


Blue Bidco Limited

Report for the year ended 30th April 2023

Company number: 11416365

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Company information

Directors

Oliver Robert Stewart Tucker
Richard Miller

Company number

11416365

Registered office

Horizon
Honey Lane
Hurley
Maidenhead
Berkshire
SL6 6RJ
United Kingdom

Strategic report

For the year ended 30th April 2023

The directors present the strategic report on the company for the year ended 30th April 2023.

Principal activities

The company's principal activity is to act as an intermediate holding company, providing funding for fellow subsidiary companies and managing the groups financing arrangements with third party lenders. It does not trade with third parties. The group, of which the company is a part, is principally engaged in the provision of managed services in the Machine to Machine ("M2M") and Internet of Things ("IOT") sectors.

Review and results for the year

The company continues to be one of the holding companies within the Wireless Logic group structure. The loss for the year was £446,175k (2022: £3,526k) and the company had net liabilities of £470,478k (2022: £51,844k) at the year end.

During the year, the company refinanced its borrowings with its the bank to increase the debt position to £600,588k at 30th April 2023. In accordance with IFRS 9, as a result of refinancing the old facility was treated as an extinguishment, with no gains or losses resulting from the extinguishment. A total of £6.2m of capitalised transaction costs were released to the income statement as a result of the refinancing. 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. £16,617k of the bank facilities are repayable within one year (2022: £19,261k) and the remainder £583,971k is repayable after more than one year (2022: £387,392).

The additional borrowing was used to settle deferred consideration liabilities from historic acquisitions and fund four new acquisitions by a fellow subsidiary undertaking during the year.

The Wireless Logic group is a leading M2M and IOT managed services platform provider. The strategy is to focus on growing geographically and continuing to broaden the services it offers to customers. The group continues to focus on the development of the unique platforms we provide to customers and continue to expand internationally.

Principal risks and uncertainties

The principle risks and uncertainties that might affect the company include interest rate risk, foreign currency risk and liquidity risk. 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 and revolving credit facilities. Interest is charged on these at SONIA/EURIBOR plus a fixed margin. The group has mitigated the risk of rising interest rates, by entering into an interest rate capping instrument that covers the majority of the third party bank institution debt. Interest rates on debt provided by shareholders are fixed and don't therefore fluctuate with SONIA/EURIBOR, eliminating any risk of increased interest charges on this element of debt funding.

The company does not trade directly with third parties and overall, the directors are confident that the current analysis shows continued stability and growth through the remainder of FY23 and into FY24.

Strategic report (continued)

Compliance with Section 172 of the Companies Act

A Director 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

The company operates within the wider Wireless Logic Group whose business and risk environment continues to develop as it grows. We regularly review the primary risk set out on the previous page which includes managing financial exposures. The company 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. The Company holds external debt to support the Wireless Logic Group, long term risk management is dependent on the Company's ability to refinance this debt as it falls due. The leverage of the group is regularly reviewed by the Directors to manage the long term risk to both the Company and the group. As a Company the continued long term success of the entity is dependent on support provided by the group to ensure the recoverability of amounts owed by group undertakings if this is required.

Engagement with employees

The company 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 company whilst also attracting talent for exciting career opportunities in the UK and Europe. 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 holding company there is minimal direct impact on the community and environment. As an extension of the group we remain 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

As a holding company there is minimal direct business relationships. Across the wider group the 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

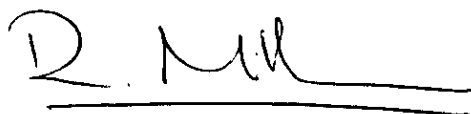
The Company places a large focus on maintaining its reputation for high standards of business conduct with all of its stakeholders. The directors appreciate this is underpinned by the need to act fairly between members of the company and all other stakeholders. We operate within a group where employees 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 without the employee handbook.

Strategic report (continued)

Analysis based on key performance indicators

The company has no specific key performance indicators and the company's parent company, Blue Holdco Limited has disclosed its key performance indicators in its consolidated financial statements. The financial statements of Blue Holdco Limited can be obtained from the address in note 16.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'R. Miller', is written over a double horizontal line.

Richard Miller

Director

Blue Bidco Limited Registered number 11416365

23rd January 2024

Directors' report

For the year ended 30th April 2023

The directors present their report together with the audited financial statements for the year ended 30th April 2023.

Stakeholder engagement

The Company is required by the Companies Act 2006 to set out the development and performance of the business of the company during the year end 30th April 2023, the position of the company at 30th April 2023 and a description of the principal risks and uncertainties facing the company. By reference to the Strategic report the following information is given:

- Review of the business;
- 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 company.

The entity is out of scope for Streamlined Energy & Carbon Reporting.

Dividends

No dividends were paid or received during the year (2022: no dividends paid).

Going concern

The financial statements have been prepared on the going concern basis. The directors have reviewed the company'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 the Unsecured Loan Notes, being the investment made as part of its acquisition of the group in July 2018 and the subsequent reinvestment made in June 2021, for a period of at least 12 months from the date on which these accounts are signed. The directors have concluded that, based on the above, 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.

Financial Risk Management

The company's operations expose it to financial risks that include the effects of changes in foreign exchange rates, interest rate cash flow risk, and liquidity risk. The company has in place a risk management program that seeks to limit any adverse effects on the financial performance of the company. Cash flow forecasting is performed in the operating entities of the group to ensure sufficient cash is available to meet operational needs, while maintaining sufficient headroom.

Foreign exchange risk

The company is exposed to movements in foreign exchange rates as a result of borrowings with third party lenders. The company 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.

Directors' report (continued)

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.

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.

Directors

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

Oliver Robert Stewart Tucker
Richard Miller

Directors' indemnities

The Company has purchased and maintained throughout the financial year and up to the date of signing the financial statements, 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.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Report for the year ended 30th April 2023 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 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;

Directors' report (continued)

Statement of directors' responsibilities in respect of the financial statements (continued)

- 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.

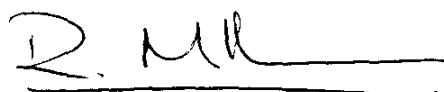
The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements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

On behalf of the Board

A handwritten signature in black ink, appearing to read 'R. Miller', followed by a horizontal line.

Richard Miller
Director

Blue Bidco Limited Registered number 11416365

23rd January 2024

Statement of Comprehensive Income for the year ended 30th April 2023

	Note	Year ended 30 th April 2023 £'000	Year ended 30 th April 2022 £'000
Exceptional administrative expenses	4	(397,835)	(561)
Other operating income		76	40
Operating loss	5	(397,759)	(521)
Finance income	7	57,834	59,460
Finance costs	7	(106,265)	(62,465)
Net finance costs		(48,431)	(3,005)
Loss before taxation		(446,190)	(3,526)
Income tax (charge)/credit	8	-	-
Loss for the financial year		(446,190)	(3,526)
Total comprehensive expense for the year		(446,190)	(3,526)

The notes on pages 14 to 28 are an integral part of these financial statements.

Statement of Financial Position as at 30th April 2023

	Note	As at 30 th April 2023 £'000	As at 30 th April 2022 £'000
Non-current assets			
Investments	9	159,022	159,022
		159,022	159,022
Current assets			
Trade and other receivables	11	365,718	583,759
Cash and cash equivalents		6,317	371
Total current assets		372,035	584,130
Total assets		531,057	743,152
Current liabilities			
Trade and other payables	12	(424,117)	(412,426)
Total current liabilities		(424,117)	(412,426)
Non-current liabilities			
Trade and other payables	13	(577,418)	(382,570)
Total liabilities		(1,001,535)	(794,996)
Net liabilities		(470,478)	(51,844)
Equity			
Called up share capital	15	283	8
Share premium account	15	28,023	756
Accumulated losses		(498,784)	(52,609)
Total shareholder's deficit		(470,478)	(51,844)

For the financial year ending 30th April 2023, the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts in accordance with section 476 of the Companies Act 2006. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to the accounting records and the preparation of accounts.

The notes on pages 14 to 28 are an integral part of these financial statements.

The financial statements on pages 11 to 28 were approved by the board of directors and were signed on its behalf by:

Richard Miller

Director

Blue Bidco Limited Registered number 11416365

23rd January 2024

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Statement of Changes In Equity for the year ended 30th April 2023

	Note	Called up share capital £'000	Share premium account £'000	Accumulated losses £'000	Total Shareholders' deficit £'000
Balance as at 1st May 2021		8	756	(49,068)	(48,304)
Loss for the financial year		-	-	(3,526)	(3,526)
Total comprehensive expense for the year		-	-	(3,526)	(3,526)
Balance as at 30th April 2022		8	756	(52,594)	(51,830)
Shares issued in the year		275	27,267	-	27,542
Proceeds from shares issued in the year		275	27,267	-	27,542
Loss for the financial year		-	-	(446,190)	(446,190)
Total comprehensive expense for the year		-	-	(446,190)	(446,190)
Balance as at 30th April 2023	15	283	28,023	(498,784)	(470,478)

The notes on pages 14 to 28 are an integral part of these financial statements.

Notes to the Financial Statements for the year ended 30th April 2023

1 General information

The company's principal activity is to act as an intermediate holding company and the company 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 Machine to Machine ("M2M") and Internet of Things ("IOT") platform provider.

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is Horizon, Honey Lane, Hurley, Maidenhead, Berkshire, SL6 6RJ, England, 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 period presented, unless otherwise stated.

2.1 Basis of preparation

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

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The accounts are for the year ended 30th April 2023.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- Paragraphs 45(b) and 46 to 52 of IFRS 2, 'Share-based payment' (details of the number and weighted average exercise prices of share options, and how the fair value of goods or services received was determined).
- IFRS 7, 'Financial instruments: Disclosures'.
- 101p8(e) & Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities).
- Paragraph 38 of IAS 1, 'Presentation of financial statements' – comparative information requirements in respect of:
 - paragraph 79(a)(iv) of IAS 1;
 - paragraph 73(e) of IAS 16, 'Property, plant and equipment'; and
 - paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).

Notes to the financial statements for the year ended 30th April 2023 (continued)

2 Summary of significant accounting policies (continued)

2.1 Basis of preparation (continued)

- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 38 A (requirement for minimum of two primary statements, including cash flow statements);
 - 38 B–D (additional comparative information);
 - 111 (cash flow statement information); and
 - 134 – 136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- Paragraphs 30 and 31 of IAS 8, 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.

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. The third party bank debt has repayment dates that fall between five and seven years. In addition to this, the directors have received confirmation that the investment vehicle used by Montagu Private Equity will not seek repayment, for a period of at least 12 months from the date on which these accounts 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. Further details to the risks, including liquidity risks, are detailed in the Strategic and Directors' reports.

2.3 Consolidation

The company is a wholly owned subsidiary of Blue Midco Limited and of its ultimate parent Blue Parentco Limited. It is included in the consolidated financial statements of Blue Holdco Limited which are publicly available at the address disclosed in note 16. The company is therefore exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements are separate financial statements.

Notes to the Financial Statements for the year ended 30th April 2023 (continued)

2 Summary of significant accounting policies (continued)

2.4 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 financial statements are presented in 'Pounds Sterling' (£'000), which is also the company's functional 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. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies would be recognised in the Statement of Comprehensive Income within 'Other operating income/(loss).'

2.5 Impairment of financial assets

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

2.6 Cash and cash equivalents

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.

2.7 Trade and other receivables

Trade and other receivables are amounts due from group undertakings for 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.

2.8 Trade and other 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 and group undertakings. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements for the year ended 30th April 2023 (continued)

2 Summary of significant accounting policies (continued)

2.9 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.

2.10 Derivative financial instruments and hedging activities

The company had a single derivative financial instrument, being an interest rate cap agreement. These agreements are subjected to a fair value restatement at year end given the nature of the cap arrangement.

2.11 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 for the year ended 30th April 2023 (continued)

2 Summary of significant accounting policies (continued)

2.11 Current and deferred income tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds.

The current income tax charge would be calculated on the basis of the tax laws enacted or substantively enacted at the statement of financial position date in the countries where the company operates and generates taxable income. Management periodically evaluates positions taken in 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.

2.12 Investment in subsidiary

Investments in 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.

2.13 Share capital

Ordinary shares are classified as 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.

2.14 Dividend distribution

Dividend distributions to the company's shareholder are recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholder.

2.15 Exceptional Items

The company 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 company's financial results. These are disclosed separately to provide further understanding of the financial performance of the company accordingly.

Notes to the financial statements for the year ended 30th April 2023 (continued)

2 Summary of significant accounting policies (continued)

2.16 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 continues unwinding the discount as interest income.

3 Critical accounting estimates and judgements

The company 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

Impairment reviews of investments in subsidiaries are undertaken if there is an impairment trigger in accordance with IAS 36. A provision is made for impairment should this arise from the impairment review.

(b) Impairment of trade and other receivables

The company makes an estimate of the recoverable value of trade and other receivables. When assessing impairment of trade and other receivables using the expected credit loss model, management considers factors including the nature of the charges, the ageing profile of receivables and historical experience.

4 Exceptional administrative expenses

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. These are disclosed separately to provide further understanding of the financial performance of the company accordingly. During the year, the exceptional items as detailed below have been included in total administrative expenses in the income statement.

	Year ended 30th April 2023	Year ended 30th April 2022
	£'000	£'000
Group restructuring	396,649	-
Other	1,186	561
	397,835	561

Exceptional costs include group restructuring write offs of inter-company balances written off during the period.

Notes to the Financial Statements for the year ended 30th April 2023 (continued)

5 Operating loss

Operating loss is stated after (crediting)/charging:

	Year ended 30th April 2023	Year ended 30th April 2022
	£'000	£'000
Recharge of administrative expenses	(477)	(447)
Payroll costs	401	375
Foreign exchange (gain)/loss	(76)	(46)

Recharged administrative expenses represent the director's salaries recharged to fellow subsidiaries at a mark-up of 10%.

6 Employees and directors

The company has two employees (year ended 30th April 2022: two). The directors' fees are recharged to other companies in the group.

7 Finance income and costs

Finance income

	Year ended 30th April 2023	Year ended 30th April 2022
	£'000	£'000
Interest income from amount owed by group undertakings	35,674	50,670
Bank interest and similar income	2,875	-
Financial assets held for cash management purposes	15,717	5,999
Net exchange gain on foreign currency borrowings	3,568	2,791
Total finance income	57,834	59,460

Finance costs

	Year ended 30th April 2023	Year ended 30th April 2022
	£'000	£'000
Interest payable on bank borrowings	(46,076)	(26,582)
Interest payable on loan notes owed to group undertakings	(31,012)	(31,486)
Amortisation of debt related transaction costs	(8,832)	(2,116)
Net exchange loss on foreign currency debt	(15,316)	(2,282)
Other debt related costs	(5,029)	-
Total finance costs	(106,265)	(62,466)

Notes to the Financial Statements for the year ended 30th April 2023 (continued)**8 Income tax expense**

There is no current tax or deferred tax in the current year (2022: no tax charge).

The tax charge for the year of £nil (2022: £nil) is higher than the resulting tax charge when applying the standard rate of corporation tax in the UK of 19.50% (2022: 19.00%). The differences are explained below:

	Year ended 30th April 2023 £'000	Year ended 30th April 2022 £'000
Loss before taxation	(446,190)	(3,526)
Loss before taxation multiplied by standard rate of corporation tax in the UK 19.50% (2022:19.00%)	(87,007)	(670)
Effects of:		
- Income and expenses that are non-deductible	82,959	(2,093)
- deferred tax not recognised	965	(216)
- group relief	3,083	2,979
Total tax charge	-	-

A potential deferred tax asset of £6,898k (2022: £1,882k) has not been recognised in respect of carried forward finance expenses due to uncertainty over their future utilisation.

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

9 Investments

Cost and Net Book Value	2023 £'000
As at 1st May 2022 and 30 th April 2023	159,022

The company directly holds share capital in the following companies.

Company name	Nature of the business	Registered Address	Class	%
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	66

The company indirectly holds share capital in the following companies

Company name	Nature of the business	Registered Address	Class	%
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

Notes to the Financial Statements for the year ended 30th April 2023 (continued)**9 Investments (continued)**

The company indirectly holds share capital in the following companies.

Company name	Nature of the business	Registered Address	Class	%
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	100
Wireless Logic Limited	M2M Managed service provider	Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ	Ordinary non-voting 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 Gaillille, 13857 Aix-En-Provence, Cedex3, France	Ordinary	100
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
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 BV	M2M Managed value added services and SMS provider	Josink Maatweg 43, 754 PS Enschede, Nederland	Ordinary	100
M2M Blue Ventures BV	M2M Managed value added service provider	Josink Maatweg 43, 754 PS Enschede, Nederland	Ordinary	100
M2M Blue BV	M2M Managed value added services and SMS provider	Josink Maatweg 43, 754 PS Enschede, Nederland	Ordinary	100
BSS BV	M2M Managed value added service provider	Josink Maatweg 43, 754 PS Enschede, Nederland	Ordinary	100
Wireless Logic Benelux BV**	M2M Managed value added service provider	Esp 237, 5633 AD Eindhoven, The Netherlands	Ordinary	100
SimPoint GmbH*	M2M Managed value added service provider	Pempelforter Straße 47, 40211 Düsseldorf, Germany	Ordinary	100

Notes to the Financial Statements for the year ended 30th April 2023 (continued)**9 Investments (continued)**

Company name	Nature of the business	Registered Address	Class	%
Wireless Logic Holding France	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
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	Ordinary	100
Comvision B.V.	M2M Managed value added service provider	Klerkenveld 15, 4704SV Roosendaal	Ordinary	100
Sim Services International B.V.*	M2M Managed value added service provider	Klerkenveld 15, 4704SV Roosendaal	Ordinary	100
Arkessa Inc	M2M Managed value added service provider	614 N DuPont Hwy, Ste 210, Dover, DE 19901	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 GmbH	Intermediate holding company	Untere Donaulände 21-25, 4020 Linz	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
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
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 Networks Limited	Intermediate holding company	Walker Rd, Bardon Hill, Coalville LE67 1TU	Ordinary	100

Notes to the Financial Statements for the year ended 30th April 2023 (continued)

9 Investments (continued)

Company name	Nature of the business	Registered Address	Class	%
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
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 12 th 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

The directors believe that the net book value of investments is supported by their underlying net assets.

*subsidiaries have been liquidated in the year

** subsidiary changed name from Sim Service BV

Notes to the Financial Statements for the year ended 30th April 2023 (continued)**10 Financial instruments**

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

	2023	2022
	£'000	£'000
Derivative financial instruments	24,651	7,194
Opening balance	7,194	139
Amortised in period	(4,040)	(247)
Cash paid for new instruments acquired	5,780	1,303
Change in fair value	15,717	5,999
Closing balance	24,651	7,194

The amortised value of the costs paid relating to the instruments above are included within prepayments £4,040k (2022: £247k). During the year, the cash amount realised as a result of the financial instrument was £2,874k (2022: £nil)

Derivative financial instruments

During the year ended 30th April 2023 the group acquired an interest rate cap instrument that has been valued at Fair Value Through Profit and Loss. In total, the group has four interest rate cap agreements:

Counter party	Cap rate	Nominal value	Start date	Termination
BOI	1.25%	£90.0m	31/12/21	30/09/24
BOI	0.5%	€300.0m	31/12/21	30/09/24
HSBC	3.0%	£203.5m	30/06/22	30/09/24
HSBC	3.0%	£293.5m	30/09/24	30/09/25

The cost of these instruments is amortised over the life of the agreement. The assets, representing the value of the agreement, are amortised over the life of the agreement against interest costs on the borrowing to which the cap relates. The agreements cover the majority of the third-party unitranche debt provided by financial institutions. The cost of this debt is linked to SONIA and as such the agreement protects the group against interest costs rising significantly, in the event SONIA increased. The agreement did not expose the group to any credit risk. The amortised cost of £4,040k (2022: £247k) detailed above is included in financial instruments held for cash management (note 11).

11 Trade and other receivables

	2023	2022
	£'000	£'000
Amounts owed by group undertakings	338,854	574,486
Financial instruments held for cash management	24,651	7,194
Other receivables	2,213	2,079
	365,718	583,759

Amounts owed by group undertakings that fall due within one year are interest bearing, unsecured and repayable on demand.

Notes to the Financial Statements for the year ended 30th April 2023 (continued)**12 Trade and other payables**

	2023	2022
	£'000	£'000
Amounts owed to group undertakings	(397,721)	(393,982)
Bank revolving credit facility (note 14)	(16,617)	(19,261)
Bank arrangement fee	2,181	2,116
Accruals and deferred income	(11,180)	(1,299)
Other creditors	(780)	-
	(424,117)	(412,426)

Amounts owed to group undertakings that fall due within one year are interest bearing, unsecured and repayable on demand.

13 Trade and other payables: amounts falling due after more than one year

	2023	2022
	£'000	£'000
Bank facilities (note 14)	(583,971)	(387,255)
Arrangement fee	6,553	4,685
	(577,418)	(382,570)

14 Loans and other borrowings

	2023	2022
	£'000	£'000
Opening bank facilities	(406,653)	(387,948)
Additions	(209,251)	(27,351)
Repayments	-	9,862
PIK Interest	-	(3,622)
Exchange differences	15,316	2,406
Closing bank facilities	(600,588)	(406,653)
Short-term loans	(16,617)	(19,261)
Long-term loans	(583,971)	(387,392)
Closing bank facilities	(600,588)	(406,653)

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.

Notes to the Financial Statements for the year ended 30th April 2023 (continued)**14 Loans and other borrowings (continued)**

During the year, the company refinanced its borrowings with the bank to increase the debt position to £600,588k at 30th April 2023. In accordance with IFRS 9, as a result of refinancing the old facility was treated as an extinguishment, with no gains or losses resulting from the extinguishment. A total of £6.2m of capitalised transaction costs were released to the income statement as a result of the refinancing.

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. £16,617k of the bank facilities are repayable within one year (2022: £19,261k) and the remainder £583,971k is repayable after more than one year (2022: £387,392). A summary of loans drawn on the facilities is given in the table below:

Facility	Total debt 30 Apr 2023	Total debt 30 Apr 2022	Facility maturity	Basis + margin range*
Loans repayable within one year				
Revolving Credit Facility	16,617	19,261	20 May 2027	SONIA / EURIBOR + (4.50% to 11.50%)
Total loans repayable within one year	16,617	19,261		
Loans repayable after more than one year				
Unitranche Facility B2*	-	116,327	20 May 2027	SONIA + (6.27% to 7.27%)
Unitranche Facility B1	-	47,897	20 May 2027	SONIA + (4.10% to 4.60%)
Acquisition Facility B2*	114,140	33,213	20 May 2027	SONIA / EURIBOR + (6.02% to 6.52%)
Acquisition Facility B1	31,271	13,820	20 May 2027	SONIA / EURIBOR + (3.85% to 4.60%)
	145,411	211,257		
Incremental Facility B1	-	7,362	20 May 2027	SONIA / EURIBOR + (4.10% to 4.60%)
Incremental Facility B2*	-	17,686	20 May 2027	SONIA / EURIBOR + (6.27% to 6.77%)
	-	25,048		
Incremental Facility B (100m) *	-	71,330	20 May 2027	SONIA + (6.77%)
Incremental Facility A (100m)	-	29,826	20 May 2027	SONIA + (4.35% to 4.60%)
Incremental Facility B (50m) *	-	35,075	20 May 2027	SONIA / EURIBOR + (6.27% to 6.77%)
Incremental Facility A (50m)	-	14,719	20 May 2027	SONIA / EURIBOR + (4.10% to 4.60%)
	-	150,950		
Facility B1	170,551	-	20 May 2027	SONIA / EURIBOR + (4.19% to 9.00%)
Facility B2	268,009	14,719	20 May 2027	SONIA / EURIBOR + (7.61% to 12.51%)
	583,971	-		
Total loans repayable after more than one year	-	387,255		
Total debt	600,588	406,516		

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

Notes to the Financial Statements for the year ended 30th April 2023 (continued)

15 Called up Share capital

Ordinary shares of £0.01 each.

	Number of shares No.	Ordinary shares £'000	Share premium £'000	Total £'000
Allotted and fully paid				
At 1st May 2022	764,550	8	756	764
Allotted and fully paid during the year	27,542,470	275	27,267	27,542
Allotted and fully paid as at 30th April 2023	28,307,020	283	28,023	28,306

16 Ultimate parent undertaking and controlling party

The immediate parent undertaking is Blue Midco Limited (company number: 11459759) a company incorporated in England and Wales.

The ultimate parent undertaking is Blue Parentco Limited, a company incorporated in Jersey.

The largest and smallest group of undertakings for which consolidated financial statements for the year ended 30th April 2023 have been drawn up is that headed by Blue Holdco Limited. The consolidated financial statements of Blue Holdco Limited are available from Horizon, Honey Lane, Hurley, Berkshire, SL6 6RJ.

As at the 30th April 2023 the directors considered the controlling parties to be funds managed by Montagu Private Equity LLP.