

Company Registered Number: 12032770

**PROJECT SWORD BIDCO LIMITED**

**ANNUAL REPORT AND**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

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**PROJECT SWORD BIDCO LIMITED**

**Registered Number: 12032770**

**Company Information**  
**Year ended 31 December 2022**

**Directors**

N Hammond  
R Stenton  
D Wheatley  
A Lawton  
N McQuaid

**Registered Office**

Suffolk House  
George Street  
Croydon  
CR0 1PE

**Strategic Report**  
**Year ended 31 December 2022**

The Directors present their Strategic Report and the financial statements for the year ended 31 December 2022.

**Principal Activities, Review of Activities and Future Developments**

Project Sword Bidco Limited, through its subsidiary Catalis Limited, is a provider of services for the digital media industry offering outsourced quality assurance services for content providers focusing on content verification, compatibility testing, emulations and a wide range of additional services and a publisher of independent video games on PC and consoles.

Following the UK leaving the European Union, the Board continues to monitor the situation carefully and will undertake appropriate action to mitigate risk as the need arises.

**Principal risk and uncertainties****Financial risk management objectives and policies**

The Company's activities expose it to a number of financial risks including cash flow risk, liquidity risk and technology risk.

**Cash flow risk** - The Company is supported by its ultimate parent company, Project Sword Topco Limited. The ultimate parent company supports the company in its management of day to day working capital and has pledged to continue to do so.

**Liquidity risk** - In order to maintain liquidity to ensure that sufficient funds are available for on-going operations and future developments the Company uses intergroup financing.

**Technology risk** - The Company is subject to the risks associated with frequent and rapid technological developments and to changes in the international markets for consumer leisure products and in order to mitigate this risk the Company trains its staff to keep pace with technological advances and continues to invest in its own proprietary technology.

**Section 172 statement**

In accordance with section 172 of the UK Companies Act 2006, in its decision making the Board considers the interests of the Group's employees and other stakeholders. The Board understands the importance of taking into account the views of all stakeholders and considers the impact of the Company's activities on the communities in which the Group operates, the environment and the Group's reputation. In its decision making, the board also considers what is most likely to promote the success of the Company for its stakeholders in the long term. Information about our stakeholders and on how the Board has discharged its duties under Section 172 are available throughout the Strategic Report and Directors Report and, in more detail, below.

The Board recognises the importance of engagement with its stakeholders and the link this has to the long term success of the Group. Through the discussions, presentations and reviews held at the Board meetings throughout the year, the Board are able to ensure that the Group maintains an effective working relationship with a wide range of stakeholders as well as its shareholders. Monthly updates from senior members of the management team provide engagement with both of the divisions to gain insight into our relationships with our customers, developers and employees. The Group actively engages with employees by offering a wide range of benefits, both financial and non-financial, to promote our goal of being a sought after employer in the industry. Access to workshops and seminars are provided via the Testronic Academy to provide support to employees for both professional and personal development. To promote gender balance in the games industry Testronic has created the in house 50% Initiative – which provides mentoring and support to women across the organisation, and helps them to progress their career path within Testronic.

**Strategic Report**  
**Year ended 31 December 2022**

**Section 172 statement (continued)**

Testronic is proud to continue to be a Corporate Ambassador for Women in Games, the global not-for-profit organisation dedicated to gender parity in games and further supports the organisation through sponsorship of the Women in Games Global Award 2023 and members of the senior leadership team are actively engaged in the Individual Ambassadors Program on Women in Games. In 2023 Testronic joined the UN's #PowerOn campaign that seeks to make games and the wider tech industry a more inclusive, equitable and safe environment for all. As part of the Group's commitment to equality, diversity and inclusion a global survey has been conducted to measure and monitor our performance.

The Group was delighted to be shortlisted as finalists in two categories at the TIGA awards as Best QA & Localisation Provider and the award for Commitment to Corporate Social Responsibility. Our Publishing division aims to directly connect with our customers via various social media channels and encourages community involvement by regularly running competitions to design content to be included in future releases.

When appropriate, senior management attend international trade shows to actively engage with our customers and show case new products and services. The Group encourages its employees to develop cross divisional networking by attending social events which are held regularly.

The annual strategic planning and budgeting process also provides the Board with the opportunity to understand and challenge the long term business strategy to help deliver growth and future success of the Group through its team and the products they test, create, develop and publish.

On behalf of the Board

DocuSigned by:

*Andrew Lawton* 7/7/2023

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A Lawton  
Director

**Report of the Directors**  
**Year ended 31 December 2022**

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

**Principal Activities**

The principal activity of the Company during the year was to act as a holding company as described in the Strategic Report.

**Going Concern**

After making appropriate enquiries of the Project Sword Limited Group (the ultimate parent and controlling party), the Directors have concluded that the Company will continue in operational existence and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

The Company's business activities, together with the factors likely to affect its future developments and position, are set out in the Strategic Report. Management has produced forecasts for the going concern period (assessed to be for the period to 31 December 2024) that have been sensitised to reflect severe but plausible worst case scenarios which have been reviewed by the directors. These demonstrate the Group is forecast to generate operating profits and cash in the year ending 31 December 2023 and beyond and that the Group has sufficient cash reserves to enable the Group to meet its obligations as they fall due for at least 12 months from the date of signing of these financial statements. Management has also performed sensitivity tests and reverse stress testing under various conditions with no material adverse results noted. The Group's main banking facilities are provided by HSBC Bank plc and the cash flow forecasts demonstrate that the cash flows will provide sufficient resources for the Group to pay its liabilities as and when they become due. Forecasts are reviewed and updated on a regular basis throughout the year.

The Group is forecast to generate operating profits and positive cash flows from operating activities and remain in compliance with its bank covenants in the years ending 31 December 2023 and 2024. As such, the Directors are satisfied that the Company and Group have adequate resources to continue to operate for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing these financial statements.

The Company has received confirmation from Project Sword Topco Limited, its ultimate parent undertaking, of its intention to continue to provide financial and other support to the extent necessary to enable the Company to continue to pay its liabilities as and when they become due for a period not less than one year from the date of approval of these financial statements. On this basis, the directors believe it is appropriate to adopt the going concern assumption in the preparation of these financial statements.

**Qualifying Third Party Indemnity Provisions**

There were no Third Party Indemnity Provisions in place with regard to any of the Directors who served in the current or prior period that require disclosure under s234 Companies Act 2006.

**Directors**

The Directors held office during the period were as follows:

N Hammond  
R Stenton  
D Wheatley  
A Lawton  
N McQuaid

**Report of the Directors****Year ended 31 December 2022****Financial Instruments**

The Company is financed by inter-company debt. In addition, various financial instruments such as trade debtors and trade creditors arise directly from the business operations. The Company did not enter into any hedging arrangements in the period.

**Political contributions**

The Company made no political donations or incurred any political expenditure during the period.

**Dividends**

No dividend has been paid during the current or prior period and the Board is not recommending a final dividend for the year ended 31 December 2022.

**Statement of Directors Responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law they 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 101 – Reduced Disclosure Framework “The Financial Reporting Standard applicable in the UK and Republic of Ireland”).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company 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 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.

On behalf of the Board

DocuSigned by:  
 7/7/2023  
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A Lawton  
Director

**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Statement of Comprehensive Income  
Year ended 31 December 2022**

	<b>Note</b>	<b>2022 £000's</b>	<b>2021 £000's</b>
Income from Subsidiary		699	656
Administrative expenses		(1,139)	(1,282)
<b>OPERATING LOSS</b>		<u>(440)</u>	<u>(626)</u>
Interest payable and similar charges	2	(12,203)	(10,978)
<b>LOSS BEFORE TAXATION</b>	3	<u>(12,643)</u>	<u>(11,604)</u>
Taxation	4	-	-
<b>LOSS FOR THE YEAR</b>		<u>(12,643)</u>	<u>(11,604)</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE FINANCIAL YEAR</b>		<u>(12,643)</u>	<u>(11,604)</u>

The amounts above all relate to continuing operations.

The notes on pages 10 to 16 form part of these financial statements.



**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Statement of Financial Position  
As at 31 December 2022**

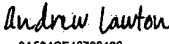
	Note	2022 £000's	2021 £000's
<b>FIXED ASSETS</b>			
Investments	5	93,641	93,641
<b>CURRENT ASSETS</b>			
Debtors	6	18	29
Cash		213	-
		<u>231</u>	<u>29</u>
<b>CREDITORS: amounts falling due within one year</b>	7	<u>(104,180)</u>	<u>(101,607)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(103,949)</u>	<u>(101,578)</u>
<b>CREDITORS: amounts falling due after more than one year</b>	8	<u>(26,608)</u>	<u>(16,336)</u>
<b>NET LIABILITIES</b>		<u><u>(36,916)</u></u>	<u><u>(24,273)</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	-	-
Profit and loss account		<u>(36,916)</u>	<u>(24,273)</u>
<b>SHAREHOLDERS' DEFICIT</b>		<u><u>(36,916)</u></u>	<u><u>(24,273)</u></u>

For the year 31 December 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies and the directors confirm that:

- the members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 and;
- the directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements were approved by the board of directors and authorised for issue

On behalf of the Board

DocuSigned by:  
 7/7/2023  
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 A Lawton

Director

The notes on pages 10 to 16 form part of these financial statements.

**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Statement of Changes in Equity  
As at 31 December 2022**


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	<b>Share Capital £000's</b>	<b>Profit and loss account £000's</b>	<b>Total £000's</b>
At 1 January 2021	-	(12,669)	(12,669)
Total comprehensive loss for the year	-	(11,604)	(11,604)
	<hr/>	<hr/>	<hr/>
As at 31 December 2021 and 1 January 2022	-	(24,273)	(24,273)
Total comprehensive loss for the year	-	(12,643)	(12,643)
	<hr/>	<hr/>	<hr/>
As at 31 December 2022	-	(36,916)	(36,916)
	<hr/>	<hr/>	<hr/>

The notes on pages 10 to 16 form part of these financial statements.

**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Notes to the Financial Statements  
Year ended 31 December 2022****1. ACCOUNTING POLICIES****Basis of accounting**

Project Sword Bidco Limited ("the Company") is a private company limited by shares, incorporated and domiciled in England and Wales. The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. The financial statements contain information about Project Sword Bidco Limited as an individual company.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006. The presentation currency of these financial statements is Sterling.

The company is a wholly-owned subsidiary of Project Sword Topco and is included in the financial statements of Project Sword Topco which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

The Company's ultimate parent undertaking, Project Sword Topco Limited, includes the Company in its consolidated financial statements. The consolidated financial statements of Project Sword Topco Limited are prepared in accordance with UK adopted International Accounting Standards. In these financial statements, the company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 101 in respect of the following disclosures:

- The Company has taken advantage of the following disclosure exemptions under FRS 101:
- the requirements of paragraphs 62, B64(d), B64(e), B64(g), B64(h), B64(j) to B64(m), B64(n)(ii), B64(o)(ii), B64(p), B64(q)(ii), B66 and B67 of IFRS 3 Business Combinations
- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a Company, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.
- the requirements of the second sentence of paragraph 110 and paragraph 113(a), 114, 115, 118 and 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see below).

**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Notes to the Financial Statements  
Year ended 31 December 2022****1. ACCOUNTING POLICIES (Continued)****Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the directors are required to make judgement, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. No material judgements or estimates have been made in the preparation of these financial statements.

**Going Concern**

After making appropriate enquiries of the Project Sword Limited Group (the ultimate parent and controlling party), the Directors have concluded that the Company will continue in operational existence and meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements.

The Company's business activities, together with the factors likely to affect its future developments and position, are set out in the Strategic Report. Management has produced forecasts for the going concern period (assessed to be for the period to 31 December 2024) that have been sensitised to reflect severe but plausible worst case scenarios which have been reviewed by the directors. These demonstrate the Group is forecast to generate operating profits and cash in the year ending 31 December 2023 and beyond and that the Group has sufficient cash reserves to enable the Group to meet its obligations as they fall due for at least 12 months from the date of signing of these financial statements. Management has also performed sensitivity tests and reverse stress testing under various conditions with no material adverse results noted. The Group's main banking facilities are provided by HSBC Bank plc and the cash flow forecasts demonstrate that the cash flows will provide sufficient resources for the Group to pay its liabilities as and when they become due. Forecasts are reviewed and updated on a regular basis throughout the year.

The Group is forecast to generate operating profits and positive cash flows from operating activities and remain in compliance with its bank covenants in the years ending 31 December 2023 and 2024. As such, the Directors are satisfied that the Company and Group have adequate resources to continue to operate for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing these financial statements. The Company has received confirmation from Project Sword Topco Limited, its ultimate parent undertaking, of its intention to continue to provide financial and other support to the extent necessary to enable the Company to continue to pay its liabilities as and when they become due for a period not less than one year from the date of approval of these financial statements. On this basis, the directors believe it is appropriate to adopt the going concern assumption in the preparation of these financial statements.

**Foreign Currencies**

Non monetary assets and liabilities, revenue and costs that are expressed in foreign currencies are translated into sterling at rates of exchange ruling on the date on which transactions occur. Monetary assets and liabilities are translated at the rate ruling at the statement for financial position date. Differences arising on the translation of such items are recognised in the Statement of Comprehensive Income.

**Investments**

Fixed asset investments are stated at cost, less any provisions for impairment required where there has been a permanent diminution in their value.

**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Notes to the Financial Statements  
Year ended 31 December 2022****1. ACCOUNTING POLICIES (Continued)****Basic financial instruments****Trade and other debtors / creditors**

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of interest for a similar debt instrument.

**Investments in ordinary shares**

Investments in equity instruments are measured initially at fair value, which is normally the transaction price. Transaction costs are excluded if the investments are subsequently measured at fair value through profit and loss. Subsequent to initial recognition investments that can be measured reliably are measured at fair value with changes recognition in profit or loss. Other investments are measured at cost less impairment in profit or loss.

**Non-financial assets**

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire entity into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

**2. INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2022</b> <b>£000's</b>	<b>2021</b> <b>£000's</b>
Interest payable to Group undertakings	10,119	9,250
Bank interest payable	2,084	1,728
	<u>12,203</u>	<u>10,978</u>

**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Notes to the Financial Statements  
Year ended 31 December 2022****3. DIRECTORS' EMOLUMENTS**

Two (2021 – two) of the directors who served during the year were paid by Testronic Laboratories Limited, a fellow group company, and their emoluments are disclosed in the financial statements of Catalis Limited. The directors do not feel it is practical to apportion their emoluments between group companies. Total remuneration for the year amounted to £603k (2021 - £586k). None of the directors who served in either the current or prior year are members of a defined contribution pension scheme. The average number of employees is nil (2021: nil).

**4. TAXATION**

The tax charge for the year was £nil as the company made no taxable profit. The tax assessed for the period differs from the standard rate of tax as follows:

**Factors affecting tax credit for the year**

The tax assessed for the period differs from the standard rate of corporation tax in the UK for the period ended 31 December 2022 of 19%. The differences are explained below:

<b>Reconciliation of current taxation charge</b>	<b>2022 £000's</b>	<b>2021 £000's</b>
Loss on ordinary activities before taxation	(12,643)	(11,604)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	(2,402)	(2,205)
<b>Effects of:</b>		
Group relief surrendered	1,995	1,773
Expenses not deductible for tax purposes	96	50
Deferred tax not recognised	311	382
<b>Current tax charge for the year</b>	<b>-</b>	<b>-</b>

**Factors that may affect future tax charges**

The UK Budget 2023 announcements on 15 March 2023 included an increase to the UK's main corporation tax rate to 25%, which is due to be effective from 1 April 2023. Deferred tax has been calculated at the tax rate of 25%, since this was the enacted rate at the balance sheet date expected to be in place when the deferred tax asset/liability reverses. The unrecognised deferred tax assets within the Group are calculated at a rate of 25%.

**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Notes to the Financial Statements  
Year ended 31 December 2022****5. FIXED ASSET INVESTMENTS**

	<b>2022</b> <b>£000's</b>	<b>2021</b> <b>£000's</b>
Shares in subsidiary undertakings	93,641	93,641

**Holdings of more than 20% -** The company holds, either directly or indirectly, more than 20% of the share capital of the following companies:

Company	Country of registration/ incorporation	Principal Activity	Shares held Class	%
Catalis Limited	England & Wales	Holding company	Ordinary	100
Curve Digital Entertainment Limited	England & Wales	Holding company	Ordinary	100
Testronic Group Holdings Limited	England & Wales	Holding company	Ordinary	100
Secret 6 Group Holdings Limited	England & Wales	Holding company	Ordinary	100
Secret 6 Holdings Inc	USA	Holding company	Ordinary	100
Curve Digital Publishing Limited	England & Wales	Computer game publishing	Ordinary	100
Runner Duck Games Limited	England & Wales	Computer game development	Ordinary	100
IronOak Games Inc	Canada	Computer game development	Ordinary	100
Kuju Limited	England & Wales	Computer game development & holding company	Ordinary	100
Curve Games Development One Limited	England & Wales	Computer game development	Ordinary	100
Curve Games Development Two Limited	England & Wales	Dormant	Ordinary	100
Catalis Group Limited	England & Wales	Dormant	Ordinary	100
Kuju Entertainment Limited	England & Wales	In liquidation	Ordinary	100
Zoe Mode Entertainment Limited	England & Wales	In liquidation	Ordinary	100
Attack Games Limited	England & Wales	Computer game development	Ordinary	100
Fiddlesticks Games Ltd	England & Wales	Computer game development	Ordinary	100
Kuju Games Development One Limited	England & Wales	Dormant	Ordinary	100
Headstrong Games Limited	England & Wales	Dormant	Ordinary	100
Testronic Laboratories SE	The Netherlands	Holding company	Ordinary	100
Testronic Laboratories Inc	USA	Testing services	Ordinary	100
Giant Interactive LLC	USA	Testing services	Ordinary	100
Testronic Laboratories Ltd	UK	Testing services	Ordinary	100
Testronic Sp z o o	Poland	Testing services	Ordinary	100
Testronic Chile spa	Chile	Testing services	Ordinary	100
Testronic Bucharest SRL	Romania	Testing services	Ordinary	100
Testronic Belgrade DOO	Serbia	Testing services	Ordinary	100
TL Lisbon LDA	Portugal	Testing Services	Ordinary	100
Secret 6 LLC	USA	Testing Services	Ordinary	100
Secret 6 Madrid	Spain	Testing Services	Ordinary	100
The Studio Secret 6 LLC	The Philippines	Testing Services	Ordinary	100
Grit Gameworks Inc	The Philippines	Testing Services	Ordinary	100
Aphondo Inc	The Philippines	Testing Services	Ordinary	100
Kuju Group SE	The Netherlands	Holding company	Ordinary	100
Catalis Development Services Ltd	UK	Holding company	Ordinary	100
Kuju Sheffield Ltd	UK	Dormant	Ordinary	100
Simis Ltd	UK	Dormant	Ordinary	100
Doublesix Digital Publishing B.V.	The Netherlands	Holding company	Ordinary	100
Doublesix Digital Publishing Ltd	UK	In liquidation	Ordinary	100

**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Notes to the Financial Statements  
Year ended 31 December 2022****6. DEBTORS**

	2022 £000's	2021 £000's
Other debtors	18	29

**7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £000's	2021 £000's
Amounts due to group undertakings	103,788	101,407
Accruals	392	200
	<u>104,180</u>	<u>101,607</u>

Amounts due from group undertakings are repayable on demand and bear interest at 10%.

**Group Loans - Revolving Credit Facility**

The Group has agreed a Revolving Credit Facility of £8m that is recorded in the books of Project Sword Bidco Limited, an intermediary holding company. The total facility was increased by £3.0m in July 2021 and is repayable in full by October 2024. Interest is payable on the loan at the daily SONIA rate. Security for the loan is provided by a Cross Corporate Guarantee between the ultimate parent company, Project Sword Topco Limited, and its material subsidiaries. £nil of the Revolving Credit Facility was drawdown as a loan at 31 December 2022 (Prior year - £0.3m).

**Group Loans - Term Loan**

The Group has a term loan of £25m provided by Tosca Debt Capital (Luxembourg) S.a.r.l. and recorded in the books of Project Sword Bidco Limited, an intermediary holding company and subsidiary of the ultimate parent company. The loan bears interest at the following rates: Quarterly Payment in Kind (PIK) interest is charged at 4.5% and is added to the loan balance, Cash interest is paid quarterly at daily SONIA plus 4.5%. The full balance of the principal plus the PIK interest is repayable on or before the sixth anniversary of each drawdown. At 31 December 2021 the term loan amounted to £15m and during the current year 2 further drawdowns (£2.7m and £7.3m) were made to facilitate acquisitions during the period. Security for the loan is provided by a Cross Corporate Guarantee between the ultimate parent company, Project Sword Topco Limited, and its material subsidiaries. The loan balance includes unamortised transaction fees of £779k and PIK interest accrued of £2,387k.

The above loans are subject to two covenants which are - an Adjusted Leverage Covenant of 4:1 (net debt: adjusted EBITDA) and a Minimum Adjusted EBITDA Covenant (EBITDA to be a minimum of £5.3m, tested quarterly on a rolling 12 month basis). The group has complied with these covenants throughout the relevant year.



**PROJECT SWORD BIDCO LIMITED****Registered Number: 12032770****Notes to the Financial Statements  
Year ended 31 December 2022****8. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>2022</b> <b>£000's</b>	<b>2021</b> <b>£000's</b>
Term Loan	26,608	16,036
Revolving Credit Facility	-	300
	<u>26,608</u>	<u>16,336</u>

At 31 December 2021 the term loan amounted to £15m and during the current year 2 further drawdowns (£2.7m and £7.3m) were made to facilitate acquisitions during the period. The loan balance includes unamortised directly attributable transaction fees of £779k (2021- £868k) and Payment in kind interest accrued of £2,387k (2021 - £1,564k).

**9. SHARE CAPITAL**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Allotted, issued and fully paid</b>		
10 Ordinary Shares of £1 each	<u>10</u>	<u>10</u>

**Called up Share Capital – Ordinary Shares** - The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to 1 vote per share at every meeting of the shareholders of the Company. Called up share capital represents the nominal value of shares that have been issued.

**Profit and loss account** – includes all current retained profits and losses.

**10. RELATED PARTIES**

The Company has taken the exemption where available in accordance paragraph 8(k) of FRS101 not to disclose transactions entered into between two or more members of a group, as the Company is a wholly-owned subsidiary undertaking to the group to which it is party to the transactions. The Company has identified NorthEdge Capital LLP as a related party. During the year the Company incurred costs in relation to the services of directors of £50k (2021 - £50k), of which an amount of £nil was outstanding at 31 December 2022.

**11. ULTIMATE CONTROLLING PARTY**

The company's immediate parent company is Project Sword Midco 2 Limited, a company incorporated in the UK. The company's ultimate parent company is Project Sword Topco Limited, incorporated in the United Kingdom and privately held. Project Sword Topco Limited is the parent of both the smallest and largest group into which the results of the Company are consolidated. Project Sword Topco Limited prepares group financial statements that can be obtained from its registered office at Suffolk House, George Street, Croydon, London CR0 1PE. The ultimate controlling party of the Group is NorthEdge Capital LLP.