

Registration number: 09551763

ARRIS International Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2022



ARRIS International Limited

Contents

Company Information	1
Strategic Report	2 to 4
Directors' Report	5 to 6
Statement of Directors' Responsibilities	7
Independent Auditor's Report	8 to 10
Profit and Loss Account	11
Statement of Comprehensive Income	12
Balance Sheet	13
Statement of Changes in Equity	14
Notes to the Financial Statements	15 to 29

ARRIS International Limited

Company Information

Directors	Alisdair S L More Jonathan N Murphy
Company secretary	Jonathan N Murphy
Registered office	12 New Fetter Lane London EC4A 1JP
Bankers	JP Morgan Chase 25 Bank Street London E14 5JP
Auditors	Ernst & Young LLP 1 Bridgewater Place Water Lane Leeds LS11 5QR

ARRIS International Limited

Strategic Report for the Year Ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

Principal activity

The principal activity of the company is operating as an intermediate holding company within the CommScope Group.

Business review of the year

During the financial year ended 31 December 2022, the company made a loss after tax of \$561,507,000 (2021: loss after tax of \$36,145,000). The Company had dividend income during the year of \$11,700,000 (2021: nil) and impairment charges related to subsidiary undertakings were \$535,441,000 (2021: \$584,000). The impairment charge follows from an impairment assessment based on net assets of subsidiaries and discounted cash flow calculations, taking into account the development of the company's 2023 plans based on market trends that affect the business, including technology shifts affecting hardware sales and customer capital spending patterns. Interest expense increased by \$2,139,000 during the year.

The directors do not recommend the payment of a final dividend at year end. The directors paid interim dividends totaling \$Nil during the year (2021: \$Nil).

Key financial performance indicators include the monitoring of profitability, performance of subsidiaries, cash flow and available distributable reserves.

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

	Unit	2022	2021
Impairment in subsidiaries	\$000	(535,441)	(584)
Loans and borrowings (Net)	\$000	(608,954)	(582,933)
Dividend income from subsidiaries	\$000	11,700	-

Proposal to Spin off Home Networks business

On 8 April 2021 the Company's owner has completed a strategic review and concluded that the Home Networks business globally, of which a portion is contained within ARRIS Global Ltd ("AGL"), a direct subsidiary of the company, is expected to be spun off as an independent group. While not finalised, the intention at this time is that AGL will become a part of this new group post the spin transaction. Certain operations of AGL are expected to be moved under an existing CommScope Holding Company, Inc. UK company, another subsidiary of ARRIS International Limited. The plans are not yet concluded as to the structure and financing of the new group arising from the spin transaction. Whilst the full impact is unknown at this stage the expectation is that the change is expected to strengthen the balance sheet and increase the profitability of the company's remaining subsidiary. As such, the impact of the spin-off is not seen as a risk to the company, but rather an opportunity. After a thorough consideration of the current supply chain environment and its impact on the Home Networks business, the ultimate parent company announced early 2022 to delay the execution of the spin-off with no firm timeline for restarting the plan.

Principal risks and uncertainties

The Company is dependent on the continued profitability of the CommScope group of companies. The principal risks and uncertainties relate to the risks related to supply chain environment, competition, management of growth, new products services and technologies, fluctuations in operating results, international expansion, commercial agreements, acquisitions, foreign exchange rates, system interruption, Government regulation, taxation and fraud.

ARRIS International Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

Principal risks and uncertainties (continued)

The negative impacts of COVID-19 on CommScope Group's financial performance have receded as the group has seen a recovery in demand for its products over the past year, but this has created negative indirect consequences such as inflation, shortages in materials and components and increased logistics costs. The Group and the Company believe the global supply chain challenges and their adverse impact on its business and financial results will continue to improve in 2023 but certain shortages could continue throughout 2023. The Group and the Company also believe certain macroeconomic pressures in the global economy, such as rising interest rates, energy prices and customer concern about an economic slow-down, could impact the timing and amount of capital spending by its customers in 2023 and could negatively impact its results of operations. The management monitors the global economic climate closely and adjust plans where necessary. The Company continues to operate in a disciplined cost control environment.

S172(1) Statement

The Directors have ensured compliance with their duties under s.172(1) in relation to the Company and its various stakeholders, including its shareholders and subsidiaries. As a wholly-owned subsidiary of the CommScope Group ("Group"), the Company has a sole member. The Company is also a recipient of intra-group financing from the Group.

The Directors follow the Group's policies and procedures in all business interactions using four guiding values: act with integrity, innovate for customer success, continuously improve and win as one team. The Directors believe that corporate responsibility and sustainability means making decisions that have a positive impact on our people, planet and bottom line. The group-wide sustainability mission is to enable faster, smarter and more sustainable solutions while demonstrating the utmost respect for our human and natural resources.

In executing their duties and in order to promote the success of the Company for the benefit of its members as a whole, the Directors always consider, among other things, the following factors:

- i. The likely consequences of any decision in the long term;
- ii. The desirability of the Company maintaining a reputation for high standards of business conduct; and
- iii. The need to act fairly as between members of the Company.

Engagement with all of the Company's stakeholders has informed the way in which the Directors have discharged their duties and addressed the principal risks and uncertainties as detailed below. Within the Group, the current Directors hold positions as Asst. General Counsel - International and VP finance. Where individual Directors are not directly involved in the processes described below, regular feedback and discussions are held with the relevant management teams on matters of significance. The need and frequency for management board meetings is driven by regulatory environment as well as strategic planning and actions driven by the Group. Both Directors are often in attendance virtually or via email. The Directors rely on the Group's functional experts' guidance and have their approvals as appropriate before authorising any board resolutions. There were no matters brought to the attention of the Directors through the undertaken engagement that were considered to be of strategic importance, other than relating to those matters detailed in the principal decisions section below. Board of directors' meetings primarily focus on management subsidiaries and dividend distributions.

As a holding company the Company's principal activity is aligned with the Group. The Directors of the Company are therefore guided by the Group's culture, policies and strategies. The Directors of the Company however recognise that their statutory duties are owed to the Company and believe when taking Board decisions during the year ended 31 December 2022 that they have acted in a way that they consider, in good faith, would be most likely to promote the success of the Company, having regard to those matters set out in section 172 of the Companies Act 2006 ("CA 2006"). As a holding company with effectively no employees, third party suppliers or customers, the Directors do not consider the factors listed in sections 172(1)(b), interests of employees, 172 (1)(c) relationships with suppliers and customers, or 172(1)(d), impact of operations on the community and environment, as relevant to the proper discharge of their duties pursuant to sections 172 of the CA 2006.

ARRIS International Limited

Strategic Report for the Year Ended 31 December 2022 (continued)

S172(1) Statement (continued)

The nature of the Company's activities during the year were such to achieve the Company's long term success and were aligned with the Group, which has policies and procedures in place which have guided and informed the Directors during the year, when considering the likely consequences in the long term outcome of their decisions. Board meetings were held as required to enable the Directors to execute plans directed by the Group. The Directors rely on the Group's functional experts, such as Legal, Accounting, Treasury and Tax, guidance and have their approvals as appropriate before authorising any board resolutions. The Directors are kept informed on any matters of significance related to the business activities of the Company by the relevant functions.

Principal decisions

Directors define principal decisions as both those that are material to the company, but also those that are significant to any of the key stakeholder groups in the previous section. In making the following principal decisions the Directors considered the outcome from its stakeholder engagement as well as the need to maintain a reputation for high standards of business conduct and the need to act fairly between the members of the company:

Key principal decisions during the year

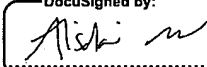
The Board managed and monitored the plans related to the proposed Home Networks spin-off closely ensuring the company, its subsidiaries and their employees were considered, and compensation planned, where appropriate related to the assets and positions they hold. The Board effectively balanced the shareholder requirements to the requirements of the Company. In addition, the Board used cash dividend receipt from its direct subsidiary to make a repayment on loan to a parent, therefore executing on effective cash management within the wider group.

Future developments

Refer to *Business Review of the Year* on Strategic report related to the CommScope Group's plans to spin off the 'Home Networks' business, a business segment which the Company's subsidiaries operate in.

There are no other planned changes to the principal activities of the business.

Approved and authorised by the Board on 28 September 2023 and signed on its behalf by:

DocuSigned by:

C394AAB085544B8...
Alisdair S L More
Director

ARRIS International Limited

Directors' Report for the Year Ended 31 December 2022

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

Directors of the company

The directors who held office during the year were as follows:

Michael D Coppin (resigned 9 June 2022)

Alisdair S L More

Jonathan N Murphy (appointed 9 June 2022)

Results

The loss for the year, after taxation, amounted to \$561,507,000 (2021: loss of \$36,145,000).

Dividends

The directors do not recommend the payment of a final dividend at year end. The directors paid no interim dividends during the year (2021: \$nil).

Political and charitable contributions

The company made no political or charitable contributions during the year (2021: \$nil).

Research and development

Expenditure on research and development amounted to \$nil (2021: \$nil).

Going concern

The Company is an intermediate holding entity within the Commscope Holding Company, Inc. Group. At 31 December 2022, the Company has net liabilities of \$138.6m and net current assets of \$5.0m. Although the company at 31 December 2022 has current receivable balances in excess of its current liabilities, cash management of the group is managed centrally.

Consequently, the Company has obtained a letter of support by the ultimate parent, CommScope Holdings Company, Inc. The letter confirms that CommScope Holdings Company, Inc will provide financial support to the company to assist in meeting its liabilities to the extent that money is not otherwise available to the company to meet such liabilities. CommScope Holding Company, Inc. has confirmed its ability to provide such support for a period until 30 September 2024 from the date of approval of the Company's balance sheet. The Directors have assessed the level of financial support, and are satisfied the support is available taking into account the Parent Company's available liquidity, consisting of a \$859.0m revolver and \$418.1m cash in hand at the end of June 2023, and its financial plan driven by the CommScope NEXT designed to drive shareholder value through three pillars: profitable growth, operational efficiency and portfolio optimization.

On this basis, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due to 30 September 2024. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Strategic Report

The directors have chosen in accordance with Section 414C(11) of the Companies Act 2006 to include in the Strategic Report matters otherwise required to be disclosed in the Directors' Report as the directors consider these are of strategic importance to the company.

ARRIS International Limited

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

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office. Ernst & Young have expressed their willingness to continue in office as auditors.

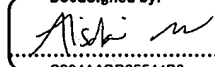
Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Important non adjusting events after the financial period

CommScope UK Limited paid an interim cash dividend of \$15million on 26 September 2023.

Approved and authorised by the Board on 28 September 2023 and signed on its behalf by:

DocuSigned by:


Alistair S L Moore
Director

ARRIS International Limited

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities 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 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 Financial Reporting Standard FRS102 The Financial Reporting Standard applicable in the UK and Ireland (FRS102). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards including FRS102 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.

Independent Auditor's Report to the Members of ARRIS International Limited

Opinion

We have audited the financial statements of ARRIS International Limited for the year ended 31 December 2022 which comprise the Profit and Loss Account, Statement of Comprehensive Income, Balance Sheet and Statement of Changes in Equity and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period from when the financial statements are authorised for issue to 30 September 2024.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 ARRIS International Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor Responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Independent Auditor's Report to the Members of ARRIS International Limited (continued)

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

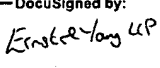
Our procedures included:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax laws and regulations in the UK.
- We understood how ARRIS International Limited is complying with those frameworks by making enquiries of those charged with governance and management, including those responsible for legal and compliance procedures, to understand how the company maintains and communicates its policies and procedures in these areas. We corroborated our enquiries through our review of board minutes and papers provided to the Board, and made inquiries of management to identify if there are matters where there is a risk of breach of such frameworks that could have a material adverse impact on the company, as well as consideration of the results of our audit procedures across the company.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management and those charged with governance to understand where it considered there was a susceptibility to fraud. We considered the programmes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit to procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements are free from fraud and error.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. In addition to those set out above, we completed procedures to conclude on the compliance of the disclosures in the Annual Report and Financial Statements with the requirements of the relevant accounting standards and UK legislation.

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

Use of our report

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

DocuSigned by:

3946AE33D376453

Tim Helm (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor

1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

28 September 2023

Registered number: 09551763

Page 10

ARRIS International Limited**Profit and Loss Account for the Year Ended 31 December 2022**

	Note	2022 \$ 000	2021 \$ 000
Turnover		<u>-</u>	<u>-</u>
Gross profit/(loss)		-	-
Administrative expenses		(36)	(45)
Dividend received	3	11,700	-
Impairment charge	9	<u>(535,441)</u>	<u>(584)</u>
Operating loss		<u>(523,777)</u>	<u>(629)</u>
Interest receivable and similar income	4	168	243
Interest payable and similar expenses	5	<u>(37,898)</u>	<u>(35,759)</u>
		<u>(37,730)</u>	<u>(35,516)</u>
Loss before tax		(561,507)	(36,145)
Taxation	8	<u>-</u>	<u>-</u>
Loss for the financial year		<u><u>(561,507)</u></u>	<u><u>(36,145)</u></u>

The above results were derived from continuing operations.

The notes on pages 15 to 29 form an integral part of these financial statements.

ARRIS International Limited

Statement of Comprehensive Income for the Year Ended 31 December 2022

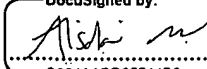
	2022	2021
	\$ 000	\$ 000
Loss for the year	<u>(561,507)</u>	<u>(36,145)</u>
Total comprehensive income for the year	<u><u>(561,507)</u></u>	<u><u>(36,145)</u></u>

The notes on pages 15 to 29 form an integral part of these financial statements.

ARRIS International Limited
(Registration number: 09551763)
Balance Sheet as at 31 December 2022

	Note	2022 \$ 000	2021 \$ 000
Fixed assets			
Investments	9	470,317	1,005,758
Current assets			
Debtors-due within one year	10	5,040	31
Debtors-due after one year	10	-	4,865
Cash at bank and in hand	11	114	127
		<u>5,154</u>	<u>5,023</u>
Creditors: Amounts falling due within one year	12	<u>(77)</u>	<u>(77)</u>
Net current assets		<u>5,077</u>	<u>4,946</u>
Total assets less current liabilities		475,394	1,010,704
Creditors: Amounts falling due after more than one year	12	<u>(613,971)</u>	<u>(587,774)</u>
Net (liabilities)/assets		<u>(138,577)</u>	<u>422,930</u>
Capital and reserves			
Called up share capital	13	2,643	2,643
Share premium reserve	14	81,275	81,275
Capital redemption reserve	14	433	433
Other reserves	14	266,565	266,565
Profit and loss account	14	<u>(489,493)</u>	<u>72,014</u>
Total equity		<u>(138,577)</u>	<u>422,930</u>

Approved and authorised by the Board on 28 September 2023 and signed on its behalf by:

DocuSigned by:

 Alan S L Moore
 Director

The notes on pages 15 to 29 form an integral part of these financial statements.

ARRIS International Limited

Statement of Changes in Equity for the Year Ended 31 December 2022

	Share capital \$ 000	Share premium \$ 000	Capital redemption reserve \$ 000	Other reserves \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2022	2,643	81,275	433	266,565	72,014	422,930
Loss for the year	-	-	-	-	(561,507)	(561,507)
Total comprehensive loss	-	-	-	-	(561,507)	(561,507)
At 31 December 2022	2,643	81,275	433	266,565	(489,493)	(138,577)
	Share capital \$ 000	Share premium \$ 000	Capital redemption reserve \$ 000	Other reserves \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2021	2,643	81,275	433	266,565	108,159	459,075
Loss for the year	-	-	-	-	(36,145)	(36,145)
Total comprehensive income	-	-	-	-	(36,145)	(36,145)
At 31 December 2021	2,643	81,275	433	266,565	72,014	422,930

The notes on pages 15 to 29 form an integral part of these financial statements.

ARRIS International Limited

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

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

12 New Fetter Lane

London

EC4A 1JP

United Kingdom.

ARRIS International Limited is consolidated in the financial statements of its parent at year end, CommScope Holding Company, Inc., a company registered in the United States of America. A copy of these statements may be obtained from CommScope Holding Company, Inc, 1100 COMMScope PLACE, SE, HICKORY NC 28602, United States of America.

These financial statements were authorised for issue by the Board on 28 September 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006'.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Consolidated financial statements

The financial statements present information about the company as an individual undertaking and not about the group because the company qualifies for the exemption from the obligation to prepare and deliver group financial statements under Section 401 of the Companies Act 2016. Details of the ultimate parent and availability of consolidated financial statements are included in note 18.

Summary of disclosure exemptions

The company is considered to be a qualifying entity (under FRS 102) due to it being a subsidiary of CommScope Holding Company, Inc. at the reporting date. As a qualifying entity, the company has adopted the following disclosure exemptions:

- (i) the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d) and the requirements of Section 7 Statement of Cash Flows;
- (ii) the requirements of Section 11 Basic Financial Instruments, paragraphs 11.39 to 11.48A and the requirements of Section 12 Other Financial Instruments Issues paragraphs 12.26 to 12.29;
- (iii) the requirements of Section 26 Share based Payment, paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- (iv) the requirement of Section 33 Related Party Disclosures paragraph 33.7.

The company has also adopted the disclosure exemption in respect of related party transactions between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

ARRIS International Limited**Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)****2 Accounting policies (continued)****Going concern**

The Company is an intermediate holding entity within the CommScope Holding Company, Inc. Group. At 31 December 2022, the Company has net liabilities of \$138.6m and net current assets of \$5.0m. Although the company at 31 December 2022 has current receivable balances in excess of its current liabilities, cash management of the group is managed centrally.

Consequently, the Company has obtained a letter of support by the ultimate parent, CommScope Holdings Company, Inc. The letter confirms that CommScope Holdings Company, Inc will provide financial support to the company to assist in meeting its liabilities to the extent that money is not otherwise available to the company to meet such liabilities. CommScope Holding Company, Inc. has confirmed its ability to provide such support for a period until 30 September 2024 from the date of approval of the Company's balance sheet. The Directors have assessed the level of financial support, and are satisfied the support is available taking into account the Parent Company's available liquidity, consisting of a \$859.0m revolver and \$418.1m cash in hand at the end of June 2023, and its financial plan driven by the CommScope NEXT designed to drive shareholder value through three pillars: profitable growth, operational efficiency and portfolio optimization.

On this basis, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence and meet its liabilities as they fall due to 30 September 2024. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a finance transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) Returns to the holder are (i) a fixed amount; or (ii) a fixed rate of return over the life of the instrument; or (iii) a variable return that, throughout the life of the instrument, is equal to a single referenced quoted or observable interest rate; or (iv) some combination of such fixed rate and variable rates, providing that both rates are positive.

(b) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Financial assets and liabilities (continued)

(c) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in relevant taxation or law.

(d) There are no conditional returns or repayment provisions except for the variable rate return described in (a) and prepayment provisions described in (c).

Debt instruments that are classified as payable or receivable within one year and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received net of impairment.

Other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without needing to impose additional restrictions on the transfer.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Financial instruments - derivative contracts

The Company holds derivative contracts in the form of interest rate swaps. Derivative contracts designated as cash flow hedges are held to manage the variability of cash flows in the form of interest payments related to the portion of the variable-rate debt designated as being hedged. The carrying amounts reported in the balance sheet for derivative financial instruments approximate their fair values. The effective portion of changes in the fair value of derivatives designated and that qualify as cash flow hedges is recorded in Accumulated Other Comprehensive Income and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. The ineffective portion of the change in fair value of the derivatives is recognised directly in earnings. The contracts were terminated during the year for the acquisition of the company.

Investments

Investments in subsidiary undertakings are included at cost less any provisions required to recognise impairment.

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Impairment of assets

Assets other than those measured at fair value are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets - An asset is impaired where there is objective evidence that as a result of one or more events that occurred after initial recognition the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Financial assets - For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Debt issue costs

Costs associated with the arrangement of debt facilities are capitalised and recorded as a reduction against the corresponding debt liability. They are amortised to the Income Statement and recorded as an interest expense over the life of the debt facilities to which they relate.

Loan Notes

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

Share based payments

The grant date fair value of share based payments awards granted to Directors and subsidiary employees is recognised as an employee expense where the employee is employed by the Company or as an addition to investments (less amounts recharged) where the employee is employed by a subsidiary.

The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share based payment awards with non-vesting conditions, the grant date fair value of the share based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Tax

Current tax, including U.K. corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Tax (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

When the amount that can be deducted for tax for an asset (other than goodwill) that is recognised in a business combination is less (more) than the value at which it is recognised, a deferred tax liability (asset) is recognised for the additional tax that will be paid (avoided) in respect of that difference. Similarly, a deferred tax asset (liability) is recognised for the additional tax that will be avoided (paid) because of a difference between the value at which a liability is recognised and the amount that will be assessed for tax. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to property plant and equipment measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Turnover

Turnover represents the amounts derived from provision of management fees and services affiliated group companies. Turnover for services is generally recognized rateably over the contract term as services are performed.

Interest income and expense

Interest income and expense is recognised as interest accrues using the effective interest method.

Dividends

Dividends from subsidiaries are recognised when the Company's right to receive payment is established, which is generally when shareholders approve the dividend. Cash dividend receipts are recognised at their monetary value. Non-cash dividend receipts are measured at the fair value of the consideration received.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies which are described in Note 2, the directors are required to make judgements, 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 ongoing 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.

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

2 Accounting policies (continued)

Judgements

The Company has no critical judgements in applying accounting policies.

Key sources of estimation uncertainty

Impairment of non-financial assets

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on a value in use calculation. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from Company's short-term budget and longer-term forecasts and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash flows and the growth rate used for extrapolation purposes..

3 Dividend received

Dividend income for the year was \$11.7m from CommScope UK Limited (2021 \$Nil).

4 Other interest receivable and similar income

	2022	2021
	\$ 000	\$ 000
Interest receivable on loans to group undertakings-other	168	243

5 Interest payable and similar expenses

	2022	2021
	\$ 000	\$ 000
Other interest payable	-	103
Interest payable on loans from group undertakings-parent	37,898	35,656
	37,898	35,759

Prior year other interest payable included interest withholding tax write-off and interest on tax penalty from the United States.

6 Directors' remuneration

All of the Directors are paid out of other Group affiliated companies. They have an overall CommScope group role and as a result the directors do not believe it to be practical to allocate any fees to this entity. Director's fees for individual Directors are disclosed in their respective employing entity financial statements as appropriate.

During the period no retirement benefits were accruing to any of the existing directors in respect of defined contribution pension schemes as the directors are not employed by the company (2021: NIL).

During the period, the directors were granted no restricted share units as part of a group share based payments scheme (2021: NIL).

The Company has no employees other than the directors.

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

7 Auditors' remuneration

Auditor's remuneration for the period ending 31 December 2022 and 2021 has been borne by a fellow Group company, ARRIS Global Ltd.

8 Taxation

Tax charged/(credited) in the income statement

	2022	2021
	\$ 000	\$ 000
Current taxation	<u>-</u>	<u>-</u>

The tax on profit before tax for the year is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022	2021
	\$ 000	\$ 000
Loss before tax	<u>(561,507)</u>	<u>(36,145)</u>
Tax on loss on ordinary activities at standard UK corporation tax rate of 19% (2021: 19%)	(106,686)	(6,867)
Effects of:		
Income not deductible in determining taxable loss	(2,223)	-
Expense not deductible in determining taxable loss	101,734	127
Group relief surrendered	<u>7,175</u>	<u>6,740</u>
Total tax charge/(credit)	<u>-</u>	<u>-</u>

The main rate of UK corporation tax of 19% effective from 1 April 2017 was the rate of corporation tax throughout 2022. However, the Chancellor announced in his Budget on 3 March 2021 that the main rate of corporation tax will increase to 25.00% from 1 April 2023. This rate was substantively enacted on 24th May 2021. The rate change has not impacted the company as it does not have any deferred tax balances as at 31 December 2022.

Deferred tax

Deferred tax assets have not been recognised for tax losses of \$4.3 million (2021: \$6.3 million) on the basis there is insufficient evidence that the company will have future taxable profits on which to utilise the asset.

9 Investments in subsidiaries

	2022	2021
	\$ 000	\$ 000
Investments in subsidiaries	<u>470,317</u>	<u>1,005,758</u>

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

9 Investments in subsidiaries (continued)

Subsidiaries	\$ 000
Cost or valuation	
At 1 January 2022 and 31 December 2022	2,283,107
Impairment	
At 1 January 2022	1,277,349
Charge for the year	535,441
At 31 December 2022	1,812,790
Carrying amount	
At 31 December 2022	470,317
At 31 December 2021	1,005,758

The impairment expense was recorded following an impairment assessment performed on the Company's fixed asset investment balances. The carrying values of the fixed asset investments were compared to net assets of the subsidiaries and to discounted cash flow calculations as at year end. The impairment expense represents the shortfall. The impairment charge for ARRIS Global Limited follows from the development of the company's 2023 plans based on market trends that affect the business, including technology shifts affecting hardware sales and customer capital spending patterns. The impairment charge is as follows: ARRIS Global Limited \$535.4m (31 December 2021: \$Nil) and CommScope UK Limited (formerly ARRIS Solutions UK Ltd) \$Nil (31 December 2021: \$0.6m).

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2022	2021
Subsidiary undertakings				
ARRIS Global Ltd	12 New Fetter Lane, London, EC4A 1JP United Kingdom	Direct parent	100%	100%
CommScope UK Ltd (formerly ARRIS Solutions UK Ltd - changed 1 March 2022)	12 New Fetter Lane, London, EC4A 1JP United Kingdom	Direct parent	100%	100%

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

9 Investments in subsidiaries (continued)

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
ARRIS Solutions Australia Pty Ltd (formerly Pace Australia Pty Ltd - changed 1 January 2022)	Level 1, 10A Julius Avenue, North Ryde NSW 2113 Australia	Indirect parent	100%	100%
Pace Asia Pacific Ltd.	14F, One TaiKoo Place, 979 King's Road Quarry Bay Hong Kong	Indirect parent	100%	100%
Latens Systems Ltd	12 New Fetter Lane, London EC4A 1JP United Kingdom	Indirect parent	100%	100%
ARRIS International IP Ltd	12 New Fetter Lane, London, EC4A 1JP United Kingdom	Indirect parent	100%	100%
ARRIS France Solutions	13 rue Camile Desmoulin, Issy Les Moulineaux, Paris, 92441 France	Indirect parent	100%	100%
Pace Distribution Ltd	Overseas 12 New Fetter Lane, London EC4A 1JP United Kingdom	Indirect parent	99.71%	99.71%
ARRIS Group Private Ltd	India "The Senate", 3rd Floor, No. 33/1, Ulsoor Road, Bangalore - 560042, Karnataka India	Indirect parent	99.99%	99.99%
ARRIS South Africa (Pty) Ltd	Building 11A, Woodland Office Park, Woodlands Drive, Woodmead, Gauteng, 2191 South Africa	Indirect parent	99.71%	99.71%
ARRIS Eletrônica do	Indústria Avenida Torquato Tapajós, 9475. Manaus, Amazonas, CEP 69048-660 Brazil	Indirect parent	100%	100%

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

9 Investments in subsidiaries (continued)

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
ARRIS STB Mexico S.A. de C.V.	Blvd Manuel Avila Camacho 126, Piso 2, Colonia Lomas de Chapultepec, Delegacion Miguel Hidalgo, Ciudad de CP 11000 Mexico	Indirect parent	100%	100%
ARRIS Sweden A.B.	Teknikringen 10, Linköping 583 30 Sweden	Indirect parent	100%	100%
ARRIS Taiwan Ltd.	38F, No. 16, Xinzhan Rd., Banqiao Dist., New Taipei City 22041 Taiwan	Indirect parent	100%	100%
ARRIS Canada, Inc.	160 Elgin Street, Suite 2600, Ottawa, Ontario, K1P 1C3 Canada	Indirect parent	100%	100%
GIC International Holdco LLC	c/o Corporation Service Company, 2711 Centerville Rd., Suite 400, Wilmington, DE 19808 USA	Indirect parent	100%	100%
GIC International Capital LLC	c/o Corporation Service Company, 2711 Centerville Rd., Suite 400, Wilmington, DE 19808 USA	Indirect parent	100%	100%
ARRIS Solutions Saudi Arabia Ltd.	Building WH14, 3rd Floor, Digital City, Saeed Alsulami Road, Riyadh, KSA Saudi Arabia	Indirect parent	100%	100%
ARRIS Turkey Telekommunikasyon Limited Sirketi	Astoria İş Merkezi Büyükdere Cad. A Blok no:127, Kat:8-9-10 Esentepe, Istanbul 34394 Turkey	Indirect parent	100%	100%
ARRIS del Ecuador S.A.	Av. Republica de El Salvador No.1082 y Naciones Unidas, Quito Ecuador	Indirect parent	100%	100%

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

9 Investments in subsidiaries (continued)

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
ARRIS de Guatemala S.A	C/o Consortium Diagonal 6, 10-01 zona 10, Centro Gerencial Las Margaritas, Torre II, Oficina 1101 Guatemala	Indirect parent	100%	100%
ARRIS New Zealand Ltd	Tompkins Wake, Level 17, 88 Shortland Street, Auckland Central, Auckland, 1010 New Zealand	Indirect parent	100%	100%

The following indirect subsidiary was sold during the year: ARRIS Solutions Switzerland GmbH. The Company's direct subsidiary made a net gain on disposal of \$492,000. The liquidation had no direct impact on the Company.

10 Debtors

	Note	2022 \$ 000	2021 \$ 000
Due within one year			
Amounts owed by related parties	16	5,017	7
Prepayments		23	24
		5,040	31
Due after one year			
Prepayments		-	24
Amounts owed by related parties	16	-	4,841
		-	4,865

Amounts owed by group undertakings - loan note

The amounts owed by other group undertakings include a loan note of \$1.0m (2021: \$4.8m) from other affiliate that bear interest at LIBOR or LIBOR replacement SONIA plus 500 base points and are repayable in 2023. The loan note was classified as due after one year in the prior year. Repayment of \$4.0m were made during the year. The remaining amounts are repayable on demand and bear no interest.

Prepayments-due after one year

\$Nil (2021 - \$23,617) of prepayments-due after one year is classified as non current. Balance consists of multiple year insurance prepayment.

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

11 Cash and cash equivalents

	2022	2021
	\$ 000	\$ 000
Cash at bank	114	127

12 Creditors

	Note	2022	2021
		\$ 000	\$ 000
Due within one year			
Amounts due to related parties	16	77	77
Due after one year			
Loans and borrowings	15	613,971	587,774

Amounts owed to group undertakings falling due within one year are unsecured and bear no interest.

13 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No. 000	\$ 000	No. 000	\$ 000
Ordinary shares of \$0.02 each	175,628	2,643.21	175,628	2,643.21

Direct parent company applied to allotment and issue of 1 ordinary share of GBP 0.01 fully paid at premium of \$81.3m on 18 November 2020.

14 Reserves

Share Premium

The share premium of \$81,274,771 relates to issuance of 1 ordinary share of GBP 0.01 fully paid at premium on 18 November 2020 to the direct parent company.

Capital redemption reserve

The capital redemption reserve of \$433,624 is used to recognise the repurchase of own shares by the Company.

Other reserves

Other reserves include a share option and warrant reserve of \$251,302,966, which is used to recognise the fair value of options, performance shares and restricted stock units granted to employees and warrants granted to customers, and a capital contribution reserve of \$15,261,639 relating to payments made by ARRIS Group, Inc. to the Company which are not required to be paid back. The capital contributions were made on 30 September 2015 for \$13,890,262 and 31 December 2015 for \$1,371,377.

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

15 Loans and borrowings

	2022 \$ 000	2021 \$ 000
Loans and borrowings		
Amounts owed to group undertakings - loan note from parent	<u>613,971</u>	<u>587,774</u>

The company rearranged a loan agreement with parent on 31 December 2019 that bears interest at 6.3% with a maturity date of 31 December 2025. During the year the company made repayments of \$11.7m (2021: \$0.7 million).

16 Related party transactions

Receivables from related parties

	Parent \$ 000	Subsidiary \$ 000	Other related parties \$ 000
2022			
Amounts receivable from related party	<u>-</u>	<u>4,000</u>	<u>8</u>

	Parent \$ 000	Subsidiary \$ 000	Other related parties \$ 000
2021			
Amounts receivable from related party	<u>-</u>	<u>-</u>	<u>7</u>

Payables to related parties

	Parent \$ 000	Subsidiary \$ 000	Other related parties \$ 000
2022			
Amounts payable to related party	<u>-</u>	<u>-</u>	<u>77</u>

	Parent \$ 000	Subsidiary \$ 000	Other related parties \$ 000
2021			
Amounts payable to related party	<u>-</u>	<u>-</u>	<u>77</u>

Loans to related parties

	Parent \$ 000	Subsidiary \$ 000	Other related parties \$ 000
2022			
At start of period	-	-	4,841
Repaid	-	-	(4,000)
Interest transactions	-	-	168
At end of period	<u>-</u>	<u>-</u>	<u>1,009</u>

ARRIS International Limited

Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

16 Related party transactions (continued)

	Parent \$ 000	Subsidiary \$ 000	Other related parties \$ 000
2021			
At start of period	-	-	4,599
Interest transactions	-	-	242
At end of period	-	-	4,841

Loans from related parties

	Parent \$ 000	Subsidiary \$ 000	Other related parties \$ 000
2022			
At start of period	587,774	-	-
Repaid	(11,700)	-	-
Interest transactions	37,897	-	-
At end of period	613,971	-	-

	Parent \$ 000	Subsidiary \$ 000	Other related parties \$ 000
2021			
At start of period	552,817	-	-
Repaid	(699)	-	-
Interest transactions	35,656	-	-
At end of period	587,774	-	-

17 Parent and ultimate parent undertaking

The immediate parent undertaking is CommScope UK Holdings Limited, a company registered in England and Wales. At the end of the year the ultimate parent undertaking, and controlling party, is CommScope Holding Company, Inc, a company registered in the United States of America.

The largest and smallest group in which the results of the partnership are consolidated is that headed by CommScope Holding Company, Inc, whose consolidated financial statements may be obtained from the Company Secretary, CommScope Holding Company, Inc, 1100 COMMScope PLACE, SE, HICKORY NC 28602, United States of America.

18 Non adjusting events after the financial period

CommScope UK Limited paid an interim cash dividend of \$15million on 26 September 2023.