

Registration number: 12987863

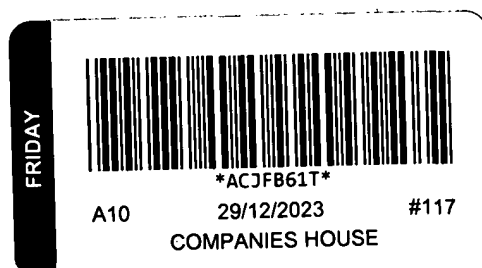


Giacom Topco Limited

(Formerly Panther Topco Limited)

Annual Report and Financial Statements

for the year ended 31 March 2023



Giacom Topco Limited (formerly Panther Topco Limited)
Annual Report & Financial Statements for the year ended 31 March 2023
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Annual Report & Financial Statements for the year ended 31 March 2023
Company information

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Giacom Topco Limited
Strategic report
For the year ended 31 March 2023

The directors present a strategic report of the Group and the Company as required by section 414(A) to 414(D) of the Companies Act 2006.

Principal activity

Giacom Topco Limited (formerly Panther Topco Limited) ("the Company") is a holding company incorporated on 2 November 2020. On 31 March 2021 the Company acquired Giacom Group Holdings Limited, Giacom (Communications) Holdings Limited (formerly DWS Group Holdings Limited) and Giacom (Platforms) Holdings Limited (formerly AKJ Group Holdings Limited) and their respective subsidiaries upon their demerger from their previous parent Daisy Group Holdings Limited.

The Company and its subsidiary companies (together "the Group") provides a full suite of cloud and communications solutions to over 5,000 UK channel partners, including cloud, mobile communications, connectivity, and other services via its technology platform. These channel partners help small and medium-size businesses ("SMB's") access and use the essential technology they need to operate. The Group's technology platform provides channel partners with access to some of the largest technology vendors and service providers on attractive commercial terms and offers automated quoting, ordering, provisioning, support and billing services.

The Group has continued to perform strongly in the year to 31 March 2023, with like-for-like revenue growth of 12.7% and reported revenue growth of 10.9%. Like-for-like revenue growth is calculated after considering the impact of a change in revenue accounting treatment implemented in the year to 31 March 2023, which has not resulted in a restatement of the 2022 results, as if they were applied to the comparative revenues for the period to 31 March 2022. All of the Group's core product areas: cloud services, mobility, and connectivity, achieved strong organic revenue growth in the year, demonstrating the Group's ability to serve its channel partners and grow market share.

Market and business strategy

The market for technology provision to the SMB sector addressable by the Group is estimated to be valued at over £10 billion per annum in the United Kingdom and is in structural growth. The market remains highly fragmented, with an estimated 15,000 channel partners and resellers offering services to end SMB customers. The Group is well positioned to take further share by successfully enabling channel partners to sell more effectively to their SMB customers through its technology platform and broad suite of next generation cloud and communications products.

Many SMB customers buy services directly from the major technology vendors and telecommunications providers, but don't have the resources and expertise to manage the multiple suppliers and technologies needed to run their business. The Group is a leader in providing technology services to its channel partners, who in turn help SMB customers effectively access the technology they need. While the SMB technology services market overall is growing at approximately 4% per annum, the trading entities that make up the Group have delivered over 13% compound annual revenue growth over the last five years. This has been achieved by providing channel partners with market leading products via the Group's technology platform alongside the technical support they need to succeed.

The Group offers major technology vendors and telecommunications providers an effective route to reach the SMB market at scale. Close integration with the Group's technology platform and attractive commercial arrangements makes the Group an important route to the SMB market for these vendors. At the same time, the Group is able to leverage its buying power by operating at scale to achieve marketing leading buy rates with major vendors for the benefit of its channel partners.

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In a fast-moving market, the Group continues to invest in bringing new products to its platform and creating new opportunities for channel partners to capture higher growth across key segments. These new product segments include public cloud and cloud communications services, cyber security, mobile data applications, and connectivity focused on fibre-to-the-premise.

The Group proactively invests in its technology platform and tools, service automation and data and analytics capabilities to enhance its proposition to channel partners. Having the best people to support channel partners across marketing, operations and technical support is also critical for the continued success of the Group. To that end, the Group remains committed to investing in the people skills and capabilities to support its channel partners.

In July 2023 the Group unified its go-to-market proposition and channel partner engagement under the Giacom brand and consolidated its technology platforms into a new single digital experience, Cloud Market, with both activities designed to make the Group increasingly easy to do business with. Further investment in Cloud Market to support channel partners to sell, provision and seamlessly support the full range of Giacom is planned for the coming financial year.

In December 2023 the Group completed the acquisition of Inty Holdings Limited and its subsidiaries, a cloud distributor operating in the UK. The acquisition significantly increases the Group's scale in the high-growth cloud services segment, and adds c1,500 partners (primarily IT managed service providers) to the customer base, to whom the full range of Giacom products will be available via the Cloud Market platform.

Business Review

The Group performed strongly in the year continuing the momentum achieved since the demerger. Group revenue increased to £355.1m for the year to 31 March 2023 up 12.7% on a like-for-like basis and 10.9% as reported, reflecting continued strong demand across the major product lines offered to channel partners. The Group has good visibility of its monthly revenues with c.90% coming from recurring sources in the period to 31 March 2023.

The Group achieved adjusted gross profit of £108.9m with an adjusted gross profit margin of 30.7%. Adjusted EBITDA of £70.0m and Adjusted EBITDA margin of 19.7% were reported in the period after investment in the sales, technology and operational resources to support future growth.

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Key performance indicators (KPIs):

	Year ended 31 March 2023	Period ended 31 March 2022*
	£m	£m
Revenue	355.1	320.1
Adjusted gross profit**	108.9	100.7
Adjusted gross profit margin	30.7%	31.5%
Gross profit	107.4	100.7
Gross profit margin	30.4%	31.5%
Adjusted EBITDA***	70.0	63.3
Adjusted EBITDA margin	19.7%	19.8%
Operating profit/ (loss)	(34.8)	(4.4)
Free Cash Flow****	57.3	46.2
Cash generated from operations	54.5	19.7

*The comparative financial statements were prepared for the period between 2 November 2020 and 31 March 2022. However, due to the Group's acquisition of its trading subsidiaries on 31 March 2021, the comparative results effectively represent business performance for the year to 31 March 2022.

** Adjusted gross profit is gross profit before amortisation which the directors consider the most appropriate measure of the Group's results that they use to make decisions about the business. The reconciliation from Adjusted gross profit to gross profit is as follows.

	Year ended 31 March 2023	Period Ended 31 March 2022
	£m	£m
Adjusted gross profit	108.9	100.7
Amortisation	(1.5)	-
Gross profit	107.4	100.7

*** Adjusted EBITDA is operating profit before amortisation, depreciation, exceptional items and other non-trading items which the directors consider the most appropriate measure of the Group's results that they use to make decisions about the business. A reconciliation from Adjusted EBITDA to operating loss can be found on the Income Statement on page 22.

**** Free Cash Flow is Adjusted EBITDA less payments to acquire intangible assets and purchases of property, plant and equipment. The Group uses Free Cash Flow as an important measure of performance as it believes it best describes the underlying cash generation of the business after capital investment. A reconciliation from Adjusted EBITDA to Free Cash Flow is shown in this Strategic report on page 9.

Giacom Topco Limited
Strategic report
For the year ended 31 March 2023

The Group offers the following products and services to its channel partners:

Cloud services	Licensed software-as-a-service solutions including productivity, public cloud, backup, security, voice and hosted offerings.
Mobile communications	Business mobile airtime, voice and data solutions via service provider and network billed offerings. Data-only services and applications.
Connectivity	Business connectivity solutions including ethernet, fibre-to-the-premise, broadband and line rental products.
Other	Hardware sales, partner software tools and support services. Traditional voice services.

	Year ended 31 March 2023	Period ended 31 March 2022	Growth	
	£m	£m	Like-for-like* %	Reported %
Cloud	107.6	85.3	27.0	26.2
Mobile communications	110.3	101.6	13.5	8.6
Connectivity	72.9	66.8	9.1	9.1
Other	64.3	66.4	(3.2)	(3.2)
Total	355.1	320.1	12.7	10.9

Both periods presented in the table above represent 12 months of trading.

* Like-for-like revenue growth is calculated after considering the impact of a change in revenue accounting treatment implemented in the year ended 31 March 2023, which has not resulted in a restatement of the 2022 results, as if they were applied to the comparative revenues for the period ended 31 March 2022.

The Group achieved revenue of £355.1m, a reported increase of 10.9% in the year and an increase of 12.7% on a like-for-like basis, as follows:

- Cloud revenues grew by 26.2% on a reported basis and 27.0% like-for-like in the year to 31 March 2023 to £107.6m, primarily driven by strong software licence growth as well as end customers increasingly accessing public cloud services such as Microsoft Azure. Looking forward, continued strong growth in productivity tools and cyber security products is expected in Cloud. The SMB sector also remains under-penetrated for public cloud use, representing a significant growth opportunity for the Group.
- Mobile communications revenues grew 8.6% on a reported basis and 13.5% like-for-like in the year to 31 March 2023 to £110.3m, with growth strongest in providing wholesale services to channel partners. Deeper penetration of the channel partner base through cross-sell is expected, particularly amongst managed service providers (MSPs) who have not traditionally provided mobile communications to their SMB customers. Data-only applications remain a relatively small proportion of total mobile revenues and further growth in these new services is also anticipated.
- Connectivity revenues grew by 9.1% in the year to 31 March 2023 to £72.9m, with growth in new connectivity products out-pacing reductions in traditional line rental services. The PSTN switch off in the United Kingdom continues to represent a significant growth opportunity for the Group as it facilitates the transition of customers to new connectivity and internet protocol services such as fibre-to-the-premise and single-order broadband.

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- Other revenues declined by 3.2% in the year to 31 March 2022 to £64.3m. This reduction in revenue principally reflects the decline in traditional voice services with SMB's activity moved to cloud licences and hosted voice solutions.

Reconciliation of Adjusted EBITDA to Group operating loss:

	Year ended 31 March 2023	Period ended 31 March 2022
	£m	£m
Adjusted EBITDA**	70.0	63.3
Amortisation	(46.2)	(34.2)
Depreciation	(1.9)	(1.9)
Net exceptional expenses	(50.0)	(26.1)
Other non-trading items	(6.7)	(5.5)
Operating loss	(34.8)	(4.4)

The operating loss of £34.8m for the year ended 31 March 2023 was after amortisation of £46.2m, depreciation of £1.9m, net exceptional expenses of £50.0m and other non-trading items of £6.7m. Net exceptional expenses in the period included £43.2m impairment of intangible assets as a result of moving to one brand for the Group, £1.1m of non-cash costs relating to the period before the demerger, and £2.9m of costs relating to the reorganisation of the Group. Other non-trading items included £5.9m in relation to non-cash share-based payments as described in note 27 to the financial statements on page 62.

The Group loss before tax was £139.6m in the year ended 31 March 2023 after net finance costs of £104.8m. Net financing costs in the year ended 31 March 2023 included £72.3m related to loan notes and PIK facility interest that is payable at maturity in March 2027 and March 2028 respectively. Further details of net financing costs in the period are provided in note 9 to the financial statements on page 42.

Cash generated from operations was £65.1m in the year ended 31 March 2023 before a working capital outflow of £10.6m. The reported working capital outflow in the year primarily relates to the utilisation of provisions for liabilities made at the time of the demerger. Cash generated from operations was therefore £54.5m after working capital changes in the year ended 31 March 2023.

Tax paid in the year ended 31 March 2023 was £2.8m. Additions to intangible assets totaled £11.1m in the year ended 31 March 2023, all of which represented investment in software platforms, and purchased property, plant and equipment totaled £1.6m. Cash interest paid on borrowings in the year ended 31 March 2023 was £36.0m.

The Group generated Free Cash Flow of £57.3m in the year ended 31 March 2023 as set out in the table below. The board considers Free Cash Flow (being Adjusted EBITDA less additions to intangible assets and purchased property, plant and equipment) as a key measure of cash generation.

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Strategic report
For the year ended 31 March 2023

Free Cash Flow

	Year ended 31 March 2023 £m	Period ended 31 March 2022 £m
Adjusted EBITDA	70.0	63.3
Additions to intangible assets	(11.1)	(15.2)
Purchased property, plant and equipment	(1.6)	(1.9)
Free Cash Flow	57.3	46.2

Reconciliation of Free Cash Flow to cash generated from operations before movement in working capital:

	Year ended 31 March 2023 £m	Period ended 31 March 2022 £m
Free Cash Flow	57.3	46.2
Additions to intangible assets	11.1	15.2
Purchased property, plant and equipment	1.6	1.9
Cash items within exceptional administrative expenses	(4.1)	(26.1)
Cash items within other non-trading items	(0.8)	(1.0)
Cash generated from operations before movement in working capital	65.1	36.2

The Group had net liabilities of £205.0m and net current assets of £6.6m at 31 March 2023.

Total borrowings at 31 March 2023 were £1,164.6m, reflecting the funding structure of the Group put in place at the demerger including senior debt, PIK facility and investor loan notes as follows:

	As at 31 March 2023 £m	As at 31 March 2022 £m	Maturity
Senior debt	398.3	401.8	March 2028
PIK facility	59.4	53.5	March 2028
Loan notes	706.9	640.4	March 2027
Total borrowings	1,164.6	1,095.7	

The borrowings in relation to the loan notes and PIK facility above include accrued interest. Further details of the borrowings of the Group at 31 March 2023 and financial instruments and risk management are provided in notes 18 and 19 to the financial statements on pages 50 to 54.

Senior debt less cash and bank balances at 31 March 2023 was £390.5m, representing 5.6 times Adjusted EBITDA. The strong cash flow generation from operations, financial covenant structure and the longer-term nature of its borrowings means that the Group is well placed to finance its ongoing activities.

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In September 2023 the Group amended and increased its super-senior revolving credit facility from £20m to £35m, and subsequently in December 2023 further increased the same facility to £55m. The Group's revolving credit facilities mature in September 2027.

Outlook

The Group has delivered strong trading results for the year to 31 March 2023, combining strong revenue growth with robust Adjusted EBITDA margins and Operating Cash Flow. This has been achieved while investing in both the platform technology and people to support its channel partners. The Group is a leader in the attractive £10bn plus UK SMB technology services market and is well positioned to demonstrate good revenue growth, profitability, and cash generation in the future.

Principal risks and uncertainties

The directors regularly assess the key business risks of the Group and Company, which are considered to be:

Increased competition

The telecommunications and technology service market could become more competitive, and the Group could suffer from increased competition. The Group mitigates this risk by focusing on providing the highest possible level of customer service whilst offering customers a broad range of competitively priced products. Furthermore, the Group monitors the activity of competitors through its industry information sources and the wider market to ensure that it is positioned appropriately with its product and service portfolio.

Technological change

The market for the Group's services is characterised by technological developments and changes, frequent introductions of new products and services and evolving industry standards. There is a risk that the Group may fail to secure the necessary contracts to supply its customers with the latest technology. The Company mitigates this risk by maintaining close relationships with suppliers, which it believes will keep it at the forefront of product development on a sustained basis, and monitors trends in technological advancement to anticipate and plan for future changes through its dedicated product teams.

Key resources

The Group is managed by certain key personnel, including executive directors and senior management who have significant experience within the Group and the wider IT communications sectors and who may be difficult to replace. Furthermore, the Group depends on being able to recruit and retain employees of an appropriate calibre to win and service significant contracts. The Group has sought to mitigate this resource risk by investing in staff training programmes, competitive reward and compensation packages, management incentive schemes and succession planning.

Regulatory change

The Group recognises that the pricing of products and services and the activities of major industry organisations may be affected by the actions of regulatory bodies. Such actions could affect the Group's profitability either directly or indirectly. The Group mitigates this risk by monitoring and assessing the likelihood and potential impact of regulatory change including working in conjunction with its major suppliers.

Data protection and IT security

The Group holds certain confidential data. Failure to comply with data privacy regulations and standards or weakness in internet security may result in a major data privacy breach causing reputational damage to the Group's brands and financial loss. Breach of IT security may cause data to be lost, corrupted or accessed by unauthorised users, impacting the Group's reputation. This could give rise to legal or regulatory penalties as well as commercial costs. The Group has processes and procedures in place to monitor effectiveness of customer back-up and is continually upgrading security equipment and software and making improvements to physical security processes. Penetration testing is performed on a regular basis to test the security of the sites and data. Thorough investigations are carried out of any incidents arising and corrective action is taken.

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Section 172 (1) Statement

Under section 172 (1) of the Companies Act 2006, the directors have a duty to promote the success of the Company for the benefit of its members as a whole. This includes having due regard to the broad range of stakeholders of the Company, such as its workforce, customers, suppliers, shareholders and its impact on the wider community and environment.

The Company's board is made up of its Chairman, Chief Executive, Chief Financial Officer and non-executive directors, who together are responsible for setting the strategy and managing the Group in line with established corporate governance principles. The board regularly reviews the Groups strategic objectives, goals and priorities to ensure that the long-term consequences of decisions are well understood.

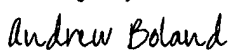
The Company engages with its shareholders on a regular basis through formal board meetings, board audit and remuneration committees and through monthly presentation of business and financial information.

It is a strategic priority for the Group to continue to enhance its reputation and advocacy amongst its channel partners and employees. Employee surveys are issued at least annually, and the results discussed with employee engagement groups. Further opportunities for employees to engage with senior management on issues affecting them are given through regular employee forums and roadshows. Customer feedback is sought regularly, whether as part of the customer experience follow up after specific interaction or through regular scheduled service review meetings over the course of the period. Value-adding initiatives are also provided for customers, such as webinars and training days. Similarly, regular review meetings are held with the main suppliers to the Group.

Engagement with the wider community is led by the senior management who champion interactions with local communities and charities. The environmental impact of the Group's operations is also activity addressed through established energy and carbon reduction initiatives.

The board is committed to maintaining a high standard of business conduct and to act fairly between its members. This commitment is supported by the governance structure and policies that are in place and continue to be enhanced in response to changes in the business environment.

Approved by the board of directors on 22 December 2023 and signed on its behalf by:

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Andrew Boland
Director

Giacom Topco Limited
Directors' report
For the year ended 31 March 2023

The directors present the annual report and the audited financial statements of the Group and Company for the year ended 31 March 2023. Details of future developments can be found in the strategic report and form part of this report by cross reference, as permitted by section 414C(11) of the Companies Act 2006.

Business risk management

Senior management are responsible for managing risks across the business, within a risk management framework that seeks to evaluate and mitigate the impact of strategic and systematic risks on the business and to assess the cause and determine specific remediation actions for individual risk incidents. A structured project management approach is taken to ensure effective execution of the plans that support the Group's strategic priorities. Insurance policies are regularly reviewed to ensure that they are adequate and appropriate for the nature, size and complexity of the business.

Financial risk management

The Group's operations are exposed to financial risks, principally credit risk, interest rate and liquidity risk.

Credit risk

Appropriate credit checks are undertaken on all potential customers before new contracts are accepted. Individual exposures are monitored with customers to ensure the Company's exposure to bad debts is minimised. Credit risk associated with cash balances is managed by transacting with financial institutions with high quality credit ratings. Accordingly, the Group's associated credit risk is deemed to be limited. All associated financial institutions utilised by the Group require the advance approval of the Board.

Interest rate risk

A proportion of the Group's borrowings are exposed to changes in market interest rates, specifically senior debt service costs change with SONIA. The Group regularly reviews its exposure to interest rate risk and implements interest rate hedging as appropriate. The Group currently has interest rate hedging in place which is further described in note 19 to the financial statements on pages 51 - 54.

Liquidity risk

The Group regularly forecasts cash flow to ensure that sufficient cash is available to fund its operating expenses, capital investment and debt service costs.

Policy on payment to suppliers

The Group's supplier payment policy is to agree terms and conditions for business transactions with suppliers in advance and then make payments promptly in-line with agreed terms. Payment terms with suppliers is in the ordinary course within 60 days of invoice.

Proposed dividend

The directors do not recommend the payment of a dividend.

Giacom Topco Limited
Directors' report
For the year ended 31 March 2023

Directors

The directors who were in office during the period and up to the date of signing the financial statements are given below:

Matthew Riley
Andrew Boland
Michael Dennis
Edward Lynch
Terence O'Brien
Damian Sanders
Paul Walker
David Whileman

Future developments

The Group is focused on pursuing organic growth from the provision of services to its channel partners, improving operational efficiency and investing in people and its digital platform to support future success. The Group continues to assess opportunities to enhance its product offer and service provision through commercial partnerships and selective acquisitions.

Directors' and officers' liability insurance and indemnity

The Group has a qualifying third-party indemnity in place on behalf of its directors during the period which remains in force at the date of this report. The articles of association of certain associated companies also contain indemnification provisions in favour of Company directors to the extent permitted by law.

Employee participation

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial performance of their business units and of the Group as a whole. The directors are committed to maintaining and developing communication and consultation processes with employees, who in turn are encouraged to develop an awareness of the issues affecting the Group. The Group aims to be an employer of choice and seeks to maintain strong employee relations in all areas in which the Group operates. The directors place considerable emphasis on employees sharing in the success of the Group.

Engagement with employees and other business relationships

Details of the Group's engagement with its employees, customers and suppliers are given in the Section 172 statement in the strategic report.

Employment of disabled persons

Both employment policy and practice in the Group are based on non-discrimination and equal opportunities. The Group remains supportive of the employment and advancement of disabled people and provides appropriate opportunities for their training, career development and promotion. Applications for employment by disabled persons are always fully considered. Where employees have become disabled in the service of the Group, every effort is made to rehabilitate them in their former occupation or in some suitable alternative.

Political and charitable donations

Charitable donations amounting to £14,239 were made during the period. No political donations were made during the period.

Giacom Topco Limited
Directors' report
For the year ended 31 March 2023

Energy and Carbon Reporting

The Group's environmental mission statement and strategy is summarised below:

Purpose	Carbon	Waste
Mitigate operational impacts on the environment during the course of our normal business activities	The Group aims to mitigate the impact of its operations on climate change. The Group also endeavours to mitigate the impact of increased energy prices and carbon taxes on its operations.	The Group aims to minimise the waste created by its operations with a particular focus on reducing waste plastics and packaging.

Carbon data

	Carbon dioxide equivalent (CO2e) tonnes Year ended 31 March 2023	Kilowatt hours (kWh) Year ended 31 March 2023	Carbon dioxide equivalent (CO2e) tonnes Year ended 31 March 2022	Kilowatt hours (kWh) Year ended 31 March 2022
Scope 1				
Direct emissions from burning gas and solid fuel to heating and from road fuel used in connection with the business activities of the Group	52	283,454	51	275,988
Scope 2				
Indirect emissions from use of electricity	191	942,709	271	1,161,071
Intensity				
Tonnes of CO2e from Scope 1 and Scope 2 sources per £m of turnover (2023: £353.1m, 2022: £320.1m)	0.5		1.0	

Scope 1 and 2 emissions are calculated for the year for the Group using the UK government conversion factors for company reporting. Emissions from domestic refrigeration and buildings' air conditioning are not included as they are not material to the Group's overall emissions. Scope 1 and 2 data are from measured sources from either expenditure on fuel or (for vehicles) distance travelled.

The Group's objectives for the year ended 31 March 2024 with respect to reducing carbon emissions are as follows:

- Continue to pursue further reductions in carbon emissions to drive improved practices
- Improve measurement and understanding of indirect emissions as they relate to the Group's broader supply chain, including by applying the principles of ISO 14001 and 50001
- Purchase carbon credits to offset the Scope 1 and 2 emissions shown above
- Calculate our Scope 3 charges and set reduction targets

Giacom Topco Limited
Directors' report
For the year ended 31 March 2023

Going concern

Under Company law, the directors are required to consider whether it is appropriate to prepare financial statements on the basis that the Group is a going concern. After making appropriate enquiries, the Directors have a reasonable expectation that the Group has adequate resources to continue as a going concern for at least 12 months from the date of approval of these financial statements.

The Group is cash generative. The directors have reviewed both a base case growth model and a severe but plausible downside case forecast for the Group for at least the 12 months from the date of approval of the financial statements. While seen as unlikely, the downside case forecasts a deterioration in the trading performance of the Group and a material increase in debt service costs. Performance of the Group against its financial covenants and its liquidity requirements have then been assessed by the directors. Having reviewed these forecasts, the Directors believe that the Group will be able to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements, and therefore the going concern basis should be adopted in preparing the financial statements (see note 2).

Disclosure of information to the auditors

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

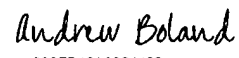
- a) so far as the directors are aware, there is no relevant information of which the Company's auditors are unaware; and
- b) each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Independent auditors

PricewaterhouseCoopers LLP were reappointed as the Company's auditors on 30 November 2022. A resolution to re-appoint PricewaterhouseCoopers LLP as the Company's auditors will be proposed at the next directors' meeting.

Approved by the board on 22 December 2023 and signed on its behalf by:

DocuSigned by:

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Andrew Boland
Director

Giacom Topco Limited
Directors' responsibility statement in respect of the financial statements
For the year ended 31 March 2023

The directors are responsible for preparing the directors' responsibility statement 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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 102 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

Each of the directors, whose names and functions are listed in the Directors' Report, confirm that, to the best of their knowledge:

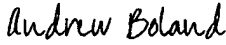
- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Group;
- the Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 102, give a true and fair view of the assets, liabilities and financial position of the Company; and
- the Strategic Report and Directors' Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces.

Giacom Topco Limited
Directors' responsibility statement
For the year ended 31 March 2023 (continued)

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.

Approved by the board on 22 December 2023 and signed on its behalf by:

DocuSigned by:

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Andrew Boland
Director

Independent auditors' report to the members of Giacom Topco Limited (formerly Panther Topco Limited)

Report on the audit of the financial statements

Opinion

In our opinion:

- Giacom Topco Limited (formerly Panther Topco Limited)'s group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023 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 parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Annual Report and Financial Statements (the "Annual Report"), which comprise: the Consolidated statement of financial position and the Company balance sheet as at 31 March 2023; the Consolidated income statement, the Consolidated statement of comprehensive income, the Consolidated statement of changes in equity, the Consolidated cash flow statement and the Company statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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.

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 parent 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 parent 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.

Independent auditors' report to the members of Giacom Topco Limited (formerly Panther Topco Limited) (continued)

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 31 March 2023 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 parent 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 Directors' responsibility statement 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members of Giacom Topco Limited (formerly Panther Topco Limited) (continued)

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 telecommunications industry specific legislation and regulations, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as Companies Act 2006 and UK tax legislation. 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 inappropriate journal entries to increase revenue or Adjusted EBITDA or manipulation of results through classification of expenses as exceptional items, and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- obtaining an understanding of legal and regulatory framework applicable to the group and the company and how the group and the company is complying with that framework,
- inquiries of management including consideration of known or suspected instances of non-compliance with laws and regulations and fraud,
- reviewing minutes of meetings of those charged with governance, where available,
- incorporating an element of unpredictability into our audit procedures,
- identifying and testing journal entries, including those with unusual account combinations relating to the principal fraud risks set out above; and
- challenging assumptions and judgements made by management in their significant accounting estimates.

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.

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. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the parent 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.

Independent auditors' report to the members of Giacom Topco Limited (formerly Panther Topco Limited) (continued)

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 parent 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 parent company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Nicholas Stevenson (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
22 December 2023

Giacom Topco Limited
Consolidated Income Statement
For the year ended 31 March 2023

		Year ended	Period from
	Note	31 March 2023	2 November 2020
		£'000	to 31 March 2022
			£'000
Revenue	4	355,054	320,086
Cost of sales		(247,621)	(219,391)
Gross profit		107,433	100,695
Administrative expenses		(143,235)	(105,118)
Other operating income		1,052	-
Operating profit / (loss)	5	(34,750)	(4,423)
Adjusted EBITDA **		69,955	63,321
Amortisation		(46,203)	(34,177)
Depreciation	13	(1,893)	(1,919)
Exceptional income	7	1,493	-
Exceptional administrative expenses	7	(51,384)	(26,111)
Other non-trading items	8	(6,718)	(5,537)
Operating profit / (loss)		(34,750)	(4,423)
Net finance costs	9	(104,822)	(99,061)
Loss before tax		(139,572)	(103,484)
Tax	10	18,857	(2,190)
Loss for the year/period		(120,715)	(105,674)

All results in the current period derive from continuing activities.

* Adjusted gross profit comprises gross profit before charging amortisation

** Adjusted EBITDA comprises operating profit before charging depreciation, amortisation, net exceptional administrative expenses and other non-trading items which includes non-cash share-based payments.

Giacom Topco Limited
Consolidated Statement of Comprehensive Income
For the year ended 31 March 2023

		Year ended	Period from
	Note	31 March 2023	2 November 2020
		£'000	To 31 March 2022
			£'000
Loss for the year/period		(120,715)	(105,674)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Cash flow hedges:			
Gain on hedging instruments designated as a cash flow hedge	19	4,364	5,182
Income tax relating to items that may be reclassified subsequently	24	(1,542)	(1,143)
Other comprehensive income for the year/period, net of income tax		2,822	4,039
Total comprehensive loss for the year/period		(117,893)	(101,635)

Giacom Topco Limited
Consolidated Statement of Financial Position
As at 31 March 2023

		31 March 2023	31 March 2022
	Note	£'000	£'000
Non-current assets			
Goodwill	11	571,396	569,152
Other intangible assets	12	472,781	548,615
Property, plant and equipment	13	4,600	3,177
Derivative financial instruments	19	2,771	3,967
		1,051,548	1,124,911
Current assets			
Inventories	14	2,376	1,158
Trade and other receivables	15	103,376	95,315
Corporation tax		2,354	3,496
Derivative financial instruments	19	6,775	1,215
Cash and bank balances		7,831	6,006
		122,712	107,190
Total assets		1,174,260	1,232,101
Current liabilities			
Trade and other payables	16	(96,389)	(83,633)
Borrowings	18	(15,000)	(15,000)
Lease liabilities	23	(361)	(684)
Provisions	17	(4,401)	(8,068)
		(116,151)	(107,385)
Non-current liabilities			
Trade and other payables	16	(2,900)	(2,866)
Borrowings	18	(1,149,560)	(1,080,736)
Lease liabilities	23	(1,410)	-
Deferred tax liabilities	24	(109,229)	(131,032)
Provisions	17	-	(3,101)
		(1,263,099)	(1,217,735)
Total liabilities		(1,379,250)	(1,325,120)
Net liabilities		(204,990)	(93,019)
Equity			
Share capital	20	50	49
Share premium	20	5,050	4,802
Treasury shares	20	(965)	(746)
EBT Shares	20	(12)	-
Cash flow hedge reserve	20	6,861	4,039
Share-based payment reserve	20	10,415	4,511
Accumulated losses		(226,389)	(105,674)
Total equity attributable to owners of the parent		(204,990)	(93,019)

The notes on pages 27 to 63 are an integral part of these consolidated financial statements. The consolidated financial statements on pages 22 to 63 were approved by the Directors and authorised for issue on 22 December 2023 and signed on their behalf by:

DocuSigned by:

Andrew Boland

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Andrew Boland

Director

Company registration number 12987863

Giacom Topco Limited
Consolidated Statement of Changes in Equity
For the year ended 31 March 2023

		Share capital	Share premium	Treasury shares	EBT Shares	Cash flow hedge reserve	Share-based payment reserve	Accumulated losses	Total equity
	Note	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 2 November 2020		-	-	-	-	-	-	-	-
Loss for the period		-	-	-	-	-	-	(105,674)	(105,674)
Other comprehensive income for the period, net of income tax		-	-	-	-	4,039	-	-	4,039
Total comprehensive income/(loss) for the period		-	-	-	-	4,039	-	(105,674)	(101,635)
<i>Transactions with owners in their capacity as owners</i>									
Shares issued in the period	20	49	4,802	(746)	-	-	-	-	4,105
Equity-settled share-based payments	27	-	-	-	-	-	4,511	-	4,511
		49	4,802	(746)	-	-	4,511	-	8,616
Balance at 31 March 2022		49	4,802	(746)	-	4,039	4,511	(105,674)	(93,019)
Loss for the year		-	-	-	-	-	-	(120,715)	(120,715)
Other comprehensive income for the period, net of income tax		-	-	-	-	2,822	-	-	2,822
Total comprehensive income/(loss) for the period		-	-	-	-	2,822	-	(120,715)	(117,893)
<i>Transactions with owners in their capacity as owners</i>									
Shares issued in the year	20	1	248	(219)	(12)	-	-	-	18
Equity-settled share-based payments	27	-	-	-	-	-	5,904	-	5,904
		1	248	(219)	(12)	-	5,904	-	5,922
Balance at 31 March 2023		50	5,050	(965)	(12)	6,861	10,415	(226,389)	(204,990)

Giacom Topco Limited
Consolidated Cash Flow Statement
For the year ended 31 March 2023

	Note	Year ended 31 March 2023 £'000	Period from 2 November 2020 to 31 March 2022 £'000
Cash flows from operating activities			
Loss for the period		(120,715)	(105,674)
Adjustments for:			
Income tax credit/(charge) recognised in profit or loss		(18,857)	2,190
Net finance costs recognised in profit or loss		104,821	99,061
Share-based payment expense		5,904	4,511
Non-cash items within exceptional income and administrative expenses and other non-trading items		2,630	-
Depreciation, amortisation and impairment of non-current assets		91,271	36,096
Operating cash flows before movement in working capital		65,054	36,184
Increase in inventories		(1,218)	(229)
Increase in trade and other receivables		(16,809)	(24,492)
Increase in accruals and deferred income		13,018	6,696
(Decrease) / increase in trade and other payables		(5,562)	1,506
Cash generated from operations		54,483	19,665
Income taxes paid		(2,792)	(7,726)
Net cash generated by operating activities		51,691	11,939
Investing activities			
Payments for property, plant and equipment	13	(1,599)	(1,900)
Payments for intangible assets	12	(11,078)	(15,212)
Payment for acquisition of subsidiaries, net of cash acquired	26	(400)	(838,403)
Net cash used in investing activities		(13,077)	(855,515)
Financing activities			
Interest received / (paid) for derivative financial instruments		2,405	(715)
Interest paid on borrowings	18	(38,404)	(30,206)
Interest received		61	7
Interest paid on finance leases	18	(59)	(92)
Payment of lease liabilities	18	(561)	(504)
Proceeds from issue of shares	20	-	2,779
Proceeds from issue of treasury shares	20	219	280
Proceeds from borrowings	18	-	894,901
Payments for debt issue costs	18	(450)	(16,868)
Net cash generated by financing activities		(36,789)	849,582
Net increase in cash and cash equivalents		1,825	6,006
Cash and cash equivalents at the beginning of the year/period		6,006	-
Cash and cash equivalents at the end of the year/period		7,831	6,006

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

1. General Information

The financial information is presented in pounds sterling, rounded to the nearest thousand, because that is the currency of the primary economic environment in which the Group operates.

2. Basis of preparation

Basis of accounting

The consolidated financial statements have been prepared in accordance with International Accounting Standards as adopted by the United Kingdom and with the requirements of the Companies Act 2006 as applicable to reporting under those standards.

The consolidated financial information has been prepared under the historical cost convention, except for the revaluation of certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for the assets. The principal accounting policies adopted are set out below and on the following pages and have been consistently applied to all years and periods presented.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Group will take into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs into the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly
- Level 3 inputs are unobservable inputs for the asset or liability

Going concern

The Group is cash generative and, as at the date of approval of the financial statements, has £425,000,000 of Senior debt facilities, of which £25,000,000 is undrawn and available to fund future capital expenditure or acquisitions. In addition, as at the date of approval of the financial statements the Group has £55,000,000 of Super Senior debt facilities, of which £13,950,000 is undrawn and available for general corporate purposes. The Group's debt facilities expire between March 2027 and March 2028. As at the date of approval of the financial statements, the Group has two financial covenants, being Adjusted Leverage (the ratio of Adjusted EBITDA to net debt) on its senior debt facilities and Adjusted Leverage (the ratio of Adjusted EBITDA to net debt) on its super-senior debt facilities. The covenants are measured quarterly on a rolling 12-month basis, with the target ratios reducing over time.

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

2. Basis of preparation (continued)

The Directors have reviewed both a base case growth model and a severe but plausible downside case forecast for the Group for at least the next 12 months from the date of approval of these financial statements. The downside case forecasts a significant deterioration in the trading performance of the Group and a material increase in debt service costs. Given the robustness of the Group's business model, the Directors consider this an unlikely and severe limitation on the Group's expected performance. The Directors' have also considered a further sensitivity in the Group's cash flow forecasts to variations in the SONIA interest rate, given the exposure of the Group's borrowings to variable rates of interest linked to that benchmark.

In all scenarios, including a combination of the downside case and an adverse variation in the SONIA rate, the forecasts show that the Group will have sufficient liquidity to be able to meet its liabilities as they fall due for at least 12 months from the date of approval of these financial statements and will continue to satisfy its financial covenant obligations throughout the same period. As a result, the Directors believe that the Group has adequate resources to continue operations for at least 12 months from the date of approval of these financial statements and it is therefore appropriate to prepare these financial statements on a going concern basis.

Adoption of new and revised standards

The Group has not adopted the following new standards and amendments that have been issued but are not yet effective, which the Directors anticipate will not have a significant impact on these financial statements in future periods:

- *IFRS 17 – Insurance Contracts*
- *IFRS 17 Amendments – Insurance Contracts*
- *IFRS 17 Amendments – Initial application of IFRS 17 and IFRS 9 – comparative information*
- *IAS 1 Amendment – Classification of Liabilities as Current or Non-Current*
- *IAS 1 and IFRS Practice Statement 2 Amendment – Disclosure of Accounting Policies*
- *IAS 8 Amendment – Definition of Accounting Estimates*
- *IAS 12 Amendments – Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
- *IFRS 4 Amendments – Deferral of IFRS 9*
- *IFRS 16 Amendments – Lease Liability in a Sales and Leaseback*
- *IAS 1 Amendment – Non-current Liabilities with Covenants*

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

2. Basis of preparation (continued)

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements, apart from those involving estimates (which are dealt with separately below), that the Directors have made in applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

- *Identification of performance obligations under IFRS 15*

The Group considers the performance obligations associated with the connection commission are not distinct in nature and will treat these as a single performance obligation along with the associated contracts, thereby spreading the commission revenue on a straight-line basis over the expected contract term.

- *Exceptional and non-trading items*

The Group applies judgement in assessing the substance of transactions to identify those that are material individually or in aggregate and non-operating in nature. If these are non-recurring in nature they are presented as exceptional items within the relevant account heading in the income statement. Items that may give rise to classification as exceptional items include, but are not limited to, significant restructuring or reorganisation programmes, asset impairments, and transaction fees. If these are recurring non-operating amounts they are presented as other non-trading items within the relevant account heading in the income statement. Items that may give rise to classification as other non-trading items include, but are not limited to, share-based payments and governance costs. The Directors are of the opinion that the separate presentation of exceptional and non-trading items provides helpful information about the Group's underlying business performance. As a result, exceptional and non-trading items are excluded from the calculation of Adjusted EBITDA, which is the Group's primary KPI and also the measure used in calculating the Group's borrowing covenant.

The following are key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- *Valuation of acquired intangible assets and goodwill*

Acquisitions completed in the prior period resulted in partner relationships, technology platforms, and brands being recognised as acquired intangible assets as well as the recognition of goodwill. These were valued using discounted cash flow methods which require the application of certain key estimates in respect of discount rates, partner churn, and future cash flows.

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

2. Basis of preparation (continued)

Critical accounting judgements and key sources of estimation uncertainty (continued)

- *Impairment of non-financial assets*

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill is tested for impairment annually, while other non-financial assets are tested for impairment only when the Group's annual assessment of indicators for impairment suggests that carrying amounts may not be recoverable. When value-in-use or fair-value-less-costs-to-sell calculations are undertaken, the Group must estimate the expected future cash flows from the asset or CGU and choose a suitable discount rate in order to calculate the present value of those cash flows. In determining fair value less costs to sell, the Group uses a ten year model followed by a terminal value calculation. The directors have determined that using such a model better reflects the medium-term growth prospects for the industry and the Group. The use of a shorter model duration would result in a lower valuation and, therefore, a possible impairment. Further details of these assumptions and sensitivities in the valuation are disclosed in note 11.

- *Equity-settled share-based payments*

The Group calculates the fair value of equity-settled share-based payment awards using a Black Scholes model which requires assumptions to be made regarding the expected life and expected volatility of awards as well as an appropriate risk-free rate of return. In addition, the Group's estimate of the expected life of the awards impacts the period over which the calculated fair value is expensed.

3. Significant Accounting Policies

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. On contracts with multiple performance obligations, the Group identifies separate performance obligations associated with the goods and services provided and allocates the transaction price to each performance obligation accordingly using standalone selling prices for each good or service as guidance. Revenue is recognised on each performance obligation when control is deemed to have been transferred. Revenue is presented net of value added tax, returns, rebates and discounts and after eliminating sales between Group companies.

To the extent that invoices are raised to a different pattern than the revenue recognition described below, appropriate adjustments are made through deferred and accrued income to account for revenue when the respective performance obligations have been met.

The Group has applied the following practical expedients under IFRS 15 in accounting for revenue:

- The promised amount of consideration has not been adjusted for the effects of a significant financing component where, at contract inception, it is expected that the period between when the promised good or service is transferred to a customer and when the customer pays for that good or service will be one year or less; and
- The incremental costs of obtaining a contract are recognised as an expense when incurred if the amortisation period of the asset that would have been recognised is one year or less.

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

3. Significant accounting policies (continued)

Revenue recognition for each of the Group's main areas of revenue is described below:

- *Revenue from goods and services*
Where goods and/or services are sold in one bundled transaction, revenue is recognised as and when the underlying service has been performed or goods have transferred to the customer. Service income is recognised evenly over the period to which the service relates. Revenue in respect of licences is recognised only where there are no ongoing obligations – where ongoing obligations exist, revenue is deferred and recognised in line with the discharge of ongoing obligations as appropriate. Revenue from goods and/or services is included in Mobile, Connectivity, Cloud and Other revenue from Note 4.
- *Revenue from subscription services*
Subscription services revenue is recognised in accordance with customer agreements, primarily on a monthly subscription basis as billed. Term licence revenue covering periods of 12, 24 or 36 months are billed at the commencement of the term and recognised as revenue equally over the term period. Revenue from subscription services is included in Cloud revenue from Note 4.
- *Revenue from commissions*
Commissions are received from mobile network operators when the Group connects or retains end users of their network. The commissions are recognised as income by the Group over the period of service required by the commission agreement. In particular, when the Group assesses that there is an ongoing obligation beyond connection, commission is recognised evenly over the period of the obligation. In some instances, commission income is subject to adjustment by the mobile network operator. Where this is the case, the Group assesses the likelihood of adjustment by reference to historical experience and adjusts income accordingly. Revenue from commissions is included in Mobile revenue in Note 4.

Finance income and expense

Interest income from a financial asset is recognised when it is probable that the economic benefit will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Borrowing costs and the interest expense component of lease payments are recognised in profit or loss in the period in which they are incurred using the effective interest rate method. Arrangement fees which are incurred in relation to long-term financing are amortised over the life of the associated financing using the effective interest rate method.

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3. Significant accounting policies (continued)

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

- *Current tax*

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

- *Deferred tax*

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the statement of financial position liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the statement of financial position date.

- *Current tax and deferred tax for the period*

Current and deferred tax are recognised in profit or loss except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are recognised in other comprehensive income or directly in equity as appropriate. Where current or deferred tax arises from initial accounting for a business combination, the tax effect is included in accounting for the business combination.

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For the year ended 31 March 2023

3. Significant accounting policies (continued)

Business combinations

Acquisitions of subsidiaries and businesses are accounted for under the acquisition method except for acquisitions of subsidiaries already under common control. The consideration for each acquisition is measured at the aggregate of the fair value (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition date fair value. Subsequent changes in such fair value are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their face value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employment Benefits* respectively;
- Liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with IFRS 2 *Share-Based Payments*; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Goodwill is measured as the excess of the sum of the consideration transferred over the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. These provisional amounts are adjusted during the measurement period, or additional assets and/or liabilities recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised as of that date.

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3. Significant accounting policies (continued)

In accordance with IAS 36 *Impairment of Assets*, goodwill is not amortised, but is reviewed annually for impairment or more frequently if there are indicators that it may be impaired. For the purposes of impairment testing, where possible goodwill is allocated to the CGU expected to benefit from the acquisition and reviewed for impairment using a discounted cash flow method applied to business forecasts. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is expensed to the income statement immediately and is not subsequently reversed. Where there is no method of allocating goodwill to CGUs that is not arbitrary, goodwill is reviewed for impairment using aggregated cash flow forecasts.

Intangible assets other than goodwill

Intangible assets other than goodwill arise when costs that are directly associated with the acquisition or development of identifiable and unique assets used by the Group generate economic benefits in excess of costs for a finite period beyond one year. Intangible assets other than goodwill are initially measured at either cost or fair value and amortised on a straight-line basis through operating costs in the income statement over their useful economic lives, which are reviewed on an annual basis.

The fair value attributable to intangible assets acquired through a business combination is determined by discounting the future cash flows expected to be generated from that asset at the risk adjusted weighted average cost of capital for the Group. The residual values of such intangible assets are assumed to be nil.

Acquired customer bases are capitalised at their fair value. Included within customer bases are subscriber acquisition costs where they meet the criteria for capitalisation as an intangible asset, to the extent that they are supported by expected future cash inflows. These comprise the direct third-party costs of recruiting and retaining customers, net of incentives from network operators and provision for in-contract churn. They are amortised on a straight-line basis over the shorter of the customer life and the contractual period.

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring into use specific software programmes. Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include the software development employee costs and an appropriate portion of relevant overheads.

The estimated useful economic lives of intangible assets other than goodwill are as follows:

Partner relationships	10 to 20 years
Customer lists	2 to 10 years
Technology platforms	2 to 10 years
Brands	3 to 20 years

Giacom Topco Limited
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3. Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of a tangible fixed asset comprises its purchase price and any costs directly attributable to bringing it into working condition for its intended use. Included within the cost for network infrastructure and equipment are direct labour, contractors' charges, materials and directly attributable overheads.

Depreciation is provided on property, plant and equipment on a straight-line basis from the time the asset is available for use, so as to write off the asset's cost over the estimated useful life taking into account any expected residual value. The lives assigned to principal categories of assets are as follows:

Land and buildings	remaining lease term
Leasehold improvements	shorter of remaining lease term and 5 years
Network equipment	2 to 10 years
Office equipment	2 to 5 years
Computer equipment	2 to 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset at the date of disposal and is recognised in the income statement.

Inventories

Inventories are held at the lower of cost and estimated net realisable value, after provisions for obsolescence. Cost is determined on a first-in, first-out basis and includes transport and handling costs. Net realisable value is based on estimated selling price less further costs expected to be incurred to disposal.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and at bank.

Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions.

When financial assets and liabilities are initially recognised, they are measured at fair value being the consideration given or received plus directly attributable transaction costs.

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected within one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are classified as non-current assets. Trade receivables are initially recognised at fair value, which is usually the originally invoiced amount, and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The Group recognises lifetime expected credit losses for trade receivables where relevant. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. Under the 'expected credit loss' model, the Group analyses the risk profile of this financial asset based on past experience and an analysis of the receivables' current financial position and potential for a default event to occur, adjusted for specific factors, general economic conditions of the industry in which the receivables operate, and an assessment of both the current and forecast direction of conditions at the reporting date. A default event is when a counterparty fails to pay after all viable options to recover the outstanding amount have been exhausted.

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For the year ended 31 March 2023

3. Significant accounting policies (continued)

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. If payment is due within one year or less (or in the normal operating cycle of the business if longer), they are classified as current liabilities. If not, they are classified as non-current liabilities. Trade payables are initially recognised at fair value, which is usually the original invoiced amount, and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities, including borrowings, are initially measured at fair value net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

The Group makes use of derivative financial instruments to hedge its exposure to interest rate risks arising from financing activities. The interest rate swap is designated as a cash flow hedge. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking the hedge transaction. At the inception of the hedge and on an ongoing basis, the Group documents whether the instrument that is used in a hedging relationship is effective in offsetting changes in cash flows of the hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement. Amounts deferred in equity are recycled in the income statement in the periods when the hedged item is recognised in the income statement, in the same line of the income statement as the recognised hedged item.

Hedge accounting is discontinued when the Group revokes the hedging relationship, the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss deferred in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was deferred in equity is recognised immediately in the income statement.

A derivative with a positive fair value is recognised as a financial asset and a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or liability if the remaining maturity of the instrument is more than 12 months, and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or liabilities.

Contract assets

Certain costs of obtaining revenue contracts, for example the costs of installing connections that are not borne by the customer, are recorded as contract assets, disclosed within Trade and other receivables, and amortised over the anticipated life of the associated connection.

Retirement benefits

Payment to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered the service entitling them to the contribution.

Giacom Topco Limited
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3. Significant accounting policies (continued)

Share-based payments

Equity settled share-based payments are measured at the fair value of the equity instruments at the grant date. The fair value excludes the effect of non-market based vesting conditions.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. At each statement of financial position date, the Group revises its estimate of the number of equity instruments expected to vest as a result of non-market based vesting conditions. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

Leases

At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either
 - The Group has the right to operate the asset; or
 - The Group designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings and motor vehicles in which it is a lessee, the Group has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

Giacom Topco Limited
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3. Significant accounting policies (continued)

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs less any lease incentive received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, adjusted for changes in estimates of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently measured using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

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4. Revenue

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
Continuing operations in the UK		
Cloud	107,660	85,331
Mobile	110,261	101,557
Connectivity	72,857	66,764
Other	64,276	66,434
	355,054	320,086

Mobile revenue includes business mobile airtime, voice and data solutions. Connectivity revenue includes ethernet, fibre-to-the-premise, broadband and line rental solutions. Cloud revenue includes licensed software-as-a-service, security and hosted voice solutions. Other revenue includes hardware sales, partner software tools and traditional voice services.

5. Operating loss

Operating loss has been arrived at after charging:

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
Employee costs	35,374	33,172
Auditors' remuneration:		
- Audit fees *	777	750
- Non-audit fees		
Taxation compliance services	5	7
Services relating to corporate finance transactions	43	625
Depreciation of property, plant and equipment		
- Owned assets	1,450	1,374
- Right-of-use assets	443	545
Amortisation of intangible assets	43,735	32,013
Impairment of intangible assets	43,177	-
Amortisation of contract assets	2,468	2,164
Cost of inventories recognised as an expense	29,580	28,265

* Additional fees in respect of the audit for the period ended 31 March 2022 of £337,000 have been agreed.

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6. Employee costs

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
Wages and salaries	32,121	30,594
Social security costs	4,065	3,335
Other pension costs	1,031	903
Share-based payments	5,904	4,511
	<u>43,121</u>	<u>39,343</u>
Employee costs capitalised	(7,747)	(6,171)
	<u>35,374</u>	<u>33,172</u>
Average monthly number of employees		
	Number	Number
Operations	328	368
Technology	159	151
Sales	142	122
Executive and administrative	139	111
	<u>768</u>	<u>752</u>
Directors' remuneration		
	£'000	£'000
Emoluments	1,274	1,525
Share-based payments	4,899	3,614
Company contributions to defined contribution pension scheme	35	32
	<u>6,208</u>	<u>5,171</u>
The number of directors who:		
Are members of a defined contribution pension scheme	1	1
Have interests in shares of the Group under a long term incentive scheme	3	3
Remuneration of the highest paid director:		
	£'000	£'000
Emoluments	437	630
Company contributions to defined contribution pension scheme	35	32
	<u>472</u>	<u>662</u>

As at 31 March 2023 there were 8 serving Directors of the Company (31 March 2022: 8). 5 of these Directors are remunerated by the Group (31 March 2022: 5), and the amounts included above reflect amounts paid to them for their services to the Group. The remaining three directors are not remunerated by the Group.

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Notes to the Consolidated Financial Statements
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7. Exceptional income and administrative expenses

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
Exceptional income	1,493	-
	<u>1,493</u>	<u>-</u>

Exceptional income in the year relates to credits arising from the Group's exit from the legacy Daisy VAT group.

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
Acquisition-related costs (i)	525	24,808
Reorganisation and restructuring costs (ii)	2,940	1,303
Impairment of intangible assets (iii)	43,177	-
Pre-demerger costs (iv)	1,117	-
Supplier-related costs (v)	2,958	-
Other (vi)	667	-
	<u>51,384</u>	<u>26,111</u>

- (i) Acquisition-related costs in the year are one-off costs predominantly relating to aborted acquisitions and in the prior year relate to the Group's acquisition of Giacom Group Holdings Limited, DWS Group Holdings Limited, and AKJ Group Holdings Limited, and the establishment of the Group's capital and financing structure prior to those acquisitions.
- (ii) Reorganisation and restructuring costs in both the current and prior year are one-off costs relating to the operational integration of systems and business processes of the three acquired businesses, any redundancy costs arising from that integration, and one-off items arising from the rationalisation of the Group's property portfolio.
- (iii) Impairment of intangible assets relates to the writing down of the Group's legacy brand assets, following the commencement in the year of the rebranding exercise completed in July 2023.
- (iv) Pre-demerger costs relate to the adjustment of accrual balances which were omitted from the opening Balance Sheets of the trading subsidiaries when they were acquired by the Group (£1,100,000).
- (v) Supplier-related costs relate to the write-down of amounts advanced to one of the Group's network-billed mobile partners resulting from the Group stepping in to fulfil the commercial obligations of one of that partners.
- (vi) Other exceptional administrative expenses predominantly relate to the settlement of one-off charges arising from the Group's relationship with the Daisy Group and costs arising from the reconfiguration of the Group's property estate.

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8. Other non-trading items

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
Share-based payments (i)	5,904	4,511
Governance and monitoring costs (ii)	814	853
Supplier-related costs (iii)	-	173
	<u>6,718</u>	<u>5,537</u>

Other non-trading items are excluded from Adjusted EBITDA to provide helpful information on the Group's underlying performance.

- (i) Non-cash share-based payments as described in Note 27.
- (ii) Governance and monitoring costs incurred by the Company with respect to board and investor oversight.
- (iii) Supplier-related costs are one-off costs relating to bulk supplier system or customer migrations.

9. Net finance costs

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
Loan notes interest	66,480	60,383
PIK facility interest	5,859	5,281
Senior facility interest	34,890	32,596
Derivative financial instruments interest	(2,405)	716
Interest on lease liabilities	59	92
	<u>104,883</u>	<u>99,068</u>
Interest income on bank deposits	(61)	(7)
Net finance costs	<u>104,822</u>	<u>99,061</u>

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10. Tax

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
<i>Current tax</i>		
UK corporation tax – current year	5,345	3,663
UK corporation tax – adjustments in respect of prior period	(857)	83
UK corporation tax	4,488	3,746
<i>Deferred tax</i>		
Current year	(19,216)	(2,046)
Effect of changes in tax rates	(4,129)	490
	(23,345)	(1,556)
Total tax charge	(18,857)	2,190
	£'000	£'000
(Loss) before tax	(139,573)	(103,484)
Loss before tax at 19%	(26,519)	(19,662)
Adjustments in respect of prior years	(857)	83
Non-deductible expenses	9,778	19,723
Non-taxable income	(11)	(78)
Tax rate changes	(4,129)	490
Amounts not recognised	2,881	2,490
Local GAAP to IFRS differences	-	(856)
	(18,857)	2,190

Factors that may affect future tax charges

The Finance Bill 2021, substantively enacted in May 2021, provided for the main rate of corporation tax to increase to 25% from 1 April 2023. Accordingly, deferred tax for the period ended 31 March 2023 was calculated using a tax rate of 25% to the extent that timing differences are expected to reverse after 1 April 2023.

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11. Goodwill

	31 March 2023 £'000	31 March 2022 £'000
<i>Cost and net book amount</i>		
At the beginning of the period	569,152	-
Additions	-	569,152
Adjustments	2,244	-
At 31 March	571,396	569,152

Goodwill comprises £571,396,000 (£1 March 2022: £569,152,000) arising on the acquisition of Giacom Group Holdings Limited, Giacom (Communications) Holdings Limited (formerly DWS Group Holdings Limited), and Giacom (Platforms) Holdings Limited (formerly AKJ Group Holdings Limited) and their respective subsidiaries on 31 March 2021, details of which can be found in Note 26. An adjustment of £2,244,000 has been recognised in the year to reflect the correction of an error in arriving at the fair value of the acquired Balance Sheets as at 31 March 2021. Goodwill has been allocated to the Group as a whole due to the integrated nature of the growth plans for the acquired businesses, with operational integration and an enhanced customer value proposition from a combined platform being key drivers of the goodwill arising in the transaction. The Group considered a number of potential bases to allocate goodwill but concluded there was no appropriate basis that was not arbitrary.

During the year goodwill was tested for impairment in accordance with IAS 36. In assessing whether an impairment of goodwill is required, the carrying value of the Group's net assets is compared to the recoverable value of the Group. The Group calculated fair value using a discounted cash flow model, which estimated the future cash flows and discounts them using a post-tax discount rate of 10.3% (31 March 2022: 11.0%).

In determining the recoverable value, the Group considers the higher of value-in-use and fair value less costs to sell, and has determined that fair value less costs to sell is higher. The recoverable value is based on a 10-year valuation model using internally approved forecasts built on detailed revenue growth models. A perpetuity calculation is then applied using a long-term growth rate of 2.0% and based on the final year of the model, normalised for known one-off items reflected in that year.

The key assumptions in estimating the future cashflows in the valuation model are recurring revenue growth, price and cost inflation, and operating cash conversion. Recurring revenue growth reflects both the growth in the underlying markets for the Group's cloud and connectivity product sectors, and the Group's increasing penetration across a number of product sectors in which it operates, enabling the Group to deliver above-market growth even in mature product sectors such as mobile. Specifically, the valuation model anticipates that the Group will continue to take market share in mobile communications given the strength of its proposition to channel partners and the expectation that the channel as a whole will take market share from mobile carriers in the SMB market. Should this particular assumption not be sustained in the medium term it is likely that goodwill would ultimately be impaired. Overall, these assumptions have been based on a combination of past experience and management's expectations of future trends. On the basis of this assessment, the Directors consider there is no requirement for impairment of goodwill in the period.

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11. Goodwill (Continued)

The estimated fair value was materially sensitive to three input assumptions made in deriving the model – the discount rate, the long-term growth rate, and recurring revenue growth. A 100 basis point increase in the discount rate would result in a decrease in the fair value of approximately £115,000,000, a 100 basis point decrease in the long-term growth rate would result in a decrease in the fair value of approximately £61,000,000, and a 25% reduction in annualised net new recurring revenue across the 10 year model, which would incorporate a 25% reduction in the key recurring revenue growth assumptions for the cloud, connectivity and mobile product sectors noted above, would result in a decrease in the fair value of approximately £79,000,000, which would indicate an impairment charge of approximately £95,000,000, £41,000,000, and £58,000,000 respectively.

12. Other intangible assets

	Partner relationships £'000	Technology platforms £'000	Brands £'000	Customer lists £'000	Total £'000
<i>Cost</i>					
At the beginning of the period	-	-	-	-	-
Acquisitions through business combinations	426,816	88,800	49,800	-	565,416
Additions	-	9,731	-	5,481	15,212
At 31 March 2022	426,816	98,531	49,800	5,481	580,628
Additions	-	11,078	-	-	11,078
At 31 March 2023	426,816	109,609	49,800	5,481	591,706
<i>Accumulated amortisation</i>					
At the beginning of the period	-	-	-	-	-
Amortisation for the period	21,385	6,098	3,312	1,218	32,013
At 31 March 2022	21,385	6,098	3,312	1,218	32,013
Amortisation for the year	21,386	17,592	3,311	1,446	43,735
Impairment	-	-	43,177	-	43,177
At 31 March 2023	42,771	23,690	49,800	2,664	118,925
<i>Net book amount</i>					
At 31 March 2022	405,431	92,433	46,488	4,263	548,615
At 31 March 2023	384,045	85,919	-	2,817	472,781
<i>Average remaining amortisation period (years)</i>	18	7	-	3	

Amortisation of Customer lists is included in the Consolidated income statement within Cost of sales. All other amortisation is included in the Consolidated income statement within Administrative expenses.

Following an assessment of the Group's technology estate during the year, the anticipated useful economic life of certain of the Group's Technology Platforms was shortened from 20 to 10 years, as a result of which an accelerated amortisation charge has been recognised in the year with respect to these assets.

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12. Other intangible assets (continued)

Following the commencement of a Group-wide rebranding exercise in the year, the Directors believe that, as at 31 March 2023, the Group will no longer derive any value from the legacy brands acquired in April 2021 and, as a result, wrote-down the carrying value of its Brands asset to nil on 31 March 2023.

The Group carried out an assessment for indicators of potential impairment in other intangible assets and found no such indicators.

13. Property, plant and equipment

	Land and buildings £'000	Leasehold improvements £'000	Network equipment £'000	Office equipment £'000	Computer equipment £'000	Total £'000
<i>Cost</i>						
At the beginning of the period	-	-	-	-	-	-
Acquisitions through business combinations	1,791	371	381	507	965	4,015
Additions	68	4	124	43	1,661	1,900
Disposals	(819)	-	-	-	(1)	(820)
At 31 March 2022	1,040	375	505	550	2,625	5,095
Additions	1,918	57	42	112	1,391	3,520
Disposals	(204)	-	(73)	(9)	(1)	(287)
At 31 March 2023	2,754	432	474	653	4,015	8,328
<i>Accumulated depreciation</i>						
At the beginning of the period	-	-	-	-	-	-
Depreciation for the period	592	33	208	258	828	1,919
Disposals	-	-	-	-	(1)	(1)
At 31 March 2022	592	33	208	258	827	1,918
Depreciation for the year	467	47	153	139	1,087	1,893
Disposals	-	-	(73)	(9)	(1)	(83)
At 31 March 2023	1,059	80	288	388	1,913	3,728
<i>Net book amount</i>						
At 31 March 2022	448	342	297	292	1,798	3,177
At 31 March 2023	1,695	352	186	265	2,102	4,600

Depreciation is included in the Consolidated income statement within Administrative expenses

During both the current and the prior period the Group negotiated a shortening of the lease term of two of its properties which resulted in a modification of the lease accounting in line with the requirements of IFRS 16, reflected as a disposal of the associated right-of-use asset with a corresponding reduction in the lease liability as disclosed in Note 23.

Included within Property, plant and equipment for the current year are the following right-of-use assets, for which the Group is the lessee, accounted for in line with the requirements of IFRS 16:

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13 Property, plant and equipment (continued)

	Land and buildings £'000
<i>Cost</i>	
At the beginning of the period	-
Acquisitions through business combinations	1,696
Additions	68
Disposals	(819)
At 31 March 2022	<u>945</u>
Additions	1,919
Disposals	(204)
At 31 March 2023	<u>2,660</u>
<i>Accumulated depreciation</i>	
At the beginning of the period	-
Depreciation for the period	545
At 31 March 2022	<u>545</u>
Depreciation for the period	443
At 31 March 2023	<u>988</u>
<i>Net book amount</i>	
At 31 March 2022	<u>400</u>
At 31 March 2023	<u>1,672</u>

14. Inventories

	31 March 2023 £'000	31 March 2022 £'000
Inventory held for resale	<u>2,376</u>	<u>1,158</u>

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15. Trade and other receivables

	31 March 2023	31 March 2022
	£'000	£'000
Trade receivables	32,576	27,598
Less: allowance for expected credit losses	(1,033)	(972)
Net trade receivables	31,543	26,626
Prepayments	60,665	50,979
Accrued income	10,840	17,124
Other receivables	328	586
	<u>103,376</u>	<u>95,315</u>

The Directors consider that the carrying amount of trade and other receivables approximates to their fair value. Of the trade and other receivables balance, approximately £147,000 (2022: £73,000) is denominated in Euro and £144,000 (2022: £233,000) is denominated in US Dollars, with the remainder denominated in Sterling.

£35,455,000 of the prepayments balance shown above relate to commissions which are paid to partners for new connections but recognised in the Income Statement over the anticipated contractual life of that connection. Prepayments and accrued income of £32,193,000, including £30,377,000 of the prepaid partner commissions noted above, are due in more than one year from the end of the reporting period. All other trade and other receivables are due within one year from the end of the reporting period.

Included within the accrued income balance shown above are contract assets of £4,053,000 (31 March 2022: £3,657,000) relating to set up costs and sales commissions in relation to the Group's revenue contracts.

Excluding trade receivables, the other classes of receivables disclosed within trade and other receivables do not contain impaired assets.

Movements in the allowance for expected credit losses on trade receivables are as follows:

	Year ended	Period ended
	31 March 2023	31 March 2022
	£'000	£'000
At the beginning of the period		-
At 1 April	972	
Acquisitions through business combinations	-	877
Release of provision	-	-
Creation of provision	706	137
Utilisation of provision	(645)	(42)
At 31 March	<u>1,033</u>	<u>972</u>

The creation and release of provisions for expected credit losses have been included in the Income Statement within Administrative expenses. Credit risk is managed separately for each customer type and, where appropriate, a credit limit is set of the customer based on previous experience of the customer and third-party credit ratings. The Group has no significant concentration of credit risk, with exposure spread over a large number of customers.

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16. Trade and other payables

	31 March 2023	31 March 2022
	£'000	£'000
<i>Amounts due within one year</i>		
Trade payables	42,921	41,382
Accruals	25,328	16,702
Deferred income	25,925	20,622
Social security and other taxes	3,071	4,347
Contingent consideration	29	429
Other payables	(885)	151
	<u>96,389</u>	<u>83,633</u>
<i>Amounts falling due after more than one year</i>		
Deferred income	2,564	2,530
Other payables	336	336
	<u>2,900</u>	<u>2,866</u>

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

17. Provisions

	Treasury shares	Other provisions	Total
	£'000	£'000	£'000
At the beginning of the period	-	-	-
Acquisitions through business combinations	-	14,254	14,254
Additional creation in the period	746	-	746
Utilisation of provision	-	(3,831)	(3,831)
At 31 March 2022	<u>746</u>	<u>10,423</u>	<u>11,169</u>
Additional creation in the year	219	-	219
Utilisation of provision	-	(6,987)	(6,987)
At 31 March 2023	<u>965</u>	<u>3,436</u>	<u>4,401</u>
	31 March 2023	31 March 2022	
	£'000	£'000	
Current	4,401	8,068	
Non-current	-	3,101	
	<u>4,401</u>	<u>11,169</u>	

The treasury shares provision relates to obligations that could arise to repurchase ordinary B shares held by employees of the Group (see notes 20 and 27) and, if required, could be utilised up to the anticipated maturity of the scheme in 2026. Other provisions mainly relate to adjustments made to the balance sheets of acquired subsidiaries for liabilities and obligations arising under uneconomic contracts, and are expected to be fully utilised by 31 March 2024.

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18. Borrowings

	31 March 2023 £'000	31 March 2022 £'000
Amounts due within one year	15,000	15,000
Amounts due after more than one year	1,149,560	1,080,736
Leases	1,771	684
	<u>1,166,331</u>	<u>1,096,420</u>

Changes in liabilities arising from financing activities

	Senior Debt £'000	PIK Facility £'000	Loan Notes £'000	Leases £'000	Total £'000
At the beginning of the period	-	-	-	-	-
Debt drawn for cash	415,000	50,000	429,901	-	894,901
Debt drawn in non-cash exchange	-	-	150,099	-	150,099
Finance fees paid	(15,113)	(1,755)	-	-	(16,868)
Finance fees accrued	(450)	-	-	-	(450)
Acquisitions through business combinations	-	-	-	1,941	1,941
Lease repayments	-	-	-	(504)	(504)
New leases	-	-	-	66	66
Lease modifications	-	-	-	(819)	(819)
Interest charged	32,596	5,281	60,383	92	98,352
Interest paid	(30,206)	-	-	(92)	(30,298)
At 31 March 2022	<u>401,827</u>	<u>53,526</u>	<u>640,383</u>	<u>684</u>	<u>1,096,420</u>
Lease repayments	-	-	-	(561)	(561)
New leases	-	-	-	1,919	1,919
Lease modifications	-	-	-	(271)	(271)
Interest charged	32,484	5,859	66,480	59	104,882
Interest paid	(35,999)	-	-	(59)	(36,058)
	<u>398,312</u>	<u>59,385</u>	<u>706,863</u>	<u>1,771</u>	<u>1,166,331</u>

The Group's debt consists of £580,000,000 of Loan Notes issued in March 2021 and maturing in March 2027 on which interest is charged at a fixed rate of 10%, a £400,000,000 Senior Term Loan drawn in March 2021 and maturing in March 2028 on which interest is charged at a variable rate of SONIA plus CAS plus a margin dependent on the Group's leverage covenant, and a £50,000,000 PIK Facility drawn in March 2021 and maturing in March 2028 on which interest is charged at a fixed rate of 10%. £428,865,000 of the Group's Loan Notes (categorised as the 'A' Loan Notes) are listed in The International Stock Exchange (mnemonic PANTHRLN).

In addition, the Group utilises a £20,000,000 Super-Senior Revolving Facility maturing in March 2027, of which £15,000,000 was drawn as at 31 March 2023 (31 March 2022: £15,000,000), on which interest is charged at a variable rate of SONIA plus CAS plus a margin dependent on the Group's leverage covenant, and a £25,000,000 Senior Acquisition & CapEx Facility maturing in March 2028, of which £nil was drawn as at 31 March 2023 (31 March 2022: £nil), on which interest is charged at a variable rate of SONIA plus CAS plus a margin dependent on the Group's leverage covenant. Both facilities are drawn in tranches up to 6 months in length and the Group has the ability to rollover each drawdown at its discretion until maturity of the facilities. It is not the Group's current intention to continue to rollover each drawdown, therefore in accordance with IAS 1 the liability is presented as current.

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18. Borrowings (continued)

Amounts presented above for the PIK Facility and Loan Notes include interest accrued to date, which falls due for settlement on maturity. Interest charged on the Senior Debt is settled on a quarterly basis.

The Senior Debt requires compliance with two financial covenants on a quarterly basis, being a leverage ratio measured against Adjusted EBITDA that reduces on a quarterly basis through the term of the facility and which was 8.82x at 31 March 2023 (31 March 2022: 9.47x), and a Revolving Facility leverage ratio of 1.0x. Both covenants were met throughout both the current year and prior period.

The Group's Senior debt is guaranteed by way of English law governed charges over the assets of Giacom Holdco Limited, Giacom Bidco Limited and certain other subsidiaries of the Group.

19. Financial instruments and risk management

The Group's capital structure consists of a mixture of long-term fixed and variable rate borrowing, short-term variable rate borrowing, a long-term derivative financial instrument, and ordinary share capital. The long-term and short-term borrowings provide, in the opinion of the Directors, an appropriate combination of fixed instruments and more flexible, available-on-demand facilities, with the Group's capital management objective being to safeguard and support the business as a going concern through the business cycle. The derivative financial instrument exists to hedge interest rate risk arising from this capital structure while other risks, including credit risk and liquidity risk, arise from exposures that occur in the normal course of business and are managed by the Group's Finance team. The responsibilities of the Group's Finance team include, among others, the monitoring of financial risks, management of cash resources, debt and capital structure management, and oversight of all significant treasury activities undertaken by the Group.

The Group's principal financial instruments comprise borrowings, cash and cash equivalents, and derivatives used for risk management purposes. The Group's accounting policies with regard to financial instruments are detailed in Note 3.

Derivatives, financial instruments and risk management

The Group uses derivative financial instruments to manage certain exposures to fluctuations in interest rates. The Group does not hold speculative financial instruments.

Following the drawdown of the Group's £400,000,000 Senior Term facility, the Group entered into an interest rate swap with notional value £200,000,000 to hedge potential movement in the SONIA interest rate benchmark. The instrument, which receives interest at the SONIA interest rate, pays interest at a fixed rate of 0.9585%, and expires on 30 September 2024, was designated an effective cash flow hedge on inception based on a qualitative assessment of the economic relationship between the instrument and the hedged item, which established an appropriate match of critical terms, identified no sources of potential hedge ineffectiveness, and confirmed that credit risk would not dominate fair value movements.

The fair value of this instrument as at 31 March 2023 is a £9,546,000 asset (31 March 2022: £5,182,000 asset). The Directors consider this to be a Level 2 valuation in the hierarchy set out in Note 2, with the valuation being calculated by third-party experts, PMC Consulting, and based on the discounted value of expected future cash flows arising from the instrument. During the year a gain of £2,822,000 (Period ended 31 March 2022: gain of £4,039,000) (net of associated deferred tax) has been recognised in other comprehensive income. Hedge ineffectiveness in relation to this instrument was negligible for the year ending 31 March 2023 and the period ending 31 March 2022.

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19. Financial instruments and risk management (continued)

Interest rate risk

The Group has financial assets and liabilities which are exposed to changes in market interest rates. Changes in interest rates primarily impact borrowings by changing their future cash flows.

	Floating rate £'000	Floating/ fixed rate swap £'000	Fixed Rate £'000	Non- interest bearing £'000	Total £'000
At 31 March 2023					
Financial assets					
<i>Measured at amortised cost</i>					
Trade and other receivables (excluding prepayments)	-	-	-	44,640	44,640
Cash and bank balances	7,831	-	-	-	7,831
<i>Measured at fair value</i>					
Derivative financial instruments in effective hedging relationships *	-	9,546	-	-	9,546
	7,831	9,546	-	44,640	62,017
Financial liabilities					
<i>Measured at amortised cost</i>					
Borrowings *	398,312	-	766,248	-	1,164,560
Trade and other payables (excluding deferred income, social security and other taxes)	-	-	-	67,396	67,396
Lease liabilities	-	-	1,771	-	1,771
	398,312	-	768,019	67,396	1,233,727
At 31 March 2022					
Financial assets					
<i>Measured at amortised cost</i>					
Trade and other receivables (excluding prepayments)	-	-	-	42,758	42,758
Cash and bank balances	7,584	-	-	-	7,584
<i>Measured at fair value</i>					
Derivative financial instruments in effective hedging relationships *	-	5,182	-	-	5,182
	7,584	5,182	-	42,758	55,524
Financial liabilities					
<i>Measured at amortised cost</i>					
Borrowings *	401,827	-	693,909	-	1,095,736
Trade and other payables (excluding deferred income, social security and other taxes)	-	-	-	55,721	55,721
Lease liabilities	-	-	684	-	684
	401,827	-	694,593	55,721	1,152,141

* The derivative financial instruments in effective hedging relationships hedge the exposure to variable interest rates of £200m of notional principal of the Group's floating rate borrowings.

There are no material differences between the carrying value of the financial assets and liabilities set out above and their respective fair values as at 31 March 2023 (31 March 2022: None).

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19. Financial instruments and risk management (continued)

Credit risk

Exposure to credit risk arises as a result of transactions in the Group's ordinary course of business and is applicable to all financial assets. Investments in cash and cash equivalents and derivative financial instruments are with approved counterparty banks. Counterparties are assessed prior to, during, and after the conclusion of transactions to ensure exposure to credit risk is limited to an acceptable level. The maximum exposure with respect to credit risk is represented by the carrying amount of each financial asset on the Statement of Financial Position.

The Group is exposed to credit risk in respect of trade receivables. The Group is not reliant on any particular customer in any of the markets in which it operates, with its trade spread across a large number of customers, and so there is no significant concentration of credit risk. Appropriate credit checks are undertaken on all potential customers before new contracts are accepted, and individual exposures are monitored with customers subject to credit limits to ensure the Group's exposure to bad debts is minimised. The amounts recognised in the Statement of Financial Position are net of allowances for doubtful receivables, estimate by the Group's management based on prior experience and their assessment of the current economic environment on lifetime expected credit losses.

Liquidity risk

Liquidity risk represents the risk that the Group will not be able to meet its financial liabilities as they fall due. The Group's approach to managing this risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its obligations when due without incurring unacceptable losses or risking damage to the Group's reputation. The Group actively forecasts, manages and reports its working capital requirements on a regular basis to ensure that it has sufficient funds for its operations.

The table below analyses the Group's financial liabilities which will be settled on a net basis into relevant maturity groupings based on the remaining period as at the Statement of Financial Position date to the contractual maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

	Within one year	Between one and five years	After five years	Total
	£'000	£'000	£'000	£'000
At 31 March 2023				
<i>Floating rate</i>				
Senior debt	44,185	576,741	-	620,926
<i>Fixed rate</i>				
PIK facility	-	99,825	-	99,825
Loan notes	-	1,049,341	-	1,049,341
Lease liabilities	370	1,116	488	1,974
<i>Other</i>				
Trade and other payables (excluding contingent consideration, deferred income, and social security and other taxes)	67,450	336	-	67,786
	112,005	1,727,359	488	1,839,852

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19. Financial instruments and risk management (continued)

	Within one year	Between one and five years	After five years	Total
	£'000	£'000	£'000	£'000
At 31 March 2022				
<i>Floating rate</i>				
Senior debt	45,758	123,034	430,758	599,550
<i>Fixed rate</i>				
PIK facility	-	-	99,825	99,825
Loan notes	-	-	1,049,341	1,049,341
Lease liabilities	419	317	-	736
<i>Other</i>				
Trade and other payables (excluding contingent consideration, deferred income, and social security and other taxes)	54,955	336	-	55,291
	101,132	123,687	1,579,924	1,804,743

20. Share capital, share premium and reserves

	Number of shares	Share capital £'000	Share premium £'000	Treasury shares £'000	EBT Shares £'000
At 31 March 2023					
<i>Allotted, called up and fully paid</i>					
Ordinary £0.01 A Shares	4,062,306	41	4,022	-	-
Ordinary £0.01 B Shares	887,694	8	999	(965)	-
<i>Allotted and called up</i>					
Ordinary £0.01 C Shares	50,000	1	29	-	(12)
	5,000,000	50	5,050	(965)	(12)
At 31 March 2022					
<i>Allotted, called up and fully paid</i>					
Ordinary £0.01 A Shares	4,062,306	41	4,022	-	-
Ordinary £0.01 B Shares	787,944	8	780	(746)	-
	4,850,250	49	4,802	(746)	-

Ordinary A Shares and B Shares rank pari passu in terms of dividend, return of capital, and voting rights, where each share carries one vote. Ordinary C Shares carry no dividend or voting rights and are subordinate to the A Shares and B Shares with respect to return of capital rights.

Share premium represents the excess amount received by the Company over the par value of its shares.

During the year, the Company issued 99,750 ordinary B shares for cash consideration of £219,000 and 50,000 ordinary C shares in exchange for loans with the beneficiaries which will fall due for repayment in the event of an exit as defined in the Company's articles, 30,000 of which are the beneficial interest of employees of the Group and 20,000 of which are held in an Employee Benefit Trust.

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20. Share capital, share premium and reserves (continued)

In the prior period, the Company issued 2,778,693 ordinary A Shares and 280,000 ordinary B shares for cash consideration of £2,778,693 and £280,000 respectively, and issued 1,283,613 ordinary A Shares and 507,944 Ordinary B Shares in non-cash exchange for notional value £1,283,613 and £507,944 respectively as part of the acquisition of Giacom Group Holdings Limited, Giacom (Communications) Holdings Limited (formerly DWS Group Holdings Limited) and Giacom (Platforms) Holdings Limited (formerly AKJ Group Holdings Limited), as set out in Note 26.

846,028 of the B Shares and 30,000 of the C shares were issued to Directors and employees of the Group and, due to the existence of certain leaver provisions over those holdings, fall to be recognised as share-based remuneration (see Note 27). Under those leaver provisions the Group could be obliged to repurchase the shares, and so they are recognised as Treasury share above and a corresponding provision has been recognised (see Note 17).

	Cash flow hedge reserve £'000	Share-based payment reserve £'000	Accumulated losses £'000
Balance at the beginning of the period	-	-	-
Loss for the period	-	-	(105,674)
Other comprehensive income for the period, net of income tax	4,039	-	-
Equity-settled share-based payments	-	4,511	-
Balance at 31 March 2022	4,039	4,511	(105,674)
Loss for the year			(123,368)
Other comprehensive income for the year, net of income tax	2,822		
Equity-settled share-based payments		5,904	
	6,861	10,415	(229,042)

The cash flow hedge reserve represents the cumulative amounts of gains and losses on hedging instruments deemed effective in cash flow hedges. The cumulative deferred gain or loss on the hedging instrument is recognised in profit or loss only when the hedged transaction impacts the profit or loss.

21. Retirement benefits

The Group operates a defined contribution retirement benefit scheme for all qualifying employees. The scheme is a stakeholder pension with the funds held within a discretionary trust by the scheme provider. The only obligation of the Group with respect to the retirement benefit scheme is to remit the appropriate employer and employee contributions within time limits specified by the scheme.

The total cost charged to the Income Statement in the year of £1,031,000 (Period ended 31 March 2022: £903,000) represents contributions payable to the scheme by the Group at rates specified in the rules of the scheme. As at 31 March 2023, contributions of £126,000 (31 March 2022: £32,000) due in respect of the current reporting period had not been paid over to the scheme.

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22. Related party transactions

Balances and transactions between companies within the Group which are related parties have been eliminated on consolidation and are not disclosed in this note. The full list of subsidiaries of the Group is disclosed in Note 25.

Key management personnel

The compensation paid or payable to Directors of the Group for employee services is presented in Note 6. The Group's Executive Management Team, which includes some of the Group's Directors and some additional senior employees, are also considered to be key management personnel of the Group. The remuneration of these members of key management personnel, together with the Directors of the Group, during the period was as set out below:

	Year ended 31 March 2023 £'000	Period ended 31 March 2022 £'000
Salaries and other short-term benefits	2,301	2,652
Share-based payments	5,653	4,338
Post-employment benefits	102	77
	<u>8,056</u>	<u>7,067</u>

In addition to the remuneration shown above, certain members of key management personnel subscribed £219,000 of B Shares of the Group and £3,600 of C shares of the Group. In the prior period certain members of key management personnel participated in and benefited from the acquisition by the Group of Giacom (communications) Holdings Limited (formerly DWS Group Holdings Limited), Giacom Group Holdings Limited, and Giacom (Platforms) Holdings Limited (formerly AKJ Group Holdings Limited) (see Note 26). Members of key management personnel, in their capacity as shareholders of the acquired businesses, received £163,262,000 consideration in the form of £16,704,000 of cash and £146,558,000 of Consideration Loan Notes which were subsequently converted into £1,776,000 of A and B shares of the Group (see Note 20) and £144,782,000 of Loan Notes (see Note 18). In addition, other members of key management personnel subscribed for a further £376,902 of B Shares of the Group (see Note 20) and a further £1,535,598 of Loan Notes (see Note 18). Interest charged in the year on Loan Notes held by key management personnel totals £16,771,000 (Period ended 31 March 2022: £15,233,000), leaving a total outstanding as at 31 March 2023 of £178,322,000 (31 March 2022: £161,551,000).

Other related party transactions

Inflexion Private Equity Partners LLP provides key management personnel services to the Group. An expense of £329,000 (Period ended 31 March 2022: £302,000) was recognised as an Other non-trading item within administrative expenses during the period in relation to the provision of these services, and no amounts were outstanding at the end of the period.

In addition, entities jointly controlled by Inflexion Private Equity Partners LLP participated in the acquisition by the Group of Giacom (Communications) Holdings Limited (formerly DWS Group Holdings Limited), Giacom Group Holdings Limited, and Giacom (Platforms) Holdings Limited (formerly AKJ Group Holdings Limited) (see Note 26) by subscribing for £1,744,000 of A shares of the Group (see Note 20) and £269,891,000 of Loan Notes (see Note 18), both for cash consideration. Interest charged in the year on those Loan Notes totals £30,935,000 (Period ended 31 March 2022: £28,098,000), leaving a total outstanding as at 31 March 2023 of £328,924,000 (31 March 2022: £297,989,000).

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For the year ended 31 March 2023

23. Leases

Maturity analysis – contractual undiscounted cash flows

	31 March 2023	31 March 2022
	£'000	£'000
Less than one year	370	419
Between one and five years	1,116	317
More than five years	488	-
	<u>1,974</u>	<u>736</u>

All of the Group's leases relate to property.

Lease liabilities held in the Statement of Financial Position

	31 March 2023	31 March 2022
	£'000	£'000
Current	361	684
Non-current	1,410	-
	<u>1,771</u>	<u>684</u>

Amounts recognised in the statement of cash flows

	Year ended	Period ended
	31 March 2023	31 March 2022
	£'000	£'000
Total cash out-flows for leases	561	596
	<u>561</u>	<u>596</u>

Giacom Topco Limited
Notes to the Consolidated Financial Statements
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24. Deferred tax

The Group deferred tax liability included in the statement of financial position is as follows:

	31 March 2023	31 March 2022
	£'000	£'000
Intangible assets	113,619	132,511
Temporary trading differences	(361)	(198)
Cash flow hedges	2,686	1,143
Corporate interest restriction	(7,233)	-
Fair value adjustments	518	(2,424)
	<u>109,229</u>	<u>131,032</u>

The Group movements in deferred tax liability in the year are as follows:

	£'000
At the start of the year	-
Arising through business combinations	131,445
Income statement credit for the period	(1,556)
Amounts charged to other comprehensive income	<u>1,143</u>
At 31 March 2022	<u>131,032</u>
Income statement credit for the period	(23,345)
Amounts charged to other comprehensive income	<u>1,542</u>
At 31 March 2023	<u>109,229</u>

Deferred tax assets relating to temporary trading differences and fair value adjustments have been recognised as, in the opinion of the Directors, the Group is expected to make sufficient profits against which these tax assets can be set off in the future.

The Group had no unrecognised deferred tax assets as at 31 March 2023 (31 March 2022: £3,613,000)..

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

25. Ultimate controlling party and subsidiary companies

Ultimate controlling party

Giacom Topco Limited is a company limited by shares incorporated and registered in England and Wales. As it has no majority shareholder, its Board of Directors are deemed to be its ultimate controlling party.

Subsidiary companies

As at 31 March 2023 the Group's subsidiary companies were as follows:

Name	Country of incorporation	Nature of business	% of ordinary shares held by the Group
Giacom Midco 1 Limited	UK	Non-trading	100%
Giacom Midco 2 Limited	UK	Non-trading	100%
Giacom Pikco Limited	UK	Non-trading	100%
Giacom Holdco Limited	UK	Non-trading	100%
Giacom Bidco Limited	UK	Non-trading	100%
Giacom (Cloud) Topco Limited	UK	Non-trading	100%
Giacom (Cloud) Bidco Limited	UK	Non-trading	100%
Giacom (Cloud) Holdings Limited	UK	Non-trading	100%
Giacom (Cloud) Limited	UK	IT services	100%
Giacom Cloud Services Europe Limited	Ireland	Dormant	100%
Giacom (Communications) Holdings Limited	UK	Non-trading	100%
Giacom (Communications) Group Limited	UK	Non-trading	100%
Giacom Limited	UK	Non-trading	100%
Giacom (Communications) Limited	UK	Telecommunication services	100%
O-Bit Telecom Limited	UK	Dormant	100%
Murph-X Innovative Solutions Limited	UK	Dormant	100%
Giacom (Distribution) Limited	UK	Telecommunication services	100%
Giacom (Worldwide Connect) Limited	UK	Dormant	100%
Giacom (Worldwide) Limited	UK	Telecommunication services	100%
Giacom (Platforms) Holdings Limited	UK	Non-trading	100%
Giacom (Platforms) Group Limited	UK	Non-trading	100%
Giacom (Platforms) Limited	UK	IT services	100%
Giacom (Billing) Limited	UK	IT services	100%
Shaftesbury Systems Limited	UK	IT services	100%
Giacom (Development) Limited	UK	IT services	100%
Giacom (Development) SRO	Czech Republic	IT services	100%

All of the subsidiaries listed above are unlisted and have been included in the consolidation. In all cases the Group's 100% shareholding gives the Group 100% of voting rights in each subsidiary. The Company's only direct subsidiary is Giacom Midco 1 Limited.

The registered office for all UK-based subsidiaries is Milton Gate, 60 Chiswell Street, London, EC1Y 4AG, United Kingdom. The registered office for Giacom Cloud Services Europe Limited is Level 1, Carmanhall Road, Sandford Industrial Estate, Dublin 18, D18Y3X2, Republic of Ireland, and the registered office for Giacom (Development) SRO is Masarykova 506/37 Brno-mesta, 602.00 Czech Republic.

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

25. Ultimate controlling party and subsidiary companies (continued)

The largest and smallest Group of which the Company is a member and for which consolidated financial statements are prepared is the Giacom Topco Limited Group. The registered office, from which copies of subsidiary financial statements are available, for all subsidiaries except Giacom Cloud Services Europe Limited and Elder Technologies Limited SRO, is Milton Gate, 60 Chiswell Street, London EC1 4AG.

26. Business combinations

On 31 March 2021 the Group acquired the entire issued share capital of Giacom (Communications) Limited (formerly DWS Group Holdings Limited), a provider of mobile communication and connectivity services to channel partners supporting SMB customers, Giacom Group Holdings Limited, a provider of cloud technology solutions to channel partners support SMB customers, and Giacom (Platforms) Holdings Limited (formerly AKJ Group Holdings Limited), a provider of software solutions to channel partners supporting SMB customers, for total consideration of £1,000,271,000 consisting of £848,380,000 of cash and £151,891,000 of consideration loan notes which, through a series of call options, were converted into £1,284,000 of Ordinary A shares, £508,000 of Ordinary B shares and £150,099,000 of Loan Notes. The objective of the acquisitions is to access the operational synergies and growth potential of the combined businesses.

Consideration transferred

	£'000
Cash	848,380
Consideration loan notes	151,891
	<u>1,000,271</u>

Fair value of assets acquired and liabilities recognised at the date of acquisition

	£'000
Non-current assets	
Intangibles	565,416
Property, plant and equipment	4,015
Deferred tax assets	4,339
Current assets	
Inventories	929
Trade and other receivables	70,744
Cash and bank balances	13,022
Current liabilities	
Trade and other payables	(77,695)
Non-current liabilities	
Other non-current liabilities	(16,111)
Deferred tax liabilities	(135,784)
Total identifiable net assets	<u>428,875</u>

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

26. Business combinations (continued)

Goodwill arising on acquisition

£'000

Consideration transferred	1,000,271
Less: fair value of identifiable net assets acquired	(428,875)
	<u>571,396</u>

The fair value of the Trade and other receivables acquired includes £877,000 of provision for expected credit losses and so has gross contractual value of £73,865,000.

An adjustment of £2,244,000 has been recognised in the year to 31 March 2023 to reflect the correction of an error in arriving at the fair value of the acquired Balance Sheets as at 31 March 2021, resulting in a corresponding increase in the value of goodwill recognised.

The goodwill is attributable to the operational synergies and growth potential of the combined businesses, and the Group does not expect it to be deductible for tax purposes.

All turnover and operating profit recognised in the Statement of comprehensive income for the period ended 31 March 2022 are as a result of the business combinations detailed above.

Net cash outflow on acquisition of subsidiaries

	Business combinations completed in the period	Deferred consideration on business combinations completed in earlier periods	Total
	£'000	£'000	£'000
Year ended 31 March 2023			
Cash consideration paid	-	400	400
Period ended 31 March 2022			
Cash consideration paid	848,380	3,045	851,425
Less: cash and bank balances acquired	(13,022)	-	(13,022)
	<u>835,358</u>	<u>3,045</u>	<u>838,403</u>

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

27. Share-based payments

Certain subscribers to the Company's Ordinary B shares are also Directors and employees of the Group, and their interests in those shares are subject to certain leaver provisions set out in the Company's Articles. The shares will realise value for the beneficiaries, subject to certain conditions, on the event of an exit as defined in the Company's Articles. The Fair Market Value at maturity of the shares has been calculated using a Black-Scholes option pricing model.

	Number of shares	31 March 2023 Weighted average Fair Market Value £	Number of shares	31 March 2022 Weighted average Fair Market Value £
Outstanding at the beginning of the period	746,278	35.49	-	-
Issued during the period	149,750	33.01	746,278	35.49
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Outstanding at the end of the period	<u>896,028</u>	<u>35.08</u>	<u>746,278</u>	<u>35.49</u>

In the current year, 99,750 B Shares were issued during September 2022 at which point the Fair Market Value of the Group's B Shares was £36.52, and 50,000 C shares were issued during October 2022, at which point the Fair Market Value of the Group's C shares was £26.02. In the prior year, 596,278 B shares were issued during March 2021 and 150,000 B shares were issued during December 2021. The Fair Market Value of the shares issued on both dates was £35.49 per share.

The inputs in the Black-Scholes model are as follows:

	31 March 2023	31 March 2022
Weighted average expected life	3.5 years	4.8 years
Expected volatility	30%	30%
Risk-free rate	1.4%	0.5%

The expected volatility was determined by benchmarking comparable companies in the UK mobile, telephony and connectivity technology sector over the historical period that matches the expected term of the shares. The expected life is management's best estimate of the likely timing of an exit as defined in the Company's articles.

The Group recognised total expenses of £5,904,000 (Period ended 31 March 2022: £4,511,000) related to equity settled share-based payment transactions in the year. The weighted average remaining contractual life of shares in issue at 31 March 2023 was 3 years (31 March 2022: 4 years).

28. Contingencies

The Group's Senior debt is guaranteed by way of English law governed charges over the assets of Giacom Holdco Limited, Giacom Bidco Limited, and certain other subsidiaries of the Group.

Giacom Topco Limited
Notes to the Consolidated Financial Statements
For the year ended 31 March 2023

29. Post Balance Sheet Events

On 29 September 2023 the Group amended and restated its super-senior revolving credit facility from £20m to £35m, and on 15 December 2023 further increased the same facility to £55m. The maturity of the revolving credit facilities remained unchanged at September 2027.

On 19 December 2023, Giacom Bidco Limited (one of the Group's subsidiary companies) acquired the entire share capital of Inty Holdings Limited.


Giacom Topco Limited
Company Balance Sheet
As at 31 March 2023

	Note	31 March 2023 £'000	31 March 2022 £'000
Fixed assets			
Investments	C5	-	-
Current assets			
Debtors – amounts falling due within one year	C6	15,493	9,362
		<u>15,493</u>	<u>9,362</u>
Total assets		<u>15,493</u>	<u>9,362</u>
Creditors: amounts falling due within one year			
Amounts owed to group undertakings	C7	-	(10)
Provisions	C8	(965)	(746)
		<u>(965)</u>	<u>(756)</u>
Total assets less current liabilities		<u>14,528</u>	<u>8,606</u>
Net assets		<u>14,528</u>	<u>8,606</u>
Equity			
Called up share capital	C9	50	49
Share premium account	C9	5,050	4,802
Treasury shares	C9	(965)	(746)
EBT Shares	C9	(12)	-
Share-based payment reserve		10,415	4,511
Retained earnings		(10)	(10)
Total equity		<u>14,528</u>	<u>8,606</u>

The notes on pages 66 to 70 are an integral part of these Company financial statements.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Company income statement. The loss for the Company for the year was £nil (Period to 31 March 2022: £10,000).

The Company financial statements on pages 64 to 70 were approved by the Directors and authorised for issue on 22 December 2023 and signed on their behalf by:

DocuSigned by:

 832FD16A0864469.....

Andrew Boland
 Director
 Company registration number 12987863

Giacom Topco Limited
Company Statement of Changes in Equity
For the year ended 31 March 2023

	Share capital	Share premium	Treasury shares	EBT Shares	Share- based pay reserve	Accumulated losses	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 2 November 2020	-	-	-	-	-	-	-
Loss for the period	-	-	-	-	-	(10)	(10)
Total comprehensive loss for the period	-	-	-	-	-	(10)	(10)
<i>Transactions with owners in their capacity as owners</i>							
Equity-settled share-based payments	-	-	-	-	4,511	-	4,511
Shares issued in the period	49	4,802	(746)	-	-	-	4,105
	49	4,802	(746)	-	4,511	-	8,616
Balance at 31 March 2022	49	4,802	(746)	-	4,511	(10)	8,606
<i>Transactions with owners in their capacity as owners</i>							
Equity-settled share-based payments	-	-	-	-	5,904	-	5,904
Shares issued in the year	1	248	(219)	(12)	-	-	18
	1	248	(219)	(12)	5,904	-	5,922
Balance at 31 March 2023	50	5,050	(965)	(12)	10,415	(10)	14,528

Giacom Topco Limited
Notes to the Company Financial Statements
For the year ended 31 March 2023

C1 Basis of preparation

The Company is a private company limited by shares, incorporated and domiciled in the UK, registered in England and Wales at registered address Milton Gate, 60 Chiswell Street, London EC1 4AG, and its principal activity is that of a holding company. The functional currency of the Company is considered to be pounds sterling because that is the operational currency of the primary economic environment in which the Company operates.

The Company financial statements have been prepared in accordance with the Companies Act 2006, under the historical cost convention, and are in accordance with applicable law and Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. Unless otherwise stated, all policies have been applied consistently throughout the current period and prior period.

The Company is a qualifying entity as defined under FRS 102 and has therefore taken exemptions available to it in the preparation of its financial statements. Exemptions have been taken in relation to financial instruments, the cash flow statement, intra-group transactions and remuneration of key management personnel. The cash flow of the Company is included within the consolidated cash flow statement of Giacom Topco Limited.

The directors are satisfied that the Company has adequate resources to continue to operate for the foreseeable future given the projected cash flows of its subsidiary companies and therefore the financial statements have been prepared on a going concern basis. Further information regarding the going concern position of the company is provided on page 27 of the consolidated financial statements.

Critical accounting judgements and key sources of estimation uncertainty

Apart from those involving estimates (which are dealt with separately below), the Directors have made no critical accounting judgements in applying the Company's accounting policies to the preparation of the financial statements.

The following is the key sources of estimation uncertainty at the statement of financial position date that has a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

- ***Equity-settled share-based payments***

The Company calculates the fair value of equity-settled share-based payment awards using a Black Scholes model which requires assumptions to be made regarding the expected life and expected volatility of awards as well as an appropriate risk-free rate of return. In addition, the Company's estimate of the expected life of the awards impacts the period over which the calculated fair value is expensed.

Giacom Topco Limited
Notes to the Company Financial Statements
For the year ended 31 March 2023

C2 Summary of significant accounting policies

Fixed asset investments

Investments in subsidiary undertakings held as fixed assets are stated at cost less provision for any impairment. In the opinion of the directors the values of such investments are not less than shown at the balance sheet date.

Taxation

The charge for taxation is based on the results for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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

Deferred tax is measured at the average rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Share capital

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

Where the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes), is deducted from equity attributable to the Company's equity holders until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects is included in equity attributable to the Company's equity holders.

Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

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

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

Giacom Topco Limited
Notes to the Company Financial Statements
For the year ended 31 March 2023

C2 Summary of significant accounting policies (continued)

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

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

Financial assets are derecognised only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Share-based payments

The Group provides share-based payment arrangements to certain employees – see the Group Accounting Policies for details. The Company has no employees and so there is no charge in the income statement for share-based payments. The charge for share-based payments is initially recognised as an investment in subsidiaries, with the subsequent recharge of these costs to the respective subsidiaries offset against that capital contribution.

C3 Employee costs and Directors' remuneration

The company had no employees in the period.

The emoluments of the Company's Directors borne by other Group companies are disclosed in Note 6 of the Consolidated Financial Statements.

C4 Auditors' remuneration

Auditors' remuneration, as detailed in Note 5 of the Consolidated Financial Statements, is borne by the Company's trading subsidiaries in the period.

C5 Investments

The Company acquired the entire share capital of Giacom Midco 1 Limited for £2 in the prior period, which remains the Company's sole fixed asset investment. A full list of the Company's indirect subsidiaries is shown in Note 25 of the Consolidated Financial Statements.

	2023	2022
	£'000	£'000
Opening balance	-	-
Share-based pay costs incurred on behalf of subsidiary entities	5,904	4,511
Recharge to subsidiary entities of share-based pay costs incurred on their behalf	(5,904)	(4,511)
	<u>-</u>	<u>-</u>

Giacom Topco Limited
Notes to the Company Financial Statements
For the year ended 31 March 2023

C6 Debtors – amounts falling due within one year

	31 March 2023	31 March 2022
	£'000	£'000
Amounts owed by group undertakings	15,475	9,362
Other debtors	18	-
	<u>15,493</u>	<u>9,362</u>

Amounts owed by group undertakings are unsecured, interest-free, have no fixed date of repayment and are recoverable on demand.

C7 Creditors: amounts falling due within one year

	31 March 2023	31 March 2022
	£'000	£'000
Amounts owed to group undertakings	<u>-</u>	<u>10</u>

Amounts owed to group undertakings are unsecured, interest-free, have no fixed date of repayment and are repayable on demand.

C8 Provisions

	31 March 2023	31 March 2022
	£'000	£'000
Provisions	<u>965</u>	<u>746</u>

The provision relates to obligations that could arise to repurchase ordinary B shares held by employees of the Group (see Notes 20 and 27 of the Consolidated Financial Statements).

Giacom Topco Limited
Notes to the Company Financial Statements
For the year ended 31 March 2023

C9 Called up share capital and reserves

	Number of shares	Share capital £'000	Share premium £'000	Treasury shares £'000	EBT Shares £'000
At 31 March 2023					
<i>Allotted, called up and fully paid</i>					
Ordinary £0.01 A Shares	4,062,306	41	4,022	-	-
Ordinary £0.01 B Shares	887,694	8	999	(965)	-
<i>Allotted and called up</i>					
Ordinary £0.01 C Shares	50,000	1	29		(12)
	5,000,000	50	5,050	(965)	(12)
At 31 March 2022					
<i>Allotted, called up and fully paid</i>					
Ordinary £0.01 A Shares	4,062,306	41	4,022	-	-
Ordinary £0.01 B Shares	787,944	8	780	(746)	-
	4,850,250	49	4,802	(746)	-

Share premium represents the excess amount received by the Company over the par value of its shares.

During the year, the Company issued 99,750 ordinary B shares for cash consideration of £219,000 and 50,000 ordinary C shares in exchange for loans with the beneficiaries which will fall due for repayment in the event of an exit as defined in the Company's articles, 30,000 of which are the beneficial interest of employees of the Group and 20,000 of which are held in an Employee Benefit Trust. In the prior period, the Company issued 2,778,693 ordinary A Shares and 280,000 ordinary B shares for cash consideration of £2,778,693 and £280,000 respectively, and issued 1,283,613 ordinary A Shares and 507,944 Ordinary B Shares in non-cash exchange for notional value £1,283,613 and £507,944 respectively as part of the acquisition of Giacom Group Holdings Limited, Giacom (Communications) Limited (formerly DWS Group Holdings Limited) and Giacom (Platforms) Holdings Limited (formerly AKJ Group Holdings Limited), as set out in Note 26. See Note 20 of the consolidated financial statements for further detail of the Treasury shares noted above.

C10 Related party transactions

The Company has undertaken transactions with wholly owned members of the Giacom Topco Limited Group, which are exempt from disclosure under FRS 102. Further related party transactions of the Company are included within Note 22 of the Consolidated Financial Statements.