

**Blue Holdco Limited**

**Report for the year ended 30<sup>th</sup> April 2024**

**Company number: 11459265**

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Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

## **Company information**

### **Directors**

Oliver Tucker

*Richard Miller*

### **Company secretary**

Richard Miller

### **Company number**

11459265

### **Registered office**

Horizon, Honey Lane

Hurley

Maidenhead

Berkshire

SL6 6RJ

United Kingdom

### **Independent auditors**

PricewaterhouseCoopers LLP

Chartered Accountants and Statutory Auditors

4<sup>th</sup> Floor

One Reading Central

23 Forbury Road

Reading

Berkshire

RG1 3JH

United Kingdom

Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

## **Strategic report**

### **For the year ended 30<sup>th</sup> April 2024**

The directors present their strategic report on the group for the year ended 30<sup>th</sup> April 2024.

#### **Business Review**

Blue Holdco Limited does not trade with customers and is a parent holding company in the Wireless Logic group. The immediate parent undertaking is Blue Topco Limited, a company incorporated in Jersey. The directors consider the controlling party to be funds managed by Montagu Private Equity LLP.

Wireless Logic is a global leader in Internet-of-Things (IoT) connectivity, dedicated to bridging the physical and digital worlds with seamless, secure, and scalable solutions.

With more than 12 million devices connected across 165 countries and direct partnerships with 50+ mobile and satellite operators, Wireless Logic offer global coverage and end-to-end IoT services that accelerate the success of IoT projects. Wireless Logic IoT services are meticulously designed, tested, deployed, and managed to meet the specific needs of each customer device fleet.

From EPOS systems in retail stores, to smart energy grids and drones delivering essential equipment to remote parts for the world, Wireless Logic has expertise across numerous sectors and use cases, including agriculture, manufacturing, healthcare, security, transport, energy, utilities and smart cities. It works with a diverse client base that includes global OEMs, system integrators, solution providers, application developers, blue-chip enterprises, and start-ups.

Conexa, a purpose-built platform and dedicated IoT network, enables customers to securely connect and manage assets across any network and any number of deployments. This simplifies operations, accelerates time to market, lowers the total cost of ownership, and ensures ultra-reliable connectivity.

Through in-house development and strategic partnerships, Wireless Logic has brought innovative new solutions to market, including eSIM provisioning, which delivers network flexibility for global deployments as connectivity becomes increasingly embedded in devices.

Headquartered in the UK, Wireless Logic has local sales/service offices in 17 countries across 4 continents, delivering 24/7 support. Wireless Logic's brands, including Mobius Networks, Jola, Webbing Solutions, Things Mobile, COM4, Data Mobile, IoThink Solutions and Matooma, extend reach into various geographies and market segments.

Recognised consistently as a leading managed IoT connectivity provider by industry analysts such as Gartner, Transforma Insights, IDC, and Counterpoint Research, Wireless Logic continues to innovate and expand its services, reinforcing its leadership in the market.

*"At Wireless Logic, we're dedicated to connecting the physical and digital worlds with seamless, secure, and scalable IoT solutions tailored to diverse IoT use cases. In collaboration with our valued business partners, we focus on simplifying IoT for our customers, enhancing their experience by enabling efficient, cost-effective, and future-proof digital transformations. Together, our efforts are driving positive environmental and social change across the globe."* Oliver Tucker, Co-Founder and Chief Executive Officer

The financial statements show revenues of £256,691k and EBITDA before exceptional items of £102,281k. The comparative year shows revenue of £179,861k and EBITDA before exceptional items of £73,556k. The majority of the increases are driven by the acquisition of Telroaming during the year. The group's consolidated financial position at the year-end has moved from a restated net liability position of £340,416k to net liabilities of £570,615k driven by exceptional items relating to M&A and the Group's capital structure (i.e. interest).

## Strategic report (continued)

Wireless Logic's mission is to fast-track our customers' success by enabling their ambitions through seamless and secure IoT services.

1. The group aims to achieve this through a strategy that focuses on building global reach and scale, delivering local solutions and continuing to broaden the IoT services it offers to customers. The strategic pillars of the business are summarised below: True agnostic global coverage, enriched with ultra-local solutions & services.
2. Continuous improvement to service quality through investments in our owned network services (Conexa), platforms and people.
3. Pioneer Remote SIM Provisioning ("RSP") solutions and expertise to meet customer demands around flexibility and choice.
4. *Extending services across the IoT value chain, reducing fragmentation and creating interoperability for customers.*
5. Further enhancing security credentials and approach – both internally and for customers.
6. Strengthening GTM approach – addressing specific target segment needs through our brands, partnerships & services.
7. Building global scale and commercial leverage, allowing us to offer excellent customer value and invest in the future.

Geographically, as at 30<sup>th</sup> April 2024, the group had operating subsidiaries in 17 countries; and has SIMs connected in 165 countries.

### Objectives

The business objectives for the group for the year ended 30<sup>th</sup> April 2024 included:

- increasing EBITDA before exceptional costs by more than 15% – this objective was achieved, with reported growth at 37%.
- continuing to develop the group internationally including growing subscriptions managed outside of the UK by more than 10% – we hit this target with 10% growth aligned to plan, this remains a key focus moving forward with the Group's products able to serve customers on a Global basis.
- to look actively, but selectively, at acquisition opportunities – we have acquired Webbing in Israel during the year and so far this entity is exceeding expectations, details of this acquisition is given in note 25.

### Business model

Our business model is built around the core strategic themes of supporting our global customers, innovation and delivering profitable growth.

We benefit from a subscription-based revenue stream which provides a high degree of visibility of future performance. We continue to invest in the infrastructure that enables us to deliver robust and reliable services to end users, who often use what we provide to support activities that are mission critical within their own businesses. We also invest significant amounts into the intangible assets within the business, including the *technical and intellectual property behind the platforms and solutions we offer.*

## Strategic report (continued)

### Future outlook

The future outlook for the industry and the company remains positive. Analysis and forecasts of the Machine to Machine (M2M) and IoT markets by external industry experts, show continued growth, as the end uses to which the technology is put, continue to expand. Furthermore, the applications to which M2M and IoT technologies are being applied, continue to become more sophisticated, and more data intensive. This increases the need for both the resilient private infrastructure and the platforms we offer, to enable customers to manage their growing estate of devices.

The global economic outlook may have a significant impact on a small number of the group's customers. Due to the diversity of applications the group sells into we don't expect significant direct impacts to the group but, we are prepared to review and support customers who face difficult trading conditions.

### Principal risks and uncertainties

The principal risks facing the business and details of how we mitigate these risks are set out below.

- **Supplier relationships** – Our relationships with the leading mobile network operators (MNOs) are important to our on-going success. We are an important channel and route to market for them and we mitigate the risk of these relationships being damaged through close and frequent contact.
- **Technology** – In addition to the traditional SIM card related technology, the group is now the leading player in Remote SIM Provisioning ("RSP") technology solutions for the IoT market and also offers low earth orbit (LEO) satellite connectivity. Technology risks are mitigated through the use of our flexible platforms which enable us to accommodate changes in the technology underlying M2M and IoT connectivity, and the fact that we are bearer service agnostic.
- **Customers** – The business has a customer base across a large number of industries, and no single customer accounted for more than 12% of group revenue. Furthermore, the contracted subscription nature of our revenue provides a high degree of visibility of income.
- **Global economic outlook** – There is continued concern of the macro-economic outlook. As discussed above the group is confident this will have a limited impact, but we remain cautious to the risk of the wider economic conditions to our customers. The Group is diversified across a number of territories and is able to respond to Global geo – political issues in a controlled manner, continuing to support customers throughout COVID and recent wars in Ukraine and the middle east with no interruption to service.
- **Interest rate exposure** – The business is funded by a combination of debt from third-party banking institutions, shareholder loans and equity. The third-party banking institutional debt is provided through a combination of unitranche, incremental and revolving credit facilities. Interest is charged on these at EURIBOR/SONIA plus a fixed margin. The group has mitigated the risk of rising interest rates, giving rise to significant increases in interest charges, by having previously entered into an interest rate capping instrument that covers the majority of the third-party bank institution debt. There are two interest rate cap agreements in place, entered into by Blue Bidco Limited and Bank of Ireland with notional amounts of 90m GBP and 300m EUR. The cap rates are 1.25% pa and 0.5% pa respectively, and they both terminated on 30 September 2024. In addition, a 3% GBP cap was put in place with HSBC for £203.5m until September 2024 and £293.5m from September 2024 to September 2025. Interest rates on debt provided by shareholders are fixed and don't therefore fluctuate with SONIA, eliminating any risk of increased interest charges on this element of debt funding.

## **Strategic report (continued)**

### **Compliance with Section 172 of the Companies Act**

Directors of the Company must act in accordance with a set of general duties. These duties are detailed in Section 172 of the Companies Act 2006, summarised as follows:

#### **Long term risk management**

Our business and risk environments continue to develop as we grow as a group. We regularly review the *primary risks set out on the previous page which include focus on our stakeholders across both customers and suppliers as well as managing financial exposures*. The group continues to identify, evaluate, manage and mitigate emerging risks as they appear. We continue to ensure we make financially sound long term decisions to support the group which requires careful review of results and forecasts including cash flows. Major investments are reviewed to ensure they are aligned to the long term success of the group through alignment to our strategic goals. This focused investment ensures that we continue to provide secure infrastructure, resilient software platforms and multiple network connectivity through continued investment in technology, supporting our customer base through the long term success of the group. The risk management methodology and outputs of management’s risk reviews are reviewed by the Board on a regular basis.

#### **Engagement with employees**

The group is committed to being a responsible business and the directors also recognise that employees are *essential to our business and the delivery of our strategic goals stated above. Our behaviour is aligned to the expectations of our employees, ensuring we operate as a responsible employer with regards to pay, benefits and health and safety. We proactively manage our people’s performance and focus on developing talent within the group whilst also attracting talent for exciting career opportunities in the UK and Europe. In addition to regular performance management, we engage with our employees with regular group wide communications through webcasts, newsletters, and ad-hoc communications. We thoroughly believe that embracing diversity in all its forms makes us stronger as a company; our broad-based and talented teams help us to stay agile and move faster than others in the market.*

#### **Impact on the community and environment**

As a global company dedicated to creating positive change through IoT, we align our practices around our sustainability goals, aiming to become a net-zero business by 2030. This targets a 90% reduction in Scope 1, 2, and 3 greenhouse gas emissions compared to our 2021 base year.

The group remains aware of its potential impact on the communities it operates within, maintaining a low environmental impact as disclosed within our ‘Streamlined Energy & Carbon Reporting’ and focusing on support for our communities through our employees. Through creating an opportunity for our employees to thrive, many initiatives are started at a local level to support our communities, and these are both celebrated and encouraged by the directors.

## **Strategic report (continued)**

### **Compliance with Section 172 of the Companies Act (continued)**

#### **Business relationships with suppliers, customers and others**

A core strategic theme of our business model focuses on supporting our global customers and as a Board we continue to review customer focused KPIs on a regular basis to ensure customer relationships remain at the forefront of what we do. We aim to build strong and close local relationships. Speaking a local ‘language’ – i.e., how we say something, not just what we impart, is one of the reasons why Wireless Logic has been so successful to date. As we continue to expand, we hope to continue the diverse, passionate and driven way we work with our local business partners, supporting their needs as well as our own.

#### **Maintaining a reputation for high standards of business conduct**

The group places a large focus on maintaining its reputation for high standards of business conduct with all its stakeholders. Management appreciates this is underpinned by the need to act fairly between members of the group and all other stakeholders. Employees are reminded of their obligations to ensure this principle is applied to everything they do through regular updates on Anti Bribery and Corruption standards, as well as detailed related policies on equal opportunities, whistleblowing and anti-slavery and human trafficking.

#### **Key performance indicators**

Management adopts several indicators to measure and monitor the overall performance of the group of which Blue Holdco Limited is a part.

- average monthly revenue per subscriber, which has reduced during the year reflecting the mix of business linked to the companies acquired to £1.73 (2023: £1.74),
- group EBITDA before exceptionals increased to £102,281k (2023: £73,556k) in the year, Management believe EBITDA to be the key performance metric in assessing the business. This is partly due to significant items such as earn out related payments which have been classified as exceptional items. These costs have been expensed as per IFRS3 rather than capitalised as part of the acquisitions (see note 31).
- group gross margin which remained broadly stable at 61% (2023: 62%). The slight decrease reflects the change in mix of different territories, and
- group cash conversion before acquisition related items, measured as EBITDA less working capital movements and purchases of fixed assets. Cash generated from operation of £41,031k (2023: £35,627k) is deflated due to the payment of exceptional items being included within this definition.

A budget is set each year and monthly performance, including the key performance indicators above, are monitored against budget. For the year ended 30<sup>th</sup> April 2024, the group exceeded budget and performed strongly against the majority of key performance indicator. In addition, the company looks closely at non-financial key performance indicators, such as staff and customer satisfaction. Staff surveys are conducted periodically, and the last survey showed positive results, resulting in Wireless Logic being recognised as a Great Place to Work. We continue to work on improving the employee experience at Wireless Logic. Customer satisfaction is monitored using Net promoter score (NPS) captured from all customer feedback, the closing score reports as 49 (2023: 47) the industry standard is 31 so the Group is performing well against this indicator.

## **Strategic report (continued)**

### **Corporate and Social Responsibility**

Throughout the year the group supported several initiatives including charitable work undertaken by staff. Our employment policies are reviewed regularly and designed to enable the management team to identify and respond to issues that are important to the group's employees, as well as to recruit and develop a diverse and talented group of people.

We consider and report on the environmental impact of the group's activities but, as a largely services-based business, we don't have any manufacturing or logistics operations that are energy intensive. As a global company, we're committed to creating positive change. We fundamentally believe that the IoT is a force for good and that technology will be the answer to many of the global challenges that we face today.

Our business practices are all orientated around supporting our sustainability priorities and the UN sustainability goals.

- **Our Sustainability Priorities**

As a leading global managed IoT connectivity provider, we passionately believe that Wireless Logic has an important role to play in accelerating the rate of positive environmental, social and economic change across the world.

- **Positive change through the IoT**

We are connecting millions of IoT devices that are changing the way the world works for the better.

The integration of smart, connected products, with sensors being built into everything from consumables, wearables, buildings, and transportation, is helping to accelerate the pace of positive environmental, social and economic change across the globe.

At Wireless Logic, we are proud to be at the forefront of this revolution – helping our customers securely connect applications that transform environments, societies, and economies.

- **Investing in STEM talent**

Investing in STEM talent has been a cornerstone of Wireless Logic's success since its inception. As a leading UK based technology business, we believe that these are increasingly critical skills for the global economy *and that we have an important role to play in encouraging young people to follow STEM careers.*

We are incredibly proud that most of our graduates and apprentices stay with the business and contribute significantly to our achievements.

In addition to our graduate scheme, we offer apprenticeship opportunities and student placements to help build technology and engineering workplace skills. Our investments in ongoing professional development for our employees, from functional skills to management and leadership training, has developed a highly skilled team *that delivers for both our customers and our shareholders.*

We are an equal rights employer and believe in the power of diversity in business.

Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

## **Strategic report (continued)**

### **Corporate and Social Responsibility (continued)**

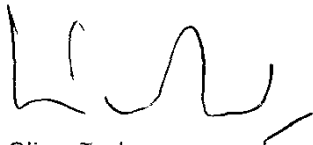
- **Supporting local communities**

Across the Wireless Logic group, we believe in giving back to our local communities. Our business and people across the globe support local charitable and social causes that help people with a wide variety of needs and challenges.

Activities range from raising money through Macmillan coffee mornings to volunteering in Germany to help those affected by flooding and donating funds to local food banks in the UK supporting those living in poverty.

More information can be found at <https://www.wirelesslogic.com/about/sustainability/>

Approved by the Board and signed on its behalf



Oliver Tucker  
CEO  
31<sup>st</sup> October 2024

## **Directors' report**

### **For the year ended 30<sup>th</sup> April 2024**

The directors present their report together with the audited financial statements of the group for the year ended 30<sup>th</sup> April 2024.

### **Stakeholder engagement**

The company is required by the Companies Act 2006 to set out the development and performance of the business of the group during the year ended 30<sup>th</sup> April 2024, the financial position of the group at 30<sup>th</sup> April 2024 and a description of the principal risks and uncertainties facing the group. By reference to the Strategic report the following information is given:

- Review of the business;
- Environmental reporting;
- Risk management and principal risks; and
- Customer, supplier and wider stakeholder engagement.

Where appropriate additional detail on some risks and areas of focus is included below as well as required disclosures on going concern and principal activities of the group.

### **Principal activities**

The principal activities of the group are providing managed services in the M2M and IoT sectors. The subsidiary undertakings principally affecting the results and net assets of the group in the year are listed in note 11.

The directors are pleased to present this set of results and believe the future outlook (details of which can be found in the strategic report) for the industry, and the company, remains positive.

The directors would like to thank all our customers, suppliers, partners and employees for their support in the year.

The results for the year ended 30<sup>th</sup> April 2024 and financial position of the group and the company as at 30<sup>th</sup> April 2024 are shown in the financial statements on pages 23 to 28. The group restated net liabilities increased from £340,416k to £570,615k and net liabilities for the company increased from £9,746k at 30<sup>th</sup> April 2023 to £30,257k at 30<sup>th</sup> April 2024.

Exceptional operating items of £143,889k (restated 2023: £80,642k) were reported in the year. The exceptional costs relate primarily to merger and acquisition activity and include provisions for the settlement of earn-out liabilities linked to subsidiaries the group has acquired.

### **Research and Development**

Research and Development expenditure includes the costs of the group's development staff and external contracts for specialist developers, designing and updating the platforms. The amount capitalised in the year ended 30<sup>th</sup> April 2024 was £11,561k (2023: £7,343k). The amount expensed in the year ended 30<sup>th</sup> April 2024 was £5,408k (2023: £5,648k). The Board monitors the progress of major development projects, both during product development and after launch. Further analysis of development expenditure and amortisation of development costs can be found in note 13.

## **Directors' report (continued)**

### **Going concern**

The financial statements have been prepared on the going concern basis. The directors have reviewed the group's forecast cash position and continued covenant compliance. In addition to this, the directors have received confirmation that the investment vehicle used by Montagu Private Equity LLP will not seek repayment of any of the Unsecured Loan Notes as detailed in note 20, for a period of at least 12 months from the date on which these financial statements are signed, of the investment made as part of its acquisition of the group in July 2018 and the subsequent reinvestment made in June 2021. The directors have concluded that based on the above, the group and company will continue to be able to meet its liabilities as they fall due for a period of at least 12 months from the date of the approval of these financial statements.

### **Dividends**

No dividends were proposed, paid or received during the year.

### **Financial Risk Management**

The group's operations expose it to a variety of financial risks that include the effects of changes in foreign exchange rates, interest rate cash flow risk, credit risk and liquidity risk. The group has in place a risk management programme that seeks to limit any adverse effects on the financial performance of the group.

#### **Foreign exchange risk**

The group is exposed to movements in foreign exchange rates as a result of transactions with customers and suppliers outside the UK. The group manages the foreign exchange rate risk associated with the whole group by maintaining appropriate cash balances in various currencies to meet the cash needs across the group. The group debt position is broadly aligned to expected cash flows so that interest costs can be met in the same currency as excess cash generated.

#### **Interest rate risk**

The business is funded by a combination of debt from third-party banks, shareholder loans and equity. The group has mitigated the risk of rising interest rates by entering into an interest rate capping instrument. Interest rates on debt provided by shareholders are fixed and don't therefore fluctuate with EURIBOR/SONIA, eliminating any risk of increased interest charges on this element of debt funding.

#### **Credit risk**

In order to manage credit risk with customers, the directors set credit limits based on a combination of trading, payment history, market knowledge and third-party credit references. Credit limits are reviewed on a regular basis in conjunction with customer's debt ageing and collection history.

#### **Liquidity risk**

The company manages its liquidity position with the objective of maintaining the ability to fund commitments and repay liabilities in accordance with their required terms. The financing of operations is managed at a group level. Management have reviewed the group's forecast cash position and continued covenant compliance. The directors have concluded that, based on the above, the group and therefore the company will continue to be able to meet its liabilities as they fall due for a period of at least 12 months from the date of the approval of these financial statements.

## **Directors' report (continued)**

### **Geopolitical Risk (Market risk)**

The company has global operations and is subject to geopolitical risks that may arise from political instability, conflicts, regulatory changes, trade restrictions, or other external factors in some regions. Any global tensions and changes in security conditions, which could affect local operations, supply chains, and financial performance are actively monitored by the group who maintain contingency plans to mitigate the impact of potential disruptions.

### **Legal Risk**

Legal risks from global operations, including regulatory compliance, intellectual property issues, contractual disputes, employment laws, and litigation across multiple jurisdictions. Compliance with diverse and evolving regulations, such as data protection and anti-bribery laws, is critical to avoid financial and reputational harm. While the company has robust compliance programs and legal experts to manage these risks, not all exposures can be fully mitigated.

### **Directors**

The company has purchased and maintained throughout the financial year and up to the date of signing, Directors' and Officers' liability insurance in respect of itself and its directors. The policy permitted by the Articles of Association gives the directors the benefit of an indemnity which is a qualifying third-party indemnity provision as defined by Section 234 of the Companies Act 2006.

The directors of the company who were in office during the year and up to the date of signing the financial statements unless otherwise stated were:

- Oliver Tucker
- Richard Miller

### **Employees**

Our objective is to create a supportive culture in which all employees can develop their skills, advance their careers and maximise their potential. Performance reviews are completed annually to identify development and training needs for each employee. We reward employees based on their performance, potential and contribution to the success of the business to encourage the involvement in the group's performance.

Through regular engagement with employees using webinars, email and local engagement, the group consistently provides employees with the information that both concerns them and informs them of the financial and economic factors affecting the performance of the group. A formal annual review of employee opinions is gathered through an employee survey. The output of this engagement is reviewed by the directors through regular reporting to the Board.

Through its diversity policy, the company seeks to ensure that every employee, without exception, is treated equally and fairly and that all employees are aware of their responsibilities. Our policies and procedures fully support our disabled colleagues. We take active measures to do so via a robust reasonable adjustment policy and processes to ensure colleagues are fully supported. The group is responsive to the needs of its employees. As such, should any employee of the group become disabled during their time with us, we will actively retrain that employee and make reasonable adjustments to their working environment where possible, in order to keep the employee with the group. It is the policy of the group that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

## Directors' report (continued)

### Streamlined Energy & Carbon Reporting

During the financial year ended 30<sup>th</sup> April 2024, only one entity within the group met the energy use and carbon emissions threshold as set by the Department for Business, Energy and Industrial Strategy (BEIS). The scope is therefore limited to the operations of Wireless Logic Limited ("the entity"), registration number 03880663.

The entity has no direct emissions (scope 1) from direct use of transport as third parties are used and there is no combustion of natural gas. Following a review of electricity bills received (scope 2), the entity estimates it has used 15,256 kg CO<sub>2</sub>e from electricity in operations through the running of its office in Hurley, Maidenhead. The indirect emissions (scope 3) identified within the entity are related to business miles from cars and flights of 32,288 kg CO<sub>2</sub>e, an increase on the year ended 30<sup>th</sup> April 2023 as travelling, primarily relating to M&A activity, continues to increase.

Emission source	Year ended 30 <sup>th</sup> April 2024 kg CO <sub>2</sub> e	Restated Year ended 30 <sup>th</sup> April 2023 kg CO <sub>2</sub> e
<b>Energy purchased for own use:</b>		
Electricity	15,256	13,744
<b>Scope 2 greenhouse gas emissions</b>	<b>15,256</b>	<b>13,744</b>
<b>Indirect emissions</b>		
Business miles	32,288	17,527
<b>Scope 3 greenhouse gas emissions</b>	<b>32,288</b>	<b>17,527</b>
<b>Total</b>	<b>47,544</b>	<b>31,271</b>
<b>Intensity ratio (kg CO<sub>2</sub>e / UK FTE)</b>	<b>286</b>	<b>199</b>

The information above has been prepared internally using electricity bills and employee expense claims as inputs and then calculated using the Government's Environmental Reporting Guidelines and the emission factors taken from the UK Government GHG Conversion Factors 2021. UK FTE is 166 as reported within the Wireless Logic Limited financial statements (2023: 157) (Defra 2021 factors) available at <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024>. The group continues to look for opportunities to reduce its emissions wherever possible. Due to the already low emissions reported above aligned to the nature of its business, the group's carbon focus remains as being "Positive change through the IoT".

### Future developments

The strategy of the group remains focussed on growth. This will continue to be achieved through significant organic growth and, where acquisitions add value to the group, these will also be explored. The group has a presence across continental Europe, USA and China and is able to offer services to customers across the globe. The group has expanded its operations through the of Telroaming Advanced Communications trading as Webbing, in Israel. Further details of this acquisition are given in note 25.

## **Directors' report (continued)**

### **Future developments (continued)**

We continually invest in our SIMPro platform and other customer management platforms across the Group, as well as in the teams that support and develops these, to ensure we offer market leading services to our customers. As set out in the Strategic report, the directors believe the future outlook for the industry and the business remains extremely positive.

### **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the Report for the year ended 30<sup>th</sup> April 2024 and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group financial statements in accordance with UK-adopted international accounting standards and the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 group and company and of the profit or loss of the group for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed for the group financial statements and United Kingdom Accounting Standards, comprising FRS 101 have been followed for the company financial statements, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### **Directors' confirmations**

*In the case of each director in office at the date the directors' report is approved:*

- so far as the director is aware, there is no relevant audit information of which the group's and company's auditors are unaware; and
- they have 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 group's and company's auditors are aware of that information.

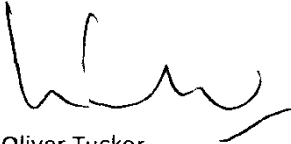
Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

**Directors' report (continued)**

**Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

The report of the directors was approved by the Board on 31<sup>st</sup> October 2024 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Oliver Tucker', with a horizontal line underneath.

Oliver Tucker  
Director

# Independent auditors' report to the members of Blue Holdco Limited

## Report on the audit of the financial statements

### Opinion

In our opinion:

- *Blue Holdco Limited's group financial statements and company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the company's affairs as at 30 April 2024 and of the group's loss and the group's cash flows for the year then ended;*
- *the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;*
- *the company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and*
- *the financial statements have been prepared in accordance with the requirements of the Companies Act 2006*

We have audited the financial statements, included within the Report (the "Annual Report"), which comprise: the Consolidated Statement of Financial Position and the Company Statement of Financial Position as at 30 April 2024; the Consolidated Statement of Comprehensive Income, Consolidated Cash Flow Statement, Consolidated Statement of Changes in Equity and Company Statement of Changes in Equity for the year then ended; and the notes to the financial statements, comprising material accounting policy information and other explanatory information.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Our audit approach

#### Context

Blue Holdco Limited holds debt which is listed on The International Stock Exchange. Its principal activity is that of a holding company. The principal activities of the group are providing managed services in the Machine to Machine ("M2M") and Internet of Things ("IOT") sectors.

#### Overview

##### Audit scope

- We tailored the scope of our audit to ensure that we performed sufficient work to be able to provide an opinion on the financial statements as a whole, taking into account the structure of the company and the group, the accounting processes and controls, and the industry in which the company and the group operates.

Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

Key audit matters

- Acquisition accounting (group)
- Going concern (group and parent)
- Exceptional operating items (group)

Materiality

- Overall group materiality: £4,900,000 (2023: £4,600,000) based on approximately 5% of EBITDA before exceptional operating costs.
- Overall company materiality: £4,300,000 (2023: £4,000,000) based on 1% of total assets, but restricted for the purpose of component materiality for the group audit.
- Performance materiality: £3,675,000 (2023: £3,450,000) (group) and £3,225,000 (2023: £3,000,000) (company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The key audit matters below are consistent with last year.

Key audit matter	How our audit addressed the key audit matter
<p>The group has made one acquisition during the year ended 30 April 2024. Refer to Note 25 in the financial statements. This acquisition falls under the scope of IFRS 3 Business Combinations which requires significant judgement in determining the fair value of assets acquired, including intangible assets which are inherently judgemental in nature. Our key audit matter focuses on the valuation of assets acquired.</p>	<p>In response to this matter we have performed the following procedures:</p> <ul style="list-style-type: none"> <li>• We reviewed the acquisition accounting including a review of the sale and purchase agreement, consideration paid, the valuation of intangibles acquired and resulting goodwill for the acquisition made in the year.</li> <li>• We tested key estimates and assumptions that contribute to the valuation of the intangible assets, such as the future cash flows of the acquired business and customer attrition rates.</li> <li>• We engaged our valuations experts to review the methodology, mathematical accuracy of the models and assumptions used in the calculations of the fair value of identifiable acquired intangible assets at fair value in accordance with IFRS 3, including the discount rate.</li> <li>• We tested acquired net assets for the acquisition, where material, back to source evidence as at the acquisition date.</li> <li>• We are satisfied that the assumptions and estimates applied in performing the acquisition accounting have been properly calculated using appropriate relevant data and in accordance with IFRS 3.</li> </ul> <p>The acquisition accounting has been appropriately disclosed in note 25 to the financial statements.</p>

<p>The group continues to be in a net liabilities position of £571m as disclosed in the consolidated statement of financial position, mainly due to the level of external debt and shareholder loans. The external borrowings amounting to £656m at the balance sheet date are due for repayment in the next 3 years. Covenant conditions are attached to these external borrowings. The shareholder loans have a maturity date of 25 July 2028. Management have performed a going concern assessment showing that the underlying trading of the business will be sufficient to meet its liabilities as they fall due for at least 12 months from the expected date of signing the financial statements. Management has prepared a future cash flow forecast covering the period up until October 2026 which shows continuous growth in the EBITDA before exceptional costs and positive operating cash flows. The group also monitors capital and borrowing on the basis of the leverage ratio. The covenant relating to the external bank loan (adjusted leverage ratio - Net Debt to adjusted EBITDA) is set at 12.0x. The leverage ratio as at 30 April 2024 was 5.35x and management future forecasts show continued compliance with the covenant requirements.</p>	<p>In response to this matter we have performed the following procedures:</p> <ul style="list-style-type: none"> <li>• We reviewed management’s going concern analysis, which includes forecast cash flows extending for a period of over 12 months from the signing date of these financials. As at the year end, the group held £55m of cash reserves, and continues to be operationally cash generative before exceptional costs.</li> <li>• As a result, the forecasts show that the group will continue to hold sufficient cash reserves to meet their working capital and debt service requirements for at least 12 months from the date of signing the financial statements.</li> <li>• We critically assessed management’s cash flow analysis, including assessing the reasonableness of key assumptions (including EBITDA growth rates compared to historic performance and post year end results), and performing sensitivity analysis over the Group’s cash generation and compliance with future covenant requirements. The sensitivities applied demonstrate that the group continues to maintain sufficient levels of cash and working capital to meet its debts as they fall due and comply with all required bank covenants.</li> <li>• Management’s analysis is dependent on the external and shareholder debt not being called during the going concern assessment period.</li> </ul> <p>Overall we concur with management’s assessment that the financial statements should be prepared on a going concern basis</p>
<p>The group has incurred £144m of costs for ‘Exceptional operating items’ as shown on the Statement of Comprehensive Income and disclosed in Note 6 of the financial statements. The assessment of the appropriateness of items disclosed within ‘Exceptional operating items’ is a key judgement because of their impact upon the reporting of the underlying financial performance achieved by the Group.</p>	<p>In response to this matter we have performed the following procedures:</p> <ul style="list-style-type: none"> <li>• We determined whether such classification is appropriate and consistent with the Group’s policy and past practice for recognition of such items, and whether, taken as a whole, the statement of comprehensive income is fair and balanced in its presentation.</li> <li>• We are satisfied that all material items included within ‘Exceptional operating items’ are distinguishable from “normal trading” items and that where relevant the categorisation was consistent with prior practice.</li> </ul>

**How we tailored the audit scope**

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the company, the accounting processes and controls, and the industry in which they operate.

The Group operates in a number of territories, including overseas, with a combination of local management overseeing the operations within these territories, supported by group management who are located in the UK. Group management oversees the overall accounting function and takes ownership over key judgements. In order to obtain sufficient coverage over the group consolidated financial statements, Wireless Logic Limited, Matooma SAS, Wireless SAS France and Telroaming Advanced Communication Solution Limited were identified as components requiring a full scope audit. Wireless Logic Limited, Matooma SAS and Telroaming Advanced Communication Solution Limited were identified as financially significant components given their contribution to group EBITDA. Audit procedures over these components were performed in combination by us as the UK group audit team or overseas audit teams reporting into us. For reporting by overseas teams, we have performed reviews of working papers and a site visit to France to be satisfied sufficient and appropriate audit work was performed. To ensure we obtained sufficient and appropriate coverage over our key financial statement line items and/or significant risks, additional targeted procedures were performed over Jola Cloud Solutions Limited and Arkessa Limited with a specific focus on testing over revenue and journal entries. We also performed central testing as a UK group team over other financial statement line items of the group, such as the external loans.

## Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

### The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the group's and company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the group's and company's financial statements.

### Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements - group	Financial statements - company
Overall materiality	£4,900,000 (2023: £4,600,000).	£4,300,000 (2023: £4,000,000).
Performance materiality	approximately 5% of EBITDA before exceptional operating costs	1% of total assets, but restricted for the purpose of component materiality for the group audit
Rationale for performance materiality	We applied this benchmark as we consider this metric is the most appropriate given the nature of the Group's activities, being a private equity backed trading group.	We applied this benchmark as we consider this metric is the most appropriate given the nature of the Company's activities, being an intermediate holding company

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was 467,000 - 4,655,000. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2023: 75%) of overall materiality, amounting to £3,675,000 (2023: £3,450,000) for the group financial statements and £3,225,000 (2023: £3,000,000) for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount in the middle of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £490,000 (group audit) (2023: £400,000) and £430,000 (company audit) (2023: £400,000) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

### Conclusions relating to going concern

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 group's and the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 30 April 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## Responsibilities for the financial statements and the audit

### Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

### Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to relevant UK tax regulations and the UK Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates or judgements to manipulate the results. The group engagement team shared this risk assessment with the component auditors so that they could include

## Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- Discussing with Blue Holdco Limited's management as to whether they are aware of known, suspected or alleged instances non-compliance with laws and regulations or fraud;
- Evaluating management's controls designed to prevent and detect irregularities or fraud;
- Reviewing board meeting minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates and judgements;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Identifying and testing unusual journal entries based on our risk assessment and evaluating whether there was evidence of management bias that represents a risk of material misstatement due to fraud; and
- Incorporating elements of unpredictability into the audit procedures performed.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report. In our engagement letter, we also agreed to describe our audit approach, including communicating key audit matters.

### Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## Other required reporting

### Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Imran Younus (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Reading  
31<sup>st</sup> October 2024

## Consolidated Statement of Comprehensive Income

		Year ended 30th April 2024	Restated* Year ended 30th April 2023
	Note	£'000	£'000
Revenue	5	256,691	179,861
Cost of sales		(99,238)	(68,510)
<b>Gross profit</b>		<b>157,453</b>	<b>111,351</b>
Distribution costs		(251)	(197)
Administrative expenses		(54,921)	(37,598)
Exceptional operating items	6	(143,889)	(80,642)
Depreciation	12	(3,905)	(2,386)
Amortisation	13	(50,777)	(36,440)
<b>Total administrative expenses</b>		<b>(253,492)</b>	<b>(157,066)</b>
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) before exceptional operating costs		<b>102,281</b>	<b>73,556</b>
<b>Operating loss</b>	<b>7</b>	<b>(96,290)</b>	<b>(45,912)</b>
Finance income	9	15,741	18,607
Finance costs	9	(141,800)	(105,928)
Net finance costs	9	(126,059)	(87,321)
<b>Loss before income tax</b>		<b>(222,349)</b>	<b>(133,233)</b>
Income tax income (credit)/charge	10	(9,444)	1,280
<b>Loss for the financial year</b>		<b>(231,793)</b>	<b>(131,953)</b>
Foreign currency gain		1,014	444
<b>Total comprehensive expense for the year</b>		<b>(230,779)</b>	<b>(131,509)</b>

All activities relate to continuing operations.

The notes on pages 29 to 66 are an integral part of these consolidated financial statements.

The company has elected to take the exemption under section 408 of the Companies Act 2006 from presenting the parent company profit and loss account. The loss for the parent company for the year was £20,511k (2023: £14,619k).

\*Restated – see note 31 for details.

Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

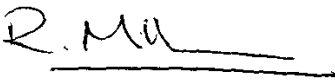
## Consolidated Statement of Financial Position

	Note	30th April 2024 £'000	Restated* 30th April 2023 £'000	Restated* 30th April 2022 £'000
<b>Non-current assets</b>				
Property, plant and equipment	12	10,145	6,331	5,146
Intangible assets	13	309,624	251,213	191,157
Goodwill	14	517,678	485,173	398,574
Deferred tax asset		589	-	-
		<b>838,036</b>	<b>742,717</b>	<b>594,877</b>
<b>Current assets</b>				
Inventories	16	5,206	4,559	2,842
Trade and other receivables	17	63,320	63,682	33,807
Cash and cash equivalents	18	54,997	41,830	34,228
		<b>123,523</b>	<b>110,071</b>	<b>70,877</b>
<b>Total assets</b>		<b>961,559</b>	<b>852,788</b>	<b>665,754</b>
<b>Current liabilities</b>				
Trade and other payables	19	(210,559)	(114,465)	(52,465)
Loans and other borrowings	21	(16,519)	(16,617)	(19,261)
Provisions		-	-	(6,000)
Current income tax liabilities		(576)	(2,262)	(6,135)
		<b>(227,654)</b>	<b>(133,344)</b>	<b>(83,861)</b>
<b>Non-current liabilities</b>				
Trade and other payables	20	(605,621)	(427,454)	(395,845)
Loans and other borrowings	21	(639,855)	(583,971)	(387,392)
Deferred tax liability	22	(59,044)	(48,435)	(35,685)
		<b>(1,304,520)</b>	<b>(1,059,860)</b>	<b>(818,922)</b>
<b>Total Liabilities</b>		<b>(1,532,174)</b>	<b>(1,193,204)</b>	<b>(902,783)</b>
<b>Net Liabilities</b>		<b>(570,615)</b>	<b>(340,416)</b>	<b>(237,029)</b>
<b>Equity</b>				
Called up share capital	24	283	283	8
Share premium account	24	29,194	29,194	1,927
Accumulated losses		(600,092)	(369,893)	(238,964)
<b>Total shareholders' deficit</b>		<b>(570,615)</b>	<b>(340,416)</b>	<b>(237,029)</b>

The notes on pages 29 to 66 are an integral part of these financial statements.

\*Restated – see note 31 for details.

The financial statements on pages 23 to 66 were authorised for issue by the board of directors and were signed on its behalf by:

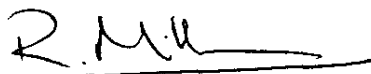
  
 Richard Miller  
 Director  
 Blue Holdco Limited, Registered number 11459265  
 31<sup>st</sup> October 2024

## Company Statement of Financial Position

	Note	30th April 2024 £'000	30th April 2023 £'000
<b>Non-current assets</b>			
Investments	11	28,307	28,307
		<b>28,307</b>	<b>28,307</b>
<b>Current assets</b>			
Trade and other receivables	17	530,297	379,579
Cash and cash equivalents	18	44	24
<b>Total current assets</b>		<b>530,341</b>	<b>379,603</b>
<b>Total assets</b>		<b>558,648</b>	<b>407,910</b>
<b>Current liabilities</b>			
Trade and other payables	19	(2,567)	(824)
<b>Total current liabilities</b>		<b>(2,567)</b>	<b>(824)</b>
<b>Non-current liabilities</b>			
Trade and other payables	20	(586,338)	(416,832)
<b>Total liabilities</b>		<b>(588,905)</b>	<b>(417,656)</b>
<b>Net liabilities</b>		<b>(30,257)</b>	<b>(9,746)</b>
<b>Equity</b>			
Called up share capital	24	283	283
Share premium account	24	29,194	29,194
Accumulated losses		(59,734)	(39,223)
<b>Total Equity</b>		<b>(30,257)</b>	<b>(9,746)</b>

The notes on pages 29 to 66 are an integral part of these financial statements.

The financial statements on pages 23 to 66 were authorised for issue by the board of directors and were signed on its behalf by:



Richard Miller  
Director

Blue Holdco Limited, Registered number 11459265  
31<sup>st</sup> October 2024

## Consolidated Statement of Changes In Equity

	Note	Ordinary shares £'000	Share premium £'000	SBP £'000	Accumulated losses £'000	Total equity £'000
<b>At 1<sup>st</sup> May 2022</b>		<b>8</b>	<b>1,927</b>	<b>5,659</b>	<b>(225,344)</b>	<b>(217,750)</b>
Restatement (note 31)					(19,279)	(19,279)
<b>At 1<sup>st</sup> May 2022 (Restated note 31)</b>	<b>24</b>	<b>8</b>	<b>1,927</b>	<b>5,659</b>	<b>(244,623)</b>	<b>(237,029)</b>
Loss for the year (Restated note 31)		-	-	-	(131,953)	(131,953)
Foreign currency gain		-	-	-	444	444
<b>Total comprehensive expense for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(131,509)</b>	<b>(131,509)</b>
<b>Transactions with owners recognised directly in equity:</b>						
Proceeds for shares issued		275	27,267	-	-	27,542
Share based payment	6	-	-	580	-	580
<b>Total transactions with owners recognised directly in equity</b>		<b>275</b>	<b>27,267</b>	<b>580</b>	<b>-</b>	<b>28,122</b>
<b>At 30<sup>th</sup> April 2023 (Restated note 31)</b>	<b>24</b>	<b>283</b>	<b>29,194</b>	<b>6,239</b>	<b>(376,132)</b>	<b>(340,416)</b>
Proceeds for shares issued		-	-	-	-	-
Loss for the year		-	-	-	(231,793)	(231,793)
Foreign currency gain		-	-	-	1,014	1,014
<b>Total comprehensive expense for the year</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(230,779)</b>	<b>(230,779)</b>
<b>Transactions with owners recognised directly in equity:</b>						
Share based payment	6	-	-	580	-	580
<b>Total transactions with owners recognised directly in equity</b>		<b>-</b>	<b>-</b>	<b>580</b>	<b>-</b>	<b>580</b>
<b>Balance as at 30th April 2024</b>	<b>24</b>	<b>283</b>	<b>29,194</b>	<b>6,819</b>	<b>(606,911)</b>	<b>(570,615)</b>

The notes on pages 29 to 66 are an integral part of these consolidated financial statements.

\*Restated – see note 31 for details.

## Company Statement of Changes In Equity

	Note	Called up share capital £'000	Share premium account £'000	Accumulated losses £'000	Total equity £'000
<b>Balance as at 1<sup>st</sup> May 2023</b>		<b>283</b>	<b>29,194</b>	<b>(39,223)</b>	<b>(9,746)</b>
Loss for the year		-	-	(20,511)	(20,511)
<b>Total comprehensive expense for the year</b>		<b>-</b>	<b>-</b>	<b>(20,511)</b>	<b>(20,511)</b>
<b>Balance as at 30<sup>th</sup> April 2024</b>	25	<b>283</b>	<b>29,194</b>	<b>(59,734)</b>	<b>(30,257)</b>

The notes on pages 29 to 66 are an integral part of these consolidated financial statements.

Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

## Consolidated Cash Flow Statement

		Year ended 30 <sup>th</sup> April 2024	Restated* Year ended 30 <sup>th</sup> April 2023
	Note	£'000	£'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	23	41,031	35,627
Income tax paid		(13,186)	(11,355)
<b>Net cash inflow from operating activities</b>		<b>27,845</b>	<b>24,272</b>
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries net of cash acquired		(109,095)	(144,575)
Purchase of property, plant and equipment		(5,788)	(1,342)
Purchase of intangible assets		(12,147)	(6,418)
<b>Net cash outflow in investing activities</b>		<b>(127,030)</b>	<b>(152,335)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(73,495)	(30,069)
Interest received		15,741	2,890
Purchase of financial instrument (interest rate cap)		(1,409)	(5,780)
Repayment of borrowings		(5,261)	5,249
Proceeds from borrowings		179,085	172,012
Refinancing costs related to new debt issued in the period		-	(9,458)
<b>Net cash inflow from financing activities</b>		<b>114,661</b>	<b>134,844</b>
Net inflow in cash and cash equivalents		15,476	6,781
Exchange (losses)/gains on cash and cash equivalents		(2,309)	821
<b>Cash and cash equivalents at beginning of year</b>		<b>41,830</b>	<b>34,228</b>
<b>Cash and cash equivalents at end of year</b>	18	<b>54,997</b>	<b>41,830</b>

The notes on pages 29 to 66 are an integral part of these consolidated financial statements.

The company has elected not to show a separate cash flow under the Companies Act 2006, Section 405: which provides exemptions for subsidiary undertakings from individual cash flow statements when consolidated accounts are available.

\*Restated – see note 31 for details.

## Notes to the Financial Statements

### 1 General information

The company's principal activity is to act as an intermediate holding company and does not trade with third parties. The group, of which the company is part, is principally engaged in the provision of managed services as a M2M and IoT platform provider.

The company is a private limited company and is incorporated and domiciled in England, United Kingdom. The address of its registered office is Horizon, Honey Lane, Hurley, Maidenhead, Berkshire, SL6 6RJ, United Kingdom.

### 2 Summary of significant accounting policies

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

#### 2.1 Basis of preparation

The group financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards. The group financial statements have been prepared under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments) at the fair value through the profit and loss account ("FVTPL").

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

The company financial statements of Blue Holdco Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The company financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006.

##### 2.1.1 Exemption from audit by parent guarantee

Under Section 479A of the Companies Act 2006, exemptions from an audit of the accounts for the year ended 30<sup>th</sup> April 2024 have been taken by the subsidiary companies stated below:

Company Name	Registered Number
PDJ (Shelf 1) Limited	07033866
Mtwom B Limited	07736150
Mtwom 1 Limited	07734719
Nucleus Networks Limited	06588701
Bluemango Technologies Limited	05923984
Cloud9 Communications Limited	07153956
Cloud9 Mobile Communications Limited	05474679
Cloud9 Mobile (SIMS) Limited	09234724
Blue Midco Limited	11459759
Blue Bidco Limited	11416365

## Notes to the Financial Statements (continued)

### 2.1.1 Exemption from audit by parent guarantee (continued)

Company Name	Registered Number
WL One Holdco Limited	09415388
WL One Midco 1 Limited	09415448
WL One Midco 2 Limited	09415467
WL One Bidco Limited	09415478
Wireless Logic Group Limited	07033895
Nexus Topco Limited	11296834
Nexus Midco Limited	11331743
Nexus Bidco Limited	11331753
Arkessa Limited	06917673
Mobius Topco Limited	12051566
Mobius Bidco Limited	12025150
Mobius Midco Limited	12051650
Mobius Networks Holdings Limited	05982716
Mobius Networks Limited	05384466
Jola Cloud Solutions Limited	08992420

Under Section 479C of the Companies Act 2006, Blue Holdco Limited, registration number 11459265, being the parent undertaking of the above companies has given a statutory guarantee of all the outstanding liabilities to which the companies are subject as at 30<sup>th</sup> April 2024.

### 2.1.2 Changes in accounting policy and disclosures

There are no new or amended accounting standards that required the group to change its accounting policies for the year ended 30<sup>th</sup> April 2024.

### 2.2 Going concern

The financial statements have been prepared on the going concern basis. The directors have reviewed the group's forecast cash position and continued covenant compliance. In addition to this, the directors have received confirmation that the investment vehicle used by Montagu Private Equity LLP will not seek repayment, for a period of at least 12 months from the date on which these financial statements are signed, of the loan notes which were created as part of its acquisition of the group in July 2018, the subsequent reinvestment made in June 2021 and the incremental investment made in July 2023. The directors have concluded that, based on the above, the group and company will continue to be able to meet its liabilities as they fall due for a period of at least 12 months from the date of the approval of these financial statements.

### 2.3 Business Combinations

The cost of an acquisition is measured as the aggregate of the fair values at the acquisition date, of the assets given, liabilities incurred or assumed and equity instruments issued by the group in exchange for control of the acquired entity. The identifiable assets, liabilities and contingent liabilities of the acquired entity are measured at fair value at the acquisition date. Acquisition related costs are recognised in the profit or loss account as incurred. Any excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognised as goodwill in the statement of financial position.

## Notes to the Financial Statements (continued)

### 2 Summary of significant accounting policies (continued)

#### 2.4 Consolidation

The Consolidated Financial Statements incorporate the financial statements of the group and entities controlled by the group from the date of acquisition, up to the reporting date. Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the group's accounting policies.

#### 2.5 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the company operates ('the functional currency'). The consolidated financial statements are presented in 'Pounds Sterling' (£'000), which is the group's presentation currency.

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where settlement of such transactions take place, and from the translation at period end exchange rates where items are re-measured. Foreign exchange gains and losses resulting from the settlement of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'.

##### (c) Group companies

On consolidation, the assets and liabilities of the group's overseas operations are translated at exchange rates prevailing on the statement of financial position date. Income and expense items are translated at average exchange rates for the period. All resulting exchange differences are recognised in other comprehensive income. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Realised and unrealised exchange differences arising are recognised in other comprehensive income.

#### 2.6 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is calculated to write down the cost of the assets over their estimated useful lives, using the straight-line method, on the following basis:

Land	0% per annum
Property	4% per annum
Leasehold improvements	33% per annum
Fixtures and fittings	33% per annum
IT equipment	33% per annum
Vehicles	20% per annum

## Notes to the Financial Statements (continued)

### 2 Summary of significant accounting policies (continued)

#### 2.6 Property, plant and equipment (continued)

The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Any gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other comprehensive income' in the Consolidated Statement of Comprehensive Income.

#### 2.7 Intangible assets

Goodwill arising on consolidation, as defined in the policy for business combinations, is initially measured at cost and is subsequently measured at cost less any accumulated impairment losses. Impairment testing is carried out at least annually, or more frequently if there is an indication that the asset may be impaired, by reference to the discounted future cash flows of the cash generating unit to which the goodwill is attributed. Impairment losses recognised are not written back. On disposal, the attributable amount of goodwill is included in the calculation of gain or loss on disposal.

- The intangible asset of "Customer relationships" arises on acquisition and the amortisation is calculated to write down the value in equal instalments over a finite period of between 4 and 12 years.
- Trade name and proprietary software also arise on acquisition and the amortisation is calculated to write down the value in equal instalments over a finite period of between 5 and 15 years.
- Subscriber acquisition assets relate to acquisitions of customer lists which are valued at cost. Amortisation is calculated to write down the cost of customer connections by equal annual instalments over the initial contract period, being 3 years.

Development costs are capitalised only if they meet all the criteria set out in IAS 38 for capitalising such costs. The costs directly attributable to development are capitalised and then amortised on a straight-line basis, over the expected useful life which is typically 3 years. The directly attributable costs must be reasonably certain of developing an asset that brings future economic benefit to the group across either new assets used internally and or products sold externally. Internal examples include the SIMPro platform which offers customers a unique and differentiated feature rich platform to enable them to manage their assets across multiple networks. We continue to add further additional services to SIMPro in order to meet the growing needs of our customer base.

Computer software comprises software licences purchased from third parties and capitalised based on the costs incurred to acquire and bring into use the specified software. Amortisation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful life from the date the software is available for use, typically 3 years.

## **Notes to the Financial Statements (continued)**

### **2 Summary of significant accounting policies (continued)**

#### **2.8 Impairment of non-financial assets**

Non-financial assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating unit). Prior impairments of non-financial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

#### **2.9 Derivative financial instruments and hedging activities**

The group had derivative financial instruments, being interest rate cap agreements. These agreements are subjected to a fair value remeasurement at year end given the nature of the cap arrangement. The movement of fair value is included within finance costs.

#### **2.10 Investment in subsidiary**

Investments in the subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

#### **2.11 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method.

#### **2.12 Trade and other receivables**

Trade and other receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less they are classified as current assets. If not, they are presented as non-current assets.

#### **2.13 Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

#### **2.14 Cash and cash equivalents**

In the consolidated cash flow statement, cash and cash equivalents include cash in hand, deposits held on call with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

## **Notes to the Financial Statements (continued)**

### **2 Summary of significant accounting policies (continued)**

#### **2.15 Share capital**

Ordinary shares are classified as equity, shares or limited by equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### **2.16 Trade payables**

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers or as part of intercompany transactions. Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### **2.17 Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down.

Refinancing of borrowings are assessed to determine whether the refinancing is an extinguishment or a modification.

Where the assessment determines the refinancing to be an extinguishment, the old liability is derecognised in its entirety and the new liability is recognised at its fair value. If the new liability is at a market rate, then the fair value will be equal to the transaction price (i.e. the proceeds).

Any difference between the carrying amount of the old liability and the new liability is taken to profit or loss as a gain or loss on extinguishment of the old liability. The carrying amount of the old liability includes the deduction for any unamortised transaction costs capitalised against the old liability, and written off to profit or loss as part of the gain or loss on extinguishment. The gain or loss on extinguishment is presented within finance income or finance costs.

Any accrued interest up to the date of modification is settled in cash and accounted for as a finance cost, and does not form part of the carrying amounts in determining the gain or loss on extinguishment.

## **Notes to the Financial Statements (continued)**

### **2 Summary of significant accounting policies (continued)**

#### **2.18 Current and deferred income tax**

Tax expenses comprise current and deferred tax. Tax is recognised in the consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in accumulated losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the group and company operate and generate taxable income. Management periodically evaluates positions taken in group and company tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income taxes assets and liabilities relate to income taxes, levied by the same taxation authority, on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### **2.19 Contingent Consideration**

Contingent consideration relates to earnout payments arising from past acquisitions. These payments are due as a result of terms within the sale and purchase agreements that create an alignment of interest between the seller and the Group including the achievement of specified performance targets and for the sellers to remain employed with the business over the earnout period. These payments are treated as operating costs as per IFRS3 and the expense is accrued based on the expected achievement of the performance targets at the year end.

## **Notes to the Financial Statements (continued)**

### **2 Summary of significant accounting policies (continued)**

#### **2.20 Revenue recognition**

Revenue is the total amount receivable by the company for goods and services provided, excluding VAT and trade discounts. To recognise revenue under IFRS 15, the Group applies the following five steps:

1. identify the contract(s) with a customer.
2. identify the performance obligations in the contract.
3. determine the transaction price.
4. allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract.
5. recognise revenue when a performance obligation is satisfied by transferring a promised good or service to a customer. For a performance obligation satisfied over time, the group will select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied.

As discussed in the Strategic report the group's business is based around a subscription model with monthly charges to customers. The group provides connectivity linked to data usage and access to platform-based services. Performance obligations are distinct, clearly linked to specific contracts and customers benefit from these each month. Charges are raised and revenue recognised on a monthly basis with payment typically satisfied in the following month.

Revenue is principally derived from the company's principal activities of M2M and IoT managed services, which the directors consider comprise a single class of business. A small amount of revenue (c.2%) is derived from the sale of related hardware recognised at a point in time. Hardware revenue is recognised at fair value on delivery where the hardware is not linked to ongoing connectivity requirements.

#### **2.21 Interest income**

Interest income is recognised using the effective interest method. If any loan and receivable was impaired, the group would reduce the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument and continue unwinding the discount as interest income.

#### **2.22 Exceptional Items**

The company classifies as exceptional items certain charges and credits that are not part of the indicative underlying trading result of the business, including one-off and non-recurring items, such that they have a material impact on the company's financial results. In addition, unrealised foreign exchange items are shown as exceptional items. These are disclosed separately to provide further understanding of the financial performance of the company accordingly.

## Notes to the Financial Statements (continued)

### 2 Summary of significant accounting policies (continued)

#### 2.23 Share-based payments

In accordance with IFRS 2 'Share-based Payment', the fair value of shares held by employees has been estimated at the date of their issue using a discounted cash flow. This is accounted for as an equity settled share-based payment scheme. The related charge is recognised on a straight-line basis over the vesting period as an exceptional cost in the consolidated Statement of Comprehensive Income, with a corresponding increase in equity.

#### 2.24 Leases

The group's material portfolio of leases relates to its property, there are immaterial leases in place for vehicles and other office equipment.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of lease payments. The group's payments are fixed payments, less any lease incentives receivable. Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the group uses the third-party financing rate.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

## Notes to the Financial Statements (continued)

### 2.24 Leases (continued)

#### Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

## 3 Financial risk management

### 3.1 Group financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk and cash flow interest risk) and credit risk. The group's overall risk management programme focuses on the mitigation of unpredictability.

#### (a) Market risk

##### (i) Foreign exchange risk

The group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the USD, Danish Krone, Norwegian Krone and Euros. Foreign exchange risk arises from commercial transactions, recognised assets and liabilities and net investments in foreign operations. The group benefits from a natural hedge in that in Denmark, Norway and Continental Europe it has both revenues and costs in local currency.

##### (ii) Cash flow interest rate risk

The group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates exposes the group to cash flow interest rate risk which is partially offset by cash held at variable rates. The group manages its cash flow interest rate risk through an interest rate cap agreement.

#### (b) Credit risk

Credit risk is managed on a group basis, except for credit risk relating to accounts receivable balances where each local entity is responsible for managing and analysing the credit risk for each of their new customers before standard contracts are offered. Credit risk arises from cash and cash equivalents and outstanding receivables. See note 17 for further disclosure on credit risk.

## Notes to the Financial Statements (continued)

### 3.2 Capital management

The group's objectives when managing capital and borrowings include safeguarding the group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The group monitors capital and borrowing on the basis of the leverage ratio, a financial covenant ratio which measures net debt relative to adjusted earnings before interest, tax, depreciation and amortisation (EBITDA). On the 30<sup>th</sup> April 2024 the leverage ratio was 5.3x (30<sup>th</sup> April 2023: 6.8x) which was significantly lower than the maximum ratio of 12.0x specified in the groups Senior Facilities Agreement (SFA) with the lender.

	Year ended/as at 30 <sup>th</sup> April 2024 £'000	Year ended/as at 30 <sup>th</sup> April 2023 £'000
Total borrowings – see note below (note 21)	656,374	600,588
Less: Cash and cash equivalents (note 18)	(54,997)	(41,830)
Foreign exchange difference	3,293	(6,623)
<b>Net debt</b>	<b>604,670</b>	<b>552,135</b>
EBITDA	102,281	73,556
Pro Forma adjustments	14,785	8,762
Remove impact of IFRS16	(2,237)	(1,157)
<b>Leverage EBITDA</b>	<b>114,829</b>	<b>81,161</b>
<b>Leverage ratio</b>	<b>5.3</b>	<b>6.8</b>

The EBITDA and borrowings definitions used in the calculation above follows the covenant definition in the facilities agreement which differs from the standard definition of EBITDA and borrowings within these financial statements including an adjustment for the pro-rata impact of acquisitions made during the year and related synergies adjustments as permitted under the SFA.

The 'foreign exchange difference' is due to the financing agreement defining a different foreign exchange rate to be used than the rate used within these financial statements.

### 4 Critical accounting estimates and judgements

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### (a) Impairment of investments in subsidiaries – parent company only

Impairment reviews of investments in subsidiaries are undertaken if there is an impairment trigger in accordance with IAS 36. In determining whether an investment in a subsidiary is impaired, the group estimates the value in use of the cash generating unit, which also supports the recoverability of intragroup receivables. This requires the group to estimate the future cash flows expected to arise from the cash generating unit, discounted using a suitable discount rate in order to calculate present value. The discount rate applied in the value in use calculation approximates to the group's Weighted Average Cost of Capital. A provision is made for impairment should this arise from the impairment review.

## **Notes to the Financial Statements (continued)**

### **4 Critical accounting estimates and judgements (continued)**

#### **(b) Estimated impairment of goodwill and other intangible assets**

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated.

The value in use calculation requires the group to estimate the future cash flows expected to arise from the cash-generating unit, discounted using a suitable discount rate in order to calculate present value. The discount rate applied in the value in use calculation approximates to the Weighted Average Cost of Capital assessed for each local entity i.e. adjusted for local conditions. The group tests at the end of every accounting period whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.7. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates (note 14).

#### **(c) Impairment of trade receivables**

The company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables, management considers factors including the nature of the charges, the ageing profile of receivables and historical experience in order to develop an expected credit loss. See note 17 for the net carrying amount of the receivables and associated impairment provision.

#### **(d) Valuation of intangible assets on acquisition**

On acquisition of subsidiaries as shown in note 25, the fair value of intangible assets are measured with reference to future estimated performance, which are subject to managements estimation of growth based on historical performance.

## Notes to the Financial Statements (continued)

### 5 Revenue

The group is managed on both a consolidated and parent company basis in terms of reporting to the Chief Executive Officer and the Board for the purposes of assessment of performance. An analysis of revenue by geography of the Group's legal entity who hold the contract with the customer is summarised in the table below:

Group	Year ended	Year ended
	30 <sup>th</sup> April 2024	30 <sup>th</sup> April 2023
Geographical source	£'000	£'000
UK	101,275	88,851
France	33,239	28,823
Germany	10,779	9,777
Spain	2,904	2,464
Norway	12,559	15,351
Netherlands	25,251	19,703
Austria	9,320	10,638
Italy	3,829	3,338
Israel	52,093	-
Rest of world	5,442	916
	<b>256,691</b>	<b>179,861</b>

Included within revenue is £4,621k (2023: £3,729k) of deferred revenue released in the year.

The Group has various contracts with customers including fixed term contracts that include a committed monthly line rental that span greater than year. The one remaining determinable performance obligations relates to monthly line rental, where customer billing takes place on a monthly basis which matches the service the customer receives for the same period. For this reason the practical expedient has been taken under IFRS 15 to not disclose further details about unsatisfied performance obligations.

### 6 Exceptional operating items

The group classifies as exceptional items certain charges that are not part of the indicative underlying trading result of the business, including one-off and non-recurring items, such that they have a material impact on the group's financial results. These are disclosed separately to provide further understanding of the financial performance of the group accordingly. During the year, the exceptional items as detailed below have been included in total administrative expenses in the income statement.

**Notes to the Financial Statements (continued)**

**6 Exceptional operating items (continued)**

Group	Year ended	Restated*
	30 <sup>th</sup> April 2024	30 <sup>th</sup> April 2023
	£'000	£'000
Exceptional operating costs relating to mergers and acquisitions activity	(5,310)	(6,543)
Unrealised foreign exchange gain/(losses)	3,671	(12,320)
Other exceptional operating costs	(812)	(492)
Share based payment charge	(580)	(580)
Earn out provisions	(140,858)	(60,128)
Exceptional expenses relating to provisions	-	(579)
	<b>(143,889)</b>	<b>(80,642)</b>

The comparative figures have been restated following a review of the acquisition accounting policy for the Group's recognition of goodwill and intangibles leading to a correction to the treatment of contingent deferred consideration. The restatement reclassifies earn out payments which were previously capitalised as part of the acquisition cost, as they relate to the acquisition of shares. As a result of terms within the sale and purchase agreements that create an alignment of interest between the seller and the Group including the achievement of specified performance targets and for the sellers to remain employed with the business over the earnout period, these payments will now be treated as operating costs as per IFRS3. These costs are included within exceptional items. See note 31 for details.

Exceptional items include an expense of £141m relating to contingent deferred consideration agreed as part of the acquisitions of Webbing, Jola Cloud solutions and Mobius that is required to be booked to the income statement as per IFRS 3. The expense in the prior year relates to contingent deferred consideration of Jola Cloud solutions, Mobius, DataMobile and Com4.

The exceptional costs relating to mergers and acquisitions during the year ended 30<sup>th</sup> April 2024 include costs for recent acquisitions, as shown in note 25. Significant costs include professional fees in relation to due diligence and legal fees of prospective acquisition targets.

The group has invested in some strategic development plans during the year that have not directly related to generating EBITDA and the costs associated with this are therefore treated as exceptional within 'other exceptional operating costs'. Typical projects include the expansion efforts into APAC and additional investment in Norway.

Unrealised foreign exchange gains of £3,671k (2023: £12,320k loss) relate to balances created on both external and intercompany loan translations. The main driver for this loss is the movement in the EURO of c.3% in the year on an external debt balance of c.€304m.

## Notes to the Financial Statements (continued)

### 6 Exceptional operating items (continued)

During the previous year amounts were booked to exceptional items for employment related earn out provisions as a result of improved performance linked to businesses the group has acquired, as well as fair value adjustments on settlement of historical provisions. The fair value adjustments relate to performance driven earn out provisions, where the actual results for the respective entity exceeded the provisional calculations. No equivalent expenses were booked in the year ended 30<sup>th</sup> April 2024.

The share-based payment charge reflects the IFRS2 charge expensed to the consolidated statement of comprehensive income and the costs related to the equity scheme created in the year ended 30<sup>th</sup> April 2022 (£580k). This equity scheme is due to be spread over 5 years and was valued at £2,901k.

### 7 Operating loss

Operating loss has been arrived at after charging:

Group	Year ended	Restated*
	30 <sup>th</sup> April 2024	Year ended 30 <sup>th</sup> April 2023
	£'000	£'000
Exceptional administrative expenses (note 6)	143,889	80,642
Depreciation of tangible fixed assets (note 12)	3,905	2,386
Amortisation of intangible assets (note 13)	50,777	36,440
Research and development costs (note 13)	5,408	5,648
Marketing costs	3,161	1,242
Fees payable to company's auditors and its associates for the audit of parent company and consolidated financial statements	432	452
Fees payable to company's auditors and its associates for other services:		
- The audit of company's subsidiaries	112	183
- Tax advisory services	170	241

### 8 Employees and directors

The average monthly number of persons (including executive directors) employed by the group for the year was:

Total Employees By department	2024	2023
	No.	No.
Sales	303	214
Technical	232	155
Finance	70	45
Total Employees	605	414

Employees	Year ended	Year ended
	30 <sup>th</sup> April 2024	30 <sup>th</sup> April 2023
Group Salaries	£'000	£'000
Wages and salaries	29,285	20,436
Social security costs	5,357	3,031
Staff costs	34,642	23,467
Share based payment charges	580	580
Staff costs including EBT and Share based payment charges	35,222	24,047

## Notes to the Financial Statements (continued)

### 8 Employees and directors (continued)

#### Directors

The directors' emoluments were as follows:

	Year ended 30 <sup>th</sup> April 2024	Year ended 30 <sup>th</sup> April 2023
	£'000	£'000
Total aggregate emoluments	392	383

There were no entity contributions paid, or treated as paid, to a pension scheme in respect of directors' qualifying services, being contributions by reference to which the rate or amount of any money purchase benefits that may become payable will be calculated. No retirement benefits are accruing under money purchase pension schemes in respect of qualifying services. No share options were exercised in the year.

#### Highest paid director

The highest paid directors' aggregate emoluments for the year ended 30<sup>th</sup> April 2024 were £214k (2023: £211k). Further information regarding key management can be found under note 28, related party transactions.

### 9 Finance income and costs

#### Finance income

	Year ended 30 <sup>th</sup> April 2024	Year ended 30 <sup>th</sup> April 2023
	£'000	£'000
Bank interest income	255	15
Interest income from fair value of financial assets held for cash management purposes	15,486	18,592
<b>Total finance income</b>	<b>15,741</b>	<b>18,607</b>

Interest income from financial assets held for cash management purposes represents the fair value of interest rate cap agreements that cover the majority of the third-party bank institution debt. These instruments are disclosed within note 15.

#### Finance costs

	Year ended 30 <sup>th</sup> April 2024	Year ended 30 <sup>th</sup> April 2023
	£'000	£'000
Interest paid on bank borrowings	(83,983)	(46,188)
Amortisation of debt related transaction costs	(3,826)	(8,832)
Other debt related costs	-	(5,436)
Interest payable on parent group borrowings	(53,824)	(45,338)
Interest charge related to leases – IFRS16	(167)	(134)
<b>Total finance costs</b>	<b>(141,800)</b>	<b>(105,928)</b>

## Notes to the Financial Statements (continued)

### 10 Income tax charge/(credit)

#### Tax expense included in statement of comprehensive income

Group	Year ended	Restated*
	30 <sup>th</sup> April 2024	Year ended 30 <sup>th</sup> April 2023
	£'000	£'000
<b>Current tax:</b>		
Current tax on UK profits for the year	(2,241)	(716)
Adjustments in respect of prior years	269	(9)
Foreign tax suffered	12,866	7,475
<b>Total current tax</b>	<b>10,894</b>	<b>6,750</b>
<b>Deferred tax (note 22)</b>		
Current year	(4,831)	(7,190)
Adjustments in respect of prior years	3,381	(2,393)
Effect of changes in tax rates	-	1,553
<b>Total deferred tax credit</b>	<b>(1,450)</b>	<b>(8,030)</b>
<b>Income tax charge/(credit)</b>	<b>9,444</b>	<b>(1,280)</b>

The tax on the group profit before tax differs from the theoretical amount that would arise using the standard rate of UK corporation tax of 25.00% (2023: 19.50%) as follows:

	Year ended	Restated*
	30 <sup>th</sup> April 2024	Year ended 30 <sup>th</sup> April 2023
	£'000	£'000
<b>Loss before tax</b>	<b>(222,349)</b>	<b>(133,233)</b>
<i>Tax calculated at standard rate of UK corporation tax of 25.00% (2023: 19.50%)</i>	<i>(55,587)</i>	<i>(25,980)</i>
Effects of:		
- Adjustments in respect of prior years	3,650	(2,402)
- Expenses not deductible for tax purposes	63,866	25,051
- Use of losses brought forward	(67)	-
- Tax rate changes	-	1,553
- Research and development tax credit	-	(250)
- Overseas tax rates	(2,699)	567
- FX revaluations	(428)	181
- Deferred tax recognised on future dividend distribution	709	-
<b>Tax charge</b>	<b>9,444</b>	<b>(1,280)</b>

The standard rate of corporation tax in the UK was 25.00%. This has been applied in the reconciliation of the tax expense. UK deferred tax balances have been valued at 25.00% (2023: 25.00%).

**Notes to the Financial Statements (continued)**

**11 Investments**

	<b>Company</b>
	<b>2024</b>
<b>Cost and Net Book Value</b>	<b>£'000</b>
As at 1 <sup>st</sup> May 2023	<b>28,307</b>
Investment in the year	-
<b>As at 30<sup>th</sup> April 2024</b>	<b>28,307</b>

The company directly holds 100% of the share capital of the following company.

Company name	Nature of the business	Registered Address	Class	%
Blue Midco Limited	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100

The company indirectly holds share capital in the following companies.

Company name	Nature of the business	Registered Address	Class	%
Blue Bidco Limited	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
WL One Manco Limited	Intermediate holding company	22 Grenville Street, St Helier, Jersey, JE4 8PX	Ordinary	100
WL One Holding Limited	Intermediate holding company	22 Grenville Street, St Helier, Jersey, JE4 8PX	Ordinary	100
WL One Holdco Limited*	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
WL One Midco 1 Limited*	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
WL One Midco 2 Limited*	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
WL One Bidco Limited*	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Mtwom 1 Limited*	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Mtwom B Limited*	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
PDJ (Shelf 1) Limited*	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Deferred Ordinary A Ordinary B	100
Wireless Logic Group Limited	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary Ordinary non-voting	100
Wireless Logic Limited	M2M Managed service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Wireless Logic GmbH	M2M Managed service provider	Am Hochacker 4, 85630 Grasbrunn, Germany	Ordinary	100
Wireless Logic SAS	M2M Managed service provider	Parc de la Duranne, 255 Avenue de Gailliee, 13857 Aix-En-Provence, Cedex3, France	Ordinary	100

**Notes to the Financial Statements (continued)****11 Investments (continued)**

<b>Company name</b>	<b>Nature of the business</b>	<b>Registered Address</b>	<b>Class</b>	<b>%</b>
Wireless Logic SL	M2M Managed service provider	C/Jose Luise Goioage 32, Oficina 103, 48950 Erandio, Spain	Ordinary	100
Wireless Logic Nordic ApS	Intermediate holding company	Valdemarshaab 11,1., 4600 Koge, Denmark	Ordinary	100
Wireless Logic Nordic A/S	M2M Managed service provider	Valdemarshaab 11,1., 4600 Koge, Denmark	Ordinary	100
Nucleus Networks Limited	Hardware and services provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Bluemango Technologies Limited	IOT Managed service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Cloud9 Communications Limited	IOT Managed service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Cloud9 Mobile Communications Limited	IOT Managed service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Cloud9 Mobile (SIMS) Limited	IOT Managed service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Wireless Logic mdex GmbH	M2M Managed value added services and SMS provider	Bäckerbarg 6, 22889 Tangstedt, Germany	Ordinary	100
IC3S International Holding GmbH	M2M Managed value added service provider	Bäckerbarg 6, 22889 Tangstedt, Germany	Ordinary	100
Wireless Logic Holding B.V.	M2M Managed value added services and SMS provider	Geograaf 12, 6921 EW Duiven, Netherlands	Ordinary	100
M2M Blue Ventures B.V.	M2M Managed value added service provider	Geograaf 12, 6921 EW Duiven, Netherlands	Ordinary	100
BSS B.V.	M2M Managed value added service provider	Geograaf 12, 6921 EW Duiven, Netherlands	Ordinary	100
Wireless Logic Benelux B.V.	M2M Managed value added service provider	Esp 237, 5633 AD Eindhoven, The Netherlands	Ordinary	100
Wireless Logic Holding France SAS	Intermediate holding company	8 rue Saint-Augustin, 75002, Paris, France	Ordinary	100
Matooma SAS	M2M Managed value added service provider	ZAC de l'aéroport Entrée 2 SIS 2630 Le Liner, Avenue Georges Frêche, 34470 Pérols, France	Ordinary	100
Matooma North America Inc.	M2M Managed value added service provider	Paracorp Incorporated, 2140 S Dupont Highway, Camden, Kent De 19934	Ordinary	100
Wireless Logic China	M2M Managed value added services and SMS provider	No11 Hehai East Road, Tianning District, Changzhou, China	Ordinary	100
Wireless Logic Holding Italy Srl	Intermediate holding company	Piazza Luigi di Savoia 22, 20124 Milan, Italy	Ordinary	100
Things Mobile Srl	M2M Managed value added services and SMS provider	Piazza Luigi di Savoia 22, 20124 Milan, Italy	Ordinary	100

**Notes to the Financial Statements (continued)****11 Investments (continued)**

Company name	Nature of the business	Registered Address	Class	%
Nexus Topco Limited	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Nexus Midco Limited	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Nexus Bidco Limited	Intermediate holding company	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Arkessa Limited	M2M Managed value added service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Arkessa GmbH	M2M Managed value added service provider	Alte Marktoberdorfer Str. 14, 87616 Marktoberdorf	Ordinary	100
Arkessa B.V.	M2M Managed value added service provider	Klerkenveld 15, 4704SV Roosendaal, Netherlands	Ordinary	100
Comvision B.V.	M2M Managed value added service provider	Klerkenveld 15, 4704SV Roosendaal, Netherlands	Ordinary	100
Arkessa Inc	M2M Managed value added service provider	614 N DuPont Hwy, Ste 210, Dover, DE 19901	Ordinary	100
Wireless Logic GmbH	Intermediate holding company	Untere Donaulände 21-25, 4020 Linz, Austria	Ordinary	100
DataMobile AG	M2M Managed value added service provider	Industriering 14, 9491 Ruggell, Liechtenstein	Ordinary	100
Wireless Logic Nordic Holding AS	Intermediate holding company	Valdemarshaab 11,1., 4600 Koge, Denmark	Ordinary	100
Com4 AS	M2M Managed value added service provider	Karvesvingen 5, 0579 OSLO	Ordinary	100
Com4 Sweden AB	M2M Managed value added service provider	Valhallavägen 153, 115 31 Stockholm	Ordinary	100
Mobius Networks Limited	M2M Managed value added service provider	Walker Rd, Bardon Hill, Coalville LE67 1TU	Ordinary	100
Mobius Networks Holdings Limited	Intermediate holding company	Walker Rd, Bardon Hill, Coalville LE67 1TU	Ordinary	100
Mobius Midco Limited	Intermediate holding company	Walker Rd, Bardon Hill, Coalville LE67 1TU	Ordinary	100
Mobius Bidco Limited	Intermediate holding company	Walker Rd, Bardon Hill, Coalville LE67 1TU	Ordinary	100
Mobius Topco Limited	Intermediate holding company	Walker Rd, Bardon Hill, Coalville LE67 1TU	Ordinary	100
Jola Cloud Solutions Limited	M2M Managed value added service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
Zapappi Limited	M2M Managed value added service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary	100
IoThink Solutions	M2M Managed value added service provider	5 Chem. des Presses, 06800 Cagnes-sur-Mer, France	Ordinary	100
Blue Wireless Pte. Ltd	M2M Managed value added service provider	60 Paya Lebar Rd, #13-18 Paya Lebar Square, Singapore 409051	Ordinary	100
Go Wireless Pte Ltd	M2M Managed value added service provider	60 Paya Lebar Rd, #13-18 Paya Lebar Square, Singapore 409051	Ordinary	100
Blue Wireless (UK) Ltd	M2M Managed value added service provider	First Floor Right - Alford House Bell Meadow Business Park, Park Lane, Pulford, Chester, CH4 9EP	Ordinary	100

## Notes to the Financial Statements (continued)

### 11 Investments (continued)

Company name	Nature of the business	Registered Address	Class	%
Blue Wireless (Europe) B.V.	M2M Managed value added service provider	Kabelweg 57, 1014BA, Amsterdam, Netherlands	Ordinary	100
Blue Wireless New Zealand Ltd.	M2M Managed value added service provider	Flat 4, 123 Victoria Street, Christchurch 8013, New Zealand	Ordinary	100
Blue Wireless Americas LLC	M2M Managed value added service provider	11 S 12th St, Suite 300C, Richmond, VA23219, United States of America	Ordinary	100
Blue Wireless (Malaysia) Sdn. Bhd.	M2M Managed value added service provider	B2-3-1, Solaris Dutamas, No.1 Jalan Dutamas 1, 50480 Kuala Lumpur, Malaysia	Ordinary	100
Telroaming Advanced Communication Solution Ltd (T/A Webbing)	M2M Managed value added service provider	94 Shlomo Shmeltzer Rd., Petach-Tikva, 4970602, Israel	Ordinary	100
Webbing Hong Kong Limited	M2M Managed value added service provider	17/F Yue Hing Building, 103 Hennessy Road, Wanchai, Hong Kong	Ordinary	100
Webbing USA Inc	M2M Managed value added service provider	540 Cowper Street, Suite 200, Palo Alto CA 94301	Ordinary	100

The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

\* subsidiaries applied for strike off

### 12 Property, plant and equipment

	Land	Property	Leasehold improvements	Fixtures and fittings	Vehicle	IT Equipment	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>							
At 1 <sup>st</sup> May 2023	153	299	8,712	637	34	5,752	15,587
Reclassifications	-	-	(13)	13	-	-	-
On acquisition	-	-	1,668	135	-	246	2,049
Additions	-	9	1,233	90	-	4,952	6,284
Disposal	-	-	(665)	(2)	-	(112)	(779)
Foreign exchange	(5)	(42)	(290)	(39)	(1)	(314)	(691)
At 30 <sup>th</sup> April 2024	148	266	10,645	834	33	10,524	22,450
<b>Accumulated depreciation</b>							
At 1 <sup>st</sup> May 2023	-	137	5,376	349	(21)	3,415	9,256
Reclassification	-	-	(5)	5	-	-	-
Charge for the year	-	51	2,052	111	21	1,670	3,905
Disposal	-	-	(267)	(2)	-	(107)	(376)
Foreign exchange	-	(79)	(13)	(37)	-	(351)	(480)
At 30 <sup>th</sup> April 2024	-	109	7,143	426	-	4,627	12,305
<b>Net book value</b>							
At 30 <sup>th</sup> April 2024	148	157	3,502	408	33	5,897	10,145
At 30 <sup>th</sup> April 2023	153	162	3,336	288	55	2,337	6,331

Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

## Notes to the Financial Statements (continued)

### 12 Property, plant and equipment (continued)

	Land	Property	Leasehold improvements	Fixtures and fittings	Vehicle	IT Equipment	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>							
At 1 <sup>st</sup> May 2022	144	231	7,237	507	11	3,926	12,056
Reclassifications	-	-	-	6	-	(6)	-
On acquisition	-	-	1,205	41	26	688	1,960
Additions	-	9	267	58	6	1,206	1,546
Disposal	-	-	(6)	(7)	(21)	(251)	(285)
Foreign exchange	9	59	9	32	12	189	310
<b>At 30<sup>th</sup> April 2023</b>	<b>153</b>	<b>299</b>	<b>8,712</b>	<b>637</b>	<b>34</b>	<b>5,752</b>	<b>15,587</b>
<b>Accumulated depreciation</b>							
At 1 <sup>st</sup> May 2022	-	39	4,011	247	(31)	2,644	6,910
Reclassification	-	-	-	6	-	(6)	-
Charge for the year	-	51	1,362	83	23	867	2,386
Disposal	-	-	-	(7)	(21)	(240)	(268)
Foreign exchange	-	47	3	20	9	150	228
<b>At 30<sup>th</sup> April 2023</b>	<b>-</b>	<b>137</b>	<b>5,376</b>	<b>349</b>	<b>(21)</b>	<b>3,415</b>	<b>9,256</b>
<b>Net book value</b>							
At 30 <sup>th</sup> April 2023	153	162	3,336	288	55	2,337	6,331
At 30 <sup>th</sup> April 2022	144	192	3,226	260	42	1,282	5,146

### Leases

This note provides information for leases where the group is a lessee. The group has no leases where the group is a lessor.

#### Amounts recognised in the statement of financial position relating to leases:

	30 <sup>th</sup> April 2024	30 <sup>th</sup> April 2023
	£'000	£'000
Right of use assets included within leasehold improvements	3,159	3,060
<b>Lease Liabilities:</b>		
Current	(1,649)	(1,351)
Non-current	(1,705)	(2,041)
	<b>(3,354)</b>	<b>(3,392)</b>

Additions to the right of use assets during the year ended 30<sup>th</sup> April 2024 were £2,648k (2023: £113k).

**Notes to the Financial Statements (continued)****12 Property, plant and equipment (continued)**

Amounts recognised in the statement of comprehensive income shows the following amounts relating to leases:

	Year ended 30 <sup>th</sup> April 2024 £'000	Year ended 30 <sup>th</sup> April 2023 £'000
Depreciation charge of right of use assets	1,932	1,278
Interest expenses included in finance cost	(167)	(134)

**13 Intangible assets**

Restated* Intangible Assets	Customer Relationships	Trade name	Acquired Software	Subscriber	Software	Development	Total
Group	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>							
At 1 <sup>st</sup> May 2023	255,846	20,436	64,454	8,779	5,077	19,165	373,757
Reclassification	-	-	-	-	666	(666)	-
On acquisition	82,433	6,449	9,530	-	-	-	98,412
Additions	-	-	-	691	357	11,561	12,609
Disposal	-	-	-	-	(347)	(12)	(359)
Foreign exchange	(2,656)	(160)	(257)	(82)	(147)	(198)	(3,500)
<b>At 30<sup>th</sup> April 2024</b>	<b>335,623</b>	<b>26,725</b>	<b>73,727</b>	<b>9,388</b>	<b>5,606</b>	<b>29,850</b>	<b>480,919</b>
<b>Accumulated amortisation</b>							
At 1 <sup>st</sup> May 2023	72,707	6,135	22,838	7,024	2,066	11,774	122,544
Charge for the year	31,805	3,178	7,596	1,522	1,269	5,407	50,777
Disposal	-	-	-	-	(347)	(11)	(358)
Foreign exchange	(1,112)	(69)	(167)	(66)	(67)	(187)	(1,668)
<b>At 30<sup>th</sup> April 2024</b>	<b>103,400</b>	<b>9,244</b>	<b>30,267</b>	<b>8,480</b>	<b>2,921</b>	<b>16,983</b>	<b>171,295</b>
<b>Net book value</b>							
<b>At 30<sup>th</sup> April 2024</b>	<b>232,223</b>	<b>17,481</b>	<b>43,460</b>	<b>908</b>	<b>2,685</b>	<b>12,867</b>	<b>309,624</b>
At 30 <sup>th</sup> April 2023	183,139	14,301	41,616	1,755	3,011	7,391	251,213

Intangible assets amortisation is recorded in administrative expenses in the consolidated Statement of Comprehensive Income. Development cost additions in the year of £5,361k are internally generated. The remaining intangible asset additions in the year are purchased intangibles, sourced from third party suppliers.

**Notes to the Financial Statements (continued)****13 Intangible assets (continued)**

<b>Restated*</b> <b>Intangible Assets</b>	<b>Customer Relationships</b>	<b>Trade name</b>	<b>Acquired Software</b>	<b>Subscriber</b>	<b>Software</b>	<b>Development</b>	<b>Total</b>
<b>Group</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Cost</b>							
<b>At 1<sup>st</sup> May 2022</b>	<b>173,280</b>	<b>16,430</b>	<b>61,703</b>	<b>8,037</b>	<b>1,429</b>	<b>14,733</b>	<b>275,612</b>
Reclassification	-	-	-	-	2,962	(2,962)	-
On acquisition	80,365	3,961	2,662	-	146	-	<b>87,134</b>
Additions	-	-	-	600	219	7,343	<b>8,162</b>
Disposal	-	-	-	-	(46)	-	<b>(46)</b>
Foreign exchange	2,199	46	89	143	366	52	<b>2,895</b>
<b>At 30<sup>th</sup> April 2023</b>	<b>255,844</b>	<b>20,437</b>	<b>64,454</b>	<b>8,780</b>	<b>5,076</b>	<b>19,166</b>	<b>373,757</b>
<b>Accumulated amortisation</b>							
<b>At 1<sup>st</sup> May 2022</b>	<b>50,317</b>	<b>4,183</b>	<b>16,783</b>	<b>4,791</b>	<b>1,050</b>	<b>7,331</b>	<b>84,455</b>
Reclassification	-	-	-	-	(37)	37	-
Charge for the year	21,216	1,908	6,015	2,158	835	4,308	<b>36,440</b>
Disposal	-	-	-	-	(46)	-	<b>(46)</b>
Foreign exchange	1,174	44	40	75	263	99	<b>1,695</b>
<b>At 30<sup>th</sup> April 2023</b>	<b>72,707</b>	<b>6,135</b>	<b>22,838</b>	<b>7,024</b>	<b>2,065</b>	<b>11,775</b>	<b>122,544</b>
<b>Net book value</b>							
<b>At 30<sup>th</sup> April 2023</b>	<b>183,137</b>	<b>14,302</b>	<b>41,616</b>	<b>1,756</b>	<b>3,011</b>	<b>7,391</b>	<b>251,213</b>
<b>At 30<sup>th</sup> April 2022</b>	<b>122,963</b>	<b>12,247</b>	<b>44,920</b>	<b>3,246</b>	<b>379</b>	<b>7,402</b>	<b>191,157</b>

## Notes to the Financial Statements (continued)

### 14 Goodwill

The following is a summary of goodwill:

	Restated 1 <sup>st</sup> May 2023 Opening £'000	Acquisition £'000	Foreign Exchange £'000	30 <sup>th</sup> April 2024 Closing £'000
On the acquisition of:				
Wireless Logic group	276,573	-	-	276,573
M2M Blue Group	14,563	-	(464)	14,099
WL Benelux	5,193	-	(165)	5,028
Matooma	17,072	-	(544)	16,528
Arkessa Group	74,324	-	-	74,324
Com4	10,082	-	(547)	9,535
Things Mobile	1,781	-	(57)	1,724
Jola Cloud Solutions	28,498	-	-	28,498
Mobius	44,985	-	-	44,985
IoThink	1,545	-	(49)	1,496
Blue Wireless	10,557	(181)	(291)	10,085
Webbing	-	34,696	107	34,803
	<b>485,173</b>	<b>34,515</b>	<b>(2,010)</b>	<b>517,678</b>

During the year the group acquired Telroaming Advanced Communication Solution Ltd (t/a Webbing), further details relating to this acquisition can be found in note 25 'Business combinations'.

#### Impairment testing

In accordance with IAS 36, goodwill has been reviewed for impairment. For the year ended 30<sup>th</sup> April 2024, the directors have reviewed the value of goodwill based on internal value in use calculations. The key assumptions for these calculations are discount rates, growth rates and terminal values.

The group prepares cash flow forecasts derived from the directors' most recent financial forecasts for the following year and projections for periods thereafter including a terminal value calculation. The growth rates for the three-year period commencing in the year following the year after the year end, are based on directors expectations of the medium-term operating performance of the CGU, planned growth in market share and industry forecasts. Growth in the market and specific regional considerations are in line with past experience. Discount rates have been estimated based on rates that reflect current market assessments of the weighted average cost of capital of the relevant CGU. CGU's are defined as an operating segment, which are reported upon to make management decisions.

Management has identified three key assumptions which could significantly impact the impairment test being the post-tax discount rate and revenue growth. The key assumptions used in the assessments in the year ended 30<sup>th</sup> April 2023 are consistent with historical results and can be summarised as follows:

- Revenue growth rates – 10%
- Discount rate – from 8% to 19%
- Terminal value growth rate – 5%

## Notes to the Financial Statements (continued)

### 14 Goodwill (continued)

The directors consider that no reasonably possible change in any of the key assumptions above would cause the carrying values to exceed the recoverable amount.

The directors' review takes into account reasonably possible changes as at the statement of financial position date. The directors acknowledge the impact of the current macro-economic outlook and the impact that this may have on future cash flows continues to change.

### 15 Financial instruments

The company has financial instruments measured at fair value through profit or loss account.

	2024	2023
	£'000	£'000
Derivative financial instruments	15,112	24,651
Opening balance	24,651	7,194
Change in fair value	(10,948)	11,677
Cash paid for new instruments acquired	1,409	5,780
Closing balance	15,112	24,651

During the year, the cash amount realised as a result of the financial instrument was £15,486k (2023: £2,874k). The closing derivative financial instrument value is supported by an external party using mid-market valuations.

#### Derivative financial instruments

During the year ended 30<sup>th</sup> April 2023 the group acquired an interest rate cap instrument that was valued at Fair Value Through Profit and Loss. No additional instruments have been purchased in the year ended 30<sup>th</sup> April 2024. In total, the group has four interest rate cap agreements:

Group entity	Counterparty	Cap rate	Nominal value	Start date	Termination
Blue Bidco Limited	BOI	1.25%	£90.0m	31/12/21	30/09/24
Blue Bidco Limited	BOI	0.5%	€300.0m	31/12/21	30/09/24
Blue Bidco Limited	HSBC	3.0%	£203.5m	30/06/22	30/09/24
Blue Bidco Limited	HSBC	3.0%	£293.5m	30/09/24	30/09/25

The group has in place four interest rate cap instruments, two with the Bank of Ireland and two with HSBC. The agreements cover the majority of the third-party unitranche debt provided by financial institutions. The notional amounts are €300m, £90m, £203.5m and £293.5m respectively with interest cap rates of 0.50% pa, 1.25% pa, 3.00% pa and 3.00% pa respectively. The BOI CAP agreements terminate on the 30<sup>th</sup> September 2024 but have been renewed for a further 12 months effective from the 30<sup>th</sup> September 2024. The new HSBC agreement expires on the 30<sup>th</sup> of September 2025.

## Notes to the Financial Statements (continued)

### 15 Financial instruments (continued)

The agreements cover the majority of the third-party unitranche debt provided by Ares, the groups principal financial institutional lender. The cost of this debt is linked to SONIA and or EURIBOR, thus protecting the company and group against interest costs rising significantly, in the event SONIA or EURIBOR increases. The agreement did not expose the group to any credit risk.

### 16 Inventories

	2024	2023
Group	£'000	£'000
Finished goods and goods for resale	5,206	4,559

The cost of inventories recognised as an expense and included in cost of sales amounted to £4,065k (2023: £4,500k). There were no inventory write downs during the year (2023: £nil). The directors believe that there is no significant difference between the net book value and replacement cost of inventories held.

The companies in the group which hold the majority of stock are Wireless Logic Limited, Wireless Logic Mdex GmbH, Wireless Logic BV, Matooma SAS, DataMobile AG, Com4 AS, Jola Cloud Solutions, Telroaming Advanced Communication Solutions Limited, Blue Wireless (Europe) BV and IoThink Solutions.

### 17 Trade and other receivables

	Group	Company	Group	Company
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Trade receivables	35,316	-	30,111	-
Amounts owed by group undertakings	-	530,131	-	379,579
Other receivables	5,404	-	4,140	-
Financial instrument	15,112	-	24,651	-
Accrued income	2,080	-	2,084	-
Prepayments	5,408	166	2,696	-
	<b>63,320</b>	<b>530,297</b>	<b>63,682</b>	<b>379,579</b>

Amounts owed by group undertakings are unsecured and repayable on demand and accrue interest at a range of 4% to 12% per annum dependent on the nature of the loan.

Management have assessed the expected credit loss of intercompany positions as being minimal and have therefore not made any provision for this amount due to the ongoing successful performance of the group.

During the year ended 30<sup>th</sup> April 2024 the group acquired an interest rate cap instrument that has been valued at Fair Value Through Profit and Loss.

#### Trade receivables

The credit terms offered to customers vary and will be influenced by size, trading history and credit rating. Our standard payment terms for customers are 14 days from the date of invoice.

**Notes to the Financial Statements (continued)**

**17 Trade and other receivables (continued)**

**Age analysis of trade receivables**

Group	Gross	Allowance	Gross	Allowance
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Current	31,155	(684)	18,854	(460)
Overdue 1 – 30 days	3,773	(480)	8,914	(2)
Overdue 31-60 days	925	(82)	2,102	(447)
Overdue 61 – 90 days	598	(232)	925	(206)
Overdue by more than 91 days	2,068	(1,725)	2,575	(2,144)
	<b>38,519</b>	<b>(3,203)</b>	<b>33,370</b>	<b>(3,259)</b>

The directors consider that the carrying amount of trade and other receivables approximates to their fair value.

**Credit Risk**

The exposure to credit risk at the end of the year is representative of the exposure during the year. The group's credit risk is primarily attributable to its trade receivables. All new customers are credit checked using external credit rating agency reports, audited financial accounts (where required) and bank and trade references. Provisions are made against receivables using IFRS 9's expected credit loss model.

**18 Cash and cash equivalents**

	Group	Company	Group	Company
	2024	2024	2023	2023
	£'000	£'000	£'000	£'000
Cash at bank and in hand	54,997	44	41,830	24
	<b>54,997</b>	<b>44</b>	<b>41,830</b>	<b>24</b>

## Notes to the Financial Statements (continued)

### 19 Trade and other payables – amounts falling due within one year

	Group	Company	Restated	
	2024	2024	Group	Company
	£'000	£'000	2023	2023
	£'000	£'000	£'000	£'000
Trade payables	(9,057)	-	(10,020)	-
Social security and other taxes	(6,701)	-	(6,489)	-
Other creditors	(7,251)	(1,894)	(7,338)	-
Lease liabilities (IFRS 16)	(1,649)	-	(1,351)	-
Accruals and deferred income	(30,175)	(673)	(20,730)	(824)
Earn out accrual	(147,202)	-	(60,171)	-
Bank interest accrual	(10,694)	-	(10,548)	-
Transaction costs	2,170	-	2,181	-
	<b>(210,559)</b>	<b>(2,567)</b>	<b>(114,466)</b>	<b>(824)</b>

The earn out accrual reflects the payment related to the performance of acquired entities during the year ended 30<sup>th</sup> April 2024. The transaction costs represent the capitalised arrangement fees related to the third-party debt funding put in place in July 2018 as part of the acquisition of the group. The directors consider that the carrying amount of trade payables approximates to their fair value.

Bank interest accrual relates to unpaid interest on external debt balances and is repayable within 12 months.

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

### 20 Trade and other payables – amounts falling due after more than one year

	Group	Company	Restated	
	2024	2024	Group	Company
	£'000	£'000	2023	2023
	£'000	£'000	£'000	£'000
Deferred and contingent consideration	(15,250)	-	(3,367)	-
Transaction costs	9,644	-	6,553	-
Lease liabilities (IFRS 16)	(1,705)	-	(2,041)	-
Management loan notes	(6,164)	-	(5,382)	-
Loan notes owed to parent group undertakings	(592,146)	(586,338)	(423,218)	(416,832)
	<b>(605,621)</b>	<b>(586,338)</b>	<b>(427,454)</b>	<b>(416,832)</b>

The directors consider that the carrying amount of payables approximates to their fair value. The deferred consideration included above relates to the earn-out liabilities due to the vendors of recent acquisitions, the earn-out liabilities are linked to the future trading performance and the actual amount paid may vary from the provision disclosed above. The fair value of the contingent consideration liability shown above has been calculated using a discounted cash flow methodology. The transaction costs represent the capitalised arrangement fees related to the third-party debt.

**Notes to the Financial Statements (continued)**

**20 Trade and other payables – amounts falling due after more than one year (continued)**

The company has £242,385k of unsecured, non-transferable loan notes which are listed on The International Stock Exchange, effective from the 9<sup>th</sup> March 2021, at a coupon rate of 12% and which mature on the 25<sup>th</sup> July 2028. The loan notes are included in note 20 above under the sub section loan notes owed to parent group undertakings.

On 24<sup>th</sup> July 2023, the Group entered into a 4.5% interest per annum loan agreement with Blue Topco Limited for an aggregate amount of USD 151,200k.

**21 Loans and other borrowings**

	2024 £'000	2023 £'000
Opening bank facilities	(600,588)	(406,653)
Additions	(63,437)	(209,251)
Exchange differences	7,651	15,316
Closing bank facilities	<b>(656,374)</b>	<b>(600,588)</b>
Short-term loans	(16,518)	(16,617)
Long-term loans	(639,856)	(583,971)
Closing bank facilities	<b>(656,374)</b>	<b>(600,588)</b>

The facilities do not have scheduled periodic repayments but have repayment dates of 5 years from the date of the agreement. The facilities are mostly long-term, repayable after more than one year, with the exception of the revolving credit facility, which is a short-term finance facility.

Undrawn facilities within the group will be utilised to fund future acquisitions and consideration payments.

## Notes to the Financial Statements (continued)

### 21 Loans and other borrowings (continued)

During the year, the Group drew down on its available facilities to increase the debt position to £656,374k at 30<sup>th</sup> April 2024. The directors consider that the carrying amount of borrowings approximate their fair value. PIK interest refers to the option of compounding the interest on borrowings as opposed to a cash payment. £16,406k of the bank facilities are repayable within one year (2023: £16,617k) and the remainder £639,855k is repayable after more than one year (2023: £583,971k).

A summary of loans drawn on the facilities is given in the table below:

	<b>2024</b>	<b>2023</b>		
	<b>£'000</b>	<b>£'000</b>		
<b>Facility</b>	<b>Total debt</b>	<b>Total debt</b>	<b>Facility maturity</b>	<b>Interest rate*</b>
<b>Loans repayable within one year</b>				
Revolving Credit Facility	16,406	16,617	20 May 2027	SONIA / EURIBOR + (4.50% - 11.50%)
<b>Repayable within one year</b>	<b>16,406</b>	<b>16,617</b>		
<b>Loans repayable after more than one year</b>				
Acquisition Facility B2*	91,561	114,140	20 May 2027	SONIA / EURIBOR + (9.10% - 13.20%)
Acquisition Facility B1	58,266	31,271	20 May 2027	SONIA / EURIBOR + (5.60% - 9.70%)
	<b>149,827</b>	<b>145,411</b>		
Facility B1	167,226	170,551	20 May 2027	SONIA / EURIBOR + (4.19% - 9.00%)
Facility B2	262,784	268,009	20 May 2027	SONIA / EURIBOR + (7.61% - 12.51%)
	<b>430,010</b>	<b>438,560</b>		
Incremental Facility 1	19,452	-	20 May 2027	SONIA / EURIBOR + (4.28%)
Incremental Facility 2	40,567	-	20 May 2027	SONIA / EURIBOR + (8.36%)
	<b>60,019</b>	<b>-</b>		
<b>Total repayable after one year</b>	<b>639,855</b>	<b>583,971</b>		
Other debt positions	112	-		
<b>Total debt</b>	<b>656,374</b>	<b>600,588</b>		

\* The PIK interest rate is fixed at an additional 1.25%

## Notes to the Financial Statements (continued)

### 22 Deferred income tax liabilities

	2024	Restated*
	£'000	2023
Deferred tax	£'000	£'000
Opening balance	48,435	35,685
Prior year charge	3,381	(2,393)
Movement arising from business combinations	11,369	21,148
Release of temporary differences	(4,831)	(7,477)
Effect of changes in tax rates	-	1,553
Effect of changes in exchange rates	-	289
Deferred tax not previously recognised	101	(370)
<b>Closing balance</b>	<b>58,455</b>	<b>48,435</b>
<b>Deferred tax liabilities</b>		
Deferred tax liabilities in respect of acquired intangible assets	60,284	57,945
Deferred tax assets in respect of tangible assets	(177)	(59)
Deferred tax assets in respect of other temporary differences	(1,652)	(9,451)
<b>Total deferred tax liabilities</b>	<b>58,455</b>	<b>48,435</b>

£57,745k of the deferred tax liabilities are due after more than one year (2023: £48,435k).

The group has subsidiaries with undistributed earnings of £29,242k (2023: £8,256k) which, if paid out as dividends, would be subject to withholding tax. Telroaming Advanced Communication Solution Limited distributed a dividend in September 2024 - a £709k deferred tax liability has been recognised in respect of the withholding tax suffered on this distribution. No further deferred tax liability has been recognised as Blue Holdco Limited is able to control the timing of distributions and it is not anticipated that any further earnings will be distributed in the foreseeable future. A potential deferred tax asset of £3.1m has not been recognised in respect of brought forward losses of £12.5m (2023: £3.7m).

### 23 Cash generated from operations

	2024	Restated*
	£'000	2023
	£'000	£'000
<b>Loss before income tax</b>	<b>(222,349)</b>	<b>(133,233)</b>
Adjustment for:		
- Depreciation (note 12)	3,905	2,386
- Amortisation of Software, Subscriber acquisition and Development (note 13)	50,777	36,440
- Inventory movement	(251)	(1,331)
- Debtors movement	3,537	(8,178)
- Creditors movement	83,550	55,981
- Provisions movement	35	(6,000)
- VAT liability movement	(291)	854
- Share based payment charge	580	580
- Interest income	(15,741)	(18,607)
- Interest expense	141,800	105,928
- Net exchange differences	(4,521)	807
<b>Cash generated from operations</b>	<b>41,031</b>	<b>35,627</b>

Increase in creditors shown is primarily driven by earn out related costs.

**Notes to the Financial Statements (continued)****24 Ordinary shares and share premium**

Group and company ordinary shares of £0.01 each.

<b>Allotted and fully paid</b>	<b>Number of shares No.</b>	<b>Ordinary Shares £'000</b>	<b>Share Premium £'000</b>	<b>Total £'000</b>
As at 1 <sup>st</sup> May 2023	28,306,922	283	29,194	29,477
Shares issued	-	-	-	-
<b>Allotted and fully paid as at 30<sup>th</sup> April 2024</b>	<b>28,306,922</b>	<b>283</b>	<b>29,194</b>	<b>29,477</b>

**25 Business combinations**

The group acquired 100% of the share capital of Telroaming Advanced Communication Solution Limited trading as *Webbing* on 24<sup>th</sup> July 2023, *Webbing* provides a leading-edge connectivity service for global customers across sectors including Enterprise Mobility, Automotive and Logistics. It offers a global carrier network that delivers best in class coverage, policy control and enforcement, including compliance with any permanent roaming restrictions, as well as security and other features, all through a single global SIM.

<b>Net assets acquired</b>	<b>Carrying Values pre acquisition £'000</b>	<b>Fair Value Adjustment £'000</b>	<b>Deferred tax £'000</b>	<b>Provisional fair value £'000</b>
Intangible assets	-	98,412	-	98,412
Fixed assets	2,049	-	-	2,049
Current assets	10,921	-	257	11,178
Cash and cash equivalents	1,927	-	-	1,927
Inventory	397	-	-	397
Current liabilities	(8,419)	-	-	(8,419)
Tax provision	-	-	-	-
Deferred tax liability	-	-	(11,552)	(11,552)
	<b>6,875</b>	<b>98,412</b>	<b>(11,295)</b>	<b>93,992</b>
<b>Goodwill</b>				<b>34,696</b>
<b>Total consideration</b>				<b>128,688</b>
<b>Satisfied by:</b>				
Cash paid on completion				111,023
Deferred consideration				17,665
<b>Total consideration</b>				<b>128,688</b>

Blue Holdco Limited – year ended 30<sup>th</sup> April 2024

## Notes to the Financial Statements (continued)

### 25 Business combinations (continued)

Intangible assets acquired as part of the acquisition can be analysed as follows:

Net assets acquired	Carrying Values pre acquisition £'000	Fair Value Adjustment £'000	Provisional fair value £'000
Trade Name	-	6,449	6,449
Customer relationships	-	82,433	82,433
Development	-	9,530	9,530
	-	<b>98,412</b>	<b>98,412</b>

The acquired business contributed revenues and EBITDA per the table below:-

Entity acquired	Revenue since the acquisition date £'000	EBITDA before exceptionals since the acquisition date £'000
Webbing	52,093	20,154

The cumulative consolidated position of the group as if the business combinations had been part of the group at the beginning of the annual reporting period:-

Entity acquired	Consolidated Group Revenue £'000	Consolidated Group EBITDA £'000
Webbing	65,317	24,702

### 26 Capital and other commitments

As at the 30<sup>th</sup> April 2024 the company had no capital commitments (2023: none)

### 27 Dividends

No dividends were paid or proposed during the year (2023: no dividends).

### 28 Related party transactions

As at the year end, Blue Holdco Limited had in issue £242,385k of unsecured loan notes to Blue Aggregator Limited (2023: £242,385k). Accrued interest for the year amounted to £50,222k and the balance due on the loan notes as at 30<sup>th</sup> April 2024 was £467,512k. These amounts are included in note 9 and note 20 respectively.

The balance of preference shares at the end of the year was £nil (2023: £ nil). Accrued dividends settled during the year amounted to £nil (2023: accrued dividends £52k). These amounts are included in note 9, note 21 and note 25 respectively.

### Key management compensation

Key management is defined as including directors and functional managing directors. The compensation paid or payable to key management for employee services is shown below:

## Notes to the Financial Statements (continued)

### 28 Related party transactions (continued)

	2024	2023
	£'000	£'000
Salaries and other short-term employee benefits	999	865
<b>Total</b>	<b>999</b>	<b>865</b>

### 29 Controlling parties

The immediate and ultimate parent undertaking is Blue Parentco Limited (company number 135324) (which was inserted above Blue Topco Limited (company number: 126820) on 11<sup>th</sup> June 2021), which is majority owned by Blue Aggregator Limited, a holding company of funds managed by Montagu Private Equity LLP. Blue Parentco Limited, Blue Topco Limited and Blue Aggregator Limited are entities incorporated in Jersey. The non-consolidated financial statements of Blue Parentco Limited can be obtained by written request from the registered office at 22 Grenville Street, St. Helier, Jersey, JE4 8PX, Channel Islands.

As at the 30<sup>th</sup> April 2024 the directors considered the controlling parties to be funds managed by Montagu Private Equity LLP.

### 30 Events after the reporting period

As set out in the Directors' report, the group will continue to look at growing both organically and by acquisition, although in relation to the latter the group remains highly selective.

## Notes to the Financial Statements (continued)

### 31 Prior year adjustment

The comparative figures have been restated following a review of the acquisition accounting for the Group's recognition of goodwill and intangibles leading to a correction to the treatment of contingent deferred consideration. The restatement reclassifies earn out payments which were previously capitalised as part of the acquisition cost, as they relate to the acquisition of shares. As a result of terms within the sale and purchase agreements that create an alignment of interest between the seller and the Group, including the achievement of specified performance targets and for the sellers to remain employed with the business over the earnout period, these payments will now be treated as operating costs as per IFRS3. These are included within exceptional items.

### Restated Consolidated Statement of Comprehensive Income

		As previously reported 30 <sup>th</sup> April 2023	Prior year adjustment	Restated* Year ended 30 <sup>th</sup> April 2023
	Note	£'000	£'000	£'000
Revenue	5	179,861	-	179,861
Cost of sales		(68,510)	-	(68,510)
<b>Gross profit</b>		<b>111,351</b>	<b>-</b>	<b>111,351</b>
Distribution costs		(197)	-	(197)
Administrative expenses		(37,598)	-	(37,598)
Exceptional operating items	6	(30,972)	(49,670)	(80,642)
Depreciation	12	(2,386)	-	(2,386)
Amortisation	13	(36,582)	142	(36,440)
<b>Total administrative expenses</b>		<b>(107,538)</b>	<b>(49,528)</b>	<b>(157,066)</b>
Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA) before exceptional operating costs		<b>73,556</b>	<b>-</b>	<b>73,556</b>
<b>Operating profit/(loss)</b>	<b>7</b>	<b>3,616</b>	<b>(49,528)</b>	<b>(45,912)</b>
Finance income	9	18,607	-	18,607
Finance costs	9	(105,928)	-	(105,928)
Net finance costs	9	(87,321)	-	(87,321)
<b>Loss before income tax</b>		<b>(83,705)</b>	<b>(49,528)</b>	<b>(133,233)</b>
Income tax income	10	895	385	1,280
<b>Loss for the financial year</b>		<b>(82,810)</b>	<b>(49,143)</b>	<b>(131,953)</b>
Foreign currency gain		2,696	(2,252)	444
<b>Total comprehensive expense for the year</b>		<b>(80,114)</b>	<b>(51,395)</b>	<b>(131,509)</b>

**Notes to the Financial Statements (continued)****31 Prior year adjustment (continued)****Restatement of Consolidated Statement of Financial Position**

	Note	As previously reported 30 <sup>th</sup> April 2023 £'000	Prior year adjustment £'000	Restated* 30 <sup>th</sup> April 2023 £'000
<b>Non-current assets</b>				
Property, plant and equipment	12	6,331	-	6,331
Intangible assets	13	252,737	(1,524)	251,213
Goodwill	14	589,333	(104,160)	485,173
		<b>848,401</b>	<b>(105,684)</b>	<b>742,717</b>
<b>Current assets</b>				
Inventories	16	4,559	-	4,559
Trade and other receivables	17	63,682	-	63,682
Cash and cash equivalents	18	41,830	-	41,830
		<b>110,071</b>	-	<b>110,071</b>
<b>Total assets</b>		<b>958,472</b>	<b>(105,684)</b>	<b>852,788</b>
<b>Current liabilities</b>				
Trade and other payables	19	(118,615)	4,150	(114,465)
Loans and other borrowings	21	(16,617)	-	(16,617)
Current income tax liabilities		(2,301)	39	(2,262)
		<b>(137,533)</b>	<b>4,189</b>	<b>(133,344)</b>
<b>Non-current liabilities</b>				
Trade and other payables	20	(457,726)	30,272	(427,454)
Loans and other borrowings	21	(583,971)	-	(583,971)
Deferred tax liability	22	(48,984)	549	(48,435)
		<b>(1,090,681)</b>	<b>30,821</b>	<b>(1,059,860)</b>
<b>Total Liabilities</b>		<b>(1,228,214)</b>	<b>35,010</b>	<b>(1,193,204)</b>
<b>Net Liabilities</b>		<b>(269,742)</b>	<b>(70,674)</b>	<b>(340,416)</b>
<b>Equity</b>				
Called up share capital	24	283	-	283
Share premium account	24	29,194	-	29,194
Accumulated losses		(299,219)	(70,674)	(369,893)
<b>Total shareholders' deficit</b>		<b>(269,742)</b>	<b>(70,674)</b>	<b>(340,416)</b>

**Notes to the Financial Statements (continued)**

**31 Prior year adjustment (continued)**

**Restatement of Consolidated Statement of Financial Position**

	Note	As previously reported 30 <sup>th</sup> April 2022 £'000	Prior year adjustment £'000	Restated* 30 <sup>th</sup> April 2022 £'000
<b>Non-current assets</b>				
Property, plant and equipment	12	5,146	-	5,146
Intangible assets	13	192,733	(1,576)	191,157
Goodwill	14	438,920	(40,346)	398,574
		<b>636,799</b>	<b>(41,922)</b>	<b>594,877</b>
<b>Current assets</b>				
Inventories	16	2,842	-	2,842
Trade and other receivables	17	33,807	-	33,807
Cash and cash equivalents	18	34,228	-	34,228
		<b>70,877</b>	<b>-</b>	<b>70,877</b>
<b>Total assets</b>		<b>707,676</b>	<b>(41,922)</b>	<b>665,754</b>
<b>Current liabilities</b>				
Trade and other payables	19	(52,862)	397	(52,465)
Loans and other borrowings	21	(19,261)	-	(19,261)
Provisions		(6,000)	-	(6,000)
Current income tax liabilities		(6,135)	-	(6,135)
		<b>(84,258)</b>	<b>397</b>	<b>(83,861)</b>
<b>Non-current liabilities</b>				
Trade and other payables	20	(418,091)	22,246	(395,845)
Loans and other borrowings	21	(387,392)	-	(387,392)
Deferred tax liability	22	(35,685)	-	(35,685)
		<b>(841,168)</b>	<b>22,246</b>	<b>(818,922)</b>
<b>Total Liabilities</b>		<b>(925,426)</b>	<b>22,643</b>	<b>(902,783)</b>
<b>Net Liabilities</b>		<b>(217,750)</b>	<b>(19,279)</b>	<b>(237,029)</b>
<b>Equity</b>				
Called up share capital	24	8	-	8
Share premium account	24	1,927	-	1,927
Accumulated losses		(219,685)	(19,279)	(238,964)
<b>Total shareholders' deficit</b>		<b>(217,750)</b>	<b>(19,279)</b>	<b>(237,029)</b>

As a result of the restatement identified above net cash flows from operating activities for the year ended 30<sup>th</sup> April 2023 have been restated to £24,272k from £45,915k as originally presented. Net cash outflow in investing activities for the year ended 30<sup>th</sup> April 2023 have been restated to £152,335k from £173,978k as originally presented.