Iridium Topco Limited group exchanging a fixed amount of cash or other assets for a fixed number of the group's own equity instruments.

### Allowance for doubtful debts

The Company makes allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carry amount may not be recoverable. Management specifically analysed historical bad debts, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance of doubtful debts of receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables.

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**4. Turnover**

Analysis of turnover by country of destination:

	2020 £000	2019 £000
United Kingdom	12,742	13,172
Rest of Europe	8,659	9,023
Rest of the world	11,396	10,792
	<u>32,797</u>	<u>32,987</u>

**5. Other operating income**

	2020 £000	2019 £000
Other operating income	768	-
	<u>768</u>	<u>-</u>

**6. Operating loss**

The operating loss is stated after charging:

	Note	2020 £000	2019 £000
Depreciation of tangible fixed assets	12	154	194
Amortisation of intangible assets, including goodwill	11	16,364	16,604
Auditor's remuneration - for audit services		85	70
Auditor's remuneration - for non - audit services		21	21
Exchange differences		1,806	362
Other operating lease rentals		<u>775</u>	<u>635</u>

**7. Staff costs**

Staff costs, including directors' remuneration, were as follows:

	2020 £000	2019 £000
Wages and salaries	12,366	10,702
Social security costs	977	1,294
Cost of defined contribution scheme	423	325
	<u>13,766</u>	<u>12,321</u>

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

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

	2020 No.	2019 No.
	234	243
	2020 No.	2019 No.
General and Admin	42	44
Sales	68	76
Support	53	73
Product and development	71	50

**Directors' remuneration:**

	2020 £000	2019 £000
Directors' emoluments	1,170	1,337
Company contributions to defined contribution schemes	17	1
	<u>1,187</u>	<u>1,338</u>

During the year, one director was accruing retirement benefits £9k (2019: £1k) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £209k (2019: £349k).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £nil (2019 £nil).

Under FRS102, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The directors are considered to be key management.

Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**8. Interest receivable**

	2020 £000	2019 £000
Other interest receivable	12	18
	<u>12</u>	<u>18</u>

**9. Interest payable and similar charges**

	2020 £000	2019 £000
Bank interest payable	4,387	4,227
Amortisation of arrangement fees	539	491
Loan note interest	5,501	4,542
Interest on preference shares	1,913	1,783
	<u>12,341</u>	<u>11,043</u>

Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**10. Taxation**

	2020 £000	2019 £000
<b>Corporation tax</b>		
Current tax on profits for the year	-	206
Adjustments in respect to previous periods	319	30
	<u>319</u>	<u>236</u>
<b>Foreign tax</b>		
Foreign tax on income for the year	653	941
	<u>653</u>	<u>941</u>
<b>Total current tax</b>	<u>972</u>	<u>1,177</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(320)	(886)
Adjustments in respect of prior years	-	1
	<u>(320)</u>	<u>(885)</u>
<b>Total deferred tax</b>		
	<u>652</u>	<u>292</u>
<b>Taxation on profit on ordinary activities</b>		

Iridium Topco Limited

# Notes to the financial statements

For the period ended 31 December 2020

## 10. Taxation (continued)

### Factors affecting tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

	2020 £000	2019 £000
(Loss)/profit on ordinary activities before tax	<u>(20,728)</u>	<u>(18,013)</u>
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(3,938)	(3,422)
<b>Effects of:</b>		
Capital allowances for the period in excess of depreciation	(7)	9
Temporary differences not provided for	585	574
Withholding taxes	140	21
Non taxable income	-	-
Other timing differences	(8)	(9)
Expenses not deductible for tax purposes	1,446	1,278
Interest payable allowable when paid	-	-
Losses carried forward	10	36
Intangibles capitalised allowable for tax purposes	(30)	(160)
Prior year RDEC adjustment	8	40
Difference in tax rates	127	265
Impact of difference in deferred tax/ corporation tax rates	713	104
Adjustment in respect of prior periods	321	31
Consolidation adjustments	(101)	161
Goodwill on consolidation	1,386	1,364
<b>Total tax (credit)/charge for the period</b>	<u><u>652</u></u>	<u><u>292</u></u>

### Other Factors that may affect future tax charges

No other factors to be disclosed.

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**11. Intangible assets**

## Group

	Development £000	Brands £000	Goodwill £000	Total £000
<b>Cost</b>				
At 1 January 2020	11,716	52,081	58,502	122,299
Additions	4,156	-	-	4,156
At 31 December 2020	15,872	52,081	58,502	126,455
<b>Amortisation</b>				
At 1 January 2020	8,305	17,090	22,199	47,594
Charge for the year	3,700	5,208	7,456	16,364
At 31 December 2020	12,005	22,298	29,655	63,958
<b>At 31 December 2020</b>	<u>3,867</u>	<u>29,783</u>	<u>28,847</u>	<u>62,497</u>
At 31 December 2019	<u>3,411</u>	<u>34,991</u>	<u>36,303</u>	<u>74,705</u>



Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020.

**12. Tangible fixed assets**

Group

	Fixtures and fittings £000	Computer equipment £000	Total £000
<b>Cost or valuation</b>			
At 1 January 2020	258	535	793
Additions	111	137	248
FX adjustment	(49)	-	(49)
Disposals	(21)	(128)	(149)
At 31 December 2020	299	544	843
<b>Depreciation</b>			
At 1 January 2020	137	454	591
Charge for the period	82	72	154
FX adjustment	(43)	-	(43)
Disposals	(20)	(119)	(139)
At 31 December 2020	156	407	563
<b>Net book value</b>			
<b>At 31 December 2020</b>	<b>143</b>	<b>137</b>	<b>280</b>
At 31 December 2019	121	81	202

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**13. Fixed asset investments**

## Group

Investments  
in associates  
£000**Cost or valuation**

At 1 January 2020	639
Prior year reclassification	-
Share of profits of joint ventures	-
Additions	655
Disposal	-
Impairment	(1)
Distributions by joint ventures	(442)
At 31 December 2020	851

**Net book value**

<b>At 31 December 2020</b>	<b>851</b>
At 31 December 2019	639

On the 17th of August 2020, the group acquired the remaining 25% of Transmision Y Almacenamiento A Mas V S.A for a total consideration of £3.7m. The group now owns 100% of the share capital of Transmision Y Almacenamiento A Mas V S.A.

**Subsidiary and associated undertakings**

The following were subsidiary or associated undertakings of the Company:

Name	Class of shares	Holding	Incorporation
Iridium Midco Limited	Ordinary	100	% England
Iridium Bidco Limited*	Ordinary	100	% England
Independent Media Distribution Limited*	Ordinary	100	% England
IMD Media Limited*	Ordinary	100	% England
Optimad Media Systems Limited*	Ordinary	100	% England
IMD Media Limited*	Ordinary	100	% Ireland
IMD Media Limited*	Ordinary	100	% New Zealand
IMD Media Pte. Ltd.*	Ordinary	100	% Singapore
EI Media Network Pvt. Ltd.*	Ordinary	100	% India
Yi Chuan Information Technology (Shanghai) Co. Ltd*	Ordinary	100	% China
IMD Media Pvt. Ltd.*	Ordinary	100	% Australia
IMD Global Media Spain S.L.*	Ordinary	100	% Spain
Mediatel Audiobook Limited*	Ordinary	50	% England
Honeycomb.tv Limited*	Ordinary	100	% England

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

Honeycomb Hungary kft*	Ordinary	51	% Hungary
IMD Media LLC*	Ordinary	100	% USA
Honeycomb Central Europe kft*	Ordinary	51	% Hungary
Honeycomb.TV Iberia*	Ordinary	100	% Spain
Transmision Y Almacenamiento A Mas V S.A	Ordinary	99.9	% Chile
A+ V (Peru) SAC*	Ordinary	60	% Peru
A Mas V SAS*	Ordinary	60	% Colombia
AMASV Zarpa Transmissao e Armazenamento de Dados S.A.*	Ordinary	100	% Brazil
AMÁSV Brasil Transmissão e Armazenamento de Dados Ltda*	Ordinary	99.9	% Brazil
Trasmisión y Almacenamiento A+V Sociedad Anonima de Capital Variable*	Ordinary	60	% Mexico
Transmisión y Almacenamiento A Mas V AVTransmisión S.A.*	Ordinary	55	% Ecuador
Transmisión y Almacenamiento A Mas V S.R.L.*	Ordinary	60	% Argentina
Group IMD Co Ltd	Ordinary	100	% Japan

\*indicates indirect holding. 50% of EI Media Network Pvt. Ltd is owned by IMD Media Pte. Ltd.

## Principal subsidiary undertakings

## 1) IMD Media Limited (Ireland)

The main business activity of IMD Media Limited is the electronic distribution of video and radio advertisements on behalf of advertisers in the Republic of Ireland to broadcasters in the United Kingdom and Republic of Ireland.

## 2) Optimad Media Systems Limited (UK)

The main business activity of Optimad Media systems Limited is the provision of technology applications and services to the advertising media buying and sales market and video broadcasters.

## 3)IMD Media Pte Ltd (Singapore)

The main business activity of IMD Media Pte Ltd is the provision of technology applications in order to facilitate electronic distribution of video advertisements on behalf of advertisers to broadcasters throughout the world.

## 4) Honeycomb.tv Limited

The main business activity of Honeycomb.tv Limited is the electronic distribution of video and radio advertisements on behalf of advertisers in the United Kingdom.

## 5) IMD Media Pvt. Ltd

The main business activity of IMD Media Pvt. Ltd is the electronic distribution of video and radio advertisements on behalf of advertisers in Australia.

## 6) Transmision Y Almacenamiento A Mas V S.A

The main business activity of Transmision Y Almacenamiento A Mas V S.A is the electronic distribution of video and radio advertisements on behalf of advertisers in South America to broadcasters in South America.

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

All other subsidiaries are in the business of electronic delivery of video advertisements to broadcasters on behalf of advertisers.

## Company

Investments  
in subsidiary  
companies  
£000

## Cost or valuation

At 1 January 2020 2,826

Transfer of intercompany receivable from IMD<sup>1</sup> -  
Interest due on preference shares 130

At 31 December 2020 2,956

## Net book value

At 31 December 2020 2,956

At 31 December 2019 2,826

## 14. Debtors

	Group 2020 £000	Company 2020 £000	Group 2019 £000	Company 2019 £000
Trade debtors	7,703	-	6,875	-
Other debtors	205	-	421	-
Amount owed by related parties	-	10,867	-	9,958
Prepayments and accrued income	2,504	-	3,234	-
	<u>10,412</u>	<u>10,867</u>	<u>10,530</u>	<u>9,958</u>

Amounts owed by related parties are unsecured, have no fixed date of repayment and are payable on demand. Interest is received at rates between 2% to 10%, depending on the related party the amounts are due from.

## 15. Cash and cash equivalents

	Group 2020 £000	Company 2020 £000	Group 2019 £000	Company 2019 £000
Cash at bank and in hand	4,815	-	4,569	-
	<u>4,815</u>	<u>-</u>	<u>4,569</u>	<u>-</u>

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**16. Creditors: Amounts falling due within one year**

	Group 2020 £000	Company 2020 £000	Group 2019 £000	Company 2019 £000
Bank loans	5,888	-	6,950	-
Loan notes	-	-	-	-
Trade creditors	865	-	624	-
Other taxation and social security	1,349	-	984	-
Corporate Tax Liability	189	-	737	-
Other creditors	511	-	337	-
Accruals and deferred income	3,265	-	2,971	-
Share capital and options treated as debt (note 20)	-	-	-	-
	<u>12,067</u>	<u>-</u>	<u>12,603</u>	<u>-</u>

**17. Creditors: Amounts falling due after more than one year**

	Group 2020 £000	Company 2020 £000	Group 2019 £000	Company 2019 £000
Bank loans	64,420	-	61,525	-
Loan notes	58,413	-	49,407	-
Accruals and deferred income	1,488	-	991	-
Share capital treated as debt (note 20)	15,360	16,360	13,577	14,306
	<u>139,681</u>	<u>16,360</u>	<u>125,500</u>	<u>14,306</u>

**18. Loans**

Analysis of the maturity of loans is given below:

	Group 2020 £000	Group 2019 £000
Within 1 year	5,888	7,541
Between 1 - 2 years	2,648	2,000
Between 2 - 5 years	122,101	123,394
More than 5 years	-	-
	<u>130,637</u>	<u>132,935</u>

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**19. Deferred taxation**

## Group

	2020 £000	2019 £000
At 1 January 2020	(6,061)	(7,048)
Charged to profit and loss account	321	987
Prior year adjustment	-	-
Deferred tax arising on acquisition	-	-
<b>At end of year</b>	<b>(5,740)</b>	<b>(6,061)</b>

The deferred taxation balance is made up as follows:

	Group 2020 £000	Group 2019 £000
(Decelerated)/ accelerated capital allowances	(152)	-
Tax losses carried forward	-	-
Other timing differences	(5,588)	(6,061)
	<b>(5,740)</b>	<b>(6,061)</b>

## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**20. Share capital**

	2020 £000	2019 £000
<b>Shares classified as equity</b>		
<b>Allotted, called up and fully paid</b>		
3,503,176 - A ordinary shares of £0.001 each	4	4
371,823 - B ordinary shares of £0.001 each	0	0
78,500- C1 ordinary shares of £0.1 each	8	8
743,470- C2 ordinary shares of £0.001 each	1	1
212,068- C3 ordinary shares of £0.001 each	0	0
4,597- C4 ordinary shares of £0.001 each	0	0
38,000- C5 ordinary shares of £0.1 each	4	4
360,942- C6 ordinary shares of £0.001 each	0	0
2 - C7 ordinary shares of £0.001 each	0	0
1- C8 ordinary shares of £0.001 each	0	0
7,737,006 – Deferred Shares of £0.001 each	8	8
	<u>25</u>	<u>25</u>

**As regards income**

Subject to the payment of any Preference Share Dividends and redemption of any Preference Shares due for redemption and Investor Approval, any profits which the Company may determine to distribute in respect of any financial year shall be applied amongst the holders of the Equity Shares (pari passu as if the same class of share).

**As regards capital**

As regards capital on an Exit Event or on a return of assets on liquidation, reduction of capital or otherwise the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:

Payment of issue price to A Preference Shareholders

Payment of issue price and accrued dividends to B Preference Shareholders

Payment of accrued dividends to A Preference shareholders.

Payments to each holder of Equity Shares (pari passu as if they constituted a single class of Share)

In the event that that a pari passu distribution amongst Equity shareholders results in the holders of A Ordinary Shares achieving greater than a 2.5x Money Multiple then any proceeds in excess of this threshold shall be shared such that holders of C3, C4, C5 and C6 Ordinary Shares will be entitled to receive 20% of proceeds above this level and holders of A, B, C1 and C2 Ordinary Shares shall together be entitled to receive 80% of proceeds above this level.

Above a 3x Money Multiple the proportion of proceeds distributable to holders of C3, C4, C5 and C6 Ordinary Shares shall be 42.9% with the remaining 57.1% distributable to holders of A, B, C1 and C2 Ordinary Shares.

The maximum entitlement holders of HC A Preference Shares, B Preference Shares, C3, C4, C5, C6 and C7 Ordinary Shares can receive in total is capped at 35.9% of total proceeds.

Iridium Topco Limited

# Notes to the financial statements

For the period ended 31 December 2020

## 20. Share capital (continued)

C7 Ordinary Shares have the sole entitlement of receiving a distribution as a reallocation of the HC A shareholders returns on certain profitability criteria being met. C8 Ordinary shareholders have the sole entitlement of receiving a distribution as a reallocation of the A shareholders returns on certain profitability criteria being met.

### As regards to voting

Holders of A, B, C1 and C5 Ordinary shares have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. In the case of A and B Ordinary shares one vote for each share held by the holder and in the case of C1 and C5 shares six votes for each share held.

Holders of other C shares do not have the right to receive notice of, attend, vote or speak at any general meeting of the Company.

	2020 £000	2019 £000
<b>Shares classified as debt</b>		
<b>Allotted, called up and fully paid</b>		
1,521,589,637 - preference shares of £0.00001 each	<u>13,163</u>	<u>13,163</u>
<b>Share options classified as debt</b>		
69,760,378 - B3 Preference options	<u>414</u>	<u>414</u>

## 21. Reserves

### Retained earnings

Includes all current and prior period retained profit and losses.

### Share premium

Includes only premiums received on issue of share capital. Any transaction costs associated with issuing of shares are deducted from share premium.



## Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

**22. Commitments under operating leases**

At 31 December 2020 the Group and the Company had future minimum lease payments under non-cancellable operating leases as follows:

	Group 2020 £000	Company 2020 £000	Group 2019 £000	Company 2019 £000
Within 1 year	468	-	532	-
Between 2 and 5 years	795	-	1,219	-
After more than 5 years	-	-	-	-
	<u>1,263</u>	<u>-</u>	<u>1,751</u>	<u>-</u>

**23. Capital commitments, pension commitments and contingent liabilities**

At 31 December 2020 the group had the following capital commitments:

	2020 £000	2019 £000
Property, Plant & Equipment	352	0

As at 31 December 2020, the Group and the Company did not have any pension commitments or contingent liabilities.

**24. Related party transactions**

The company has taken advantage of the exemption under Financial Reporting Standard No 102 Section 33 "Related Party Disclosures" and has not disclosed any intra group related party transactions.

**25. Controlling party**

Iridium Topco Limited is the immediate parent undertaking of Iridium Midco Limited.

Iridium Topco Limited, a company incorporated in England and Wales, is the ultimate parent company of the group. The issued share capital of Iridium Topco Limited is held in majority by Inflexion Buyout Fund IV LP. Inflexion Buyout Fund IV is managed by Inflexion Buyout Fund IV General Partner Guernsey Limited and is deemed to be the ultimate controlling party.

The smallest group for which the entity is consolidated in to is Iridium Midco Limited and the largest group undertakings is that headed by the ultimate parent company, Iridium Topco Limited. Consolidated accounts are available from the company's registered office at Allan House, 10 John Princes Street, London, W1G 0JW.

**Iridium Topco Limited**

## Notes to the financial statements

For the period ended 31 December 2020

### **26. Post year end events**

In February 2021, the group has sold the investment in Honeycomb Hungary Kft and Honeycomb Central Europe Kft.

On 23rd April 2021, IMD Media Limited acquired 100% of the share capital of Adtoox AB for a consideration of £18m. Adtoox has operations primarily in the Nordics, supplemented in Italy, Poland and Brazil, and will help Peach extend it's global footprint.

### **27. Registered addresses of the group**

Iridium Midco Ltd/ Iridium Bidco Ltd/ Independent Media Distribution Ltd/ Optimad Media Systems Ltd/  
Honeycomb.tv Ltd  
Allan House  
10 John Princes Street  
London  
W1G 0JW

IMD Media Limited (Ireland)  
18 Railway Road  
Cavan  
H12 RW22  
Ireland

IMD Media Pte. Ltd  
3 Fusionopolis Place  
Galaxis #04-52/53.  
138523  
Singapore

EI Media Network Pvt. Ltd  
Platina, C-59, G-Block Bandra Kurla Complex  
Bandra (East)  
Mumbai – 400051  
India

IMD Media Limited (New Zealand)  
MGI Auckland Limited, Level 2, Fidelity House  
81 Carlton Gore Road  
Auckland 1023  
New Zealand

Yi Chuan Information Technology (Shanghai) Co. Ltd  
G/F, No.10, Lane 227 Taixing Road  
Jing'an District  
Shanghai 200041  
P.R. China.

Iridium Topco Limited

## Notes to the financial statements

For the period ended 31 December 2020

### **27. Registered addresses of the group (continued)**

IMD Media Pty Ltd  
Suite 510  
50 Holt St, Surry Hills  
Sydney, NSW 2010  
Australia

IMD Global Media Spain S.L.  
Av. de Europa 19 – Parque Emp. La Moraleja,  
Planta 3ª- 28108  
Alcobendas  
Spain

Honeycomb Hungary kft  
1026 Harangvirag u. 5  
Budapest  
Hungary

Honeycomb.TV Iberia  
Av. Josep Tarradellas  
38 Suite 55., 08029  
Barcelona  
Spain

Group IMD Co Ltd  
4F Akasaka Kouyuu Building  
2-8-13 Akasaka, Minato-ku  
Tokyo 107-0052  
Japan

Mediatel Audiotrack Ltd  
130 Shaftesbury Avenue  
London, United Kingdom  
W1D 5EU

Transmision Y Almacenamiento A Mas V S.A  
El Gobernador 020 Of. 402 Providencia  
Santiago  
Chile

IMD Media LLC  
115 W  
California Blvd #9081  
Pasadena  
CA 91105  
USA